



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20461

THIS IS THE BEGINNING OF MUR # 2576

DATE FILMED 11-27-93 CAMERA NO. 4

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FEDERAL ELECTION COMMISSION  
MAIL ROOM

87 SEP 25 AM 9:31

STATE OF NEW YORK  
DEPARTMENT OF LAW  
120 BROADWAY  
NEW YORK, NY 10271  
(212) 341-2400

ROBERT ABRAMS  
Attorney General

PAMELA A. MANN  
Assistant Attorney General in Charge  
Charities Bureau

September 18, 1987

RECEIVED  
FEDERAL ELECTION COMMISSION  
OFFICE OF GENERAL COUNSEL  
87 SEP 25 PM 2:05

Lawrence Noble, Esq.  
Acting General Counsel  
Office of General Counsel  
Federal Election Commission  
Washington, D.C. 20463

Re: Referral to the Federal  
Election Commission

Dear Mr. Noble:

In the course of an enforcement action undertaken pursuant to its authority over charitable corporations in New York State, this office recently received information which we herewith forward to your agency for whatever action it deems appropriate.

As part of our enforcement of a Consent Judgment obtained against William J. Levitt, Oyster Bay Road, Mill Neck, New York 11765, in New York State Supreme Court (State v. Levitt, Index No. 42050/81, N.Y.Co., 1/21/87), this office issued subpoenas for the production of certain books and records belonging to Mr. Levitt and for the testimony of Edward Donnelly, his accountant. At his deposition on June 1, 1987, Mr. Donnelly made certain statements regarding presidential campaign contributions allegedly made by Mr. Levitt and others. A copy of relevant portions of that deposition is attached.

Thereafter representatives of this office found among Mr. Levitt's subpoenaed records, the following: (1) an unsigned letter dated August 18, 1986 to Joel Boyarsky; (2) a typed list of 24 Levitt associates appended to the unsigned letter to Boyarsky; (3) a computer printout of the cash disbursements and

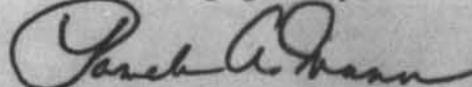
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To: Lawrence Noble, Esq.  
Date: Sept. 3, 1987

Page 2

receipts journal kept by Rowenroy, Ltd. for the fiscal year 1986 which records payments on June 4, 1986 ranging from \$1,000 to \$2,000 to 20 out of the 24 persons listed on the typed list and (4) photocopies of Rowenroy's cancelled checks dated June 4, 1986 to Edward and Michelle Donnelly, and nine other Levitt associates mentioned in the typed list. We enclose photocopies of each of the above.

Very truly yours,



PAMELA A. MANN

PM1/frc

cc: Edward E. Kaufman, Treasurer  
Biden for President

Encl.

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FEDERAL ELECTION COMMISSION  
OFFICE OF GENERAL COUNSEL  
87 SEP 22 PM 10:17

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SUPREME COURT OF THE STATE OF NEW YORK  
COUNTY OF NEW YORK

-----  
THE STATE OF NEW YORK and ROBERT ABRAMS, as  
Attorney General of the State of New York,  
individually and on behalf of THE LEVITT  
FOUNDATION, INC.,

Plaintiffs,

vs.

Index No.  
42058/81

WILLIAM J. LEVITT, SIMONE LEVITT, WILLIAM J.  
LEVITT, JR., THE LEVITT FOUNDATION, INC.,  
INTERNATIONAL COMMUNITY CORPORATION and  
LESTER DEMBITZER,

Defendants.

-----  
DEPOSITION OF EDWARD G. DONNELLY, taken  
by Plaintiff, pursuant to Subpoena, at the offices of  
the Attorney General of the State of New York, 120  
Broadway, New York, New York, on Monday, June 1,  
1987, at 1:20 p.m., before Nicholas J. Torre, a  
shorthand reporter and notary public, within and for  
the State of New York.

TANKOOS REPORTING COMPANY, INC.  
150 Nassau Street                      223 Jericho Turnpike  
New York, N.Y. 10038                  Mineola, New York 11501  
(212)349-9692                            (516)741-5235

Donnelly's Deposition Excerpt

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A P P E A R A N C E S

ROBERT ABRAMS,  
Attorney General, State of New York  
Attorney for plaintiffs  
120 Broadway  
New York, New York

BY: LAURA WERNER, ESQ.  
Assistant Attorney General

PASCARELLA, CAPETOLA, ILLMENSEE & DODDATO  
Attorneys for witness  
Two Hillside Avenue-Building C  
Williston Park, New York 11596-2335

BY: JAMES A. PASCARELLA, ESQ.

Also Present:

BERNARD LEICHTLING, Associate Accountant,  
Office of the Attorney General

\* \* \*

IT IS STIPULATED AND AGREED that the  
within examination may be subscribed and sworn to  
before any notary public with the same force and  
effect as though subscribed and sworn to before this  
court.

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MS. WERNER: For the record, this is a deposition conducted pursuant to a subpoena to enforce the Foundation's judgment for \$11 million, with the subpoena originally returnable on April 27, 1987, and it has been adjourned to today's date at the request of counsel for the witness or the request of the witness.

EDWARD G. DONNELLY,

having been first duly sworn, was examined and testified as follows:

EXAMINATION BY MS. WERNER:

Q Your home address and business address for the record.

A 9 Priory Court, Melville, New York. 11747.

Official business address, the same.

I spend most of my time at Levitt, the Levitt estate, LaColline, Mill Neck, New York.

Q Are you represented by an attorney?

A Yes, I am.

Q Is he with you?

A Yes.

Q His name and address?

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1  
2 A. James A. Pascarella, Two Hillside  
3 Avenue, Building C, Williston Park, New York  
4 11596-2335.

5 Q Thank you.

6 Did you enter into any employment  
7 agreement with William J. Levitt or any entity where  
8 he has an interest from 1982 to date?

9 A No.

10 Q Did Mr. Levitt enter into any agreement  
11 with you?

12 MR. PASCARELLA: The question is any  
13 agreement. The first question was employment  
14 agreement.

15 Q Did Levitt enter into any employment  
16 agreement with you?

17 A No.

18 Q Do you have any agreement with Mr.  
19 Levitt concerning your services?

20 A Yes, I do.

21 MR. PASCARELLA: With Levitt or any of  
22 his entities?

23 MS. WERNER: I asked about Mr. Levitt  
24 or Levitt.

25 Q Is that just with Mr. Levitt?

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1  
2 Wait, there might have been a check or  
3 two. There might have been a check or two drawn on  
4 Williams.

5 MR. PASCARELLA: For 1985, 1986.

6 THE WITNESS: Might have been.

7 MR. PASCARELLA: Williams?

8 MS. WERNER: Yes. We will need the  
9 printout for Rowenroy, for the record, and  
0 that is for my accountant's benefit.

1 Q Do you recall receiving \$2,000 from  
2 Rowenroy, sir, as of June of 1986?

3 A Could have happened. I don't remember  
4 each individual check.

5 Q Well, to the best of my recollection, I  
6 will say that from the printouts received from Mr.  
7 Levitt with respect to Rowenroy, there is \$2,000 paid  
8 to you as of June 4, 1986, marked "personal."

9 Would you explain that for us and for  
0 the record?

1 A Personal?

2 MR. PASCARELLA: The entry is marked  
3 personal?

4 MS. WERNER: We are looking for that  
5 entry.

1  
2 told us they were going to dump the records in the  
3 city dump, in effect.

4 Yes.

5 Q We would like to show you a printout at  
6 this time for a transaction activity summary,  
7 Rowenroy, last entry, 11/27/86, referring to a  
8 payment, June 4, 1986, \$2,000 for E. and M. Donnelly,  
9 personal.

10 Would you explain that for us, please?

11 Who is the M, my first question to you?

12 That is a two-part question.

13 A Levitt somehow or other got involved in  
14 raising campaign contributions for Joseph Biden. He  
15 was supposed to host and he did host one of the  
16 meetings, parties, whatever you want to call that,  
17 cocktail party, and he was having trouble getting  
18 guests.

19 MR. PASCARELLA: Levitt was?

20 THE WITNESS: Yes, having trouble  
21 getting the guests, the minimum number of  
22 guests.

23 So that--each guest was supposed to  
24 contribute \$1,000.

25 So that, he asked people at the office

1  
2 to go to give the thousand dollars.

3 And then he would reimburse them for  
4 that.

5 I was E. Donnelly, and M. Donnelly who  
6 didn't go and contributed \$1,000 was Michelle  
7 Donnelly, my spouse.

8 This is the reimbursement of the  
9 thousand dollars.

0 MR. PASCARELLA: Is this a good time to  
break?

MS. WERNER: The witness wants to answer  
questions and complete his claim. We will  
just finish this point--

MR. PASCARELLA: I have to leave soon.

MS. WERNER: Don't you want to go  
through a couple of documents?

(Discussion off the record.)

Q Mr. Donnelly, I show to you a document  
called "Accounts payable voucher," which we received  
from Mr. Levitt.

This is dated, for the record,  
3/26/1985.

Would you explain for us, please, what  
"G & A Finance, salaries," means?

*Chapman, Dorothy, et al*

August 18, 1986-

Dear Joe: *Y.M.B.*

On May 17 you and Mrs. Boyarsky together with Mr. and Mrs. Shaw visited me at my home. At that time you committed yourself to lending me \$1,000,000 under certain terms and conditions. At the same time you told me that you were working on a campaign to help Senator Biden of Delaware gain recognition as a possible viable candidate for high federal office. You requested, and I agreed, to host a cocktail party to which guests would be asked to contribute \$1,000 apiece to Senator Biden's campaign.

I went ahead with arrangements to hold that party on June 2 of this year and at the same time asked you to fund the \$1,000,000 as agreed. You kept verifying that the money would be advanced "in a day or two", but in fact the cocktail party was held and you refused to honor your commitment to make the loan as agreed above. To this date that loan has not been made by you.

I could not muster sufficient people to hold the party that you wanted, and so I gathered office employees and a few others with the understanding that the \$1,000 contribution that each made would be refunded by me.

I paid out \$22,000 in refunds, you welched on your agreement, and repeated requests for you to refund the \$22,000 that I expended have been ignored.

This is to notify you that unless I receive a certified check for \$22,000 not later than Monday, August 25, I shall notify Dennis Toner of these circumstances, and if he cannot persuade you to refund the \$22,000 I shall then give these details to the Congressional         . From there on I don't know what course that committee will take.

Very truly yours,

CERTIFIED MAIL  
RETURN RECEIPT REQUESTED

Mr. Joel Boyarsky  
IFTI  
211 Broadway, Suite 301  
Lynbrook, New York 11563

RECEIVED  
FEDERAL ELECTION COMMISSION  
OFFICE OF GENERAL COUNSEL  
87 SEP 22 PM 10:17

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*Boyarsky Letter*

Checks Received from:

Edward Cortese  
24 Westbourne Lane  
Melville, NY 11747

Frieda Cortese  
24 Westbourne Lane  
Melville, NY 11747

Ralph Della Ratta  
Ridge Lane  
Mill Neck, NY 11765

Joan Della Ratta  
Ridge Lane  
Mill Neck, NY 11765

Edward Donnelly  
Nine Priory Court  
Melville, NY 11768

Michelle Donnelly  
Nine Priory Court  
Melville, NY 11768

Henry Fox  
Laurel Woods Drive  
Upper Brookville 11771

Robert Gersten  
84 Leamington Road  
Lido Beach, NY 11561

Harold Kellman  
114 Maytime Drive  
Jericho, NY 11753

Marilyn Kellman  
114 Maytime Drive  
Jericho, NY 11753

Stephen Lampel  
51 Intervale  
Rockville Centre, NY 11570

Ava Lampel  
51 Intervale  
Rockville Centre, NY 11570

Gaby Levitt  
280 First Avenue  
Apt. 4E  
New York 10009

Nicole Levitt  
225 East 36 Street  
Apt. 2J  
New York 10016 ✓

Simone Levitt  
La Colline  
Oyster Bay Road  
Mill Neck, NY 11765

William J. Levitt  
La Colline  
Oyster Bay Road  
Mill Neck, NY 11765

Michael Neuman  
Ten The Poplars  
Roslyn Estates, NY

Sherry Neuman  
Ten The Poplars  
Roslyn Estates, NY

Stanley Ogonowski  
171 Sycamore Circle  
Stony Brook, NY 11790

Fanny Ogonowski  
171 Sycamore Circle  
Stony Brook, NY 11790

Lou Stern  
320 Central Park West  
Apt. 118  
New York 10021

Lisette Stern  
320 Central Park West  
Apt. 118  
New York 10021

Adrienne Walters  
51 Friends Lane  
Westbury 11590

Jennifer D. Flynn  
51 Friends Lane  
Westbury, NY 11590

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The Chase Manhattan Bank, N.A.  
49 Bryant Avenue  
Roslyn, N.Y. 11578

**ROWENROY, LTD.**  
57 NORTHERN BOULEVARD  
GREENVILLE, NY 11848

003

1155

1-8/1000/1000

June 4, 1986

\$ 1,000.00

PAY TO THE  
ORDER OF

Gaby Levitt

The sum of **\$1000 and 00/100**

Dollars

*Stanley Rosenwald*

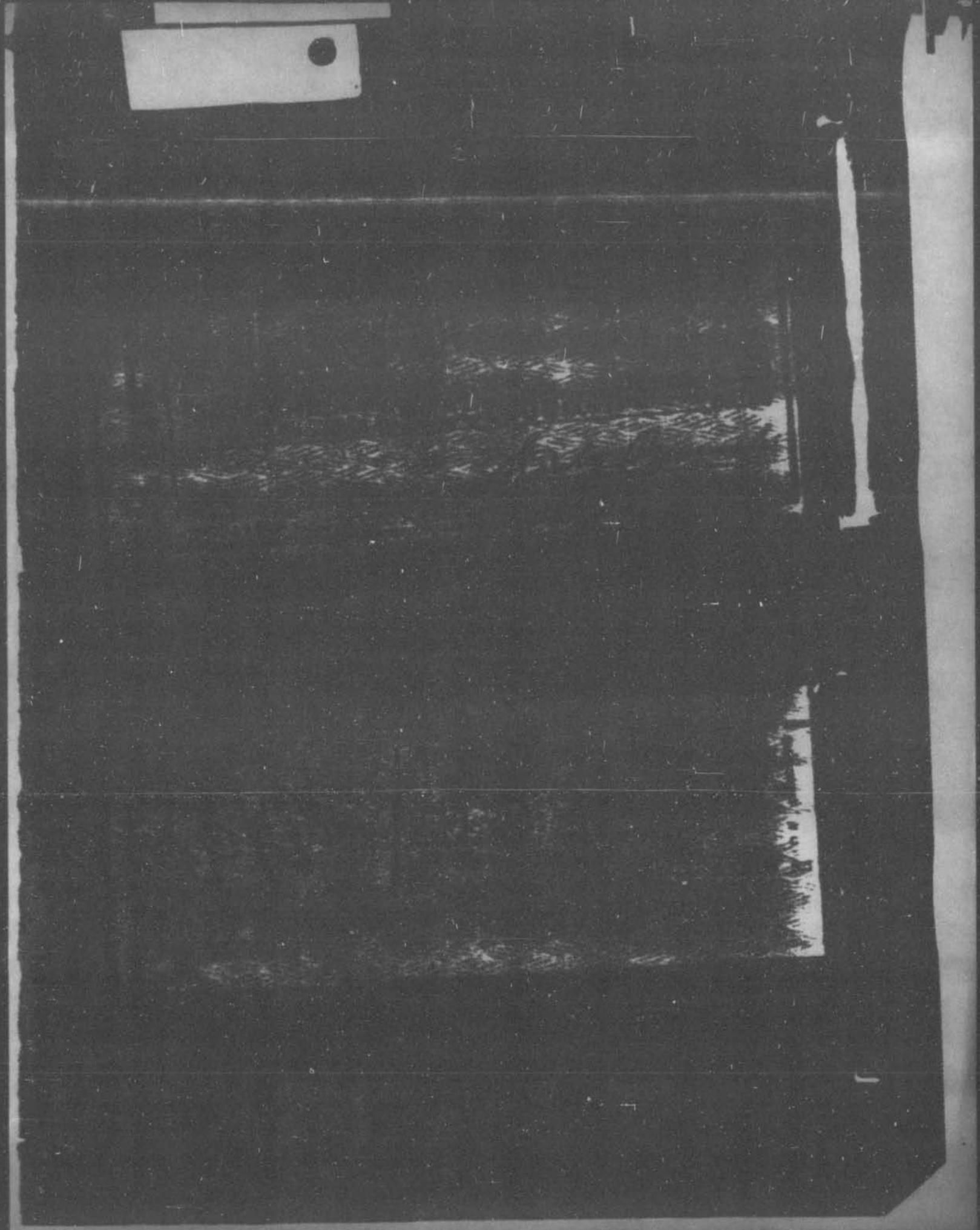
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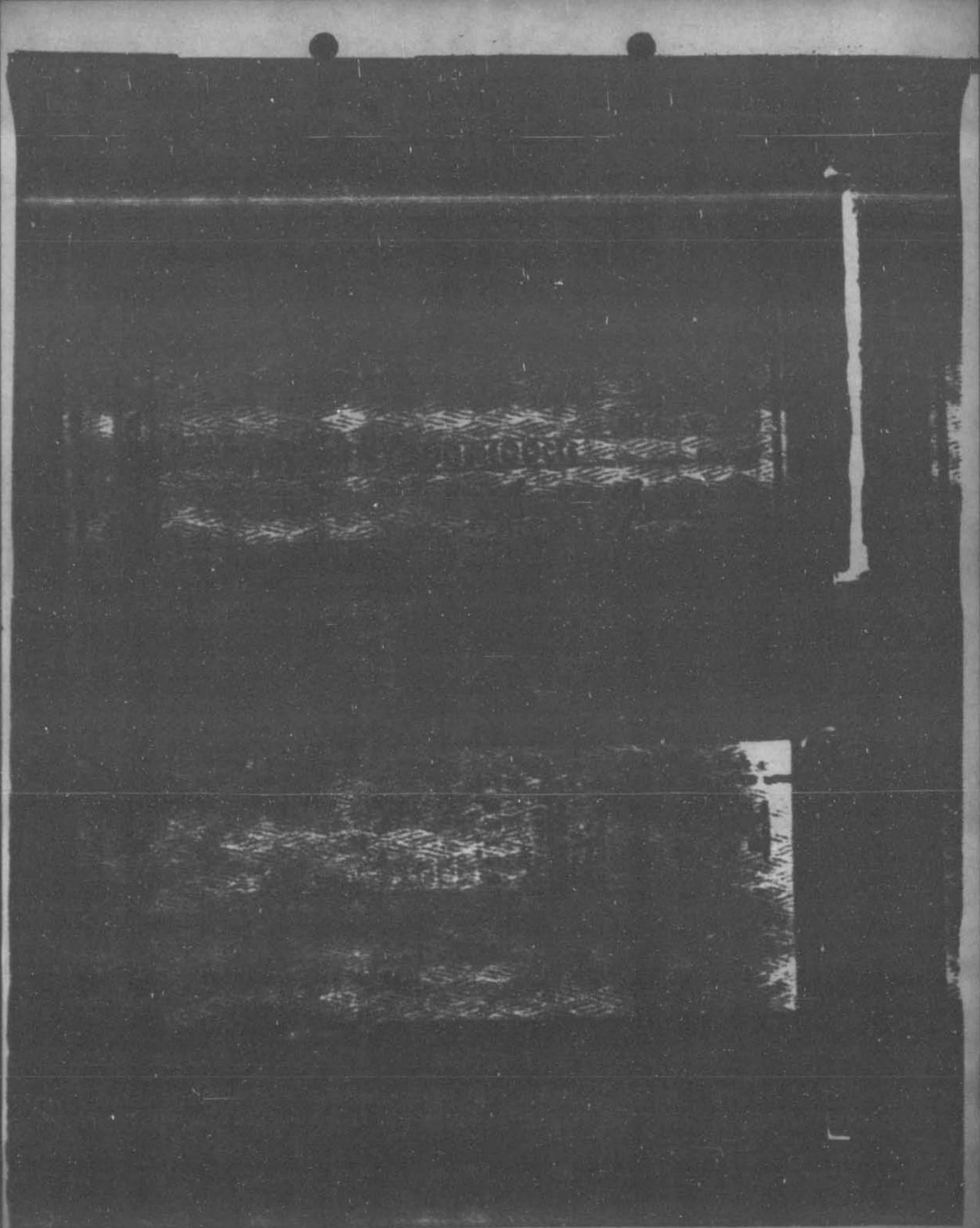
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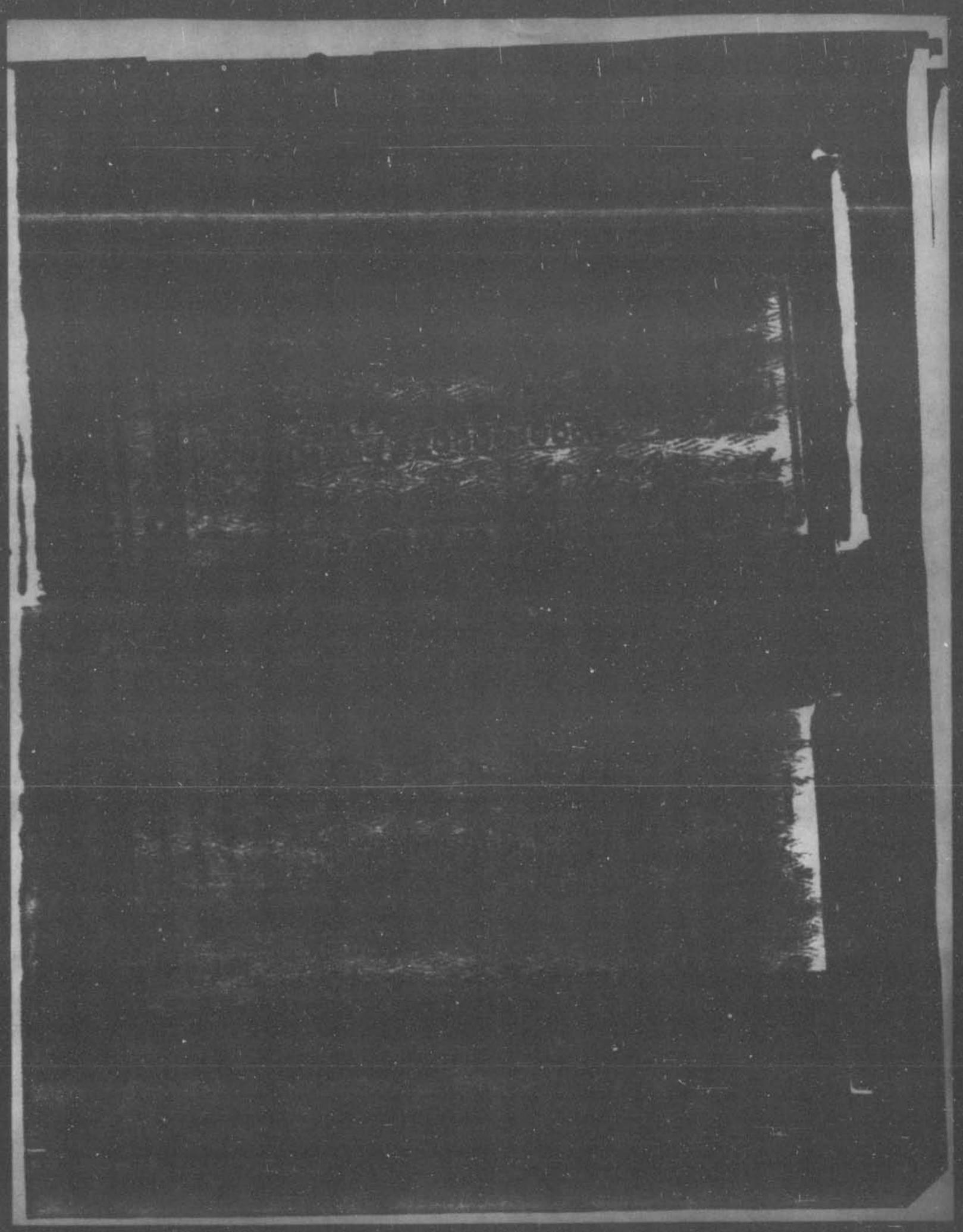
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Cancelled Checks





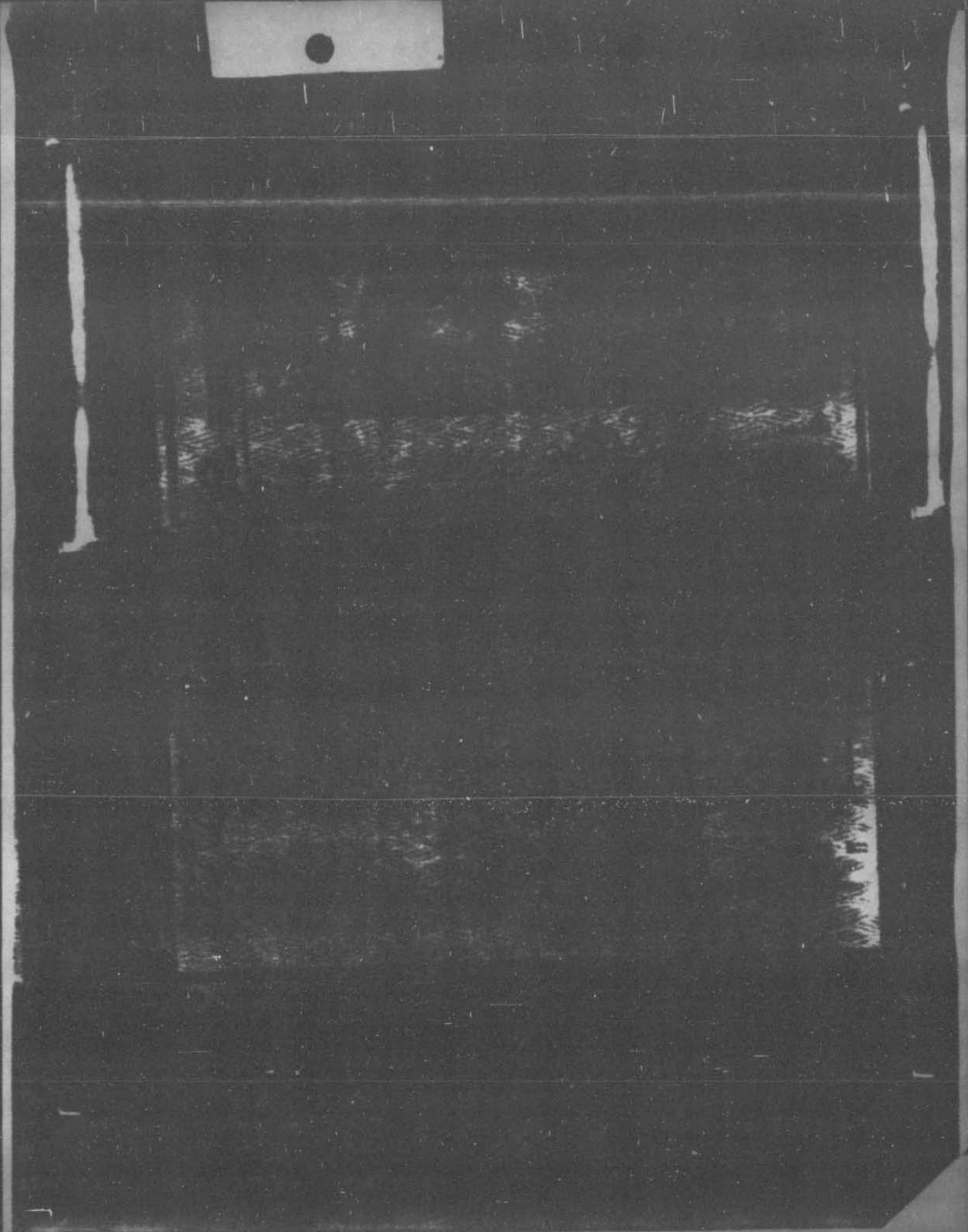
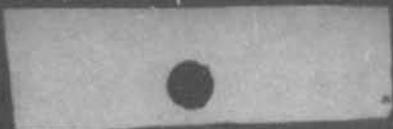


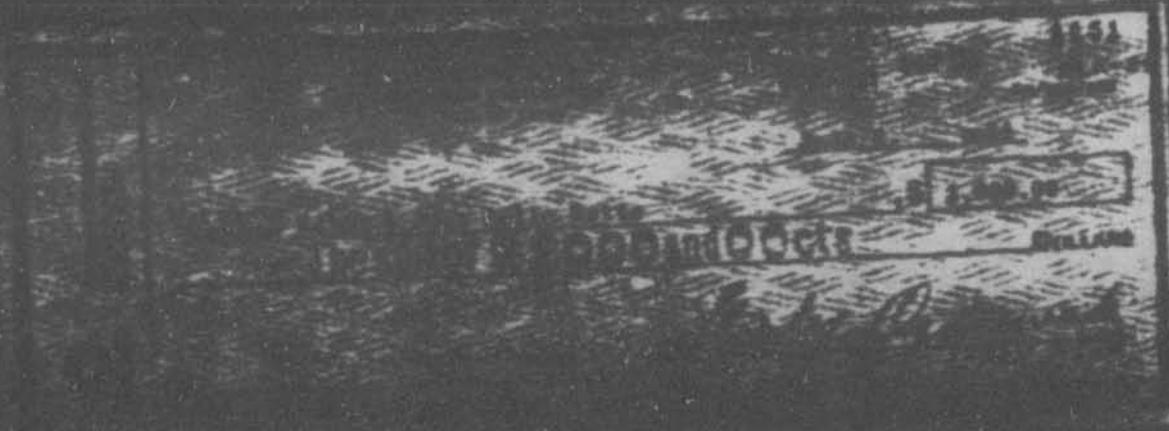


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THE UNIVERSITY OF CHICAGO

PHYSICS DEPARTMENT  
CHICAGO, ILLINOIS

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TRANSACTIONS ACTIVITY SUMMARY FOR: ROMENROY LTD  
 ACCOUNT: CASH-CHASE MANH DATE LAST ENTRY: 11/27/86

ACCOUNT			NUM	TOTAL	TOTAL FOR YEAR			CURRENT/TAX
NUM	NAME	TYPE	ENT	AMOUNT	ACTUALS	BUDGETS	BALANCE	
1	CASH-CHASE MANH	Check	201	< 56,669.97	< 56,669.97		0.00	
115	CITIBANK CHECKING	Check	1	< 946.71	< 946.71		0.00	
150	INTERNAT COMM CORP	Asset	16	424,087.71	424,087.71		0.00	
160	W J L INC	Asset	21	455,420.52	455,420.52		0.00	
165	CAPITAL COMM CORP	Asset	21	< 133,548.33	< 133,548.33		0.00	
178	WILLIAMS REALTY	Asset	5	49,078.29	49,078.29		0.00	
180	LA BELLE SIMONE LT	Asset	17	122,800.00	122,800.00		0.00	
200	LEVITT FOUNDATION	Liability	14	< 986,000.00	< 986,000.00		0.00	
340	ROYALTIES	Income	2	4,411.70	4,411.70		0.00	
400	PERSONAL	Expense	64	120,063.52	120,063.52		0.00	
405	MEDICAL	Expense	3	< 44.00	< 44.00		0.00	
410	TAXES	Expense	1	< 5.09	< 5.09		0.00	
425	LEGAL FEES	Expense	1	10,000.00	10,000.00		0.00	
435	BANK CHARGES	Expense	25	180.76	180.76		0.00	

93030960 *Kennedy*  
*Business Vest*

ACCOUNT YTD SUMMARY FOR: KENNEDY LTD  
 DATE LAST ENTRY: 11/27/86

*7/6/86* *7/10/86*

ACCOUNT			LAST	NUM	TOTAL FOR YEAR		CURRENT/TAX
NUM	NAME	TYPE	UPDATE	ENT	ACTUALS	BUDGETS	BALANCE
1	CASH-CHASE MANH	Check	11/27/86	201	< 56,669.97	0.00	
115	CITIBANK CHECKING	Check	11/27/86	1	< 944.71	0.00	
150	INTERNAT COMM CORP	Asset	07/04/86	16	424,087.71	0.00	
160	W J L INC	Asset	03/12/86	21	455,420.52	0.00	
165	CAPITAL COMM CORP	Asset	07/16/86	21	< 133,848.33	0.00	
170	GREENVALE ADVERT	Asset	04/02/86	0	0.00	0.00	
175	WILLIAMS REALTY	Asset	02/28/86	5	49,075.29	0.00	
180	LA BELLE SIMONE LT	Asset	03/07/86	17	122,800.00	0.00	
200	LEVITT FOUNDATION	Liability	11/27/86	14	< 986,000.00	0.00	
205	RETAINED EARNINGS	Liability	11/27/86	0	0.00	0.00	
340	ROYALTIES	Income	03/07/86	2	4,411.76	0.00	
999	Check Interest	Income	01/01/86	0	0.00	0.00	
400	PERSONAL	Expense	07/16/86	64	120,063.52	0.00	
405	MEDICAL	Expense	06/10/86	3	< 46.00	0.00	
410	TAXES	Expense	03/07/86	1	< 5.09	0.00	
415	SALARIES	Expense	01/01/86	0	0.00	0.00	
420	PETTY CASH	Expense	01/01/86	0	0.00	0.00	
425	LEGAL FEES	Expense	04/11/86	1	10,000.00	0.00	
430	GIFTS	Expense	01/01/86	0	0.00	0.00	
435	BANK CHARGES	Expense	11/25/86	25	180.76	0.00	
440	INSURANCE	Expense	01/01/86	0	0.00	0.00	
998	Check Charges	Expense	01/01/86	0	0.00	0.00	

TRANSACTIONS ACTIVITY SUMMARY  
ACCOUNT: CASH-CHASE MANH

030309 800 518 212 PAGE: 1  
DATE LAST ENTRY: 11/27/86  
Receipts

C	T	CHECK L X	DATE MO/DA/YR	TRANSACTION TITLE	DISTRIBUTION		AMOUNTS (\$)	
					ACCOUNT	CHECK	DEPOSIT	
		Dpst	01/06/86	LEVITT FOUNDATION	LEVITT FOUNDATION			50,000.00
		1072	01/06/86	CAPITAL CORP CORP	CAPITAL CORP CORP	1,600.00		
		1073	01/06/86	W J L INC	W J L INC	45,000.00		
		1074	01/06/86	LA BELLE SIMONE LTD	LA BELLE SIMONE LT	3,000.00		
		774	01/07/86	INTERNAL REV SVC	INTERNAT CORP CORP	30,562.22		
		1075	01/07/86	DEPT OF STATE	PERSONAL	100.00		
		1076	01/07/86	LA BELLE SIMONE LTD	LA BELLE SIMONE LT	15,000.00		
		1078	01/08/86	W J L INC	W J L INC	15,000.00		
		1079	01/08/86	INTERNATIONAL CORP CORP	INTERNAT CORP CORP	19,265.17		
		1080	01/08/86	VOID				
		1081	01/08/86	VOID				
		1082	01/08/86	VOID				
		Dpst	01/09/86	CHASE MANHATTAN	LEVITT FOUNDATION			50,000.00
		Dpst	01/09/86	WEDTECH CORP	ROYALTIES			2,021.10
		0	01/09/86	BANK CHARGE	BANK CHARGES	7.00		
		1077	01/09/86	VOID				
		1083	01/10/86	LA BELLE SIMONE LTD	LA BELLE SIMONE LT	6,000.00		
		1084	01/10/86	VOID				
		1085	01/10/86	JOHN & RITA SARACCO	INTERNAT CORP CORP	4,000.00		
		1086	01/10/86	GENE & CYNTHIA PERLOFF	INTERNAT CORP CORP	4,000.00		
		1087	01/10/86	B & Z BREENBAUM	INTERNAT CORP CORP	5,100.00		
		1088	01/10/86	CAPITAL CORP CORP	CAPITAL CORP CORP	9,000.00		
		Dpst	01/15/86	LEVITT FOUNDATION	LEVITT FOUNDATION			150,000.00
		0	01/15/86	WIRE TRANS FUNDS	WILLIAMS REALTY	9,438.51		
		0	01/15/86	WIRE TRANS CHARGE	BANK CHARGES	15.00		
		0	01/15/86	CHASE MANHATTAN	BANK CHARGES	7.00		
		1089	01/15/86	LA BELLE SIMONE LTD	LA BELLE SIMONE LT	15,000.00		
		1090	01/15/86	WILLIAM J LEVITT INC	W J L INC	79,000.00		
		Dpst	01/16/86	LEVITT FOUNDATION	LEVITT FOUNDATION			247,999.00
		Dpst	01/16/86	CHECK 1083 CANCELLED	LA BELLE SIMONE LT			6,000.00
		0	01/16/86	WIRE FUNDS HARLEY ESC ACC	INTERNAT CORP CORP	266,667.20		
		0	01/16/86	WIRE TRANS CHARGE	BANK CHARGES	15.00		
		1091	01/16/86	REDRAW CK 1083-POST DATED	LA BELLE SIMONE LT	6,000.00		
		1092	01/17/86	WILLIAM J LEVITT INC	W J L INC	12,000.00		
		1093	01/21/86	CHASE VISA	PERSONAL	2,000.00		
		1094	01/21/86	E.A.B.	PERSONAL	2,000.00		
		0	01/22/86	WIRE TRANS WILL REALTY	WILLIAMS REALTY	10,080.00		
		0	01/22/86	WIRE TRANS CHARGE	BANK CHARGES	15.00		
		1095	01/22/86	HAWKINS COVE OIL SUPPLY	PERSONAL	3,750.00		
		Dpst	01/23/86	LEVITT FOUNDATION	LEVITT FOUNDATION			0.00
		Dpst	01/23/86	LEVITT FOUNDATION	LEVITT FOUNDATION			50,000.00
		0	01/23/86	CHASE MANHATTAN BANK	BANK CHARGES	7.00		
		1096	01/23/86	CAPITAL CORP CORP	CAPITAL CORP CORP	14,000.00		
		1097	01/23/86	WILLIAM J LEVITT INC	W J L INC	23,000.00		
		1098	01/23/86	CAPITAL COMMUNITIES CORP	CAPITAL CORP CORP	1,650.00		
		1099	01/23/86	LA BELLE SIMONE LTD	LA BELLE SIMONE LT	4,000.00		
		Dpst	01/27/86	LEVITT FOUNDATION	LEVITT FOUNDATION			50,000.00
		Dpst	01/27/86	TRANS FUNDS FROM CITIBANK	CITIBANK CHECKING			946.71
		Dpst	01/27/86	CHECK BOOK ADJ	BANK CHARGES			20.00
		0	01/27/86	CHASE MANHATTAN BANK	BANK CHARGES	7.00		
		1100	01/27/86	WILLIAM J LEVITT INC	W J L INC	6,000.00		
		1101	01/27/86	LA BELLE SIMONE	LA BELLE SIMONE LT	7,000.00		
		1102	01/27/86	LA BELLE SIMONE	LA BELLE SIMONE LT	1,000.00		

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C	T	CHECK	DATE	TRANSACTION	DISTRIBUTION	AMOUNTS (\$)	
L	X	NUM	MO/DA/YR	TITLE	ACCOUNT	CHECK	DEPOSIT
		1103	01/29/86	WILLIAM J LEVITT INC	W J L INC	9,000.00	
		1104	01/29/86	HAWKINS COVE OIL & SUPPLY	PERSONAL	2,300.00	
		0	01/31/86	WIRE FUNDS TO WILLIAM REA	WILLIAMS REALTY	9,500.00	
		0	01/31/86	CHASE MANHATTAN BANK	BANK CHARGES	15.00	
		1105	01/31/86	LA BELLE SIMONE LTD	LA BELLE SIMONE LT	6,000.00	
		1106	01/31/86	WILLIAM J LEVITT INC	W J L INC	9,000.00	
		1107	01/31/86	CAPITAL COMMUNITIES CORP	CAPITAL COMM CORP	1,000.00	
		Dpst	02/03/86	LEVITT FOUNDATION	LEVITT FOUNDATION		50,000.00
		0	02/03/86	CHASE MANHATTAN BANK	BANK CHARGES	7.00	
		1108	02/03/86	CAPITAL COMMUNITIES CORP	CAPITAL COMM CORP	2,000.00	
		1109	02/03/86	WILLIAM J LEVITT INC	W J L INC	11,000.00	
		1110	02/04/86	EDWARD B DONNELLY CPA PC	W J L INC	4,000.00	
		1111	02/04/86	LA BELLE SIMONE LTD	LA BELLE SIMONE LT	15,000.00	
		Dpst	02/06/86	SALE OF FRENCH FRANCS	PERSONAL		680.00
		Dpst	02/06/86	CHECK BOOK ADJT	BANK CHARGES		13.00
		Dpst	02/06/86	CHECK BOOK ADJT	BANK CHARGES		7.00
		1112	02/06/86	WILLIAM J LEVITT INC	W J L INC	15,000.00	
		1113	02/06/86	CAPITAL COMMUNITIES CORP	CAPITAL COMM CORP	7,000.00	
		Dpst	02/13/86	LEVITT FOUNDATION	LEVITT FOUNDATION		75,000.00
		Dpst	02/13/86	LEVITT FOUNDATION	LEVITT FOUNDATION		25,000.00
		0	02/13/86	WIRE FUNDS TO HARTLEY & M	INTERNAT COMM CORP	25,629.23	
		0	02/13/86	CHASE MANHATTAN BANK	BANK CHARGES	20.00	
		0	02/14/86	WIRE FUNDS WILLIAMSBU REA	WILLIAMS REALTY	11,204.48	
		0	02/14/86	CHASE MANHATTAN BANK	BANK CHARGES	20.00	
		1114	02/14/86	WILLIAM J LEVITT INC	W J L INC	44,000.00	
		1115	02/14/86	LA BELLE SIMONE LTD	LA BELLE SIMONE LT	7,500.00	
		1116	02/14/86	SPATHERS, PLEUS, ADAM, PASSE	INTERNAT COMM CORP	727.96	
		1117	02/14/86	LA BELLE SIMONE LTD	LA BELLE SIMONE LT	6,500.00	
		Dpst	02/18/86	LEVITT FOUNDATION	LEVITT FOUNDATION		50,000.00
		Dpst	02/18/86	CHECK BOOK ADJUSTMENT	BANK CHARGES		30.00
		1118	02/18/86	LA BELLE SIMONE LTD	LA BELLE SIMONE LT	5,000.00	
		1119	02/18/86	WILLIAM J LEVITT INC	W J L INC	28,000.00	
		1120	02/20/86	WILLIAM J LEVITT INC	W J L INC	4,000.00	
		1121	02/20/86	CAPITAL COMMUNITIES CORP	CAPITAL COMM CORP	2,000.00	
		1122	02/21/86	WILLIAM J LEVITT INC	W J L INC	9,000.00	
		Dpst	02/24/86	LEVITT FOUNDATION	LEVITT FOUNDATION		25,000.00
		0	02/24/86	CHASE MANHATTAN BANK	BANK CHARGES	7.00	
		1123	02/24/86	GRACE PLAZA OF GREAT NECK	PERSONAL	2,500.00	
		1124	02/24/86	VOID			
		1125	02/24/86	WILLIAM J LEVITT INC	W J L INC	16,000.00	
		1126	02/24/86	LA BELLE SIMONE LTD	LA BELLE SIMONE LT	7,000.00	
		1127	02/24/86	ANTHONY D THORPOULOS	PERSONAL	2,296.35	
		0	02/26/86	PURCHASE FRENCH FRANCS	PERSONAL	740.00	
		Dpst	02/27/86	LEVITT FOUNDATION	LEVITT FOUNDATION		89,000.00
		0	02/27/86	CHASE MANHATTAN BANK	BANK CHARGES	7.00	
		1128	02/27/86	LA BELLE SIMONE LTD	LA BELLE SIMONE LT	4,000.00	
		1129	02/27/86	CAPITAL COMMUNITIES CORP	CAPITAL COMM CORP	750.00	
		1130	02/27/86	WILLIAM J LEVITT INC	W J L INC	63,613.52	
		1131	02/27/86	WILLIAM J LEVITT INC	W J L INC	4,607.00	
		0	02/28/86	WIRE FUNDS WILLIAMSB REAL	WILLIAMS REALTY	8,852.30	
		0	02/28/86	CHASE MANHATTAN BANK	BANK CHARGES	20.00	
		1132	02/28/86	LAKE SUCCESS NINE	PERSONAL	1,739.07	
		Dpst	03/07/86	LEVITT FOUNDATION	LEVITT FOUNDATION		75,000.00

93030960584

PAGE: 3

TRANSACTIONS ACTIVITY SUMMARY FOR: ROMENROY LTD  
ACCOUNT: CASH-CHASE MANH DATE LAST ENTRY: 11/27/86

S	I	Y	CHECK	DATE	TRANSACTION	DISTRIBUTION	AMOUNTS (\$)		
			L	X	NUM	MO/DA/YR	TITLE	ACCOUNT	CHECK
			Dpct	03/07/86	MEDTEC	ROYALTIES		2,390.60	
			Dpct	03/07/86	BLUE CROSS	MEDICAL		876.00	
			Dpct	03/07/86	UNITED STATES TREASURY	TAXES		5.09	
			1133	03/07/86	WILLIAM J LEVITT INC	W J L INC	38,000.00		
			1134	03/07/86	CAPITAL COMMUNITIES CORP	CAPITAL COMM CORP	1,500.00		
			1135	03/07/86	LA BELLE SIMONE LTD	LA BELLE SIMONE LT	18,800.00		
			1136	03/10/86	WILLIAM J LEVITT INC	W J L INC	13,000.00		
			1137	03/10/86	VOID				
			0	03/12/86	CHASE MANHATTAN BANK	BANK CHARGES	7.00		
			1138	03/12/86	E A B	PERSONAL	2,000.00		
			1139	03/12/86	CHASE VISA	PERSONAL	3,000.00		
			1140	03/12/86	WILLIAM J LEVITT INC	W J L INC	5,200.00		
			1141	03/12/86	CAPITAL COMMUNITIES CORP	CAPITAL COMM CORP	1,200.00		
			Dpct	04/01/86	CAPITAL COMM CORP	CAPITAL COMM CORP		25,000.00	
			1143	04/02/86	CAPITAL COMMUNITIES CORP	CAPITAL COMM CORP	5,383.00		
			1144	04/02/86	SHAW GOLDMAN LEVINE	INTERNAT COMM CORP	10,000.00		
			Dpct	04/11/86	CAPITAL COMM CORP	CAPITAL COMM CORP		10,000.00	
			0	04/11/86	CHASE MANHATTAN BANK	BANK CHARGES	6.00		
			1145	04/11/86	JOHN FOREST JR-TRUSTEE	INTERNAT COMM CORP	10,000.00		
			1146	04/11/86	GINSBERG, FELDMAN, BRESS	LEGAL FEES	10,000.00		
			1147	04/14/86	N-Y-S FEDERATION POLICE	PERSONAL	100.00		
			Dpct	05/05/86	CAPITAL COMM CORP	CAPITAL COMM CORP		9,831.33	
			1148	05/05/86	COMMUNITY NATL BANK	INTERNAT COMM CORP	9,831.33		
			1149	05/05/86	VOID				
			Dpct	06/04/86	CAPITAL COMM CORP	CAPITAL COMM CORP		72,000.00	
			1150	06/04/86	E & F CORTESE	PERSONAL	2,000.00		
			1151	06/04/86	R & J DELLE RATTA	PERSONAL	2,000.00		
			1152	06/04/86	E & M DONNELLY	PERSONAL	2,000.00		
			1153	06/04/86	H & M KELLMAN	PERSONAL	2,000.00		
			1154	06/04/86	S & A LAMPAL	PERSONAL	2,000.00		
			1155	06/04/86	GABY LEVITT	PERSONAL	1,000.00		
			1156	06/04/86	NICOLE LEVITT	PERSONAL	1,000.00		
			1157	06/04/86	VOID				
			1158	06/04/86	R & S NELMAN	PERSONAL	2,000.00		
			1159	06/04/86	S & F OGDONOWSKI	PERSONAL	2,000.00		
			1160	06/04/86	L & L STERN	PERSONAL	1,500.00		
			1161	06/04/86	ADRIENNE WALTERS	PERSONAL	1,000.00		
			1162	06/04/86	JENNIFER D FLYNN	PERSONAL	1,000.00		
			1163	06/04/86	CHASE ADVANTAGE CREDIT	PERSONAL	2,000.00		
			1164	06/04/86	CASH (W J L)	PERSONAL	410.00		
			1165	06/04/86	LONG ISLAND LIGHTING	PERSONAL	7,263.92		
			0	06/05/86	CHASE MANHATTAN BANK	BANK CHARGES	7.00		
			1166	06/06/86	BIRCHWOOD AT JERICHO	CAPITAL COMM CORP	6,500.00		
			1167	06/06/86	CHEMICAL BANK	PERSONAL	2,000.00		
			1168	06/09/86	CHASE VISA	PERSONAL	2,000.00		
			1169	06/09/86	VOID				
			1170	06/09/86	HARTLEY & WALL	INTERNAT COMM CORP	20,464.90		
			Dpct	06/10/86	CAPITAL COMM CORP	CAPITAL COMM CORP		45,000.00	
			0	06/10/86	CHASE MANHATTAN BANK	BANK CHARGES	12.00		
			0	06/10/86	CHASE MANHATTAN BANK	BANK CHARGES	7.00		
			1171	06/10/86	HARVEY AMSTERDAM H D	PERSONAL	102.25		

93030960585

TRANSACTIONS ACTIVITY SUMMARY FOR: ROMENROY LTD  
 ACCOUNT: CASH-CHASE MANH DATE LAST ENTRY: 07/22/86

D - T		CHEQ	DATE	TRANSACTION	DISTRIBUTION	AMOUNTS (\$)	
L	X	NUM	MO/DA/YR	TITLE	ACCOUNT	CHECK	DEPOSIT
		1174	06/10/86	D ANDERSON	PERSONAL	159.56	
		1175	06/10/86	BELLANMER	PERSONAL	70.00	
		1176	06/10/86	CON EDISON	PERSONAL	45.48	
		1177	06/10/86	DEBART TEMPERATURE CONTR	PERSONAL	86.40	
		1178	06/10/86	FOODTOWN	PERSONAL	1,542.72	
		1179	06/10/86	GABE'S PRIME MEATS	PERSONAL	483.99	
		1180	06/10/86	GLEN HEAD CLEANERS	PERSONAL	22.00	
		1181	06/10/86	GREENVALE CHEMISTS	PERSONAL	384.98	
		1182	06/10/86	HOME LIFE INSURANCE	PERSONAL	49.20	
		1183	06/10/86	JAY-EDD TRIM SHOP	PERSONAL	215.35	
		1184	06/10/86	LAKE SUCCESS WINE & LIQ	PERSONAL	376.07	
		1185	06/10/86	LOCUST VALLEY MOTOR WORKS	PERSONAL	432.81	
		1186	06/10/86	L I SPORTS REHABILITATION	MEDICAL	80.00	
		1187	06/10/86	LUSCHER AIR CONDITIONING	PERSONAL	291.60	
		1188	06/10/86	MACRAE FRUIT & VEGETABLES	PERSONAL	440.47	
		1189	06/10/86	MARINE FISHERIES INC	PERSONAL	360.50	
		1190	06/10/86	NEW YORK TELEPHONE	PERSONAL	1,122.78	
		1191	06/10/86	NORTH SHORE UNI HOSPITAL	MEDICAL	850.00	
		1192	06/10/86	PARK EAST MARKET	PERSONAL	11.40	
		1193	06/10/86	THE PLAZA	PERSONAL	50.52	
		1194	06/10/86	F-A SHERIDAN	PERSONAL	864.00	
		1195	06/10/86	THE REGENCY HOTEL	PERSONAL	140.71	
		1196	06/11/86	H & S AWINS COMPANY	PERSONAL	838.00	
		0	06/12/86	CHECK BOOK CHARGE	BANK CHARGES	40.06	
	Dpst		06/13/86	CAPITAL CORP CORP	CAPITAL CORP CORP		10,000.00
		0	06/13/86	CHASE MANHATTAN BANK	BANK CHARGES	2.70	
		1197	06/13/86	BARDEN CITY JUSTICE COURT	PERSONAL	10.00	
		1198	06/13/86	CASH (W J L -FOR ROSA D)	PERSONAL	500.00	
		1199	06/13/86	NEW YORK TELEPHONE	PERSONAL	104.07	
		1200	06/13/86	PETER HOBHU-BENETE/KENNDY	PERSONAL	2,000.00	
		1201	06/18/86	CARL LUCICI PAINTING	PERSONAL	900.00	
		1202	06/19/86	GERARD O'BRIEN-PETTY CASH	PERSONAL	89.75	
		1203	06/19/86	EDWARD DONNELLY CPA PC	INTERNAT CORP CORP	4,000.00	
		1205	06/20/86	CASH (W J L)	PERSONAL	500.00	
		1206	06/20/86	CON EDISON	PERSONAL	45.48	
		1207	06/25/86	VALENCIA DRAINAGE DIST	INTERNAT CORP CORP	2,579.00	
		1208	06/25/86	TRIM PACK	INTERNAT CORP CORP	1,260.70	
		1204	07/04/86	EDAN DISTRIBUTING	INTERNAT CORP CORP	10,000.00	
	Dpst		07/07/86	CAPITAL CORP CORP	CAPITAL CORP CORP		10,700.00
		1209	07/08/86	CHEMICAL BANK	PERSONAL	2,000.00	
	Dpst		07/16/86	CAPITAL CORP CORP	CAPITAL CORP CORP		4,600.00
		1210	07/16/86	KEYSTONE NATL INS PENNA	PERSONAL	2,500.00	

PRINTED IN U.S.A.



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

2 October 1987

Ms. Pamela A. Mann  
Assistant Attorney General in  
Charge of Charities Bureau  
State of New York  
Department of Law  
120 Broadway  
New York, NY 10271

Re: Pre-MUR 185

Dear Ms. Mann:

This is to acknowledge receipt of your letter on September 25, 1987, advising us of the possibility of a violation of the Federal Election Campaign Act of 1971, as amended, by William J. Levitt, et al. We are currently reviewing the matter and will advise you of the Commission's determination.

If you have any questions or additional information, please call Jacqueline Jones-Smith, the attorney assigned to this matter, at (202) 376-8200. Our file number for this matter is Pre-MUR 185.

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

Sincerely,

Lawrence M. Noble  
Acting General Counsel

By: Lois G. Lerner  
Associate General Counsel

930340960586

*Handwritten initials*



RECEIVED  
FEDERAL ELECTION COMMISSION  
MAIL ROOM

87 NOV 30 PM 9:25

*- Pamela Mann 185*

STATE OF NEW YORK  
DEPARTMENT OF LAW  
120 BROADWAY  
NEW YORK, NY 10271  
(212) 341-2397

ROBERT ABRAMS  
Attorney General  
  
PAMELA A. MANN  
Assistant Attorney General in Charge  
Charities Bureau

November 24, 1987

RECEIVED  
FEDERAL ELECTION COMMISSION  
OFFICE OF GENERAL COUNSEL  
87 NOV 30 AM 10:29

Susan Beard, Esq.  
Office of General Counsel  
Federal Election Commission  
999 E Street, N.W.  
Washington, D.C. 20463

Re: William J. Levitt

Dear Ms. Beard:

Enclosed please find, pursuant to our recent telephone discussion, copies of the correspondence which we have received with respect to the matters raised in Assistant Attorney General Pamela Mann's letter of September 18, 1987 to Lawrence Noble, Esq. We have enclosed the correspondence received subsequent to our letter of September 18, as well as copies of the checks representing the repayment of \$13,500 to the Levitt Foundation.

Very truly yours,

*David G. Samuels*  
DAVID G. SAMUELS  
Deputy Bureau Chief

PM1/DGS

Encl.

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Robert S. Gersten

84 Leamington Street

Lido Beach, New York 11561

Telephone 516-432-1555

Mr David H. Samuels  
Deputy Mayor - Chief  
City of New York, N.Y.

Sept 25, 1967

Pgs Mr. Samuels.

I received your letter of Sept 23 re: Wm J

Lewis + Biden contributions

I did make a contribution to the Campaign

with a check of \$1000 directly to Biden Campaign.

but was never re-embursed by Wm Lewis.

I have not heard from Mr. Lewis

regard to this matter

I did receive a check from Biden's  
Campaign manager. I then sent check for \$100  
cash to other friends who had contributed  
to the \$1000 I sent.

Mr Lewis did not make any demand  
on us - however, since we had played  
tennis on his court for many years & since  
we were excited about meeting Biden, we freely  
decided to contribute.  
Yours Truly,  
Robert S Gersten



STATE OF NEW YORK  
 DEPARTMENT OF LAW  
 120 BROADWAY  
 NEW YORK, NY 10271  
 (212) 341-2398

ROBERT ABRAMS  
 Attorney General

PAMELA A. MANN  
 Assistant Attorney General in Charge  
 Charities Bureau

September 23, 1987

Mr. and Mrs. Stanley Ogonowski  
 171 Sycamore Circle  
 Stoney Brook, New York 11790

Dear Mr. and Mrs. Ogonowski:

As part of this office's enforcement of a consent judgment obtained against William J. Levitt providing for the payment of \$11 million by Mr. Levitt to the Levitt Foundation, it has come to our attention that you and other individuals each made \$1,000 contributions to the election campaign of Senator Joseph Biden, for which you were reimbursed by Mr. Levitt. Additionally, we have just learned that the Biden campaign has returned your contributions to you.

Please be advised that the funds used by Mr. Levitt to reimburse your contribution belonged to the Levitt Foundation, not to Mr. Levitt personally. We therefore request that you transmit the money you received from the Biden Campaign to this office on behalf of the Levitt Foundation. We understand that Mr. Levitt has recently made a demand on you for this money.\* If you have sent the money to him, we ask that you notify us of that fact; as reflected in the enclosed letter to Mr. Levitt, we have demanded that he return these monies to the Foundation, as he has no legitimate claim to them.

If you have any questions about this letter, please feel free to contact me or Assistant Attorney General Laura Werner. Thank you for your prompt attention to this matter.

Yours truly,

*David G. Samuels*  
 DAVID G. SAMUELS  
 Deputy Bureau Chief

DGS:pml

cc: Stephen J. Mathes, Esq.  
 J. Stanley Shaw, Esq.  
 Elizabeth Bradford, Esq.

\* THE CHECKS HAVE BEEN GIVEN TO MR. LEVITT.

9300960589

24 Westbourne Lane  
Melville, NY 11747  
28 September 1987

Mr. David G. Samuels  
Deputy Bureau Chief  
State of New York  
Department of Law  
120 Broadway  
New York, NY 10271

Sir:

In response to the attached letter, I am forwarding  
you your request.

Edward Cortese

Frieda Cortese

*Edward Cortese*  
*Frieda Cortese*

Attachments

93080960590

EDWARD CORTESE  
24 WESTBOURNE LANE  
MELVILLE, NY 11747

Sept 28 1987 212

1-7023/2200

PAY TO THE ORDER OF Levitt Foundation \$ 1000.00  
one thousand dollars  $\frac{1000}{100}$  DOLLARS

**DIME** THE DIME SAVINGS BANK OF NEW YORK  
5417 WESTMAN ROAD (ROUTE 118) & DETROIT RD.  
HARTFORD STATION, N.Y. 11740

MEMO Biden contribution Edw Cortese

EDWARD OR FRIEDA CORTESE  
24 WESTBOURNE LANE  
MELVILLE, NY 11747

4127

9-28 1987 1-7023/2200

PAY TO THE ORDER OF Levitt Foundation \$ 1000.00  
one thousand dollars  $\frac{1000}{100}$  DOLLARS

**1ST NATIONWIDE BANK**  
700 West Whitman Road  
Melville, NY 11747

MEMO Biden contrib Frieda Cortese



STATE OF NEW YORK  
DEPARTMENT OF LAW  
120 BROADWAY  
NEW YORK, NY 10271  
(212) 341-2398

ROBERT ABRAMS  
Attorney General

PAMELA A. MANN  
Assistant Attorney General in Charge  
Charities Bureau

September 23, 1987

Mr. and Mrs. Cortese  
24 Westbourne Lane  
Melville, New York 11747

Dear Mr. and Mrs. Cortese:

As part of this office's enforcement of a consent judgment obtained against William J. Levitt providing for the payment of \$11 million by Mr. Levitt to the Levitt Foundation, it has come to our attention that you and other individuals each made \$1,000 contributions to the election campaign of Senator Joseph Biden, for which you were reimbursed by Mr. Levitt. Additionally, we have just learned that the Biden campaign has returned your contributions to you.

Please be advised that the funds used by Mr. Levitt to reimburse your contribution belonged to the Levitt Foundation, not to Mr. Levitt personally. We therefore request that you transmit the money you received from the Biden Campaign to this office on behalf of the Levitt Foundation. We understand that Mr. Levitt has recently made a demand on you for this money. If you have sent the money to him, we ask that you notify us of that fact; as reflected in the enclosed letter to Mr. Levitt, we have demanded that he return these monies to the Foundation, as he has no legitimate claim to them.

If you have any questions about this letter, please feel free to contact me or Assistant Attorney General Laura Werner. Thank you for your prompt attention to this matter.

Yours truly,

*David G. Samuels*  
DAVID G. SAMUELS  
Deputy Bureau Chief

DGS:pml

cc: Stephen J. Mathes, Esq.  
J. Stanley Shaw, Esq.  
Elizabeth Bradford, Esq.

93070960592

Sept. 29, 1987

Mr. David G. Samuels  
Deputy Bureau Chief  
Dept. of Law

Dear Mr. Samuels:

In response to your attached letter, we are honoring your request. Enclosed are 2 checks payable to the Leitch Foundation.

Very truly yours,  
Harold Kellman

Sept. 29 1987 152

HAROLD KELLMAN  
MARILYN KELLMAN  
114 MAYTIME DRIVE  
JERICHO, NY 11753

PAY TO THE ORDER OF The Lentz Foundation \$ 1,000.00

One Thousand and 00/100 DOLLARS

Money Market Savings



National Westminister Bank USA 32

Jericho Office  
479 Jericho Turnpike Road  
Jericho, N.Y. 11753

Harold Kellman

MEMO

0  
9  
6  
0

Sept. 29 1987 153

HAROLD KELLMAN  
MARILYN KELLMAN  
114 MAYTIME DRIVE  
JERICHO, NY 11753

PAY TO THE ORDER OF The Lentz Foundation \$ 1,000.00

One Thousand and 00/100 DOLLARS

Money Market Savings



National Westminister Bank USA 32

Jericho Office  
479 Jericho Turnpike Road  
Jericho, N.Y. 11753

Marilyn Kellman

MEMO



STATE OF NEW YORK  
 DEPARTMENT OF LAW  
 120 BROADWAY  
 NEW YORK, NY 10271  
 (212) 341-2398

ROBERT ABRAMS  
 Attorney General

PAMELA A. MANN  
 Assistant Attorney General in Charge  
 Charities Bureau

September 23, 1987

Mr. and Mrs. Harold Kellman  
 114 Maytime Drive  
 Jericho, New York 11753

Dear Mr. and Mrs. Kellman:

As part of this office's enforcement of a consent judgment obtained against William J. Levitt providing for the payment of \$11 million by Mr. Levitt to the Levitt Foundation, it has come to our attention that you and other individuals each made \$1,000 contributions to the election campaign of Senator Joseph Biden, for which you were reimbursed by Mr. Levitt. Additionally, we have just learned that the Biden campaign has returned your contributions to you.

Please be advised that the funds used by Mr. Levitt to reimburse your contribution belonged to the Levitt Foundation, not to Mr. Levitt personally. We therefore request that you transmit the money you received from the Biden Campaign to this office on behalf of the Levitt Foundation. We understand that Mr. Levitt has recently made a demand on you for this money. If you have sent the money to him, we ask that you notify us of that fact; as reflected in the enclosed letter to Mr. Levitt, we have demanded that he return these monies to the Foundation, as he has no legitimate claim to them.

If you have any questions about this letter, please feel free to contact me or Assistant Attorney General Laura Werner. Thank you for your prompt attention to this matter.

Yours truly,

David G. Samuels <sup>lw</sup>  
 DAVID G. SAMUELS  
 Deputy Bureau Chief

DGS:pml  
 cc: Stephen J. Mathes, Esq.  
 J. Stanley Shaw, Esq.  
 Elizabeth Bradford, Esq.

93080960595

PASCARELLA, CAPETOLA, ILLMENSEE & DODDATO

ATTORNEYS AND COUNSELLORS AT LAW

BUILDING C

TWO HILLSIDE AVENUE

WILLISTON PARK, NEW YORK 11596-2335

(516) 746-2300

(516) 742-1134

JAMES A. PASCARELLA  
ANTHONY A. CAPETOLA  
THOMAS A. ILLMENSEE  
FRANK A. DODDATO

JOSEPH J. CAPETOLA  
JUDITH A. ACKERMAN  
PATRICIA A. HARRINGTON  
FRANCIS X. CASALE, JR.

FAX (516) 746-2318

OF COUNSEL

PAUL S. LAWRENCE  
GERARD J. FENTER  
ANGELO J. MANGIA

October 7, 1987

David G. Samuels, Esq.  
Attorney Generals Office  
State of New York  
Department of Law  
120 Broadway  
New York, New York 10271

Dear Mr. Samuels:

This letter is written to you as a result of a letter you wrote to Mr. and Mrs. Donnelly, dated September 23, 1987. I must tell you that I deem it inappropriate for you to have sent such a letter when you know that I represent Mr. Donnelly. Indeed, you took the trouble to "cc" J. Stanley Shore, Esq. but did not show me the same courtesy.

At any rate, you should be informed that \$2,000.00 paid by Mr. Levitt to Mr. Donnelly in June of 1986 was not treated as a "reimbursement" of the individual contributions (of \$1,000.00 each) of Mr. and Mrs. Donnelly to the campaign of Senator Biden by Mr. Donnelly. Indeed, Mr. Donnelly treated the said \$2,000.00 payment as a paydown of money owed to him for professional services already rendered. The said \$2,000.00 was treated as income by Mr. Donnelly in his books and records and for Internal Revenue purposes. Further, while two separate checks of \$1,000.00 each were drawn for the contributions, the \$2,000.00 referred to above was paid in the form of one check to Edward Donnelly only and that amount was deposited in Mr. Donnelly's business account.

In light of the above, you may wish to reconsider your request that the money received by Mr. and Mrs. Donnelly from the "Biden Campaign" be transmitted to your office on behalf of the Levitt Foundation.

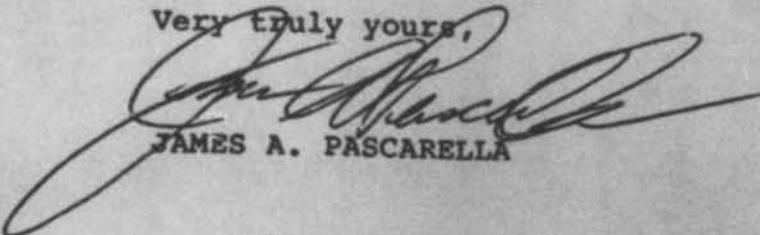
93080960596

PASCARELLA, CAPETOLA, ILLMENSEE & DODDATO

David G. Samuels, Esq.  
October 7, 1987  
Page 2

If you have any further questions about this matter,  
please contact this office. You should not make any further  
attempt to contact Mr. and Mrs. Donnelly directly.

Very truly yours,



JAMES A. PASCARELLA

JAP:mg

93080960597

93080960598

WALTER J. WALSH  
MAYOR OF PLATON

614

Nov. 8 1981

25-0000  
24

Pay to the Order of Speth Foundation \$ 152.00

Lawrence + Co/100

Dollars

NORSTAR BANK  
LONG BEACH, NY 11550

John + Catherine

John + Catherine

RUSKIN, SCHLISSEL, MOSCOU, EVANS & FALTISCHEK, P.C.

COUNSELORS AT LAW

170 OLD COUNTRY ROAD

MINEOLA, NEW YORK 11501-4388

(516) 248-9500

(212) 688-8300

TELECOPIER (516) 248-9313

NEW YORK CITY OFFICE

980 THIRD AVENUE

NEW YORK, NEW YORK 10022-2708

(212) 758-7848

October 7, 1987

RAYMOND S. EVANS  
MICHAEL L. FALTISCHEK  
LEONARD G. FLORESCUE  
DOUGLAS J. GOOD  
RICHARD G. LELAND  
JOSEPH J. MOSCOU  
MELVYN S. RUSKIN  
STEPHEN W. SCHLISSEL  
BENJAMIN WEINSTOCK  
SAMUEL YEDID  
BRIAN E. COMERFORD  
ROBERT L. SHERMAN  
OF COUNSEL

IRVIN BRUM  
STEPHEN M. COHEN  
LAURICE FIRENZE\*  
JOEL M. GREENBERG  
RICHARD F. HARRISON\*\*  
ELENA KARABATOS  
ELLEN F. KESSLER  
LINDA MARBER  
RALPH A. ROSELLA, JR.  
KENNETH G. ROTHSTEIN  
JEFFREY N. SUNSHINE\*  
HARRY L. SZENCER\*\*\*  
KAREN J. TEHENBAUM

\*ALSO ADMITTED IN CONNECTICUT  
\*\*ALSO ADMITTED IN FLORIDA  
\*\*\*ALSO ADMITTED IN ONTARIO, CANADA

David G. Samuels, Esq.  
Deputy Bureau Chief  
State of New York  
Department of Law  
120 Broadway  
New York, New York 10271

Re: Henry L. Fox

Dear Mr. Samuels:

Our client, Mr. Henry Fox of Laurel Woods Drive, Upper Brookville, New York, has asked us to respond to your letter to him of September 23, 1987 in which you advised "that the funds used by Mr. Levitt to reimburse [Mr. Fox's] contribution belonged to the Levitt Foundation, not to Mr. Levitt personally."

After consulting with our client, we would advise you as follows:

1. That by check dated June 2, 1985, Mr. Fox made a contribution to Citizens for Biden in the amount of \$1,000.
2. That by letter dated August 25, 1987 from William C. Oldaker, counsel to Citizens for Biden, Mr. Fox was advised that Citizens for Biden was "unable to accept [his] contribution at this time." There was enclosed with Mr. Oldaker's letter a check dated August 9, 1987 in the amount of \$1,000 payable to Mr. Fox with the indication on such check that it was a "refund."
3. Mr. Fox's contribution to the Biden campaign was never reimbursed by Mr. Levitt, by Mr. Levitt's Foundation or by anyone else.
4. Finally, and for your further information, Mr. Fox is not an employee of Mr. Levitt nor does he have any business/relationship with Mr. Levitt or with the Levitt Foundation. If, in fact, there were persons who were reimbursed for their alleged

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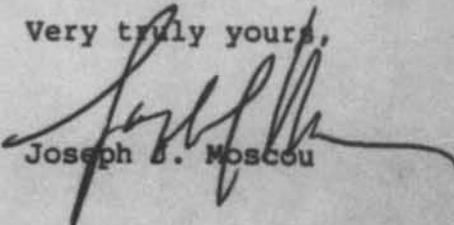
RUSKIN, SCHLISSEL, MOSCOU, EVANS & FALTISCHEK, P.C.

David G. Samuels, Esq.  
October 7, 1987  
Page 2

contributions to the Biden campaign, Mr. Fox was not one of such persons.

I trust that the foregoing is responsive to your letter.

Very truly yours,



Joseph D. Moscou

JJM:dh  
cc: Mr. Henry L. Fox

9300960600

LAW OFFICES OF  
**SHAW, LICITRA, EISENBERG, ESERNIO & SCHWARTZ, P.C.**

1010 FRANKLIN AVENUE, GARDEN CITY, NEW YORK 11530

J. STANLEY SHAW  
JOSEPH LICITRA (1930-1987)  
DOROTHY EISENBERG  
GEORGE P. ESERNIO  
JEFFREY L. SCHWARTZ  
VICTOR G. BEAUDET  
KAREN CARTER CASO  
DONNALYNN DARLING  
HERBERT J. TAHRES  
WILLIAM V. ALESIT<sup>o</sup>

(516) 742-0610 • (718) 895-3525

CABLE LAWBAHC  
TELEX NO. 143227

TELECOPY (516) 742-2670

RICHMOND HILL OFFICE  
103-42 LEFFERTS BOULEVARD  
RICHMOND HILL, NEW YORK 11419

SHARON E. GRUER  
JULIAN KAPLAN  
SARAH M. KEENAN  
JOSEPH SFERRAZZA  
LEONARD STIGLER<sup>\*</sup>  
JEFFREY M. ZALKIN<sup>†</sup>

OF COUNSEL:  
HERBERT NEW<sup>\*</sup>  
RICHARD EISENBERG  
MICHAEL M. PLATZMAN

<sup>\*</sup>ALSO ADMITTED IN NEW JERSEY  
<sup>†</sup>ALSO ADMITTED IN CALIFORNIA  
<sup>o</sup>ALSO ADMITTED IN WASHINGTON, D.C.  
<sup>\*</sup>ADMITTED IN CANADA ONLY

COUNSEL TO THE FIRM  
ALFRED WEINTRAUB

October 26, 1987

Ms. Laura Werner  
New York State Dept. of Law  
Charities Division  
120 Broadway, Room 3-26  
New York, NY 10271

Re: William J. Levitt

Dear Ms. Werner:

As I understand it, the Attorney General has taken a position that certain funds were unauthorizedly taken out of the Levitt Foundation and were then deposited into the Rowenroy Bank account, and thereafter, individuals allegedly were given checks in order that they may, in turn, make contributions to "Citizens for Biden".

Mr. Levitt's accountants have reviewed all of the check statements, ledgers and books of account and find that in point of fact, no such unauthorized withdrawals were made from the Levitt Foundation which eventually were utilized by certain individuals to make checks payable to "Citizens for Biden".

In any event, for the purpose of avoiding unnecessary litigation between the parties and without admitting any of the facts alleged by the Attorney General, Mr. Levitt has asked these certain individuals to deliver all of the checks received from Citizens for Biden to him for disbursement to the Attorney General.

The deliverance of these checks is in no way to be construed as an admission of wrongdoing on the part of Mr. Levitt, with respect to the Levitt Foundation or otherwise, and they are merely forwarded to the Attorney General as an accommodation and for the purpose of avoiding undue litigation on the subject.

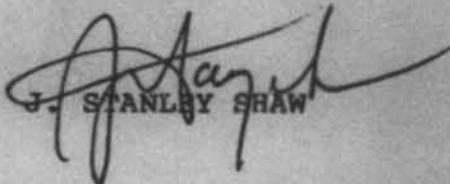
Accordingly, and with the provisos contained herein, I am enclosing herewith the following:

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Ms. Laura Werner  
October 26, 1987  
Page Two

Check No. 794 in the amount of \$1,500.00  
in the name of William J. Levitt;  
Check No. 915 in the amount of \$1,000.00  
in the name of William J. Levitt;  
Check No. 918 in the amount of \$1,000.00  
in the name of Simone Levitt;  
Check No. 916 in the amount of \$1,000.00  
in the name of Gaby Levitt;  
Check No. 917 in the amount of \$1,000.00  
in the name of Nicole Levitt;  
Check No. 921 in the amount of \$1,000.00  
in the name of Stanley Ogonowski; and  
Check No. 922 in the amount of \$1,000.00  
in the name of Fanny Ogonowski.

Very truly yours,

  
J. STANLEY SHAW

JSS:cd

Enclosures

93030960602

CITIZENS FOR BIDEN - 1990  
P.O. BOX 371  
WILMINGTON, DELAWARE 19899

REMITTANCE ADVICE					

62-13  
311

917

PAY *One Thousand and 00/100*

DOLLARS

TO THE ORDER OF	DATE	CHECK NO.	ACCT. NO.		CHECK AMOUNT
			SUB	GEN	
<i>Nicole Levitt</i>	<i>8/9/07</i>	<i>refund</i>	<i>917</i>		<i>1000 00</i>

DELAWARE  
WILMINGTON  
DELAWARE

*[Handwritten Signature]*

AUTHORIZED SIGNATURE

⑈000917⑈ ⑆031100131⑆ 518-929 2⑈

9 3 0 8 0 9 6 0 9 6 0 3

*Nyctale* *ent.*

93080960604

CITIZENS FOR BIDEN - 1990

P.O. BOX 371  
WILMINGTON, DELAWARE 19899

REMITTANCE ADVICE					

82-13  
311

915

PAY *One Thousand and 00/100*

DOLLARS

TO THE ORDER OF	DATE	CHECK NO.	ACCT. NO. BUS GEN	CHECK AMOUNT
<i>William J. Levitt</i>	<i>8/9/87</i>	<i>915</i>		<i>1000 00</i>
	<i>refund</i>			

DELAWARE  
WILMINGTON  
DELAWARE

*C. J. Whitehead*

AUTHORIZED SIGNATURE

#000915# 10311001311 518-929 2#

930809608026

William Sewell

93080960606

CITIZENS FOR BIDEN - 1990  
P.O. BOX 371  
WILMINGTON, DELAWARE 19899

REMITTANCE ADVICE					

62-13  
311  
918

PAY *One Thousand and 00/100*

TO THE ORDER OF	DATE	CHECK NO.	ACCT. NO. SUB GEN	CHECK AMOUNT
<i>Simone Levis</i>	<i>8/9/87</i>	<i>918</i>		<i>1 000 00</i>

DELAWARE  
WILMINGTON  
DELAWARE

*Cmy Whiteaker*  
AUTHORIZED SIGNATURE

⑈000918⑈ ⑆031100131⑆ 518⑈929 2⑈

93020960607

*Spencer Platt*

93080960608

CITIZENS FOR BIDEN - 1990  
P.O. BOX 371  
WILMINGTON, DELAWARE 19899

REMITTANCE ADVICE					

62-13  
311  
921

PAY *One Thousand and 92/100*

DOLLARS

TO THE ORDER OF	DATE	CHECK NO.	ACCT. NO.		CHECK AMOUNT
			BUS	GEN	
<i>Stanley Ogorowski</i>	<i>8/9/87</i>	<i>921</i>			<i>1000 92</i>

DELAWARE  
WILMINGTON  
DELAWARE

*[Signature]*  
AUTHORIZED SIGNATURE

⑈000921⑈ ⑆031100131⑆ 518⑈929 2⑈

60909608026

*Stawley* *know*

*4*

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CITIZENS FOR BIDEN - 1990  
P.O. BOX 371  
WILMINGTON, DELAWARE 19899

REMITTANCE ADVICE					

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311  
922

PAY *One Thousand and 00/100*

DOLLARS

TO THE ORDER OF	DATE	CHECK NO.	ACCT. NO.		CHECK AMOUNT
			SUB	GEN	
<i>Fanny Ogonowski</i>	<i>8/2/87</i>	<i>922</i>			<i>1000 00</i>

DELAWARE  
WILMINGTON  
DELAWARE

*[Signature]*  
AUTHORIZED SIGNATURE

⑆000922⑆ ⑆0311001311⑆ 518⑉929 2⑆

9 3 0 9 6 0 2 0 2 6

Fanny

Ogonowa

93080960612



BCC#4876

RECEIVED  
FEDERAL ELECTION COMMISSION  
MAIL ROOM  
*Per Mann 185*  
87 DEC -3 AM 9:16

STATE OF NEW YORK  
DEPARTMENT OF LAW  
120 BROADWAY  
NEW YORK, NY 10271  
(212) 341-2397

ROBERT ABRAMS  
Attorney General

PAMELA A. MANN  
Assistant Attorney General in Charge  
Charities Bureau

December 1, 1987

RECEIVED  
FEDERAL ELECTION COMMISSION  
OFFICE OF GENERAL COUNSEL  
87 DEC -3 AM 10:13

Susan Beard, Esq.  
Office of General Counsel  
Federal Election Commission  
999 E Street, N.W.  
Washington, D.C. 20463

Re: William J. Levitt

Dear Ms. Beard:

Enclosed please find, pursuant to our recent telephone discussion, a copy of the purported loan agreement between Rowenroy, Ltd. and The Levitt Foundation, Inc., which was executed by William J. Levitt on behalf of both parties.

Very truly yours,

*David G. Samuels*  
DAVID G. SAMUELS  
Deputy Bureau Chief

PM1/DGS

Encl.

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LOAN AGREEMENT

This Agreement made the first day of July, 1985, between ROWENROY, LTD., a Bermuda corporation, hereinafter called the Borrower, and THE LEVITT FOUNDATION, INC., a New York corporation, hereinafter called the Lender, as follows:

The Lender agrees to lend to the Borrower for working capital an aggregate sum of Five Million Dollars to be advanced in increments when requested by the Borrower, on the following terms:

1. The term of the loan is three (3) years.
2. Interest shall be paid at the rate of 1% over the Chase Manhattan Bank prime rate at the time of the repayment.
3. All or any part of the loan may be repaid at any time before maturity with interest only to the date of such repayment.
4. Repayment of the entire loan is personally guaranteed by William G. Levitt.

.. IN WITNESS WHEREOF, the parties have executed this Agreement the day and year first above written.

ROWENROY, LTD.

BY: W. G. Levitt  
President

THE LEVITT FOUNDATION, INC.

BY: W. G. Levitt  
President

W. G. Levitt

93040960614

FEDERAL ELECTION COMMISSION  
999 E Street, N.W.  
Washington, D.C. 20463

RECEIVED  
FEDERAL ELECTION COMMISSION  
SECRETARIAT

88 JAN 27 PM 1:46

FIRST GENERAL COUNSEL'S REPORT

PRE-MUR 185  
STAFF MEMBER  
Susan Beard

SOURCE OF PRE-MUR: Pamela A. Mann  
Assistant Attorney General in Charge of  
Charities Bureau  
State of New York  
Department of Law

RESPONDENTS: William J. Levitt  
Nicole Levitt  
Simone Levitt  
Michael Newman  
Sherry Newman  
Stanley Ogonowski  
Fanny Ogonowski  
Lou Stern  
Robert S. Gersten  
Harold Kellman  
Marilyn Kellman  
Ava Lampel  
Rowenroy, Ltd.  
Edward Cortese  
Frieda Cortese  
Ralph M. Della Ratta  
Joan Della Ratta  
Edward G. Donnelly  
Michelle Donnelly  
Lisette Stern  
Adrienne J. Walters  
Jennifer D. Flynn  
Stephen J. Lampel  
Gaby Levitt

RELEVANT STATUTES: 2 U.S.C. § 431  
2 U.S.C. § 441a(f)  
2 U.S.C. § 441b  
2 U.S.C. § 441e  
2 U.S.C. § 441f  
22 U.S.C. § 611(b)  
11 C.F.R. § 110.4(a)  
11 C.F.R. § 110.4(b)

INTERNAL REPORTS CHECKED: Disclosure Reports

FEDERAL AGENCIES CHECKED: State Department

I. GENERATION OF MATTER

On September 25, 1987, the State of New York Department of Law ("Department of Law") referred certain matters arising from an investigation undertaken pursuant to its authority over charitable corporations, to the Office of the General Counsel. Supplemental information was received on November 30 and

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December 3, 1987. Attachment 1. This referral involves contributions made in the name of another, corporate contributions, and contributions by a foreign national.

The Department of Law is currently involved in a lawsuit which involves a purported \$4,375,000 loan from the Levitt Foundation, Inc. to Rowenroy, Ltd., a Bermuda Corporation. William J. Levitt is the President of Rowenroy, Ltd. Approximately \$20,000 of the funds from the loan were distributed to numerous entities and individuals. Included in these disbursements were alleged reimbursements to individuals for contributing to Citizens for Biden Committee - 1990.

II. FACTUAL AND LEGAL ANALYSIS

A. Contributions in the Name of Another

Pursuant to Section 441f of Title 2 of the Federal Election Campaign Act of 1971, as amended (the "Act") "[n]o person shall make a contribution in the name of another person or knowingly permit his name to be used to effect such a contribution, and no person shall knowingly accept a contribution made by one person in the name of another person." Under the Commission's regulations, a contribution in the name of another includes giving money or anything of value, all or part of which is provided to the contributor by another person without disclosing the source of the money or the thing of value to the recipient candidate or committee at the time the contribution is made. 11 C.F.R. § 110.4(b)(2)(i).

In Advisory Opinion 1986-41, the Commission noted that the prohibition of Section 441f applies to any person. This includes

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"an incorporated or unincorporated entity who gives money to another to effect a contribution in the second person's name." The Commission has also found that the prohibitions of Section 441f apply to individuals who assist in the making of contributions in the name of another. See MUR 1611.

1. Respondents Rowenroy, Ltd., William Levitt, Edward Donnelly and Michelle Donnelly

The documents<sup>1/</sup> submitted by the Department of Law indicate that on or about June 2, 1986, Respondent, William J. Levitt hosted a fundraiser for Joseph Biden. Contributions to the fundraiser were \$1,000 a person. Portions of the deposition of Respondent, Edward Donnelly<sup>2/</sup> reveal that Mr. Levitt asked Mr. Donnelly to attend the fundraiser and promised to reimburse him for the contribution.

Mr. Donnelly attended the fundraiser and made a \$2,000 contribution, which included a \$1,000 contribution for his wife,

<sup>1/</sup> These documents, obtained in response to a subpoena for the books and records of William Levitt, include:

- o an unsigned letter dated August 18, 1986, to Joel Boyarsky
- o a typed list of 24 individuals, attached to the unsigned letter
- o a computer printout of the cash disbursements and receipts journal of Rowenroy, Ltd.
- o cancelled checks of Rowenroy, Ltd., dated June 4, 1986
- o a loan agreement between the Levitt Foundation and Rowenroy, Ltd.

The documents also included letters from some of the Respondents to the State of New York Department of Law and portions of a transcript of a deposition, under oath, of Edward Donnelly.

<sup>2/</sup> Mr. Donnelly is Mr. Levitt's accountant.

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Michelle Donnelly. Michelle Donnelly did not attend the fundraiser. A \$2,000 contribution, made June 3, 1986, for Edward and Michelle Donnelly, was reported in the 1986 Mid-Year Report of the Citizens for Biden Committee - 1990. On June 4, 1986, Edward and Michelle Donnelly received a check for \$2,000 from Rowenroy, Ltd., one of Mr. Levitt's companies.<sup>3/</sup> In his deposition, Mr. Donnelly stated that the \$2,000 check from Rowenroy, Ltd. is a reimbursement from Mr. Levitt for the \$2,000 contribution he and his wife made to the Biden fundraiser. Attachment 1 at pages 8-9.

The \$2,000 reimbursement to Edward and Michelle Donnelly appears to be reflected in the documents submitted by the Department of Law. First, an unsigned letter to Joel Boyarsky<sup>4/</sup> stated that the "writer"<sup>5/</sup> reimbursed individuals for the \$1,000 contribution to the fundraiser. Attached to the letter is a list of 24 individuals including Edward and Michelle Donnelly.

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<sup>3/</sup> From the purported loan agreement it appears that Mr. Levitt is President of Rowenroy, Ltd. See also, "Levitt Contributions Probed. May have used others to mask campaign donations to Biden," Newsday, September 20, 1987. (Attachment 2). This article appeared in "News and Views."

<sup>4/</sup> According to the Newsday article, Mr. Boyarsky, a former business associate of Mr. Levitt, headed a fundraising effort for Senator Biden in Long Island. Mr. Levitt's fundraiser appears to be part of the Long Island fundraising effort. It is not clear from the information presently available whether Mr. Boyarsky was a conduit for the Levitt fundraiser monies that were turned over to the Biden Committee. This Office is therefore not making a recommendation at this time regarding Joel Boyarsky with respect to 2 U.S.C. § 441f.

<sup>5/</sup> Because this letter was included in Mr. Levitt's subpoenaed documents, it is inferred that the "writer" is Mr. Levitt.

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Second, copies of cancelled checks, dated June 4, 1986, from Rowenroy, Ltd. include a \$2,000 check to "E. and M. Donnelly." Third, a computer printout of receipts and disbursements of Rowenroy, Ltd. records a payment on June 4, 1986, of \$2,000 to Edward and Michelle Donnelly. The entry indicating the purpose of the disbursement is marked "personal." In his deposition Mr. Donnelly states that this entry is the \$2,000 reimbursement from Mr. Levitt for the campaign fundraiser. Finally, a letter from Mr. and Mrs. Donnelly's counsel, dated October 7, 1987, discusses the \$2,000 check from Rowenroy, Ltd. Attachment 1 at 35-36. It appears, that on September 23, 1987, the Department of Law sent Mr. and Mrs. Donnelly a letter. See Attachment 1 at 34 for a sample letter. The Department of Law letter read, in part, as follows:

As part of this office's enforcement of a consent judgment obtained against William J. Levitt providing for the payment of \$11 million by Mr. Levitt to the Levitt Foundation, it has come to our attention that you and other individuals each made \$1,000 contributions to the election - campaign of Senator Joseph Biden, for which you were reimbursed by Mr. Levitt. Additionally, we have just learned that the Biden campaign has returned your contributions to you.

Please be advised that the funds used by Mr. Levitt to reimburse your contribution belonged to the Levitt Foundation, not to Mr. Levitt personally. We therefore request that you transmit the money you received from the Biden Campaign to this office on behalf of the Levitt Foundation. We understand that Mr. Levitt has recently made a demand on you for this money. If you have sent the money to him, we ask that you notify us of that fact; as reflected in the enclosed letter to Mr. Levitt, we have demanded that he return

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these monies to the Foundation, as he has no legitimate claim to them.

The Donnelly's counsel states in his letter that Mr. Donnelly treated the funds as "money owed to him for professional services already rendered" and not as a reimbursement. Attachment 1 at 35.

It appears that Edward and Michelle Donnelly made a \$2,000 contribution to the Citizens for Biden Committee - 1990 on June 3, 1986. It also appears that Edward and Michelle Donnelly were reimbursed for this contribution on June 4, 1986, by Rowenroy, Ltd. Further, it appears from the 1986 Mid-Year Report that Rowenroy, Ltd. was not disclosed to the Citizens for Biden Committee - 1990 as the source of the \$2,000 contribution. This Office notes that the 1986 Mid-Year Report of the Citizens for Biden Committee - 1990, discloses only a \$1,000 contribution from Mr. Levitt on June 2, 1986, and no contributions from Rowenroy, Ltd.

In accepting reimbursement from Rowenroy, Ltd. for their contributions, it appears that Edward and Michelle Donnelly have permitted their names to be used for Rowenroy, Ltd.'s contribution, in violation of 2 U.S.C. § 441f. See 11 C.F.R. § 110.4(b)(2)(i). Rowenroy, Ltd. in making a contribution, in the names of Edward and Michelle Donnelly also appears to have violated 2 U.S.C. § 441f. Finally, it also appears that William J. Levitt assisted Rowenroy, Ltd. in making contributions in the name of another by asking individuals if they would make a contribution which they would be reimbursed for in violation of

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2 U.S.C. § 441f. Since it appears that William J. Levitt and Rowenroy, Ltd. engaged in the above activity in order to circumvent the contribution limitations of 2 U.S.C. § 441a, it appears that these violations were knowing and willful.

Accordingly, this Office recommends that the Commission find reason to believe that Edward Donnelly and Michelle Donnelly violated 2 U.S.C. § 441f. This Office also recommends that the Commission find reason to believe that Rowenroy, Ltd. and William J. Levitt knowingly and willfully violated 2 U.S.C. § 441f. This Office makes no recommendation at the time, regarding Joel Boyarsky and the Citizens for Biden Committee - 1990 with respect to 2 U.S.C. § 441f.<sup>6/</sup>

## 2. Additional Respondents

In his deposition, Edward Donnelly further states that William Levitt asked other employees to attend the June 2, 1986, fundraiser and also promised to reimburse them for the \$1,000 a person contribution.

Regarding the documents submitted by the Department of Law, this Office notes that there are a number of similarities in the information recorded for Respondents Edward and Michelle Donnelly

---

<sup>6/</sup> According to the Newsday article, the Citizens for Biden Committee - 1990 was not aware that Mr. Levitt or Rowenroy, Ltd. may have been the source of the contributions at the time they were made. According to the article, the Committee returned the amounts contributed when it learned of a possible violation of the Act and will report these amounts in its Year-End Report. This Office is therefore not recommending that the Commission make a finding against Citizens for Biden - 1990 at this time.

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and 19 other Respondents.<sup>7/</sup> These Respondents are included on the list with Edward and Michelle Donnelly that was attached to the unsigned letter to Joel Boyarsky.<sup>8/</sup> These Respondents are also listed in the 1986 Mid-Year Report of the Citizens for Biden Committee - 1990 as making \$1,000 contributions from May 31, 1986, to June 4, 1986, around the time of the June 2, 1986, Levitt fundraiser. Cancelled checks, dated June 4, 1986, from Rowenroy, Ltd. for \$1,000 or \$2,000 amounts appear for 9 of the 19 Respondents. Eighteen of the 19 Respondents are included on the Rowenroy, Ltd. computer printout as having received a payment on June 4, 1986. The entry indicating the purpose of the disbursement is marked "personal" as it is for Edward and Michelle Donnelly. It also appears that all of the 19 Respondents received letters from the Department of Law that are similar to the one received by Mr. and Mrs. Donnelly. As of

<sup>7/</sup> These Respondents include:

Nicole Levitt	Edward Cortese
Simone Levitt	Frieda Cortese
Michael Newman	Ralph Della Ratta
Joan Della Ratta	Sherry Newman
Stanley Ogonowski	Fanny Ogonowski
Lou Stern	Lisette Stern
Adrienne Walters	Harold Kellman
Jennifer D. Flynn	Marilyn Kellman
Stephen Lampel	Ava Lampel
Gaby Levitt	

<sup>8/</sup> Two individuals whose names were on the list, Henry L. Fox and Robert S. Gersten, informed the Department of Law that they did not receive a reimbursement from William J. Levitt. See Attachment 1 at pages 27, 38-39. As a result this Office is making no recommendation concerning Mr. Fox. However, since Mr. Gersten indicated that the contribution made in his name to the Citizens for Biden Committee - 1990 included funds from other individuals, this Office is recommending that reason to believe that a violation of 2 U.S.C. § 441f be found against Mr. Gersten.

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November 17, 1987, 11 of the 19 Respondents have complied with the Department of Law's request and have sent checks for the amount of the reimbursement. See Attachment 3 for a chart that lists the evidence available with regard to each individual Respondent.

Given the similar manner in which information was recorded in the documents for these 19 Respondents and Respondents Edward and Michelle Donnelly, it can reasonably be inferred that the 19 Respondents were reimbursed for contributions by Rowenroy, Ltd. in violation of 2 U.S.C. § 441f. It also appears that William J. Levitt assisted with the reimbursement of the contributions in violation of 2 U.S.C. § 441f. Accordingly, this Office recommends that the Commission find reason to believe that the 19 other Respondents violated 2 U.S.C. § 441f. This Office also recommends that the Commission find reason to believe that Rowenroy, Ltd. and William J. Levitt knowingly and willfully violated 2 U.S.C. § 441f with respect to the reimbursement of these 19 Respondents.

**3. Robert S. Gersten**

Mr. Gersten also received a letter from the Department of Law similar to the ones received by the other Respondents. In his reply dated September 25, 1987, Mr. Gersten stated that he was not reimbursed by William J. Levitt for the contribution to Citizens for Biden Committee - 1990. Attachment 1 at 27. However, Mr. Gersten stated that the \$1,000 contribution he sent to Citizens for Biden Committee - 1990, included funds he had

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received from others for the purpose of making the contribution. Thus it appears that Mr. Gersten also violated 2 U.S.C. § 441f since he did not disclose the actual contributors of the \$1,000 contribution. Accordingly, this Office recommends that the Commission find reason to believe that Robert S. Gersten violated 2 U.S.C. § 441f.

**B. Corporate Contributions**

Pursuant to 2 U.S.C. § 441b, a corporation may not make a contribution in connection with a candidate for federal office. Also, an officer or director of a corporation is prohibited from consenting to the making of a corporate contribution in connection with a federal candidate. A political committee is prohibited from knowingly accepting or receiving a corporate contribution.

The Commission's records show that the Citizens for Biden Committee - 1990 is the principal campaign committee of Joseph Biden with respect to the 1990 elections.<sup>9/</sup> Thus, subject to the restrictions of the Act, corporations may not contribute to the Citizens for Biden Committee - 1990.

It appears that on June 4, 1986, Respondent Rowenroy, Ltd. reimbursed 18 individuals, \$1,000 each for contributions to the Citizens for Biden Committee - 1990. On the same day Respondent

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<sup>9/</sup> Citizens for Biden - 1984 terminated on August 4, 1986, with the filing of its 1986 Mid-Year Report. The Biden for President Committee registered with the Commission on March 3, 1987. Also, a multi-candidate political committee associated with Senator Biden ("Fund for '86") registered with the Commission on April 25, 1986, and was terminated on March 13, 1987, having reported receipts of \$132,287 and disbursements of \$121,232.

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Rowenroy, Ltd. reimbursed two individuals, who made a combined contribution of \$2,000 to Citizens for Biden Committee - 1990, the sum of \$1,500. As such, Rowenroy, Ltd. is the actual contributor of at least \$19,500 to the Citizens for Biden Committee - 1990. 11 C.F.R. § 110.4(b)(2)(i). This is in violation of the prohibition on corporate contributions under 2 U.S.C. § 441b. It also appears that William J. Levitt, the President of Rowenroy, Ltd., consented to the contribution in violation of 2 U.S.C. § 441b. Since it appears that William J. Levitt and Rowenroy, Ltd. engaged in the above activity in order to circumvent the prohibition on corporate contributions contained in 2 U.S.C. § 441b, it appears that these violations were knowing and willful.

Accordingly, this Office recommends that the Commission find reason to believe that Rowenroy, Ltd. and William J. Levitt knowingly and willfully violated 2 U.S.C. § 441b.

**C. Contribution by a Foreign National**

Pursuant to 2 U.S.C. § 441e it is "unlawful for a foreign national directly or through any other person to make any contribution of money or other thing of value. . . in connection with an election to any political office." The term "foreign national" means a foreign principal as defined by 22 U.S.C. § 611(b). 2 U.S.C. § 441e(b)(1) and 11 C.F.R. § 110.4(a). A foreign principal includes "a partnership, association, corporation, organization, or other combination of persons organized under the laws of or having its principal place of

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business in a foreign country." 22 U.S.C. § 611(b)(3). Also see Advisory Opinion 1977-53.

Since Rowenroy, Ltd. is organized as a corporation under the laws of Bermuda, it appears to be a "foreign principal" as defined by 22 U.S.C. § 611(b)(3). Thus, it is also a "foreign national" pursuant to 2 U.S.C. § 441e.<sup>10/</sup> It appears that Rowenroy, Ltd. made contributions through other persons to Citizens for Biden Committee - 1990. Since it appears that Rowenroy, Ltd. reimbursed individuals for contributions to Citizens for Biden Committee - 1990 in order to circumvent the prohibition on contributions by a foreign national pursuant to 2 U.S.C. § 441e, it appears that this violation was knowing and willful. Accordingly, this Office recommends that the Commission find reason to believe that Rowenroy, Ltd. knowingly and willfully violated 2 U.S.C. § 441e.

### III. RECOMMENDATIONS

1. Open a MUR.
2. Find reason to believe that Edward Cortese, Frieda Cortese, Ralph M. Della Ratta, Joan Della Ratta, Edward G. Donnelly, Michelle Donnelly, Robert S. Gersten, Harold Kellman,

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<sup>10/</sup> This Office contacted the State Department in an attempt to get information concerning the organization and address of Rowenroy, Ltd. and William J. Levitt's relationship with it. The State Department's Bermuda Desk Officer informed this Office that a request for any information the Commission may need would have to be made by the State Department to the British Embassy. He informed this Office that the British Embassy would want to know why information was needed and would need a written request. He described the process as a very time consuming one. Based on information supplied by the Department of Law, this Office will attempt to contact Rowenroy, Ltd. through the home address of William J. Levitt, and thereby, obtain the relevant information.

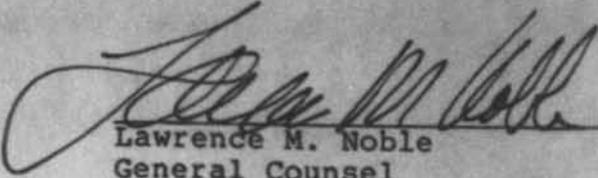
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Marilyn Kellman, Stephen J. Lampel, Ava Lampel, Gaby Levitt, Nicole Levitt, Simone Levitt, Michael Newman, Sherry Newman, Stanley Ogonowski, Fanny Ogonowski, Lou Stern, Lisette Stern, Adrienne J. Walters, and Jennifer D. Flynn violated 2 U.S.C. § 441f.<sup>11/</sup>

3. Find reason to believe that Rowenroy, Ltd. knowingly and willfully violated 2 U.S.C. §§ 441b, 441e and 441f.
4. Find reason to believe that William J. Levitt knowingly and willfully violated 2 U.S.C. §§ 441b and 441f.
5. Approve the attached letters and Factual and Legal Analyses.
6. Approve the attached Interrogatories and Requests for Documents.
7. Approve the attached letter and subpoena and order to Joel Boyarsky as a non-respondent witness.<sup>12/</sup>
8. Approve the attached subpoena and letter for the deposition of William J. Levitt.<sup>13/</sup>

Date

1/27/88

  
Lawrence M. Noble  
General Counsel

<sup>11/</sup> This Office is not making a recommendation at this time regarding whether these individuals knowingly and willfully violated 2 U.S.C. § 441f. It appears that the responses of these individuals will have to be reviewed before such a determination can be made.

<sup>12/</sup> At this time there is no evidence that Joel Boyarsky violated the Act. However, it appears that he played a key role in this case since he appears to be the link between Citizens for Biden Committee - 1990 and William J. Levitt. Therefore, this Office recommends that the attached questions be sent to Mr. Boyarsky.

<sup>13/</sup> This Office is recommending that a Request for the Production of Documents be sent to Mr. Levitt at this time, and that a deposition of Mr. Levitt should occur after the documents are received and after the other Respondents respond to their Interrogatories. Mr. Levitt will not be notified of the deposition until after the responses are received.

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Attachments:

- 1-Referral Materials
- 2-Newsday Article
- 3-Chart of Respondents
- 4-Proposed Letters (24), Factual and Legal & Analyses (24)  
Interrogatories and Requests for Documents (3)
- 5-Proposed Letter and Subpoena and Order to Joel Boyarsky  
as a non-respondent witness
- 6-Subpoena and letter for the Deposition of William J. Levitt (1)
- 7-Sample Interrogatories and Requests for Documents for all  
Respondents other than William J. Levitt, Rowenroy, Ltd. and  
Robert S. Gersten (1)

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Newsday  
Sept. 20, 1987  
Burrville  
Long Island, NY

# Levitt Contributions Probed

## May have used others to mask campaign donations to Biden

By Kimberly Greer .297A

William J. Levitt, the builder of Levittown, last year used employees and their relatives to funnel thousands of dollars in campaign contributions to Sen. Joseph R. Biden Jr. (D-Del.), using a method that a federal election official described as illegal.

The contributions to Biden's re-election campaign to the Senate, made as he was assessing his presidential possibilities, were returned Aug. 25 of this year after Levitt's attorney alerted a Biden fund raiser that questions had been raised by New York officials.

Frederick Ellsard, a spokesman for the Federal Election Commission, declined to comment specifically on the Levitt incident, but said that using others to disguise one's own campaign contributions is a violation of federal election law.

Larry Rasky, Biden's campaign director, said yesterday the contributions were returned because "We understood that the money might be tainted. When you have the slightest inclination of that, you automatically move to rectify the situation. We just refunded the money." He said that despite Levitt's prominence and the significant amount of money involved, "we want nothing to do with him" because of questions of impropriety that might arise.

The contributions are under investigation by the Nassau County district attorney and the New York attorney



William Levitt

general, sources close to the inquiry said.

Three of Levitt's former employees said yesterday that the builder had eight employees at his Greenvale office, plus eight of their relatives, write \$1,000 checks each to Citizens for Biden in June, 1986, for a total of \$16,000. Within several days, Levitt repaid the employees the money by check. Most of the eight employees have since left the company.

More than a year later, at about the same time that Biden's committee refunded their money, the three former employees said, they received letters from Levitt saying they would be receiving the refund and telling them to endorse the checks "and send them back to me."

Federal campaign contributions by individuals are limited to \$1,000 per candidate per election. Contributing more than that by repaying others who make donations is a civil violation, punishable by a fine of \$5,000 or the amount donated, whichever is greater, Ellsard said.

"The law prohibits it," Ellsard said. "The contribution has to come from the individual and be the individual's own funds. The statute was written to prevent people with considerable amounts of money from contributing large amounts in order to control an election."

Levitt, 80, could not be reached yesterday for comment, his attorney, J. Stanley Shaw, said. Shaw, a fund-raiser for Biden on Long Island, said he had contacted Levitt and asked him to make some contributions. "I solicited all of my friends that if they liked Biden to join Citizens for Biden," he said. "Levitt liked Biden; he said he would be very happy to participate raising money for Biden." Shaw said he did not know how Levitt raised the money.

Shaw added that the contributions,

while made to Biden's Senate re-election campaign, were donated during an "exploratory" period in which Biden was assessing whether to run for president. Biden declared his candidacy June 9 of this year.

The Levitt contributions to Biden were in response to a Long Island fund-raising effort headed by Joel Boyarsky, a Lawrence businessman and friend of Biden's. Boyarsky once did business with Levitt, buying a Florida shopping center from the builder for about \$1.7 million in 1983.

Boyarsky, who owns Improved Funding Technologies, Inc., a financial consulting firm in Lynbrook, said that last spring. "I was made aware that there might be a problem with the fund-raising that Levitt did. It (the warning) was from Stanley Shaw. I didn't go into it. I said, 'We'll send the money back.' It made us uncomfortable."

Rasky, Biden's campaign director, said Boyarsky passed on his concern but it took until late August to process the refunds. Besides the \$16,000, the committee refunded another \$9,000 in donations that appeared to have been solicited by Levitt from others during that period, Rasky said.

He added that the refunds will be noted in an end-of-the-year filing with the Federal Election Commission.

Newsday has obtained copies of some of the checks written to Citizens

—Continued on Page 23

MOI: E  
Attachment 2

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# Levitt Donations to Biden Campaign Probed

—Continued from Page 3 D  
for Biden, of the campaign's letter accompanying the refunds and of Levitt's letter asking for the money back. The accounts of the solicitation were confirmed by three of Levitt's former employees independently in separate interviews. Three other employees, one of whom has since left Levitt's firm, would not comment on the matter. The other two could not be reached yesterday.

"He [Levitt] wanted to impress Biden by showing how much money he raised," said one former Levitt employee who declined to be publicly identified. "He stood at the desk and would not leave until I gave him checks."

Another former employee added: "I did not know that it was underhanded. I had never contributed to anything in terms of politics before. I did not know how they did contributions. I figured if everyone else was doing it, I should do it. I did not want to lose my job."

The Levitt office donations were dated June 1, 2 and 3, 1988. The funds were turned over to the Biden campaign at a cocktail party with Biden in a suite at the Regency Hotel in Manhattan the evening of June 2, the former employees said.

County and state investigators are looking into employees' assertions that Levitt took the cash for the contributions from his family's tax-exempt charitable foundation, the employees said. Such a transfer would be a violation of state law, state officials say.

State and Nassau County law enforcement officials

would not discuss the case.

But in a June 2, 1987, letter to Shaw, David Samuels, the litigation section chief for the attorney general's charities bureau, said he wanted to discuss a number of items with the builder and his attorney at a June 12 meeting. Among them, the letter says, is the "apparent diversion by Mr. Levitt of Foundation assets to Senator Biden's election campaign." A copy of the letter was obtained by Newsday. Samuels refused to discuss the matter.

When Levitt reimbursed his employees for the contributions to Biden, he made at least one of the payments on checks issued from an account called Rowenroy Ltd., one of Levitt's companies. That company was found earlier this year by the state attorney general's office to have been used for the illegal transfer of funds from Levitt's tax-exempt charity for personal use in matters other than the Biden payments.

In January, Levitt signed a consent judgment with the state agreeing to repay \$11 million he removed from his family's charity.

Levitt, once a multimillionaire, has suffered from severe financial problems from a string of failed housing ventures. He has said in recent depositions that he is close to bankruptcy.

Biden declined to be interviewed on the matter, Rasky said. "I don't think it is something that he would care to comment on or need to comment on," Rasky said yesterday.

When the Biden campaign refunded the money, an accompanying letter said, "Thank you for your

generous contribution to Citizens for Biden '90. Your support is greatly appreciated, however, we regret that we are unable to accept your contribution at this time. Enclosed please find the refund check in the amount of your contribution."

Yesterday, one of Levitt's employees said that in a phone conversation after the letter was sent, a Biden's staff member was "very vague" about the reasons. "They said something about wanting to avoid an audit problem," the employee recalled.

The refund surprised the recipients, at least two of whom threw out the unopened envelope, thinking it was simply another of many pieces of campaign literature they had received from Biden since making the contribution.

About the same time, three Levitt employees received a letter from Levitt regarding the refunds. One letter read: "You will be receiving two (2) checks refunding contributions that you and (your relative) made to the Biden campaign. Please endorse them and send them back to me."

Biden has received a great deal of national exposure in the past week. While chairing the Senate Judiciary hearings on the nomination of Judge Robert Bork to the Supreme Court, Biden was confronted with news reports accusing him of plagiarizing his speeches. Biden denied intentionally plagiarizing the speeches, but did admit that he plagiarized a law review article for a paper written in his first year at Syracuse Law School.

CHART OF INDIVIDUAL RESPONDENTS

<u>RESPONDENT</u>	<u>MADE CONTRIBUTION TO BIDEN - 1990</u>	<u>EMPLOYED BY LEVITT OR SPOUSE EMPLOYED BY LEVITT</u>	<u>ON LIST WITH LETTER</u>	<u>ON ROWENROY REPORT</u>	<u>HAVE CANCELLED CHECK FROM ROWENROY</u>
E. Cortese*/	X	X	X	X	
F. Cortese*/	X	X	X	X	
R. Della Ratta	X	X	X	X	X
J. Della Ratta	X	X	X	X	X
E. Donnelly	X	X	X	X	X
M. Donnelly	X	X	X	X	X
R. Gersten	X		X		
3 H. Kellman*/	X	X	X	X	X
6 M. Kellman*/	X	X	X	X	X
0 S. Lampel	X	X	X	X	
6 A. Lampel	X	X	X	X	
9 G. Levitt*/	X		X	X	X
0 N. Levitt*/	X		X	X	
3 0 S. Levitt*/	X	X	X		
3 M. Newman	X	X	X	X	
0 S. Newman	X	X	X	X	
S. Ogonowski*/	X	X	X	X	X
F. Ogonowski*/	X	X	X	X	X
Lou Stern	X		X	X	
Lisette Stern	X		X	X	
A. Walters*/	X	X	X	X	X
J. Flynn*/	X	X	X	X	X

\*/ These individuals have made payments to the Department of Law to reimburse the Levitt Foundation in response to a letter which was sent to all of the individual Respondents by the Department of Law.

Attachment 3

BEFORE THE FEDERAL ELECTION COMMISSION

(MUR  
2576)

In the Matter of )  
 )  
William J. Levitt )  
Nicole Levitt )  
Simone Levitt )  
Michael Newman )  
Sherry Newman )  
Stanley Ogonowski )  
Fanny Ogonowski )  
Lou Stern )  
Robert S. Gersten )  
Harold Kellman )  
Marilyn Kellman )  
Ava Lampel )  
Rowenroy, Ltd. )  
Edward Cortese )  
Frieda Cortese )  
Ralph M. Della Ratta )  
Joan Della Ratta )  
Edward G. Donnelly )  
Michelle Donnelly )  
Lisette Stern )  
Adrienne J. Walters )  
Jennifer D. Flynn )  
Stephen J. Lampel )  
Gaby Levitt )

PreMUR-185

93080960632

CERTIFICATION

I, Marjorie W. Emmons, Secretary of the Federal Election Commission, do hereby certify that on February 1, 1988, the Commission decided by a vote of 6-0 to take the following actions in PreMUR 185:

(Continued)

- 93080960633
1. Open a MUR
  2. Find reason to believe that Edward Cortese, Frieda Cortese, Ralph M. Della Ratta, Joan Della Ratta, Edward G. Donnelly, Michelle Donnelly, Robert S. Gersten, Harold Kellman, Marilyn Kellman, Stephen J. Lampel, Ava Lampel, Gaby Levitt, Nicole Levitt, Simone Levitt, Michael Newman, Sherry Newman, Stanley Ogonowski, Fanny Ogonowski, Lou Stern, Lisette Stern, Adrienne J. Walters, and Jennifer D. Flynn violated 2 U.S.C. § 441f.
  3. Find reason to believe that Rowenroy, Ltd. knowingly and willfully violated 2 U.S.C. §§ 441b, 441e and 441f.
  4. Find reason to believe that William J. Levitt knowingly and willfully violated 2 U.S.C. §§ 441b and 441f.
  5. Approve the letters and Factual and Legal Analyses, as recommended in the First General Counsel's report signed January 27, 1988.
  6. Approve the Interrogatories and Requests for Documents, as recommended in the First General Counsel's report signed January 27, 1988.
  7. Approve the letter and Subpoena and order to Joel Boyarsky as a non-respondent witness.
  8. Approve the subpoena and letter for the deposition of William J. Levitt.

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

Attest:

Feb. 2, 1988

Date

Marjorie W. Emmons

Marjorie W. Emmons  
Secretary of the Commission

Received in the Office of Commission Secretary: Wed., 1-27-88, 1:46  
Circulated on 48 hour tally basis: Thurs., 1-28-88, 11:00  
Deadline for vote: Mon., 2-01-88, 11:00

jm



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

February 10, 1988

**CERTIFIED MAIL**  
**RETURN RECEIPT REQUESTED**

Joel Boyarsky  
IFTI  
211 Broadway, Suite 301  
Lynbrook, NY 11563

RE: MUR 2576

Dear Mr. Boyarsky:

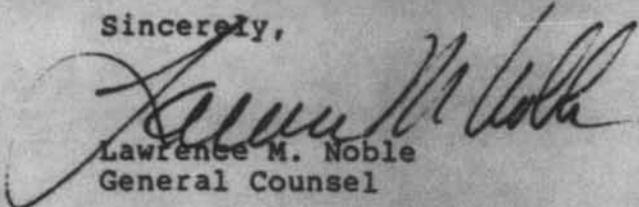
The Federal Election Commission has the statutory duty of enforcing the Federal Election Campaign Act of 1971, as amended. The Commission has issued the attached subpoena to produce documents and order to submit written answers which requires you to provide certain information, in connection with an investigation it is conducting. The Commission does not consider you a respondent in this matter, but rather a witness only.

Because this information is being sought as part of an investigation being conducted by the Commission, the confidentiality provision of 2 U.S.C. § 437g(a)(12)(A) applies. That section prohibits making public any investigation conducted by the Commission without the express written consent of the person with respect to whom the investigation is made. You are advised that no such consent has been given in this case.

You may consult with an attorney and have an attorney assist you in the preparation of your responses to this subpoena to produce documents and order to submit written answers. However, you are required to submit the information under oath within 15 days of your receipt of this subpoena to produce documents and order to submit written answers.

If you have any questions, please direct them to Susan Beard, the attorney handling this matter, at (202) 376-8200.

Sincerely,

  
Lawrence M. Noble  
General Counsel

Enclosure  
Subpoena to Produce Documents and  
Order to Submit Written Answers

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BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of

)  
)  
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)  
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MUR 2576

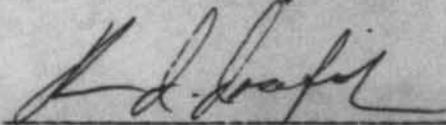
SUBPOENA TO PRODUCE DOCUMENTS  
ORDER TO SUBMIT WRITTEN ANSWERS

TO: Joel Boyarsky  
IFTI  
211 Broadway, Suite 301  
Lynbrook, NY 11563

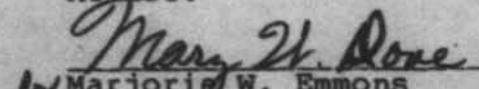
Pursuant to 2 U.S.C. § 437d(a)(1) and (3), and in furtherance of its investigation in the above-captioned matter, the Federal Election Commission hereby orders you to submit written answers to the questions attached to this Order and subpoenas you to produce the documents requested on the attachment to this Order. Legible copies which, where applicable, show both sides of the documents, may be substituted for originals.

Such answers must be submitted under oath and must be forwarded to the Commission along with the requested documents within 15 days of your receipt of this Order and Subpoena.

WHEREFORE, the Chairman of the Federal Election Commission has hereunto set his hand on this 9th, day of February, 1988.

  
Thomas J. Josefiak, Chairman  
Federal Election Commission

ATTEST:

  
Marjorie W. Emmons  
Secretary to the Commission

Attachments  
Questions and Document Request (1 page)

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INSTRUCTIONS

In answering these interrogatories and request for production of documents, furnish all documents and other information, however obtained, including hearsay, that is in possession of, known by or otherwise available to you, including documents and information appearing in your records.

Each answer is to be given separately and independently, and unless specifically stated in the particular discovery request, no answer shall be given solely by reference either to another answer or to an exhibit attached to your response.

The response to each interrogatory propounded herein shall set forth separately the identification of each person capable of furnishing testimony concerning the response given, denoting separately those individuals who provided informational, documentary or other input, and those who assisted in drafting the interrogatory response.

If you cannot answer the following interrogatories in full after exercising due diligence to secure the full information to do so, answer to the extent possible and indicate your inability to answer the remainder, stating whatever information or knowledge you have concerning the unanswered portion and detailing what you did in attempting to secure the unknown information.

Should you claim a privilege with respect to any documents, communications, or other items about which information is requested by any of the following interrogatories and requests for production of documents, describe such items in sufficient detail to provide justification for the claim. Each claim of privilege must specify in detail all the grounds on which it rests.

Unless otherwise indicated, the discovery requests shall refer to the time period from January 1, 1986, to the present.

The following interrogatories and requests for production of documents are continuing in nature so as to require you to file supplementary responses or amendments during the course of this investigation if you obtain further or different information prior to or during the pendency of this matter. Include in any supplemental answers the date upon which and the manner in which such further or different information came to your attention.

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DEFINITIONS

For the purpose of these discovery requests, including the instructions thereto, the terms listed below are defined as follows:

"You" shall mean the named non-respondent witness in this action to whom these discovery requests are addressed, including all officers, employees, agents or attorneys thereof.

"Persons" shall be deemed to include both singular and plural, and shall mean any natural person, partnership, committee, association, corporation, or any other type of organization or entity.

"Document" shall mean the original and all non-identical copies, including drafts, of all papers and records of every type in your possession, custody, or control, or known by you to exist. The term document includes, but is not limited to books, letters, contracts, notes, diaries, log sheets, records of telephone communications, transcripts, vouchers, accounting statements, ledgers, checks, money orders or other commercial paper, telegrams, telexes, pamphlets, circulars, leaflets, reports, memoranda, correspondence, surveys, tabulations, audio and video recordings, drawings, photographs, graphs, charts, diagrams, lists, computer print-outs, and all other writings and other data compilations from which information can be obtained.

"Identify" with respect to a document shall mean state the nature or type of document (e.g., letter, memorandum), the date, if any, appearing thereon, the date on which the document was prepared, the title of the document, the general subject matter of the document, the location of the document, the number of pages comprising the document.

"Identify" with respect to a person shall mean state the full name, the most recent business and residence addresses and telephone numbers, the present occupation or position of such person, the nature of the connection or association that person has to any party in this proceeding. If the person to be identified is not a natural person, provide the legal and trade names, the address and telephone number, and the full names of both the chief executive officer and the agent designated to receive service of process for such person.

"And" as well as "or" shall be construed disjunctively or conjunctively as necessary to bring within the scope of these interrogatories and requests for the production of documents any documents and materials which may otherwise be construed to be out of their scope.

93080960637

**QUESTIONS AND REQUESTS  
FOR DOCUMENTS**

1. Describe, in detail, your relationship with Citizens for Biden Committee - 1990 and any other authorized campaign committee of Joseph Biden.
2. Describe, in detail, your knowledge of or concerning a fundraiser for Joseph Biden hosted by William Levitt, on or about June 2, 1986. Include, a description of the content, the date, and the participants of each and every communication you had with any individual or entity concerning the fundraiser. Also include a description of any role you served in connection with the fundraiser.
3. State whether you knew that some of the contributors who made contributions to Citizens for Biden Committee - 1990 at the Levitt fundraiser, may have been reimbursed for their contribution. If so, state the date you became aware of this situation, and describe in detail the source(s) of this information.
4. State whether you informed Citizens for Biden Committee - 1990 or any other committee or person connected to Joseph Biden that some contributors may have been reimbursed for their contributions. If so, state, the date, participants to the communication and the content of the communication.
5. Produce each and every document that concerns questions 1, 2, 3 and 4.

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plm



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

February 10, 1988

Robert S. Gersten  
84 Leamington Road  
Lido Beach, NY 11561

RE: MUR 2576  
Robert S. Gersten

Dear Mr. Gersten:

On February 1, 1988, the Federal Election Commission found that there is reason to believe you violated 2 U.S.C. § 441f, 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 you. You may submit any factual or legal materials that you believe are relevant to the Commission's consideration of this matter along with the requested documents listed in the enclosed document request, within 15 days of your receipt of this letter. Please submit such materials to the General Counsel's Office. Where appropriate, statements should be submitted under oath.

In the absence of any additional information demonstrating that no further action should be taken against you, 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.

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Letter to Robert S. Gersten  
Page 2

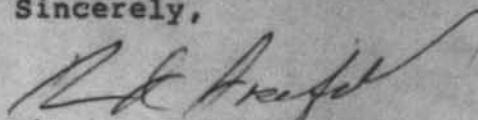
Requests for extensions of time will not be routinely granted. Requests must be made in writing at least five days prior to the due date of the response and specific good cause must be demonstrated. In addition, the Office of the General Counsel ordinarily will not give extensions beyond 20 days.

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.

This matter will remain 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 Susan Beard, the attorney assigned to this matter, at (202) 376-8200.

Sincerely,



Thomas J. Josefiak  
Chairman

Enclosures

Factual and Legal Analysis  
Procedures  
Designation of Counsel Form  
Interrogatories and Requests for Production  
of Documents

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BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of

)  
) MUR 2576  
)

**INTERROGATORIES AND REQUEST  
FOR PRODUCTION OF DOCUMENTS**

TO: Robert S. Gersten  
84 Leamington Road  
Lido Beach, NY 11561

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. In addition, the Commission hereby requests that you produce the documents specified below, in their entirety, for inspection and copying at the Office of the General Counsel, Federal Election Commission, Room 659, 999 E Street, N.W., Washington, DC 20463, on or before the same deadline, and continue to produce those documents each day thereafter as may be necessary for counsel for the Commission to complete their examination and reproduction of those documents. Clear and legible copies or duplicates of the documents which, where applicable, show both sides of the documents may be submitted in lieu of the production of the originals.

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**INTERROGATORIES AND REQUESTS  
TO PRODUCE DOCUMENTS**

1. Identify each and every individual, including both home and work addresses, who gave you funds which you contributed to the Citizens for Biden Committee - 1990.
2. Describe, in detail, the circumstances surrounding your contribution to Citizens for Biden Committee - 1990.
3. Produce a true copy of both sides of all checks from and to individuals who gave you funds that were to be used for a contribution to Citizens for Biden Committee - 1990.
4. Produce all documents regarding the contribution you made to Citizens for Biden Committee - 1990.

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FEDERAL ELECTION COMMISSION  
FACTUAL AND LEGAL ANALYSIS

RESPONDENT: Robert S. Gersten

MUR 2576

Pursuant to Section 441f of Title 2 of the Federal Election Campaign Act of 1971, as amended (the "Act") "[n]o person shall make a contribution in the name of another person or knowingly permit his name to be used to effect such a contribution." Under the Commission's regulations, a contribution in the name of another includes giving money or anything of value, all or part of which is provided by another person without disclosing the source of the money or the thing of value to the recipient candidate or committee at the time the contribution is made. 11 C.F.R. § 110.4(b)(2)(i).

According to reports filed with the Commission by Citizens for Biden Committee - 1990, Robert S. Gersten made a \$1,000 contribution on June 2, 1986. Based on a letter written by Mr. Gersten to the State of New York Department of Law, it appears that Mr. Gersten's contribution to Citizens for Biden Committee - 1990 partially consisted of funds from other individuals. It also appears that when Mr. Gersten received a refund from the Citizens for Biden Committee - 1990, he forwarded the refund to the other individuals. Therefore, there is reason to believe that Robert S. Gersten violated 2 U.S.C. § 441f.

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FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

February 10, 1988

William J. Levitt  
La Colline  
Oyster Bay Road  
Mill Neck, NY 11765

RE: MUR 2576  
William J. Levitt

Dear Mr. Levitt:

On February 1, 1988, the Federal Election Commission found that there is reason to believe you knowingly and willfully violated 2 U.S.C. §§ 441b and 441f, provisions 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 you. You may submit any factual or legal materials that you believe are relevant to the Commission's consideration of this matter along with the requested documents listed in the enclosed document request, within 15 days of your receipt of this letter. Please submit such materials to the General Counsel's Office. Where appropriate, statements should be submitted under oath.

In the absence of any additional information demonstrating that no further action should be taken against you, 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.

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Letter to William J. Levitt  
Page 2

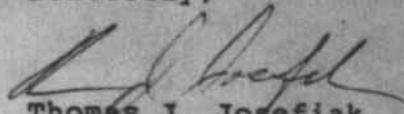
Requests for extensions of time will not be routinely granted. Requests must be made in writing at least five days prior to the due date of the response and specific good cause must be demonstrated. In addition, the Office of the General Counsel ordinarily will not give extensions beyond 20 days.

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.

This matter will remain 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 Susan Beard, the attorney assigned to this matter, at (202) 376-8200.

Sincerely,

  
Thomas J. Josefiak  
Chairman

Enclosures  
Factual and Legal Analysis  
Procedures  
Designation of Counsel Form  
Subpoena

93030960645

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of

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)

MUR 2576

REQUEST FOR PRODUCTION  
OF DOCUMENTS

TO: William J. Levitt  
La Colline  
Oyster Bay Road  
Mill Neck, NY 11765

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. In addition, the Commission hereby requests that you produce the documents specified below, in their entirety, for inspection and copying at the Office of the General Counsel, Federal Election Commission, Room 659, 999 E Street, N.W., Washington, DC 20463, on or before the same deadline, and continue to produce those documents each day thereafter as may be necessary for counsel for the Commission to complete their examination and reproduction of those documents. Clear and legible copies or duplicates of the documents which, where applicable, show both sides of the documents may be submitted in lieu of the production of the originals.

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REQUEST FOR DOCUMENTS

1. All documents that concern your relationship with or communications with Citizens for Biden Committee - 1990 or any other entity or individual connected with Joseph Biden.
2. All documents that concern your legal relationship(s) with Rowenroy, Ltd., i.e., agent, officer, shareholder.
3. All documents that concern your relationship with or communications with Joel Boyarsky with regard to fundraising for Joseph Biden.
4. A list of the names and addresses of all individuals who you promised to reimburse for their contributions to Citizens for Biden Committee - 1990.
5. All documents which concern the reimbursement of contributions to Citizens for Biden Committee - 1990, including documents which detail the manner and amount of reimbursements and canceled checks.

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FEDERAL ELECTION COMMISSION  
FACTUAL AND LEGAL ANALYSIS

RESPONDENT: William J. Levitt

MUR 2576

A. Contributions in the Name of Another

Pursuant to Section 441f of Title 2 of the Federal Election Campaign Act of 1971, as amended (the "Act") "[n]o person shall make a contribution in the name of another person or knowingly permit his name to be used to effect such a contribution, and no person shall knowingly accept a contribution made by one person in the name of another person." Under the Commission's regulations, a contribution in the name of another includes giving money or anything of value, all or part of which is provided to the contributor by another person without disclosing the source of the money or the thing of value to the recipient candidate or committee at the time the contribution is made. 11 C.F.R. § 110.4(b)(2)(i).

In Advisory Opinion 1986-41, the Commission noted that the prohibition of Section 441f applies to any person. This includes "an incorporated or unincorporated entity who gives money to another to effect a contribution in the second person's name." The Commission has also found that the prohibitions of Section 441f apply to individuals who assist in the making of contributions in the name of another.

On or about June 2, 1986, Respondent, William J. Levitt hosted a fundraiser for Joseph Biden. Contributions to the fundraiser were \$1,000 a person. Portions of a deposition of

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Edward Donnelly, Mr. Levitt's accountant, reveal that Mr. Levitt asked Mr. Donnelly to attend the fundraiser and promised to reimburse him for the contribution.

Mr. Donnelly attended the fundraiser and made a \$2,000 contribution, which included a \$1,000 contribution for his wife, Michelle Donnelly. Michelle Donnelly did not attend the fundraiser. A \$2,000 contribution, made June 3, 1986, for Edward and Michelle Donnelly, was reported in the 1986 Mid-Year Report of the Citizens for Biden Committee - 1990. On June 4, 1986, Edward and Michelle Donnelly received a check for \$2,000 from Rowenroy, Ltd., one of Mr. Levitt's companies. In his deposition, Mr. Donnelly states that the \$2,000 check from Rowenroy, Ltd. is a reimbursement from Mr. Levitt for the \$2,000 contribution he and his wife made to the Biden fundraiser.

The \$2,000 reimbursement to Edward and Michelle Donnelly appears to be reflected in the available documents. First, an unsigned letter to Joel Boyarsky<sup>1/</sup> stated that the "writer"<sup>2/</sup> reimbursed individuals for the \$1,000 contribution to the fundraiser. Attached to the letter is a list of 24 individuals including Edward and Michelle Donnelly. Second, copies of cancelled checks, dated June 4, 1986, from Rowenroy, Ltd. include a \$2,000 check to "E. and M. Donnelly." Third, a computer

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<sup>1/</sup> Mr. Boyarsky, a former business associate of Mr. Levitt, headed a fundraising effort for Joseph Biden in Long Island.

<sup>2/</sup> Because this letter was included in Mr. Levitt's subpoenaed documents, it is inferred that the "writer" is Mr. Levitt.

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printout of receipts and disbursements of Rowenroy, Ltd. records a payment on June 4, 1986, of \$2,000 to Edward and Michelle Donnelly. The entry indicating the purpose of the disbursement is marked "personal." In his deposition Mr. Donnelly states that this entry is the \$2,000 reimbursement from Mr. Levitt for the campaign fundraiser. Finally, in a response to a letter from the State of New York Department of Law, Mr. Donnelly's counsel states that the \$2,000 check from Rowenroy, Ltd. was treated by Mr. Donnelly as "money owed to him for professional services already rendered" and not as a reimbursement. The letter from the State of New York Department of Law read, in part, as follows:

As part of this office's enforcement of a consent judgment obtained against William J. Levitt providing for the payment of \$11 million by Mr. Levitt to the Levitt Foundation, it has come to our attention that you and other individuals each made \$1,000 contributions to the election - campaign of Senator Joseph Biden, for which you were reimbursed by Mr. Levitt. Additionally, we have just learned that the Biden campaign has returned your contributions to you.

Please be advised that the funds used by Mr. Levitt to reimburse your contribution belonged to the Levitt Foundation, not to Mr. Levitt personally. We therefore request that you transmit the money you received from the Biden Campaign to this office on behalf of the Levitt Foundation. We understand that Mr. Levitt has recently made a demand on you for this money. If you have sent the money to him, we ask that you notify us of that fact; as reflected in the enclosed letter to Mr. Levitt, we have demanded that he return these monies to the Foundation, as he has no legitimate claim to them.

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It appears that Edward and Michelle Donnelly made a \$2,000 contribution to the Citizens for Biden Committee - 1990 on June 3, 1986. It also appears that Edward and Michelle Donnelly were reimbursed for this contribution on June 4, 1986, by Rowenroy, Ltd. Further, it appears from the 1986 Mid-Year Report that Rowenroy, Ltd. was not disclosed to the Citizens for Biden Committee - 1990 as the source of the \$2,000 contribution. The 1986 Mid-Year Report of the Citizens for Biden Committee - 1990, discloses only a \$1,000 contribution from Mr. Levitt on June 2, 1986, and no contributions from Rowenroy, Ltd.

In his deposition, Edward Donnelly further states that William Levitt asked other employees to attend the June 2, 1986, fundraiser and also promised to reimburse them for the \$1,000 a person contribution. There are a number of similarities in the information recorded for Edward and Michelle Donnelly and 19 other individuals.<sup>3/</sup> These individuals are included on the list with Edward and Michelle Donnelly that was attached to the unsigned letter to Joel Boyarsky. These individuals are also listed in the 1986 Mid-Year Report of the Citizens for Biden Committee - 1990 as making \$1,000 contributions from May 31,

<sup>3/</sup> These individuals include:

Nicole Levitt	Edward Cortese
Simone Levitt	Frieda Cortese
Michael Newman	Ralph Della Ratta
Joan Della Ratta	Sherry Newman
Stanley Ogonowski	Fanny Ogonowski
Lou Stern	Lisette Stern
Adrienne Walters	Harold Kellman
Jennifer D. Flynn	Marilyn Kellman
Stephen Lampel	Ava Lampel
Gaby Levitt	

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1986, to June 4, 1986, around the time of the June 2, 1986, Levitt fundraiser. Cancelled checks, dated June 4, 1986, from Rowenroy, Ltd. for \$1,000 or \$2,000 amounts appear for 9 of the 19 individuals. Eighteen of the 19 individuals are included on the Rowenroy, Ltd. computer printout as having received a payment on June 4, 1986. The entry indicating the purpose of the disbursement is marked "personal" as it is for Edward and Michelle Donnelly. It also appears that the 19 individuals received letters from the State of New York Department of Law that are similar to the one received by Mr. Donnelly. As of November 17, 1987, 11 of the 19 individuals have complied with the State of New York Department of Law's request and have sent checks for the amount of the reimbursement. Given the similar manner in which information was recorded in the documents for these 19 individuals and Edward and Michelle Donnelly, it can reasonably be inferred that the 19 individuals were reimbursed for contributions by Rowenroy, Ltd.

It appears that William J. Levitt assisted Rowenroy, Ltd. in making contributions in the names of others by asking individuals if they would make a contribution to Citizens for Biden Committee - 1990 for which they would be reimbursed in violation of 2 U.S.C. § 441f. It appears that William J. Levitt engaged in this activity in order to circumvent the contribution limitations of 2 U.S.C. § 441a, thus, it appears that this violation was knowing and willful. Therefore, there is reason to believe that William J. Levitt knowingly and willfully violated 2 U.S.C. § 441f.

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**B. Corporate Contributions**

Pursuant to 2 U.S.C. § 441b, an officer or director of a corporation is prohibited from consenting to the making of a corporate contribution in connection with a federal candidate.

It appears that on June 4, 1986, Rowenroy, Ltd. reimbursed 18 individuals, \$1,000 each for contributions to the Citizens for Biden Committee - 1990. On the same day Rowenroy, Ltd. reimbursed two individuals, who made a combined contribution of \$2,000 to Citizens for Biden Committee - 1990, the sum of \$1,500. As such, Rowenroy, Ltd. is the actual contributor of at least \$19,500 to the Citizens for Biden Committee - 1990. It appears that William J. Levitt, the President of Rowenroy, Ltd. consented to the contribution in violation of 2 U.S.C. § 441b. It appears that William J. Levitt engaged in this activity in order to circumvent the prohibition on corporate contributions contained in 2 U.S.C. § 441b, thus, it appears that this violation was knowing and willful. Accordingly, there is reason to believe that William J. Levitt knowingly and willfully violated 2 U.S.C. § 441b.

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FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

February 10, 1988

Rowenroy, Ltd.  
c/o William J. Levitt  
La Colline  
Oyster Bay Road  
Mill Neck, NY 11765

RE: MUR 2576  
Rowenroy, Ltd.

Dear Mr. Levitt:

On February 1, 1988, the Federal Election Commission found that there is reason to believe Rowenroy, Ltd. knowingly and willfully violated 2 U.S.C. §§ 441b, 441e and 441f, provisions 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 Rowenroy, Ltd. 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 Rowenroy, Ltd. 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.

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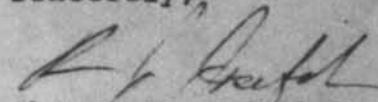
Requests for extensions of time will not be routinely granted. Requests must be made in writing at least five days prior to the due date of the response and specific good cause must be demonstrated. In addition, the Office of the General Counsel ordinarily will not give extensions beyond 20 days.

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.

This matter will remain 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 Susan Beard, the attorney assigned to this matter, at (202) 376-8200.

Sincerely,

  
Thomas J. Josefiak  
Chairman

Enclosures

- Factual and Legal Analysis
- Procedures
- Designation of Counsel Form
- Interrogatories and Request for
- Production of Documents

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BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of

)  
) MUR 2576  
)

**INTERROGATORIES AND REQUESTS  
FOR PRODUCTION OF DOCUMENTS**

TO: Rowenroy, Ltd.  
c/o William J. Levitt  
La Colline  
Oyster Bay Road  
Mill Neck, NY 11765

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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. In addition, the Commission hereby requests that you produce the documents specified below, in their entirety, for inspection and copying at the Office of the General Counsel, Federal Election Commission, Room 659, 999 E Street, N.W., Washington, DC 20463, on or before the same deadline, and continue to produce those documents each day thereafter as may be necessary for counsel for the Commission to complete their examination and reproduction of those documents. Clear and legible copies or duplicates of the documents which, where applicable, show both sides of the documents may be submitted in lieu of the production of the originals.

INTERROGATORIES AND REQUESTS  
FOR DOCUMENTS

1. For all shareholders provide the following information:
  - a. name;
  - b. home address; and,
  - c. the shareholder's percentage ownership of Rowenroy, Ltd.
2. Provide a true copy of the articles of incorporation and all amendments thereto which were in effect from January 1, 1986, to the present for Rowenroy, Ltd.
3. Identify each and every individual or entity who had authority to or in actuality did make decisions regarding the finances of Rowenroy, Ltd.
4.
  - a. Describe, in detail, the purpose(s) for check numbers 1150, 1151, 1152, 1153, 1154, 1155, 1156, 1158, 1159, 1160, 1161, and 1162 drawn upon the account of Rowenroy, Ltd. at the Chase Manhattan Bank in Roslyn, N.Y.
  - b. Produce true copies of all of the checks listed in part (a) of this question.
  - c. State the identity of the individual(s) who authorized the payment of the checks listed in part (a) of this question.
5. Identify all officers, directors, and agents of Rowenroy, Ltd. and their titles and duties.

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FEDERAL ELECTION COMMISSION  
FACTUAL AND LEGAL ANALYSIS

RESPONDENT: Rowenroy, Ltd.

MUR 2576

A. Contributions in the Name of Another

Pursuant to Section 441f of Title 2 of the Federal Election Campaign Act of 1971, as amended (the "Act") "[n]o person shall make a contribution in the name of another person or knowingly permit his name to be used to effect such a contribution, and no person shall knowingly accept a contribution made by one person in the name of another person." Under the Commission's regulations, a contribution in the name of another includes giving money or anything of value, all or part of which is provided to the contributor by another person without disclosing the source of the money or the thing of value to the recipient candidate or committee at the time the contribution is made. 11 C.F.R. § 110.4(b)(2)(i).

In Advisory Opinion 1986-41, the Commission noted that the prohibition of Section 441f applies to any person. This includes "an incorporated or unincorporated entity who gives money to another to effect a contribution in the second person's name."

It appears that on or about June 2, 1986, William J. Levitt hosted a fundraiser for Joseph Biden. Contributions to the fundraiser were \$1,000 a person. Portions of a deposition of Edward Donnelly, Mr. Levitt's accountant, reveal that Mr. Levitt asked Mr. Donnelly to attend the fundraiser and promised to reimburse him for the contribution.

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Mr. Donnelly attended the fundraiser and made a \$2,000 contribution, which included a \$1,000 contribution for his wife, Michelle Donnelly. Michelle Donnelly did not attend the fundraiser. A \$2,000 contribution, made June 3, 1986, for Edward and Michelle Donnelly, was reported in the 1986 Mid-Year Report of the Citizens for Biden Committee - 1990. On June 4, 1986, Edward and Michelle Donnelly received a check for \$2,000 from Rowenroy, Ltd., one of Mr. Levitt's companies. In his deposition, Mr. Donnelly states that the \$2,000 check from Rowenroy, Ltd. is a reimbursement from Mr. Levitt for the \$2,000 contribution he and his wife made to the Biden fundraiser.

The \$2,000 reimbursement to Edward and Michelle Donnelly appears to be reflected in the available documents. First, an unsigned letter to Joel Boyarsky<sup>1/</sup> stated that the "writer"<sup>2/</sup> reimbursed individuals for the \$1,000 contribution to the fundraiser. Attached to the letter is a list of 24 individuals including Edward and Michelle Donnelly. Second, copies of cancelled checks, dated June 4, 1986, from Rowenroy, Ltd. include

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<sup>1/</sup> Mr. Boyarsky, a former business associate of Mr. Levitt, headed a fundraising effort for Senator Biden in Long Island.

<sup>2/</sup> It appears that William J. Levitt is the writer of this letter since the letter was found in his papers.

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a \$2,000 check to "E. and M. Donnelly." Third, a computer printout of receipts and disbursements of Rowenroy, Ltd. records a payment on June 4, 1986, of \$2,000 to Edward and Michelle Donnelly. The entry indicating the purpose of the disbursement is marked "personal." In his deposition, Mr. Donnelly states that this entry is the \$2,000 reimbursement from Mr. Levitt for the campaign fundraiser. Finally, in a response to a letter from the State of New York Department of Law, Mr. Donnelly's counsel states that the \$2,000 check from Rowenroy, Ltd. was treated by Mr. Donnelly as "money owed to him for professional services already rendered" and not as a reimbursement. The letter from the State of New York Department of Law read, in part, as follows:

As part of this office's enforcement of a consent judgment obtained against William J. Levitt providing for the payment of \$11 million by Mr. Levitt to the Levitt Foundation, it has come to our attention that you and other individuals each made \$1,000 contributions to the election - campaign of Senator Joseph Biden, for which you were reimbursed by Mr. Levitt. Additionally, we have just learned that the Biden campaign has returned your contributions to you.

Please be advised that the funds used by Mr. Levitt to reimburse your contribution belonged to the Levitt Foundation, not to Mr. Levitt personally. We therefore request that you transmit the money you received from the Biden Campaign to this office on behalf of the Levitt Foundation. We understand that Mr. Levitt has recently made a demand on you for this money. If you have sent the money to him, we ask that you notify us of that fact; as reflected in the enclosed letter to Mr. Levitt, we have demanded that he return these monies to the Foundation, as he has no legitimate claim to them.

It appears that Edward and Michelle Donnelly made a \$2,000 contribution to the Citizens for Biden Committee - 1990 on June 3, 1986. It also appears that Edward and Michelle Donnelly were reimbursed for this contribution on June 4, 1986, by Rowenroy, Ltd. Further, it appears from the 1986 Mid-Year Report that Rowenroy, Ltd. was not disclosed to the Citizens for Biden Committee - 1990 as the source of the \$2,000 contribution. The 1986 Mid-Year Report of the Citizens for Biden Committee - 1990, discloses only a \$1,000 contribution from Mr. Levitt on June 2, 1986, and no contributions from Rowenroy, Ltd.

In his deposition, Edward Donnelly further states that William Levitt asked other employees to attend the June 2, 1986, fundraiser and also promised to reimburse them for the \$1,000 a person contribution.

There are a number of similarities in the information recorded for Edward and Michelle Donnelly and 19 other individuals.<sup>3/</sup> These individuals are included on the list with Edward and Michelle Donnelly that was attached to the unsigned letter to Joel Boyarsky. These individuals are also listed in the 1986 Mid-Year Report of the Citizens for Biden Committee -

3/ These individual include:

- |                   |                   |
|-------------------|-------------------|
| Nicole Levitt     | Edward Cortese    |
| Simone Levitt     | Frieda Cortese    |
| Michael Newman    | Ralph Della Ratta |
| Joan Della Ratta  | Sherry Newman     |
| Stanley Ogonowski | Fanny Ogonowski   |
| Lou Stern         | Lisette Stern     |
| Adrienne Walters  | Harold Kellman    |
| Jennifer D. Flynn | Marilyn Kellman   |
| Stephen Lampel    | Ava Lampel        |
| Gaby Levitt       |                   |

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1990 as making \$1,000 contributions from May 31, 1986, to June 4, 1986, around the time of the June 2, 1986, Levitt fundraiser. Cancelled checks, dated June 4, 1986, from Rowenroy, Ltd. for \$1,000 or \$2,000 amounts appear for 9 of the 19 individuals. Eighteen of the 19 individuals are included on the Rowenroy, Ltd. computer printout as having received a payment on June 4, 1986. The entry indicating the purpose of the disbursement is marked "personal" as it is for Edward and Michelle Donnelly. It also appears that the 19 individuals received letters from the State of New York Department of Law that are similar to the one received by Mr. Donnelly. As of November 17, 1987, 11 of the 19 individuals have complied with the State of New York Department of Law's request and have sent checks for the amount of the reimbursement.

Given the similar manner in which information was recorded in the documents for these 19 individuals and Edward and Michelle Donnelly, it can reasonably be inferred that the 19 individuals were reimbursed for contributions by Rowenroy, Ltd. in violation of 2 U.S.C. § 441f. Rowenroy, Ltd. in making a contribution, in the names of Edward and Michelle Donnelly also appears to have violated 2 U.S.C. § 441f. It appears that Rowenroy, Ltd. engaged in this activity in order to circumvent the contribution limitations of 2 U.S.C. § 441a, thus, it appears that this violation was knowing and willful. Accordingly, there is reason to believe that Rowenroy, Ltd. knowingly and willfully violated 2 U.S.C. § 441f.

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**B. Corporate Contributions**

Pursuant to 2 U.S.C. § 441b, a corporation may not make a contribution in connection with a candidate for federal office. The Commission's records show that the Citizens for Biden Committee - 1990 is the principal campaign committee of Joseph Biden with respect to the 1990 elections. Thus, subject to the restrictions of the Act, corporations may not contribute to the Citizens for Biden Committee - 1990.

It appears that on June 4, 1986, Respondent Rowenroy, Ltd. reimbursed 18 individuals, \$1,000 each for contributions to the Citizens for Biden Committee - 1990. On the same day Respondent Rowenroy, Ltd. reimbursed two individuals, who made a combined contribution of \$2,000 to Citizens for Biden Committee - 1990, the sum of \$1,500. As such, Rowenroy, Ltd. is the actual contributor of at least \$19,500 to the Citizens for Biden Committee - 1990. 11 C.F.R. § 110.4(b)(2)(i). This is in violation of the prohibition on corporate contributions under 2 U.S.C. § 441b. It appears that Rowenroy, Ltd. engaged in this activity in order to circumvent the prohibition on corporate contributions contained in 2 U.S.C. § 441b, thus, it appears that this violation was knowing and willful. Therefore, there is reason to believe that Rowenroy, Ltd. knowingly and willfully violated 2 U.S.C. § 441b.

**C. Contribution by a Foreign National**

Pursuant to 2 U.S.C. § 441e it is "unlawful for a foreign national directly or through any other person to make any

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contribution of money or other thing of value. . . in connection with an election to any political office." The term "foreign national" means a foreign principal as defined by 22 U.S.C. § 611(b). 2 U.S.C. § 441e(b)(1) and 11 C.F.R. § 110.4(a). A foreign principal includes "a partnership, association, corporation, organization, or other combination of persons organized under the laws of or having its principal place of business in a foreign country." 22 U.S.C. § 611(b)(3). Also see Advisory Opinion 1977-53.

Since Rowenroy, Ltd. is organized as a corporation under the laws of Bermuda, it appears to be a "foreign principal" as defined by 22 U.S.C. § 611(b)(3). Thus, it is also a "foreign national" pursuant to 2 U.S.C. § 441e. It appears that Rowenroy, Ltd. made contributions through other persons to Citizens for Biden Committee - 1990. It appears that Rowenroy, Ltd. reimbursed others for contributions to Citizens for Biden Committee - 1990 in order to circumvent the prohibition on contributions by foreign nationals contained in 2 U.S.C. § 441e, it also appears that this violation was knowing and willful. Therefore, there is reason to believe that Rowenroy, Ltd. knowingly and willfully violated 2 U.S.C. § 441e.

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FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

February 10, 1988

Michael Newman  
Ten The Poplars  
Roslyn Estates, NY 11576

RE: MUR 2576  
Michael Newman

Dear Mr. Newman:

On February 1, 1988, the Federal Election Commission found that there is reason to believe you violated 2 U.S.C. § 441f, 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 you. 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 you 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.

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Letter to Michael Newman  
Page 2

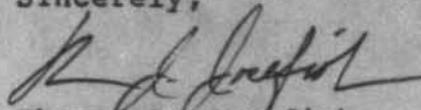
Requests for extensions of time will not be routinely granted. Requests must be made in writing at least five days prior to the due date of the response and specific good cause must be demonstrated. In addition, the Office of the General Counsel ordinarily will not give extensions beyond 20 days.

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.

This matter will remain 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 Susan Beard, the attorney assigned to this matter, at (202) 376-8200.

Sincerely,



Thomas J. Josefiak  
Chairman

Enclosures

- Factual and Legal Analysis
- Procedures
- Designation of Counsel Form
- Interrogatories and Requests for Production of Documents

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BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of

)  
) MUR 2576  
)

**INTERROGATORIES AND REQUEST  
FOR PRODUCTION OF DOCUMENTS**

TO: Michael Newman  
Ten The Poplars  
Roslyn Estates, NY 11576

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. In addition, the Commission hereby requests that you produce the documents specified below, in their entirety, for inspection and copying at the Office of the General Counsel, Federal Election Commission, Room 659, 999 E Street, N.W., Washington, DC 20463, on or before the same deadline, and continue to produce those documents each day thereafter as may be necessary for counsel for the Commission to complete their examination and reproduction of those documents. Clear and legible copies or duplicates of the documents which, where applicable, show both sides of the documents may be submitted in lieu of the production of the originals.

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**INTERROGATORIES AND REQUESTS  
FOR DOCUMENTS**

1. With regard to your 1986 contribution to Citizens for Biden Committee - 1990, state the following:
  - a. whether you were reimbursed for your contribution;
  - b. the identity of the person or entity that reimbursed you; and
  - c. the identity of the person(s) who solicited the contribution from you.
2. Describe, in detail, each and every occasion on which the reimbursement of your contribution to Citizens for Biden Committee - 1990 was discussed orally or in writing. Include, the date, the individuals present, and the content of the discussion.
3. Describe, in detail, each and every communication or contact with Citizens for Biden Committee - 1990, which concerned your 1986 contribution, its reimbursement and/or its refund.
4. Produce true copies of all correspondence and other documents, including checks, which concern the making, reimbursement and/or refund of your 1986 contribution to Citizens for Biden Committee - 1990.

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FEDERAL ELECTION COMMISSION  
FACTUAL AND LEGAL ANALYSIS

RESPONDENT: Michael Newman

MUR 2576

Pursuant to Section 441f of Title 2 of the Federal Election Campaign Act of 1971, as amended (the "Act") "[n]o person shall make a contribution in the name of another person or knowingly permit his name to be used to effect such a contribution." Under the Commission's regulations, a contribution in the name of another includes giving money or anything of value, all or part of which is provided by another person without disclosing the source of the money or the thing of value to the recipient candidate or committee at the time the contribution is made. 11 C.F.R. § 110.4(b)(2)(i).

According to reports filed with the Commission by Citizens for Biden Committee - 1990, Michael Newman made a \$1,000 contribution on June 2, 1986. It appears that Michael Newman was reimbursed by Rowenroy, Ltd. since Michael Newman's name appeared on a list of individuals who were allegedly reimbursed and a check was issued to him by Rowenroy, Ltd. on June 4, 1986. Therefore, there is reason to believe that Michael Newman violated 2 U.S.C. § 441f.

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FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

February 10, 1988

Ava Lampel  
51 Intervale  
Rockville Centre, NY 11570

RE: MUR 2576  
Ava Lampel

Dear Mrs. Lampel:

On February 1, 1988, the Federal Election Commission found that there is reason to believe you violated 2 U.S.C. § 441f, 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 you. 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 you 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.

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Letter to Ava Lampel  
Page 2

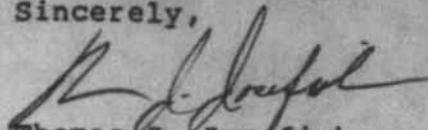
Requests for extensions of time will not be routinely granted. Requests must be made in writing at least five days prior to the due date of the response and specific good cause must be demonstrated. In addition, the Office of the General Counsel ordinarily will not give extensions beyond 20 days.

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.

This matter will remain 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 Susan Beard, the attorney assigned to this matter, at (202) 376-8200.

Sincerely,

  
Thomas J. Josefiak  
Chairman

Enclosures

Factual and Legal Analysis  
Procedures  
Designation of Counsel Form  
Interrogatories and Requests for Production  
of Documents

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BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of

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MUR 2576

**INTERROGATORIES AND REQUEST  
FOR PRODUCTION OF DOCUMENTS**

TO: Ava Lampel  
51 Intervale  
Rockville Centre, NY 11570

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. In addition, the Commission hereby requests that you produce the documents specified below, in their entirety, for inspection and copying at the Office of the General Counsel, Federal Election Commission, Room 659, 999 E Street, N.W., Washington, DC 20463, on or before the same deadline, and continue to produce those documents each day thereafter as may be necessary for counsel for the Commission to complete their examination and reproduction of those documents. Clear and legible copies or duplicates of the documents which, where applicable, show both sides of the documents may be submitted in lieu of the production of the originals.

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FEDERAL ELECTION COMMISSION  
FACTUAL AND LEGAL ANALYSIS

RESPONDENT: Ava Lampel

MUR 2576

Pursuant to Section 441f of Title 2 of the Federal Election Campaign Act of 1971, as amended (the "Act") "[n]o person shall make a contribution in the name of another person or knowingly permit his name to be used to effect such a contribution." Under the Commission's regulations, a contribution in the name of another includes giving money or anything of value, all or part of which is provided by another person without disclosing the source of the money or the thing of value to the recipient candidate or committee at the time the contribution is made. 11 C.F.R. § 110.4(b)(2)(i).

According to reports filed with the Commission by Citizens for Biden Committee - 1990, Ava Lampel made a \$1,000 contribution on June 2, 1986. It appears that Ava Lampel was reimbursed by Rowenroy, Ltd. since Ava Lampel's name appeared on a list of individuals who were allegedly reimbursed and a check was issued to her by Rowenroy, Ltd. on June 4, 1986. Therefore, there is reason to believe that Ava Lampel violated 2 U.S.C. § 441f.

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FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

February 10, 1988

Nicole Levitt  
225 East 36 Street  
Apt. 2J  
New York, NY 10016

RE: MUR 2576  
Nicole Levitt

Dear Ms. Levitt:

On February 1, 1988, the Federal Election Commission found that there is reason to believe you violated 2 U.S.C. § 441f, 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 you. 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 you 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.

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Letter to Nicole Levitt  
Page 2

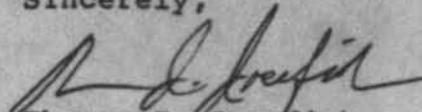
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For your information, we have attached a brief description of the Commission's procedures for handling possible violations of the Act. If you have any questions, please contact Susan Beard, the attorney assigned to this matter, at (202) 376-8200.

Sincerely,

  
Thomas J. Josefiak  
Chairman

Enclosures

Factual and Legal Analysis  
Procedures  
Designation of Counsel Form  
Interrogatories and Requests for Production  
of Documents

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BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of

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)

MUR 2576

**INTERROGATORIES AND REQUEST  
FOR PRODUCTION OF DOCUMENTS**

TO: Nicole Levitt  
225 East 36 Street  
Apt. 2J  
New York, NY 10016

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. In addition, the Commission hereby requests that you produce the documents specified below, in their entirety, for inspection and copying at the Office of the General Counsel, Federal Election Commission, Room 659, 999 E Street, N.W., Washington, DC 20463, on or before the same deadline, and continue to produce those documents each day thereafter as may be necessary for counsel for the Commission to complete their examination and reproduction of those documents. Clear and legible copies or duplicates of the documents which, where applicable, show both sides of the documents may be submitted in lieu of the production of the originals.

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FEDERAL ELECTION COMMISSION  
FACTUAL AND LEGAL ANALYSIS

RESPONDENT: Nicole Levitt

MUR 2576

Pursuant to Section 441f of Title 2 of the Federal Election Campaign Act of 1971, as amended (the "Act") "[n]o person shall make a contribution in the name of another person or knowingly permit his name to be used to effect such a contribution." Under the Commission's regulations, a contribution in the name of another includes giving money or anything of value, all or part of which is provided by another person without disclosing the source of the money or the thing of value to the recipient candidate or committee at the time the contribution is made. 11 C.F.R. § 110.4(b)(2)(i).

According to reports filed with the Commission by Citizens for Biden Committee - 1990, Nicole Levitt made a \$1,000 contribution on June 4, 1986. It appears that Nicole Levitt was reimbursed by Rowenroy, Ltd. since Nicole Levitt's name appeared on a list of individuals who were allegedly reimbursed and a check was issued to her by Rowenroy, Ltd. on June 4, 1986. Therefore, there is reason to believe that Nicole Levitt violated 2 U.S.C. § 441f.

93030960677



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

February 10, 1988

Stanley Ogonowski  
171 Sycamore Circle  
Stony Brook, NY 11790

RE: MUR 2576  
Stanley Ogonowski

Dear Mr. Ogonowski:

On February 1, 1988, the Federal Election Commission found that there is reason to believe you violated 2 U.S.C. § 441f, 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 you. 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 you 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.

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Letter to Stanley Ogonowski  
Page 2

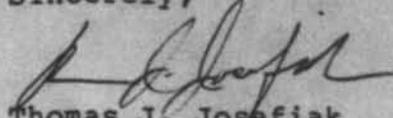
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For your information, we have attached a brief description of the Commission's procedures for handling possible violations of the Act. If you have any questions, please contact Susan Beard, the attorney assigned to this matter, at (202) 376-8200.

Sincerely,



Thomas J. Josefiak  
Chairman

Enclosures

Factual and Legal Analysis  
Procedures  
Designation of Counsel Form  
Interrogatories and Requests for Production  
of Documents

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BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of

)  
) MUR 2576  
)

**INTERROGATORIES AND REQUEST  
FOR PRODUCTION OF DOCUMENTS**

TO: Stanley Ogonowski  
171 Sycamore Circle  
Stony Brook, NY 11790

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. In addition, the Commission hereby requests that you produce the documents specified below, in their entirety, for inspection and copying at the Office of the General Counsel, Federal Election Commission, Room 659, 999 E Street, N.W., Washington, DC 20463, on or before the same deadline, and continue to produce those documents each day thereafter as may be necessary for counsel for the Commission to complete their examination and reproduction of those documents. Clear and legible copies or duplicates of the documents which, where applicable, show both sides of the documents may be submitted in lieu of the production of the originals.

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FEDERAL ELECTION COMMISSION  
FACTUAL AND LEGAL ANALYSIS

RESPONDENT: Stanley Ogonowski

MUR 2576

Pursuant to Section 441f of Title 2 of the Federal Election Campaign Act of 1971, as amended (the "Act") "[n]o person shall make a contribution in the name of another person or knowingly permit his name to be used to effect such a contribution." Under the Commission's regulations, a contribution in the name of another includes giving money or anything of value, all or part of which is provided by another person without disclosing the source of the money or the thing of value to the recipient candidate or committee at the time the contribution is made. 11 C.F.R. § 110.4(b)(2)(i).

According to reports filed with the Commission by Citizens for Biden Committee - 1990, Stanley Ogonowski made a \$1,000 contribution on June 2, 1986. It appears that Stanley Ogonowski was reimbursed by Rowenroy, Ltd. since Stanley Ogonowski's name appeared on a list of individuals who were allegedly reimbursed and a check was issued to him by Rowenroy, Ltd. on June 4, 1986. Therefore, there is reason to believe that Stanley Ogonowski violated 2 U.S.C. § 441f.

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FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

February 10, 1988

Lou Stern  
320 Central Park West  
Apt. 11B  
New York, NY 10021

RE: MUR 2576  
Lou Stern

Dear Mr. Stern:

On February 1, 1988, the Federal Election Commission found that there is reason to believe you violated 2 U.S.C. § 441f, 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 you. 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.

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Letter to Lou Stern  
Page 2

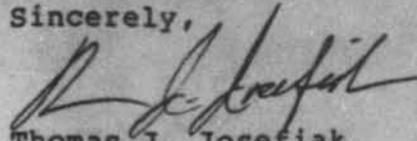
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Sincerely,



Thomas J. Josefiak  
Chairman

Enclosures

Factual and Legal Analysis  
Procedures  
Designation of Counsel Form  
Interrogatories and Requests for Production  
of Documents

93050960683

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of

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)  
)

MUR 2576

**INTERROGATORIES AND REQUEST  
FOR PRODUCTION OF DOCUMENTS**

TO: Lou Stern  
320 Central Park West  
Apt. 11B  
New York, NY 10021

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. In addition, the Commission hereby requests that you produce the documents specified below, in their entirety, for inspection and copying at the Office of the General Counsel, Federal Election Commission, Room 659, 999 E Street, N.W., Washington, DC 20463, on or before the same deadline, and continue to produce those documents each day thereafter as may be necessary for counsel for the Commission to complete their examination and reproduction of those documents. Clear and legible copies or duplicates of the documents which, where applicable, show both sides of the documents may be submitted in lieu of the production of the originals.

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FEDERAL ELECTION COMMISSION  
FACTUAL AND LEGAL ANALYSIS

RESPONDENT: Lou Stern

MUR 2576

Pursuant to Section 441f of Title 2 of the Federal Election Campaign Act of 1971, as amended (the "Act") "[n]o person shall make a contribution in the name of another person or knowingly permit his name to be used to effect such a contribution." Under the Commission's regulations, a contribution in the name of another includes giving money or anything of value, all or part of which is provided by another person without disclosing the source of the money or the thing of value to the recipient candidate or committee at the time the contribution is made. 11 C.F.R. § 110.4(b)(2)(i).

According to reports filed with the Commission by Citizens for Biden Committee - 1990, Lou Stern made a \$1,000 contribution on June 2, 1986. It appears that Lou Stern was reimbursed by Rowenroy, Ltd. since Lou Stern's name appeared on a list of individuals who were allegedly reimbursed and a check was issued to him by Rowenroy, Ltd. on June 4, 1986. Therefore, there is reason to believe that Lou Stern violated 2 U.S.C. § 441f.

93030960685



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

February 10, 1988

Edward Cortese  
24 Westbourne Lane  
Melville, NY 11747

RE: MUR 2576  
Edward Cortese

Dear Mr. Cortese:

On February 1, 1988, the Federal Election Commission found that there is reason to believe you violated 2 U.S.C. § 441f, 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 you. 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 you 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.

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Letter to Edward Cortese  
Page 2

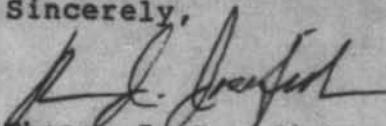
Requests for extensions of time will not be routinely granted. Requests must be made in writing at least five days prior to the due date of the response and specific good cause must be demonstrated. In addition, the Office of the General Counsel ordinarily will not give extensions beyond 20 days.

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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 Susan Beard, the attorney assigned to this matter, at (202) 376-8200.

Sincerely,

  
Thomas J. Josefiak  
Chairman

Enclosures

Factual and Legal Analysis  
Procedures  
Designation of Counsel Form  
Interrogatories and Requests for Production  
of Documents

93080960687

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of

)  
) MUR 2576  
)

**INTERROGATORIES AND REQUEST  
FOR PRODUCTION OF DOCUMENTS**

TO: Edward Cortese  
24 Westbourne Lane  
Melville, NY 11747

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. In addition, the Commission hereby requests that you produce the documents specified below, in their entirety, for inspection and copying at the Office of the General Counsel, Federal Election Commission, Room 659, 999 E Street, N.W., Washington, DC 20463, on or before the same deadline, and continue to produce those documents each day thereafter as may be necessary for counsel for the Commission to complete their examination and reproduction of those documents. Clear and legible copies or duplicates of the documents which, where applicable, show both sides of the documents may be submitted in lieu of the production of the originals.

93050960688

FEDERAL ELECTION COMMISSION  
FACTUAL AND LEGAL ANALYSIS

RESPONDENT: Edward Cortese

MUR 2576

Pursuant to Section 441f of Title 2 of the Federal Election Campaign Act of 1971, as amended (the "Act") "[n]o person shall make a contribution in the name of another person or knowingly permit his name to be used to effect such a contribution." Under the Commission's regulations, a contribution in the name of another includes giving money or anything of value, all or part of which is provided by another person without disclosing the source of the money or the thing of value to the recipient candidate or committee at the time the contribution is made. 11 C.F.R. § 110.4(b)(2)(i).

According to reports filed with the Commission by Citizens for Biden Committee - 1990, Edward Cortese made a \$1,000 contribution on June 1, 1986. It appears that Edward Cortese was reimbursed by Rowenroy, Ltd. since Edward Cortese's name appeared on a list of individuals who were allegedly reimbursed and a check was issued to him by Rowenroy, Ltd. on June 4, 1986. Therefore, there is reason to believe that Edward Cortese violated 2 U.S.C. § 441f.

93030960609



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

February 10, 1988

Harold Kellman  
114 Maytime Drive  
Jericho, NY 11753

RE: MUR 2576  
Harold Kellman

Dear Mr. Kellman:

On February 1, 1988, the Federal Election Commission found that there is reason to believe you violated 2 U.S.C. § 441f, 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 you. 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.

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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.

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Letter to Harold Kellman  
Page 2

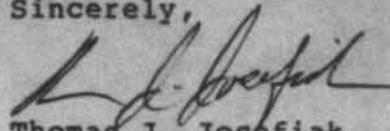
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For your information, we have attached a brief description of the Commission's procedures for handling possible violations of the Act. If you have any questions, please contact Susan Beard, the attorney assigned to this matter, at (202) 376-8200.

Sincerely,



Thomas J. Josefiak  
Chairman

Enclosures

Factual and Legal Analysis  
Procedures  
Designation of Counsel Form  
Interrogatories and Requests for Production  
of Documents

93080960691

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of

)  
) MUR 2576  
)

**INTERROGATORIES AND REQUEST  
FOR PRODUCTION OF DOCUMENTS**

TO: Harold Kellman  
114 Maytime Drive  
Jericho, NY 11753

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. In addition, the Commission hereby requests that you produce the documents specified below, in their entirety, for inspection and copying at the Office of the General Counsel, Federal Election Commission, Room 659, 999 E Street, N.W., Washington, DC 20463, on or before the same deadline, and continue to produce those documents each day thereafter as may be necessary for counsel for the Commission to complete their examination and reproduction of those documents. Clear and legible copies or duplicates of the documents which, where applicable, show both sides of the documents may be submitted in lieu of the production of the originals.

93030960692

FEDERAL ELECTION COMMISSION  
FACTUAL AND LEGAL ANALYSIS

RESPONDENT: Harold Kellman

MUR 2576

Pursuant to Section 441f of Title 2 of the Federal Election Campaign Act of 1971, as amended (the "Act") "[n]o person shall make a contribution in the name of another person or knowingly permit his name to be used to effect such a contribution." Under the Commission's regulations, a contribution in the name of another includes giving money or anything of value, all or part of which is provided by another person without disclosing the source of the money or the thing of value to the recipient candidate or committee at the time the contribution is made. 11 C.F.R. § 110.4(b)(2)(i).

According to reports filed with the Commission by Citizens for Biden Committee - 1990, Harold Kellman made a \$1,000 contribution on June 2, 1986. It appears that Harold Kellman was reimbursed by Rowenroy, Ltd. since Harold Kellman's name appeared on a list of individuals who were allegedly reimbursed and a check was issued to him by Rowenroy, Ltd. on June 4, 1986. Therefore, there is reason to believe that Harold Kellman violated 2 U.S.C. § 441f.

93030960693



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

February 10, 1988

*pkm*

Marilyn Kellman  
114 Maytime Drive  
Jericho, NY 11753

RE: MUR 2576  
Marilyn Kellman

Dear Mrs. Kellman:

On February 1, 1988, the Federal Election Commission found that there is reason to believe you violated 2 U.S.C. § 441f, 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.

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In the absence of any additional information demonstrating that no further action should be taken against you 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.

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Letter to Marilyn Kellman  
Page 2

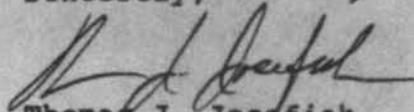
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Sincerely,

  
Thomas J. Josefiak  
Chairman

Enclosures

Factual and Legal Analysis  
Procedures  
Designation of Counsel Form  
Interrogatories and Requests for Production  
of Documents

93090960695

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of

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)  
)

MUR 2576

**INTERROGATORIES AND REQUEST  
FOR PRODUCTION OF DOCUMENTS**

TO: Marilyn Kellman  
114 Maytime Drive  
Jericho, NY 11753

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. In addition, the Commission hereby requests that you produce the documents specified below, in their entirety, for inspection and copying at the Office of the General Counsel, Federal Election Commission, Room 659, 999 E Street, N.W., Washington, DC 20463, on or before the same deadline, and continue to produce those documents each day thereafter as may be necessary for counsel for the Commission to complete their examination and reproduction of those documents. Clear and legible copies or duplicates of the documents which, where applicable, show both sides of the documents may be submitted in lieu of the production of the originals.

93030960696

FEDERAL ELECTION COMMISSION  
FACTUAL AND LEGAL ANALYSIS

RESPONDENT: Marilyn Kellman

MUR 2576

Pursuant to Section 441f of Title 2 of the Federal Election Campaign Act of 1971, as amended (the "Act") "[n]o person shall make a contribution in the name of another person or knowingly permit his name to be used to effect such a contribution." Under the Commission's regulations, a contribution in the name of another includes giving money or anything of value, all or part of which is provided by another person without disclosing the source of the money or the thing of value to the recipient candidate or committee at the time the contribution is made. 11 C.F.R. § 110.4(b)(2)(i).

According to reports filed with the Commission by Citizens for Biden Committee - 1990, Marilyn Kellman made a \$1,000 contribution on June 2, 1986. It appears that Marilyn Kellman was reimbursed by Rowenroy, Ltd. since Marilyn Kellman's name appeared on a list of individuals who were allegedly reimbursed and a check was issued to her by Rowenroy, Ltd. on June 4, 1986. Therefore, there is reason to believe that Marilyn Kellman violated 2 U.S.C. § 441f.

93080960697



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

February 10, 1988

Frieda Cortese  
24 Westbourne Lane  
Melville, NY 11747

RE: MUR 2576  
Frieda Cortese

Dear Mrs. Cortese:

On February 1, 1988, the Federal Election Commission found that there is reason to believe you violated 2 U.S.C. § 441f, 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.

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Letter to Frieda Cortese  
Page 2

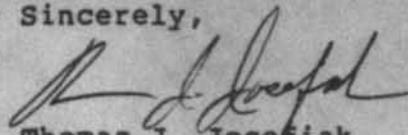
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Sincerely,



Thomas J. Josefiak  
Chairman

Enclosures

Factual and Legal Analysis  
Procedures  
Designation of Counsel Form  
Interrogatories and Requests for Production  
of Documents

93030960699

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of

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)  
)

MUR 2576

**INTERROGATORIES AND REQUEST  
FOR PRODUCTION OF DOCUMENTS**

TO: Frieda Cortese  
24 Westbourne Lane  
Melville, NY 11747

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93030960700

FEDERAL ELECTION COMMISSION  
FACTUAL AND LEGAL ANALYSIS

RESPONDENT: Frieda Cortese

MUR 2576

Pursuant to Section 441f of Title 2 of the Federal Election Campaign Act of 1971, as amended (the "Act") "[n]o person shall make a contribution in the name of another person or knowingly permit his name to be used to effect such a contribution." Under the Commission's regulations, a contribution in the name of another includes giving money or anything of value, all or part of which is provided by another person without disclosing the source of the money or the thing of value to the recipient candidate or committee at the time the contribution is made. 11 C.F.R. § 110.4(b)(2)(i).

According to reports filed with the Commission by Citizens for Biden Committee - 1990, Frieda Cortese made a \$1,000 contribution on June 2, 1986. It appears that Frieda Cortese was reimbursed by Rowenroy, Ltd. since Frieda Cortese's name appeared on a list of individuals who were allegedly reimbursed and a check was issued to her by Rowenroy, Ltd. on June 4, 1986. Therefore, there is reason to believe that Frieda Cortese violated 2 U.S.C. § 441f.

93080960701

*John*



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

February 10, 1988

Stephen J. Lampel  
51 Intervale  
Rockville Centre, NY 11570

RE: MUR 2576  
Stephen J. Lampel

Dear Mr. Lampel:

On February 1, 1988, the Federal Election Commission found that there is reason to believe you violated 2 U.S.C. § 441f, 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.

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93030960702

Letter to Stephen J. Lampel  
Page 2

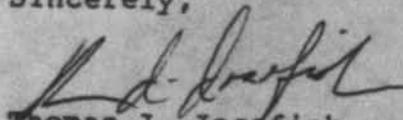
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Sincerely,

  
Thomas J. Josefiak  
Chairman

Enclosures

Factual and Legal Analysis  
Procedures  
Designation of Counsel Form  
Interrogatories and Requests for Production  
of Documents

93030960703

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of

)  
) MUR 2576  
)

INTERROGATORIES AND REQUEST  
FOR PRODUCTION OF DOCUMENTS

TO: Stephen J. Lampel  
51 Intervale  
Rockville Centre, NY 11570

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. In addition, the Commission hereby requests that you produce the documents specified below, in their entirety, for inspection and copying at the Office of the General Counsel, Federal Election Commission, Room 659, 999 E Street, N.W., Washington, DC 20463, on or before the same deadline, and continue to produce those documents each day thereafter as may be necessary for counsel for the Commission to complete their examination and reproduction of those documents. Clear and legible copies or duplicates of the documents which, where applicable, show both sides of the documents may be submitted in lieu of the production of the originals.

93030960704

FEDERAL ELECTION COMMISSION  
FACTUAL AND LEGAL ANALYSIS

RESPONDENT: Stephen J. Lampel

MUR 2576

Pursuant to Section 441f of Title 2 of the Federal Election Campaign Act of 1971, as amended (the "Act") "[n]o person shall make a contribution in the name of another person or knowingly permit his name to be used to effect such a contribution." Under the Commission's regulations, a contribution in the name of another includes giving money or anything of value, all or part of which is provided by another person without disclosing the source of the money or the thing of value to the recipient candidate or committee at the time the contribution is made. 11 C.F.R. § 110.4(b)(2)(i).

According to reports filed with the Commission by Citizens for Biden Committee - 1990, Stephen J. Lampel made a \$1,000 contribution on June 2, 1986. It appears that Stephen J. Lampel was reimbursed by Rowenroy, Ltd. since Stephen J. Lampel's name appeared on a list of individuals who were allegedly reimbursed and a check was issued to him by Rowenroy, Ltd. on June 4, 1986. Therefore, there is reason to believe that Stephen J. Lampel violated 2 U.S.C. § 441f.

93080960705



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

February 10, 1988

Jennifer D. Flynn  
51 Friends Lane  
Westbury, NY 11590

RE: MUR 2576  
Jennifer D. Flynn

Dear Ms. Flynn:

On February 1, 1988, the Federal Election Commission found that there is reason to believe you violated 2 U.S.C. § 441f, 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.

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Letter to Jennifer D. Flynn  
Page 2

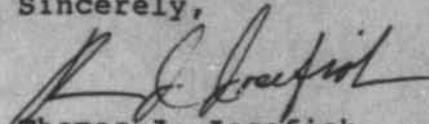
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Sincerely,



Thomas J. Josefiak  
Chairman

Enclosures

Factual and Legal Analysis  
Procedures  
Designation of Counsel Form  
Interrogatories and Requests for Production  
of Documents

93080960707

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of

)  
) MUR 2576  
)

**INTERROGATORIES AND REQUEST  
FOR PRODUCTION OF DOCUMENTS**

TO: Jennifer D. Flynn  
51 Friends Lane  
Westbury, NY 11590

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. In addition, the Commission hereby requests that you produce the documents specified below, in their entirety, for inspection and copying at the Office of the General Counsel, Federal Election Commission, Room 659, 999 E Street, N.W., Washington, DC 20463, on or before the same deadline, and continue to produce those documents each day thereafter as may be necessary for counsel for the Commission to complete their examination and reproduction of those documents. Clear and legible copies or duplicates of the documents which, where applicable, show both sides of the documents may be submitted in lieu of the production of the originals.

93030960708

**INTERROGATORIES AND REQUESTS  
FOR DOCUMENTS**

1. With regard to your 1986 contribution to Citizens for Biden Committee - 1990, state the following:
  - a. whether you were reimbursed for your contribution;
  - b. the identity of the person or entity that reimbursed you; and
  - c. the identity of the person(s) who solicited the contribution from you.
2. Describe, in detail, each and every occasion on which the reimbursement of your contribution to Citizens for Biden Committee - 1990 was discussed orally or in writing. Include, the date, the individuals present, and the content of the discussion.
3. Describe, in detail, each and every communication or contact with Citizens for Biden Committee - 1990, which concerned your 1986 contribution, its reimbursement and/or its refund.
4. Produce true copies of all correspondence and other documents, including checks, which concern the making, reimbursement and/or refund of your 1986 contribution to Citizens for Biden Committee - 1990.

9300960709

FEDERAL ELECTION COMMISSION  
FACTUAL AND LEGAL ANALYSIS

RESPONDENT: Jennifer D. Flynn

MUR 2576

Pursuant to Section 441f of Title 2 of the Federal Election Campaign Act of 1971, as amended (the "Act") "[n]o person shall make a contribution in the name of another person or knowingly permit his name to be used to effect such a contribution." Under the Commission's regulations, a contribution in the name of another includes giving money or anything of value, all or part of which is provided by another person without disclosing the source of the money or the thing of value to the recipient candidate or committee at the time the contribution is made. 11 C.F.R. § 110.4(b)(2)(i).

According to reports filed with the Commission by Citizens for Biden Committee - 1990, Jennifer D. Flynn made a \$1,000 contribution on June 2, 1986. It appears that Jennifer D. Flynn was reimbursed by Rowenroy, Ltd. since Jennifer D. Flynn's name appeared on a list of individuals who were allegedly reimbursed and a check was issued to her by Rowenroy, Ltd. on June 4, 1986. Therefore, there is reason to believe that Jennifer D. Flynn violated 2 U.S.C. § 441f.

93080960710



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

February 10, 1988

Ralph M. Della Ratta  
Ridge Lane  
Mill Neck, NY 11765

RE: MUR 2576  
Ralph M. Della Ratta

Dear Mr. Della Ratta:

On February 1, 1988, the Federal Election Commission found that there is reason to believe you violated 2 U.S.C. § 441f, 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 you. 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 you 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.

93080960711

7/11/88

Letter to Ralph M. Della Ratta  
Page 2

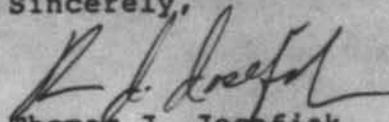
Requests for extensions of time will not be routinely granted. Requests must be made in writing at least five days prior to the due date of the response and specific good cause must be demonstrated. In addition, the Office of the General Counsel ordinarily will not give extensions beyond 20 days.

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.

This matter will remain 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 Susan Beard, the attorney assigned to this matter, at (202) 376-8200.

Sincerely,

  
Thomas J. Josefiak  
Chairman

Enclosures

Factual and Legal Analysis  
Procedures  
Designation of Counsel Form  
Interrogatories and Requests for Production  
of Documents

93030960712

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of

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)  
)

MUR 2576

**INTERROGATORIES AND REQUEST  
FOR PRODUCTION OF DOCUMENTS**

TO: Ralph M. Della Ratta  
Ridge Lane  
Mill Neck, NY 11765

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. In addition, the Commission hereby requests that you produce the documents specified below, in their entirety, for inspection and copying at the Office of the General Counsel, Federal Election Commission, Room 659, 999 E Street, N.W., Washington, DC 20463, on or before the same deadline, and continue to produce those documents each day thereafter as may be necessary for counsel for the Commission to complete their examination and reproduction of those documents. Clear and legible copies or duplicates of the documents which, where applicable, show both sides of the documents may be submitted in lieu of the production of the originals.

93050960713

FEDERAL ELECTION COMMISSION  
FACTUAL AND LEGAL ANALYSIS

RESPONDENT: Ralph M. Della Ratta

MUR: 2576

Pursuant to Section 441f of Title 2 of the Federal Election Campaign Act of 1971, as amended (the "Act") "[n]o person shall make a contribution in the name of another person or knowingly permit his name to be used to effect such a contribution." Under the Commission's regulations, a contribution in the name of another includes giving money or anything of value, all or part of which is provided by another person without disclosing the source of the money or the thing of value to the recipient candidate or committee at the time the contribution is made. 11 C.F.R. § 110.4(b)(2)(i).

According to reports filed with the Commission by Citizens for Biden Committee - 1990, Ralph M. Della Ratta made a \$1,000 contribution on June 2, 1986. It appears that Ralph M. Della Ratta was reimbursed by Rowenroy, Ltd. since Ralph M. Della Ratta's name appeared on a list of individuals who were allegedly reimbursed and a check was issued to him by Rowenroy, Ltd. on June 4, 1986. Therefore, there is reason to believe that Ralph M. Della Ratta violated 2 U.S.C. § 441f.

9303/0960714



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

February 10, 1988

Edward G. Donnelly  
Nine Priory Court  
Melville, NY 11768

RE: MUR 2576  
Edward G. Donnelly

Dear Mr. Donnelly:

On February 1, 1988, the Federal Election Commission found that there is reason to believe you violated 2 U.S.C. § 441f, 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 you. 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 you 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.

93030960715

*gibson*

Letter to Edward G. Donnelly  
Page 2

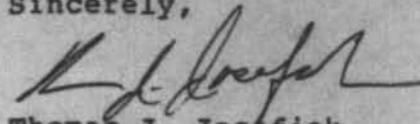
Requests for extensions of time will not be routinely granted. Requests must be made in writing at least five days prior to the due date of the response and specific good cause must be demonstrated. In addition, the Office of the General Counsel ordinarily will not give extensions beyond 20 days.

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.

This matter will remain 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 Susan Beard, the attorney assigned to this matter, at (202) 376-8200.

Sincerely,



Thomas J. Josefiak  
Chairman

Enclosures

Factual and Legal Analysis  
Procedures  
Designation of Counsel Form  
Interrogatories and Requests for Production  
of Documents

93030960716

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of

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)  
)

MUR 2576

**INTERROGATORIES AND REQUEST  
FOR PRODUCTION OF DOCUMENTS**

TO: Edward G. Donnelly  
Nine Priory Court  
Melville, NY 11768

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. In addition, the Commission hereby requests that you produce the documents specified below, in their entirety, for inspection and copying at the Office of the General Counsel, Federal Election Commission, Room 659, 999 E Street, N.W., Washington, DC 20463, on or before the same deadline, and continue to produce those documents each day thereafter as may be necessary for counsel for the Commission to complete their examination and reproduction of those documents. Clear and legible copies or duplicates of the documents which, where applicable, show both sides of the documents may be submitted in lieu of the production of the originals.

930510960717

FEDERAL ELECTION COMMISSION  
FACTUAL AND LEGAL ANALYSIS

RESPONDENT: Edward G. Donnelly

MUR 2576

Pursuant to Section 441f of Title 2 of the Federal Election Campaign Act of 1971, as amended (the "Act") "[n]o person shall make a contribution in the name of another person or knowingly permit his name to be used to effect such a contribution." Under the Commission's regulations, a contribution in the name of another includes giving money or anything of value, all or part of which is provided by another person without disclosing the source of the money or the thing of value to the recipient candidate or committee at the time the contribution is made. 11 C.F.R. § 110.4(b)(2)(i).

According to reports filed with the Commission by Citizens for Biden Committee - 1990, Edward G. Donnelly made a \$1,000 contribution on June 3, 1986. It appears that Edward G. Donnelly was reimbursed by Rowenroy, Ltd. since a check was issued to him by Rowenroy, Ltd. on June 4, 1986. In a deposition, Mr. Donnelly stated that the check was from William J. Levitt and that its purpose was to reimburse his contribution to Citizens for Biden Committee - 1990. Therefore, there is reason to believe that Edward G. Donnelly violated 2 U.S.C. § 441f.

930340960718



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

February 10, 1988

Sherry Newman  
Ten The Poplars  
Roslyn Estates, NY 11576

RE: MUR 2576  
Sherry Newman

Dear Mrs. Newman:

On February 1, 1988, the Federal Election Commission found that there is reason to believe you violated 2 U.S.C. § 441f, 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 you. 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 you 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.

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Letter to Sherry Newman  
Page 2

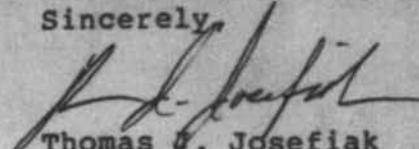
Requests for extensions of time will not be routinely granted. Requests must be made in writing at least five days prior to the due date of the response and specific good cause must be demonstrated. In addition, the Office of the General Counsel ordinarily will not give extensions beyond 20 days.

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.

This matter will remain 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 Susan Beard, the attorney assigned to this matter, at (202) 376-8200.

Sincerely,



Thomas V. Josefiak  
Chairman

Enclosures

Factual and Legal Analysis  
Procedures  
Designation of Counsel Form  
Interrogatories and Requests for Production  
of Documents

93030960720

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of

)  
) MUR 2576  
)

**INTERROGATORIES AND REQUEST  
FOR PRODUCTION OF DOCUMENTS**

TO: Sherry Newman  
Ten The Poplars  
Roslyn Estates, NY 11576

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. In addition, the Commission hereby requests that you produce the documents specified below, in their entirety, for inspection and copying at the Office of the General Counsel, Federal Election Commission, Room 659, 999 E Street, N.W., Washington, DC 20463, on or before the same deadline, and continue to produce those documents each day thereafter as may be necessary for counsel for the Commission to complete their examination and reproduction of those documents. Clear and legible copies or duplicates of the documents which, where applicable, show both sides of the documents may be submitted in lieu of the production of the originals.

930340960721

FEDERAL ELECTION COMMISSION  
FACTUAL AND LEGAL ANALYSIS

RESPONDENT: Sherry Newman

MUR 2576

Pursuant to Section 441f of Title 2 of the Federal Election Campaign Act of 1971, as amended (the "Act") "[n]o person shall make a contribution in the name of another person or knowingly permit his name to be used to effect such a contribution." Under the Commission's regulations, a contribution in the name of another includes giving money or anything of value, all or part of which is provided by another person without disclosing the source of the money or the thing of value to the recipient candidate or committee at the time the contribution is made. 11 C.F.R. § 110.4(b)(2)(i).

According to reports filed with the Commission by Citizens for Biden Committee - 1990, Sherry Newman made a \$1,000 contribution on June 2, 1986. It appears that Sherry Newman was reimbursed by Rowenroy, Ltd. since Sherry Newman's name appeared on a list of individuals who were allegedly reimbursed and a check was issued to her by Rowenroy, Ltd. on June 4, 1986. Therefore, there is reason to believe that Sherry Newman violated 2 U.S.C. § 441f.

93030960722

flm



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

February 10, 1988

Gaby Levitt  
280 First Avenue  
Apt. 4E  
New York, NY 10009

RE: MUR 2576  
Gaby Levitt

Dear Ms. Levitt:

On February 1, 1988, the Federal Election Commission found that there is reason to believe you violated 2 U.S.C. § 441f, 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 you. 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 you 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.

93030960723

Letter to Gaby Levitt  
Page 2

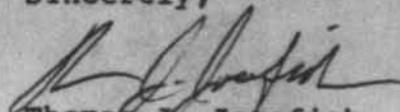
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For your information, we have attached a brief description of the Commission's procedures for handling possible violations of the Act. If you have any questions, please contact Susan Beard, the attorney assigned to this matter, at (202) 376-8200.

Sincerely,

  
Thomas J. Josefiak  
Chairman

Enclosures

Factual and Legal Analysis  
Procedures  
Designation of Counsel Form  
Interrogatories and Requests for Production  
of Documents

930340960724

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of

)  
) MUR 2576  
)

**INTERROGATORIES AND REQUEST  
FOR PRODUCTION OF DOCUMENTS**

TO: Gaby Levitt  
280 First Avenue  
Apt. 4E  
New York, NY 10009

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. In addition, the Commission hereby requests that you produce the documents specified below, in their entirety, for inspection and copying at the Office of the General Counsel, Federal Election Commission, Room 659, 999 E Street, N.W., Washington, DC 20463, on or before the same deadline, and continue to produce those documents each day thereafter as may be necessary for counsel for the Commission to complete their examination and reproduction of those documents. Clear and legible copies or duplicates of the documents which, where applicable, show both sides of the documents may be submitted in lieu of the production of the originals.

93080960725

FEDERAL ELECTION COMMISSION  
FACTUAL AND LEGAL ANALYSIS

RESPONDENT: Gaby Levitt

MUR 2576

Pursuant to Section 441f of Title 2 of the Federal Election Campaign Act of 1971, as amended (the "Act") "[n]o person shall make a contribution in the name of another person or knowingly permit his name to be used to effect such a contribution." Under the Commission's regulations, a contribution in the name of another includes giving money or anything of value, all or part of which is provided by another person without disclosing the source of the money or the thing of value to the recipient candidate or committee at the time the contribution is made. 11 C.F.R. § 110.4(b)(2)(i).

According to reports filed with the Commission by Citizens for Biden Committee - 1990, Gaby Levitt made a \$1,000 contribution on May 31, 1986. It appears that Gaby Levitt was reimbursed by Rowenroy, Ltd. since Gaby Levitt's name appeared on a list of individuals who were allegedly reimbursed and a check was issued to her by Rowenroy, Ltd. on June 4, 1986. Therefore, there is reason to believe that Gaby Levitt violated 2 U.S.C. § 441f.

930390960726



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

February 10, 1988

Simone Levitt  
La Colline  
Oyster Bay Road  
Mill Neck, NY 11765

RE: MUR 2576  
Simone Levitt

Dear Mrs. Levitt:

On February 1, 1988, the Federal Election Commission found that there is reason to believe you violated 2 U.S.C. § 441f, 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 you. 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 you 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.

930340960727

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Letter to Simone Levitt  
Page 2

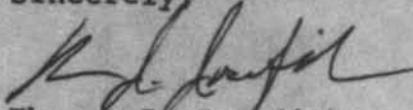
Requests for extensions of time will not be routinely granted. Requests must be made in writing at least five days prior to the due date of the response and specific good cause must be demonstrated. In addition, the Office of the General Counsel ordinarily will not give extensions beyond 20 days.

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.

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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 Susan Beard, the attorney assigned to this matter, at (202) 376-8200.

Sincerely,



Thomas J. Josefiak  
Chairman

Enclosures

Factual and Legal Analysis  
Procedures  
Designation of Counsel Form  
Interrogatories and Requests for Production  
of Documents

93040960728

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of

)  
) MUR 2576  
)

**INTERROGATORIES AND REQUEST  
FOR PRODUCTION OF DOCUMENTS**

TO: Simone Levitt  
La Colline  
Oyster Bay Road  
Mill Neck, NY 11765

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. In addition, the Commission hereby requests that you produce the documents specified below, in their entirety, for inspection and copying at the Office of the General Counsel, Federal Election Commission, Room 659, 999 E Street, N.W., Washington, DC 20463, on or before the same deadline, and continue to produce those documents each day thereafter as may be necessary for counsel for the Commission to complete their examination and reproduction of those documents. Clear and legible copies or duplicates of the documents which, where applicable, show both sides of the documents may be submitted in lieu of the production of the originals.

93050960729

FEDERAL ELECTION COMMISSION  
FACTUAL AND LEGAL ANALYSIS

RESPONDENT: Simone Levitt

MUR 2576

Pursuant to Section 441f of Title 2 of the Federal Election Campaign Act of 1971, as amended (the "Act") "[n]o person shall make a contribution in the name of another person or knowingly permit his name to be used to effect such a contribution." Under the Commission's regulations, a contribution in the name of another includes giving money or anything of value, all or part of which is provided by another person without disclosing the source of the money or the thing of value to the recipient candidate or committee at the time the contribution is made.

11 C.F.R. § 110.4(b)(2)(i).

According to reports filed with the Commission by Citizens for Biden Committee - 1990, Simone Levitt made a \$1,000 contribution on June 2, 1986. It appears that Mrs. Levitt was reimbursed by William J. Levitt, since her name appeared on a list of individuals who were allegedly reimbursed by Mr. Levitt. Therefore, there is reason to believe that Simone Levitt violated 2 U.S.C. § 441f.

93030960730



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

February 10, 1988

Adrienne J. Walters  
51 Friends Lane  
Westbury, NY 11590

RE: MUR 2576  
Adrienne J. Walters

Dear Ms. Walters:

On February 1, 1988, the Federal Election Commission found that there is reason to believe you violated 2 U.S.C. § 441f, 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 you. 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 you 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.

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Letter to Adrienne J. Walters  
Page 2

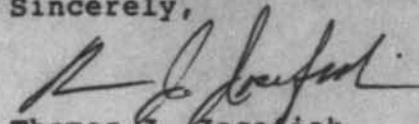
Requests for extensions of time will not be routinely granted. Requests must be made in writing at least five days prior to the due date of the response and specific good cause must be demonstrated. In addition, the Office of the General Counsel ordinarily will not give extensions beyond 20 days.

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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 Susan Beard, the attorney assigned to this matter, at (202) 376-8200.

Sincerely,



Thomas J. Josefiak  
Chairman

Enclosures

Factual and Legal Analysis  
Procedures  
Designation of Counsel Form  
Interrogatories and Requests for Production  
of Documents

93030960732

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of

)  
) MUR 2576  
)

**INTERROGATORIES AND REQUEST  
FOR PRODUCTION OF DOCUMENTS**

TO: Adrienne J. Walters  
51 Friends Lane  
Westbury, NY 11590

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. In addition, the Commission hereby requests that you produce the documents specified below, in their entirety, for inspection and copying at the Office of the General Counsel, Federal Election Commission, Room 659, 999 E Street, N.W., Washington, DC 20463, on or before the same deadline, and continue to produce those documents each day thereafter as may be necessary for counsel for the Commission to complete their examination and reproduction of those documents. Clear and legible copies or duplicates of the documents which, where applicable, show both sides of the documents may be submitted in lieu of the production of the originals.

93030960733

FEDERAL ELECTION COMMISSION  
FACTUAL AND LEGAL ANALYSIS

RESPONDENT: Adrienne J. Walters

MUR 2576

Pursuant to Section 441f of Title 2 of the Federal Election Campaign Act of 1971, as amended (the "Act") "[n]o person shall make a contribution in the name of another person or knowingly permit his name to be used to effect such a contribution." Under the Commission's regulations, a contribution in the name of another includes giving money or anything of value, all or part of which is provided by another person without disclosing the source of the money or the thing of value to the recipient candidate or committee at the time the contribution is made. 11 C.F.R. § 110.4(b)(2)(i).

According to reports filed with the Commission by Citizens for Biden Committee - 1990, Adrienne J. Walters made a \$1,000 contribution on June 2, 1986. It appears that Adrienne J. Walters was reimbursed by Rowenroy, Ltd. since Adrienne J. Walters's name appeared on a list of individuals who were allegedly reimbursed and a check was issued to her by Rowenroy, Ltd. on June 4, 1986. Therefore, there is reason to believe that Adrienne J. Walters violated 2 U.S.C. § 441f.

930340960734

plm



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

February 10, 1988

Fanny Ogonowski  
171 Sycamore Circle  
Stony Brook, NY 11790

RE: MUR 2576  
Fanny Ogonowski

Dear Mrs. Ogonowski:

On February 1, 1988, the Federal Election Commission found that there is reason to believe you violated 2 U.S.C. § 441f, 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 you. 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 you 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.

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Letter to Fanny Ogonowski  
Page 2

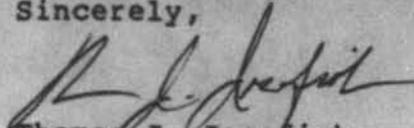
Requests for extensions of time will not be routinely granted. Requests must be made in writing at least five days prior to the due date of the response and specific good cause must be demonstrated. In addition, the Office of the General Counsel ordinarily will not give extensions beyond 20 days.

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.

This matter will remain 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 Susan Beard, the attorney assigned to this matter, at (202) 376-8200.

Sincerely,



Thomas J. Josefiak  
Chairman

Enclosures

- Factual and Legal Analysis
- Procedures
- Designation of Counsel Form
- Interrogatories and Requests for Production of Documents

930 40960736

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of

)  
) MUR 2576  
)

**INTERROGATORIES AND REQUEST  
FOR PRODUCTION OF DOCUMENTS**

TO: Fanny Ogonowski  
171 Sycamore Circle  
Stony Brook, NY 11790

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. In addition, the Commission hereby requests that you produce the documents specified below, in their entirety, for inspection and copying at the Office of the General Counsel, Federal Election Commission, Room 659, 999 E Street, N.W., Washington, DC 20463, on or before the same deadline, and continue to produce those documents each day thereafter as may be necessary for counsel for the Commission to complete their examination and reproduction of those documents. Clear and legible copies or duplicates of the documents which, where applicable, show both sides of the documents may be submitted in lieu of the production of the originals.

93030960737

FEDERAL ELECTION COMMISSION  
FACTUAL AND LEGAL ANALYSIS

RESPONDENT: Fanny Ogonowski

MUR 2576

Pursuant to Section 441f of Title 2 of the Federal Election Campaign Act of 1971, as amended (the "Act") "[n]o person shall make a contribution in the name of another person or knowingly permit his name to be used to effect such a contribution." Under the Commission's regulations, a contribution in the name of another includes giving money or anything of value, all or part of which is provided by another person without disclosing the source of the money or the thing of value to the recipient candidate or committee at the time the contribution is made. 11 C.F.R. § 110.4(b)(2)(i).

According to reports filed with the Commission by Citizens for Biden Committee - 1990, Fanny Ogonowski made a \$1,000 contribution on June 2, 1986. It appears that Fanny Ogonowski was reimbursed by Rowenroy, Ltd. since Fanny Ogonowski's name appeared on a list of individuals who were allegedly reimbursed and a check was issued to her by Rowenroy, Ltd. on June 4, 1986. Therefore, there is reason to believe that Fanny Ogonowski violated 2 U.S.C. § 441f.

93030960738



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

February 10, 1988

Michelle Donnelly  
Nine Priory Court  
Melville, NY 11768

RE: MUR 2576  
Michelle Donnelly

Dear Mrs. Donnelly:

On February 1, 1988, the Federal Election Commission found that there is reason to believe you violated 2 U.S.C. § 441f, 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 you. 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 you 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.

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Letter to Michelle Donnelly  
Page 2

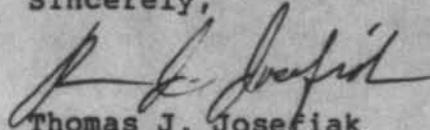
Requests for extensions of time will not be routinely granted. Requests must be made in writing at least five days prior to the due date of the response and specific good cause must be demonstrated. In addition, the Office of the General Counsel ordinarily will not give extensions beyond 20 days.

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.

This matter will remain 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 Susan Beard, the attorney assigned to this matter, at (202) 376-8200.

Sincerely,



Thomas J. Josefiak  
Chairman

Enclosures

- Factual and Legal Analysis
- Procedures
- Designation of Counsel Form
- Interrogatories and Requests for Production of Documents

93030960740

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of

)  
)  
)

MUR 2576

**INTERROGATORIES AND REQUEST  
FOR PRODUCTION OF DOCUMENTS**

TO: Michelle Donnelly  
Nine Priory Court  
Melville, NY 11768

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. In addition, the Commission hereby requests that you produce the documents specified below, in their entirety, for inspection and copying at the Office of the General Counsel, Federal Election Commission, Room 659, 999 E Street, N.W., Washington, DC 20463, on or before the same deadline, and continue to produce those documents each day thereafter as may be necessary for counsel for the Commission to complete their examination and reproduction of those documents. Clear and legible copies or duplicates of the documents which, where applicable, show both sides of the documents may be submitted in lieu of the production of the originals.

93030960741

FEDERAL ELECTION COMMISSION  
FACTUAL AND LEGAL ANALYSIS

RESPONDENT: Michelle Donnelly

MUR 2576

Pursuant to Section 441f of Title 2 of the Federal Election Campaign Act of 1971, as amended (the "Act") "[n]o person shall make a contribution in the name of another person or knowingly permit his name to be used to effect such a contribution." Under the Commission's regulations, a contribution in the name of another includes giving money or anything of value, all or part of which is provided by another person without disclosing the source of the money or the thing of value to the recipient candidate or committee at the time the contribution is made. 11 C.F.R. § 110.4(b)(2)(i).

According to reports filed with the Commission by Citizens for Biden Committee - 1990, Michelle Donnelly made a \$1,000 contribution on June 3, 1986. It appears that Michelle Donnelly was reimbursed by Rowenroy, Ltd. since a check was issued to her by Rowenroy, Ltd. on June 4, 1986. In a deposition, Edward G. Donnelly stated that the check was from William J. Levitt and its purpose was to reimburse her contribution to Citizens for Biden Committee - 1990. Therefore, there is reason to believe that Michelle Donnelly violated 2 U.S.C. § 441f.

93030960742



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

February 10, 1988

Joan Della Ratta  
Ridge Lane  
Mill Neck, NY 11765

RE: MUR 2576  
Joan Della Ratta

Dear Mrs. Della Ratta:

On February 1, 1988, the Federal Election Commission found that there is reason to believe you violated 2 U.S.C. § 441f, 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 you. 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 you 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.

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Letter to Joan Della Ratta  
Page 2

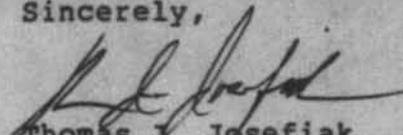
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If you intend to be represented by counsel in this matter, please advise the Commission by completing the enclosed form stating the name, address, and telephone number of such counsel, and authorizing such counsel to receive any notifications and other communications from the Commission.

This matter will remain 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 Susan Beard, the attorney assigned to this matter, at (202) 376-8200.

Sincerely,



Thomas J. Josefiak  
Chairman

Enclosures

- Factual and Legal Analysis
- Procedures
- Designation of Counsel Form
- Interrogatories and Requests for Production of Documents

93030960744

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of

)  
) MUR 2576  
)

**INTERROGATORIES AND REQUEST  
FOR PRODUCTION OF DOCUMENTS**

TO: Joan Della Ratta  
Ridge Lane  
Mill Neck, NY 11765

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. In addition, the Commission hereby requests that you produce the documents specified below, in their entirety, for inspection and copying at the Office of the General Counsel, Federal Election Commission, Room 659, 999 E Street, N.W., Washington, DC 20463, on or before the same deadline, and continue to produce those documents each day thereafter as may be necessary for counsel for the Commission to complete their examination and reproduction of those documents. Clear and legible copies or duplicates of the documents which, where applicable, show both sides of the documents may be submitted in lieu of the production of the originals.

93080960745

FEDERAL ELECTION COMMISSION  
FACTUAL AND LEGAL ANALYSIS

RESPONDENT: Joan Della Ratta

MUR 2576

Pursuant to Section 441f of Title 2 of the Federal Election Campaign Act of 1971, as amended (the "Act") "[n]o person shall make a contribution in the name of another person or knowingly permit his name to be used to effect such a contribution." Under the Commission's regulations, a contribution in the name of another includes giving money or anything of value, all or part of which is provided by another person without disclosing the source of the money or the thing of value to the recipient candidate or committee at the time the contribution is made. 11 C.F.R. § 110.4(b)(2)(i).

According to reports filed with the Commission by Citizens for Biden Committee - 1990, Joan Della Ratta made a \$1,000 contribution on June 2, 1986. It appears that Joan Della Ratta was reimbursed by Rowenroy, Ltd. since Joan Della Ratta's name appeared on a list of individuals who were allegedly reimbursed and a check was issued to her by Rowenroy, Ltd. on June 4, 1986. Therefore, there is reason to believe that Joan Della Ratta violated 2 U.S.C. § 441f.

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FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

February 10, 1988

Lisette Stern  
320 Central Park West  
Apt. 11B  
New York, NY 10021

RE: MUR 2576  
Lisette Stern

Dear Mrs. Stern:

On February 1, 1988, the Federal Election Commission found that there is reason to believe you violated 2 U.S.C. § 441f, 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 you. 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 you 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.

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Letter to Lisette Stern  
Page 2

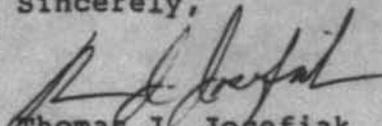
Requests for extensions of time will not be routinely granted. Requests must be made in writing at least five days prior to the due date of the response and specific good cause must be demonstrated. In addition, the Office of the General Counsel ordinarily will not give extensions beyond 20 days.

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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 Susan Beard, the attorney assigned to this matter, at (202) 376-8200.

Sincerely,

  
Thomas J. Josefiak  
Chairman

Enclosures

- Factual and Legal Analysis
- Procedures
- Designation of Counsel Form
- Interrogatories and Requests for Production  
of Documents

93030960748

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of

)  
)  
)

MUR 2576

**INTERROGATORIES AND REQUEST  
FOR PRODUCTION OF DOCUMENTS**

TO: Lisette Stern  
320 Central Park West  
Apt. 11B  
New York, NY 10021

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. In addition, the Commission hereby requests that you produce the documents specified below, in their entirety, for inspection and copying at the Office of the General Counsel, Federal Election Commission, Room 659, 999 E Street, N.W., Washington, DC 20463, on or before the same deadline, and continue to produce those documents each day thereafter as may be necessary for counsel for the Commission to complete their examination and reproduction of those documents. Clear and legible copies or duplicates of the documents which, where applicable, show both sides of the documents may be submitted in lieu of the production of the originals.

93030960749

FEDERAL ELECTION COMMISSION  
FACTUAL AND LEGAL ANALYSIS

RESPONDENT: Lisette Stern

MUR 2576

Pursuant to Section 441f of Title 2 of the Federal Election Campaign Act of 1971, as amended (the "Act") "[n]o person shall make a contribution in the name of another person or knowingly permit his name to be used to effect such a contribution." Under the Commission's regulations, a contribution in the name of another includes giving money or anything of value, all or part of which is provided by another person without disclosing the source of the money or the thing of value to the recipient candidate or committee at the time the contribution is made. 11 C.F.R. § 110.4(b)(2)(i).

According to reports filed with the Commission by Citizens for Biden Committee - 1990, Lisette Stern made a \$1,000 contribution on June 2, 1986. It appears that Lisette Stern was reimbursed by Rowenroy, Ltd. since Lisette Stern's name appeared on a list of individuals who were allegedly reimbursed and a check was issued to her by Rowenroy, Ltd. on June 4, 1986. Therefore, there is reason to believe that Lisette Stern violated 2 U.S.C. § 441f.

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0960750

RECEIVED  
FEDERAL BUREAU OF INVESTIGATION  
COMMISSION

@CC#6492

MMR 2576

03 FEB 22 11:04

February 16, 1988

Dear Mr Thomas Jociak,

RECEIVED  
FEDERAL BUREAU OF INVESTIGATION  
COMMISSION  
08 FEB 22 11:04

Before I answer the questions  
would like to tell about how it  
about.

I was working for William Levitt  
of Levitt Industries as a receptionist.  
He approached me unexpectedly one  
morning and asked me to write  
Checks each for 1,000. under my  
signature & my daughter Jennifer Lynn  
signature and he would reimburse me  
the two thousand dollars. He also  
told me to make it out for Bidder  
I did it for I did not know it was  
illegal & also I was afraid I would  
lose my job. During the summer I got  
reimbursed from the Bidder organiz-  
on. The Attorney General got in  
touch with me and said that the

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money should be returned for it  
came out of the Levitt Foundation  
and the foundation was a Charitable  
organization - Mr Levitt was not allow  
ed to touch that money - At his  
I found this out & returned the  
money to the Levitt Foundation  
through the Attorney General.

I left the Levitt industry in  
November of 1986 due to non payment  
of salary + no medical coverage.

Since then I am trying to get my  
credit back and have a case with  
the Labor Board trying to get my  
salary that is due me.

My daughter ~~is~~ Jennifer Flynn  
had nothing to do with any of  
it

Sincerely,

Adrienne J. Stalter

P.S. I know nothing else other than what  
I wrote above.

Adrienne J. Stalter

QCC#6552

RECEIVED  
FEDERAL ELECTION COMMISSION  
MAIL ROOM

DIRECTORS  
ROBERT S. GERSTEN  
KAREN GERSTENZANG MELTZER  
RICHARD B. GERSTEN



88 FEB 24 AM 8:49

ROBERT S. GERSTEN  
84 LEAMINGTON STREET  
LIDO BEACH, N. Y. 11561  
PHONE (516) 432-1555

# Brant Lake Camp

"In the Adirondacks"

Founded 1916  
THREE GENERATIONS-ONE FAMILY OWNERSHIP

RECEIVED  
FEDERAL ELECTION COMMISSION  
OFFICE OF GENERAL COUNSEL  
88 FEB 24 AM 10:48

February 20, 1988

Office of the General Counsel  
Federal Election Commission  
Room 659  
999 E Street, N.W.  
Washington, DC 20463  
Thomas J. Josefiak, Chairman

RE: MUR 2576

Dear Chairman:

In response to your letter, I am entering a request for conciliation, since I had no knowledge or indication that I was violating the Federal Election Campaign Act.

I wish to as clearly as possible, and to the best of my recollection, indicate exactly what happened in this matter. I was part of a group who played tennis regularly at the court of Mr. William J. Levitt. On one of those occasions in 1986, Mr. Levitt indicated to all of us that he was very involved in persuading Mr. Biden to run for President, since he felt he was an outstanding candidate. During subsequent weeks, he amplified his feelings in this matter. On one of the occasions, he indicated that he would be approaching us for a donation to the Citizens for Biden Committee. When Mr. Levitt left, while we were discussing the matter in the dressing room, we all indicated that if he formerly asked us for a donation, we would certainly feel a compulsion to respond favorably. We had been playing at Mr. Levitt's court two and three times a week for many years. During the period when I was Dean of Students of Nassau Community College, Garden City, NY, on his own initiation, set-up a scholarship fund for disadvantaged youngsters, which lasted over a five year period.

Sometime in the next few weeks, we all received a telegram from Mr. Levitt indicating that there would be a reception at his home for Mr. Biden, and that he would like us to attend, but in order to attend, the contribution would be \$1000. The group (complete list and donations attached), decided by phone, during the next few days, that I should represent them at the reception, and asked me to write a check for \$1000, and they in turn would send me their checks. I subsequently called Mr. Levitt, and told him exactly what had happened, and that I would attend the function. Mr. Levitt asked that we write one check, since that seemed to be the procedure of the Committee. I indicated that the group had authorized me to write the check, and I would drop the check off at his home, which I did. I did not

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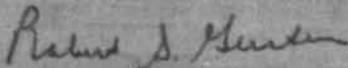
attend the reception, because it was moved from Mr. Levitt's home on Long Island to New York City, at a time when I could not get there.

In subsequent months, I received a great deal of material from Biden's committee, as well as many newspaper clippings.

The following year, when he withdrew his name, I received a check for \$1000, and subsequently wrote checks, reimbursing the people who had contributed.

The above is a complete recollection of what I remember in this matter. I had at no time knowingly violated the law, or attempted to deceive anyone.

Very truly yours,



Robert S. Gersten

~~Director~~

RSG/fsf  
enc.

93080960754

RE: MUR 2576

Dr. Norman Schwartz  
5 Lake Shore Drive  
Rock Hill, NY  
Retired - Superintendent of Schools  
Syosset, NY

Cal Axinn  
35 Arbor Lane  
Dix Hills, NY  
Retired - Home builder

Bill Bondanza  
Nine Joyce Street  
Woodbury, NY 11797  
Business - Advest, Inc.  
One Suffolk Plaza  
Islandia, NY

George Edelman  
64 Polo Road  
Great Neck, NY 11023  
Business - Camp Idylwold  
Schroon Lake, NY

Gerald <sup>GENIC</sup> ~~Kenny~~berg  
14 Eden Road  
Lido Beach, NY 11561  
Business - Sinram Marnes Co.  
645 5th Avenue  
New York, NY 10022

Howard Posner  
245 Lagoon Drive East  
Lido Beach, NY 11561  
Retired

Dr. Paul Shapiro  
110 Oxford Road  
Rockville Centre, NY 11570  
Business - Dentist  
Address same

NOTE: EACH OF THE ABOVE INDIVIDUALS CONTRIBUTED \$100 EACH,  
MY WIFE AND I CONTRIBUTED \$300.

930 2/0960755

666# 46656

88 MAR -2 AM 11:48

LAW OFFICES OF  
**SHAW, LICITRA, EISENBERG, ESERNIO & SCHWARTZ, P.C.**  
1010 FRANKLIN AVENUE, GARDEN CITY, NEW YORK 11530

**HAND DELIVERED**

J. STANLEY SHAW  
JOSEPH LICITRA (1930-1987)  
DOROTHY EISENBERG  
GEORGE P. ESERNIO  
JEFFREY L. SCHWARTZ  
VICTOR G. BEAUDET  
KAREN CARTER CASO  
DONNALYNN DARLING  
HERBERT J. TAMRES  
WILLIAM V. ALES†\*

(516) 742-0610 • (718) 895-3525

CABLE LAWBANC  
TELEX NO. 143227  
TELECOPY (516) 742-2670

RICHMOND HILL OFFICE  
103-42 LEFFERTS BOULEVARD  
RICHMOND HILL, NEW YORK 11419

MICHAEL S. ARANOFF  
KATHLEEN J. CAHILL\*  
ANDREW D. GREENE  
SHARON E. GRUER  
JULIAN KAPLAN  
SARAH M. KEENAN  
JOSEPH SPERRAZZA  
JEFFREY M. ZALKIN†

OF COUNSEL:  
HERBERT NEW\*  
RICHARD EISENBERG  
MICHAEL M. PLATZMAN

\*ALSO ADMITTED IN NEW JERSEY  
†ALSO ADMITTED IN CALIFORNIA  
\*ALSO ADMITTED IN WASHINGTON, D.C.

COUNSEL TO THE FIRM  
ALFRED WEINTRAUB

March 1, 1988  
FEDERAL EXPRESS

Susan Beard, Esq.  
Attorney  
Office of General Counsel  
Federal Election Commission  
999 E. Street, NW  
Washington, DC 20463

Re: William J. Levitt  
Simone Levitt  
Rowenroy, Ltd.  
Ralph M. Della Ratta  
Joan Della Ratta  
Harold Kellman  
Marilyn Kellman  
Edward Cortese  
Frieda Cortese  
Lou Stern  
Lisette Stern  
Stanley Ogonowski  
Fanny Ogonowski  
Nicole Levitt  
Gaby Levitt  
(MUR 2576)

Dear Ms. Beard:

In furtherance of our recent telephone conversations, I am enclosing completed Statements of Designation of Counsel for each of the fifteen (15) captioned respondents, reflecting the fact that this Firm will be representing each of them in this matter.

At this time, on behalf of each of the respondents, I am

9300960756

88 MAR -2 PM 1:48

RECEIVED  
FEDERAL ELECTION COMMISSION  
OFFICE OF GENERAL COUNSEL

Susan Beard, Esq.  
Page 2  
March 1, 1988

requesting an extension of twenty (20) days within which to reply to the Commission's allegations and to respond to the Commission's demand for Answers to Interrogatories and Request for Documents. I understand that the twenty (20) day extension will commence on the expiration of the fifteen (15) days from the date the Commission's letter to each respondent was received by them. Each respondent has informed me that those letters were received on Wednesday, February 17, 1988, so that their respective time to reply will elapse on Thursday, March 3, 1988. The additional twenty (20) days will bring the new return date to Wednesday, March 23, 1988.

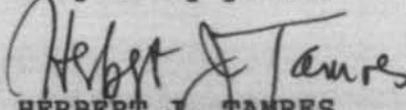
Our reasons for requesting this twenty (20) day extension are two-fold.

For one thing, the sheer number of respondents makes it difficult to interview each of them and to examine all of their respective documentation quickly, for the purpose of replying to the Commission's allegations and to the Interrogatories and Requests for Documents propounded by the Commission. As you can readily imagine, this is a time-consuming process which cannot be rushed.

Secondly, William J. Levitt and Simone Levitt are in the midst of moving their residence from one location to another, which is a major event for them after many years at their present residence. As such, it will be at least one week to ten (10) days before they can provide me with the documents which the Commission has requested and the time within which to answer the Interrogatories.

I look forward to hearing from you shortly regarding this extension request and thank you in advance for your kind courtesy and cooperation.

Very truly yours,

  
HERBERT J. TAMRES

HJT/etw

93080960757

STATEMENT OF DESIGNATION OF COUNSEL

MUR 2576

NAME OF COUNSEL: SHAW, LICITRA, EISENBERG, ESERNIO & SCHWARTZ, P.C.

ADDRESS: 1010 Franklin Avenue

Garden City, New York 11530

TELEPHONE: 516-742-0610

The above-named individual is hereby designated as my counsel and is authorized to receive any notifications and other communications from the Commission and to act on my behalf before the Commission.

2/24/88  
Date

William J. Levitt  
Signature

RESPONDENT'S NAME: William J. Levitt

ADDRESS: La Colline

Oyster Bay Road

Mill Neck, New York 11765

HOME PHONE: \_\_\_\_\_

BUSINESS PHONE: (516) 624-8585

93080960758

STATEMENT OF DESIGNATION OF COUNSEL

MUR 2576

NAME OF COUNSEL: SHAW, LICITRA, EISENBERG, ESERNIO & SCHWARTZ, P.C.

ADDRESS: 1010 Franklin Avenue

Garden City, New York 11530

TELEPHONE: 516-742-0610

The above-named individual is hereby designated as my  
counsel and is authorized to receive any notifications and other  
communications from the Commission and to act on my behalf before  
the Commission.

4/24/88  
Date

Simone Levitt  
Signature

RESPONDENT'S NAME: Simone Levitt

ADDRESS: La Colline

Oyster Bay Road

Mill Neck, New York 11765

HOME PHONE:

BUSINESS PHONE: (516) 624-8585

93030960759

STATEMENT OF DESIGNATION OF COUNSEL

MUR 2576

NAME OF COUNSEL: SHAW, LICITRA, EISENBERG, ESERNIO & SCHWARTZ, P.C.

ADDRESS: 1010 Franklin Avenue  
Garden City, New York 11530

TELEPHONE: (516) 742-0610

The above-named individual is hereby designated as my  
counsel and is authorized to receive any notifications and other  
communications from the Commission and to act on my behalf before  
the Commission.

Feb 24, 1988  
Date

Ralph M. Della Ratta  
Signature

RESPONDENT'S NAME: RALPH M. DELLA RATTA

ADDRESS: Ridge Lane  
Mill Neck, New York 11765

HOME PHONE: \_\_\_\_\_

BUSINESS PHONE: \_\_\_\_\_

93020960760

STATEMENT OF DESIGNATION OF COUNSEL

MUR 2576

NAME OF COUNSEL: SHAW, LICITRA, EISENBERG, ESERNIO & SCHWARTZ, P.C.

ADDRESS: 1010 Franklin Avenue

Garden City, New York 11530

TELEPHONE: (516) 742-0610

The above-named individual is hereby designated as my counsel and is authorized to receive any notifications and other communications from the Commission and to act on my behalf before the Commission.

2-25-1988  
Date

Joan Della Ratta  
Signature

RESPONDENT'S NAME: JOAN DELLA RATTA

ADDRESS: Ridge Lane

Mill Neck, New York 11765

HOME PHONE: \_\_\_\_\_

BUSINESS PHONE: \_\_\_\_\_

93080960761

STATEMENT OF DESIGNATION OF COUNSEL

MUR 2576

NAME OF COUNSEL: SHAW, LICITRA, EISENBERG, ESERNIO & SCHWARTZ, P.C.

ADDRESS: 1010 Franklin Avenue

Garden City, New York 11530

TELEPHONE: (516) 742-0610

The above-named individual is hereby designated as my  
counsel and is authorized to receive any notifications and other  
communications from the Commission and to act on my behalf before  
the Commission.

Feb. 25, 1988  
Date

Harold Kellman  
Signature

RESPONDENT'S NAME: HAROLD KELLMAN

ADDRESS: 114 Maytime Drive

Jericho, New York 11753

HOME PHONE: \_\_\_\_\_

BUSINESS PHONE: \_\_\_\_\_

93030960762

STATEMENT OF DESIGNATION OF COUNSEL

MUR 2576

NAME OF COUNSEL: SHAW, LICITRA, EISENBERG, ESERNIO & SCHWARTZ, P.C.

ADDRESS: 1010 Franklin Avenue

Garden City, New York 11530

TELEPHONE: (516) 742-0610

The above-named individual is hereby designated as my  
counsel and is authorized to receive any notifications and other  
communications from the Commission and to act on my behalf before  
the Commission.

Feb. 25, 1988  
Date

Marilyn Kellman  
Signature

RESPONDENT'S NAME: MARILYN KELLMAN

ADDRESS: 114 Maytime Drive

Jericho, New York 11753

HOME PHONE: \_\_\_\_\_

BUSINESS PHONE: \_\_\_\_\_

93030960763

STATEMENT OF DESIGNATION OF COUNSEL

MUR 2576

NAME OF COUNSEL: SHAW, LICITRA, EISENBERG, ESERNIO & SCHWARTZ. P.C.

ADDRESS: 1010 Franklin Avenue  
Garden City, New York 11530

TELEPHONE: (516) 742-0610

The above-named individual is hereby designated as my  
counsel and is authorized to receive any notifications and other  
communications from the Commission and to act on my behalf before  
the Commission.

26 Feb '88  
Date

*Edward Cortese*  
Signature

RESPONDENT'S NAME: EDWARD CORTESE

ADDRESS: 24 Westbourne Lane  
Melville, New York 11747

HOME PHONE:

BUSINESS PHONE: (718) 459-9021

9300960764

STATEMENT OF DESIGNATION OF COUNSEL

MUR 2576

NAME OF COUNSEL: SHAW, LICITRA, EISENBERG, ESERNIO & SCHWARTZ, P.C.

ADDRESS: 1010 Franklin Avenue  
Garden City, New York 11530

TELEPHONE: (516) 742-0610

The above-named individual is hereby designated as my counsel and is authorized to receive any notifications and other communications from the Commission and to act on my behalf before the Commission.

5-26-1955  
Date

Frieda Cortese  
Signature

RESPONDENT'S NAME: FRIEDA CORTESE

ADDRESS: 24 Westbourne Lane  
Melville, New York 11747

HOME PHONE:

BUSINESS PHONE: 516-454-5428

9300960765

STATEMENT OF DESIGNATION OF COUNSEL

MUR 2576

NAME OF COUNSEL: SHAW, LICITRA, EISENBERG, ESERNIO & SCHWARTZ, P.C.

ADDRESS: 1010 Franklin Avenue

Garden City, New York 11530

TELEPHONE: (516) 742-0610

The above-named individual is hereby designated as my  
counsel and is authorized to receive any notifications and other  
communications from the Commission and to act on my behalf before  
the Commission.

February 24, 1988  
Date

[Signature]  
Signature

RESPONDENT'S NAME: Lou Stern

ADDRESS: 320 Central Park West

Apt. 11B

New York, NY 10021

HOME PHONE: -

BUSINESS PHONE: 212-877-7133

930430960766

STATEMENT OF DESIGNATION OF COUNSEL

MUR 2576

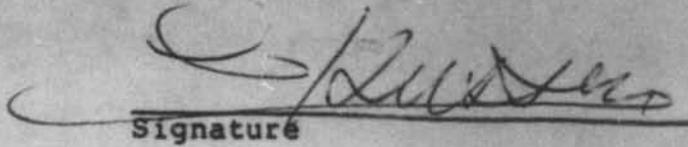
NAME OF COUNSEL: SHAW, LICITRA, EISENBERG, ESERNIO & SCHWARTZ, P.C.

ADDRESS: 1010 Franklin Avenue  
Garden City, New York 11530

TELEPHONE: (516) 742-0610

The above-named individual is hereby designated as my counsel and is authorized to receive any notifications and other communications from the Commission and to act on my behalf before the Commission.

Feb. 25, 78  
Date

  
Signature

RESPONDENT'S NAME: Lisette Stern

ADDRESS: 320 Central Park West  
Apt. 11B  
New York, NY 10021

HOME PHONE: \_\_\_\_\_

BUSINESS PHONE: \_\_\_\_\_

930480960767

STATEMENT OF DESIGNATION OF COUNSEL

MUR 2576

NAME OF COUNSEL: SHAW, LICITRA, EISENBERG, ESERNIO & SCHWARTZ, P.C.

ADDRESS: 1010 Franklin Avenue

Garden City, New York 11530

TELEPHONE: (516) 742-0610

The above-named individual is hereby designated as my  
counsel and is authorized to receive any notifications and other  
communications from the Commission and to act on my behalf before  
the Commission.

2/25/88  
Date

Stanley Ogonowski  
Signature

RESPONDENT'S NAME: Stanley Ogonowski

ADDRESS: 171 Sycamore Circle

Stoney Brook, NY 11790

HOME PHONE: \_\_\_\_\_

BUSINESS PHONE: \_\_\_\_\_

930180960768



STATEMENT OF DESIGNATION OF COUNSEL

MUR 2576

NAME OF COUNSEL: SHAW, LICITRA, EISENBERG, ESERNIO & SCHWARTZ, P.C.

ADDRESS: 1010 Franklin Avenue  
Garden City, New York 11530

TELEPHONE: (516) 742-0610

The above-named individual is hereby designated as my counsel and is authorized to receive any notifications and other communications from the Commission and to act on my behalf before the Commission.

2/26/88  
Date

Nicole Levitt  
Signature

RESPONDENT'S NAME: Nicole Levitt

ADDRESS: 225 East 34th Street  
Apt. 3J  
New York, New York 10016

HOME PHONE:

BUSINESS PHONE: 212 - 683 - 1920

930080960770

STATEMENT OF DESIGNATION OF COUNSEL

MUR 2576

NAME OF COUNSEL: SHAW, LICITRA, EISENBERG, ESERNIO & SCHWARTZ, P.C.

ADDRESS: 1010 Franklin Avenue  
Garden City, New York 11530

TELEPHONE: (516) 742-0610

The above-named individual is hereby designated as my counsel and is authorized to receive any notifications and other communications from the Commission and to act on my behalf before the Commission.

8/26/88  
Date

Gaby Levitt  
Signature

RESPONDENT'S NAME: Gaby Levitt

ADDRESS: 280 First Avenue - Apt. 4E  
New York, NY 10009

HOME PHONE: \_\_\_\_\_

BUSINESS PHONE: 212-495-1303

930840960771

STATEMENT OF DESIGNATION OF COUNSEL

MUR 2576

NAME OF COUNSEL: SHAW, LICITRA, EISENBERG, ESERNIO & SCHWARTZ, P.C.

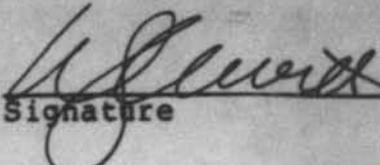
ADDRESS: 1010 Franklin Avenue

Garden City, New York 11530

TELEPHONE: (516) 742-0610

The above-named individual is hereby designated as my counsel and is authorized to receive any notifications and other communications from the Commission and to act on my behalf before the Commission.

2/24/88  
Date

  
Signature

RESPONDENT'S NAME: ROWENROY, LTD.

ADDRESS: c/o William J. Levitt

La Colline

Oyster Bay Road

HOME PHONE: Mill Neck, New York 11765

BUSINESS PHONE: (516) 624-8585

930840960772

CC#6652

Ralph M. Della Ratta  
Ridge Lane  
Mill Neck, New York 11765

RECEIVED  
FEDERAL ELECTION COMMISSION  
88 MAR -1 PH 12:49

February 25, 1988

Federal Election Commission  
Washington, DC 20463

Attention: Thomas J. Josefiak

Re: Ralph M. and Joan Della Ratta  
MUR 2576

Dear Mr. Josefiak:

Be advised that my wife and I have received your letter dated February 10th, 1988 regarding a potential federal election violation. We are interested in pursuing a pre-probable cause conciliation.

Enclosed find a statement of designation of counsel indicating that Shaw, Licitra, and Al will be representing myself and others involved with the Rowenroy Ltd. refunds. Hopefully, that firm could work out one conciliation for all involved subject to my approval.

In the event the conciliation is not worked out to my approval I reserve the right to retain separate counsel to represent me. In so far as the meeting is scheduled in the near future it is requested that additional twenty (20) days be granted to answer your interrogatories in order that the conciliation meeting can occur prior to completing same.

Very truly yours,

*Ralph M Della Ratta*

Ralph Della Ratta

RECEIVED  
FEDERAL ELECTION COMMISSION  
OFFICE OF GENERAL COUNSEL  
88 MAR -2 AM 10:57

93080960773

STATEMENT OF DESIGNATION OF COUNSEL

MUR 2576

NAME OF COUNSEL: Shaw, Licitra, Eisenberg, Esernio & Schwartz, P.C.

ADDRESS: 1010 Franklin Avenue  
Garden City, New York, 11530

TELEPHONE: 516 - 442-0610

The above-named individual is hereby designated as my  
counsel and is authorized to receive any notifications and other  
communications from the Commission and to act on my behalf before  
the Commission.

2-25-88  
Date

Jean Scella Latta  
Signature

RESPONDENT'S NAME: Jean Scella Latta

ADDRESS: Ridge Lane  
Mill Neck, NY  
11765

HOME PHONE: \_\_\_\_\_

BUSINESS PHONE: \_\_\_\_\_

93080960774

STATEMENT OF DESIGNATION OF COUNSEL

MUR 2516

NAME OF COUNSEL: Shaw, Licitra, Eisenberg, Esernio & Schwartz, P.C.

ADDRESS: 1010 Franklin Avenue  
Garden City, New York 11530

TELEPHONE: 516 - 742 0610

The above-named individual is hereby designated as my  
counsel and is authorized to receive any notifications and other  
communications from the Commission and to act on my behalf before  
the Commission.

Feb 24 1988  
Date

Ralph M. Della Ratta  
Signature

RESPONDENT'S NAME: Ralph M. Della Ratta

ADDRESS: Ridge, Queens  
111 Neck N.Y. 11765

HOME PHONE:

BUSINESS PHONE: 516 674 9302

93080960775

FEDERAL RECEIVED  
ELECTION COMMISSION  
MAIL ROOM

6664663

88 MAR -3 AM 9:01

51 INTERVALE

ROCKVILLE CENTRE, N.Y.

FEBRUARY 27, 1988

FEDERAL ELECTION COMMISSION

SUSAN BEARD

999 EAST STREET

N.W. WASHINGTON D.C. 20463

RECEIVED  
FEDERAL ELECTION COMMISSION  
OFFICE OF GENERAL COUNSEL  
88 MAR -3 AM 11:56

DEAR MS. BEARD:

REGARDING OUR CASE #2576 WE WOULD LIKE TO BE GRANTED A TWENTY  
DAY EXTENSION. WE ARE IN THE PROCESS OF FINDING A LAWYER AND NEED  
THE EXTRA TIME. THE DATE WE RECEIVED OUR INITIAL RESPONSE WAS  
THE 18TH OF FEBRUARY.

SINCERELY YOURS,

*Stephen J. Lampel*  
*Ava Lampel*

STEPHEN J. LAMPEL

AVA LAMPEL

93080960776



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

March 4, 1988

Stephen J. Lampel  
Ava Lampel  
51 Intervale  
Rockville Centre, N.Y. 11570

RE: MUR 2576  
Stephen J. Lampel  
Ava Lampel

Dear Mr. and Mrs. Lampel:

This is in response to your letter dated February 27, 1988, which we received on March 3, 1988, requesting an extension of 20 days to respond to the Commission's notifications. After considering the circumstances presented in your letter, I have granted the requested extension. Accordingly, your response is due by the close of business on March 23, 1988.

If you have any questions, please contact Susan Beard, the attorney assigned to this matter, at (202) 376-8200.

Sincerely,

*Lawrence M. Noble (LJN)*

Lawrence M. Noble  
General Counsel

93080960777

*plm*



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

March 4, 1988

Herbert J. Tamres  
Shaw, Licitra, Eisenberg, Esernio  
& Schwartz, P.C.  
1010 Franklin Avenue  
Garden City, N.Y. 11530

RE: MUR 2576  
William J. Levitt, et al.

Dear Mr. Tamres:

This is in response to your letter dated March 1, 1988, which we received on March 2, 1988, requesting an extension of 20 days until March 23, 1988 to respond to the Commission's notifications. After considering the circumstances presented in your letter, I have granted the requested extension. Accordingly, your response is due by the close of business on March 23, 1988.

If you have any questions, please contact Susan Beard, the attorney assigned to this matter, at (202) 376-8200.

Sincerely,

*Lawrence M Noble*

Lawrence M. Noble  
General Counsel

93080960778



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

March 10, 1988

*plm*

**CERTIFIED MAIL  
RETURN RECEIPT REQUESTED**

Edward G. Donnelly  
Nine Priory Court  
Melville, NY 11768

RE: MUR 2576  
Edward G. Donnelly

Dear Mr. Donnelly:

On February 10, 1988, you were notified that the Federal Election Commission had found reason to believe that you had violated 2 U.S.C. § 441f. On that same date, you were sent interrogatories and requests for documents.

Please note that the answers and the requested documents were to be submitted to the Commission within 15 days of your receipt of the interrogatories and requests for documents. To date, you have not responded to the interrogatories and requests for documents. Unless we receive a response from you within 5 days, this Office will request that the Commission issue an order to submit written answers and a subpoena to produce documents.

Should you have any questions, please contact Susan Beard, the attorney assigned to this matter, at (202) 376-8200.

Sincerely,

*Lawrence M. Noble*  
Lawrence M. Noble  
General Counsel

93080960779

76m



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

March 10, 1988

**CERTIFIED MAIL  
RETURN RECEIPT REQUESTED**

Michelle Donnelly  
Nine Priory Court  
Melville, NY 11768

RE: MUR 2576  
Michelle Donnelly

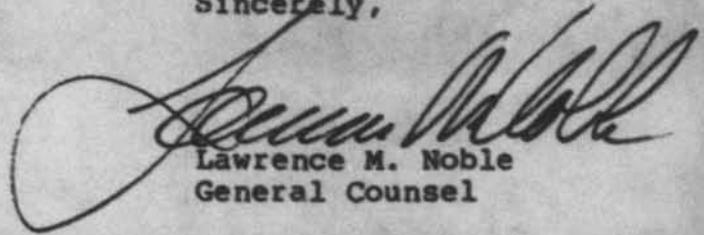
Dear Mrs. Donnelly:

On February 10, 1988, you were notified that the Federal Election Commission had found reason to believe that you had violated 2 U.S.C. § 441f. On that same date, you were sent interrogatories and requests for documents.

Please note that the answers and the requested documents were to be submitted to the Commission within 15 days of your receipt of the interrogatories and requests for documents. To date, you have not responded to the interrogatories and requests for documents. Unless we receive a response from you within 5 days, this Office will request that the Commission issue an order to submit written answers and a subpoena to produce documents.

Should you have any questions, please contact Susan Beard, the attorney assigned to this matter, at (202) 376-8200.

Sincerely,

  
Lawrence M. Noble  
General Counsel

93030960780

**HAND DELIVERED**  
RECEIVED @CC#0730  
FEDERAL ELECTION COMMISSION  
MAIL ROOM

**RIVKIN, RADLER, DUNNE & BAYH**

88 MAR 10 AM 9:24

EAB PLAZA

UNIONDALE, NEW YORK 11556-0111

(516) 357-3000

TELEX: 645-074 • TELECOPIER: (516) 357-3333 • CABLE: AT LAW

275 MADISON AVENUE  
NEW YORK, N.Y. 10016  
(212) 696-9050

1575 EYE STREET, N.W.  
WASHINGTON, D.C. 20005  
(202) 289-8660

30 NORTH LA SALLE STREET  
CHICAGO, ILLINOIS 60602  
(312) 782-5680

2049 CENTURY PARK EAST  
LOS ANGELES, CA 90067  
(213) 201-0510

ROBERT L. FOLKS  
PARTNER  
DIRECT DIAL  
(516) 357-3117

March 9, 1988

RECEIVED  
FEDERAL ELECTION COMMISSION  
OFFICE OF GENERAL COUNSEL  
88 MAR 10 AM 10:16

VIA FEDERAL EXPRESS

Susan Beard, Esq.  
Federal Election Commission  
Office of General Counsel  
999 "E" Street, N.W.  
Washington, D.C. 20463

Re: MUR 2576 - Sherry Newman and Michael Newman.

Dear Ms. Beard:

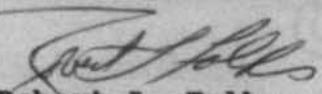
As per my conversation with you yesterday, please be advised that this firm represents Sherry Newman and Michael Newman, her son. In this regard, I am enclosing the Statement of Designation of Counsel executed by Sherry Newman on her own behalf and a separate designation for Michael Newman executed by Sherry Newman. Michael Newman is an unamancipated minor.

While I am aware that the time to respond to the Interrogatories and Requests for Production has past, I would respectfully request an extension of time until April 1, 1988. My request is based on the fact that the firm was just retained on March 5, 1988 and in order to insure adequate representation, investigation into these allegations is required. It is my understanding that there are a substantial number of witnesses and records which may bear on the inquiry of the Federal Election Commission. It is critical that I be given an opportunity on behalf of these two clients to conduct an investigation and examine all of the relevant material.

Please acknowledge the appearance of counsel and I would greatly appreciate a call so that the matter may be discussed as soon as possible.

Very truly yours,

RIVKIN, RADLER, DUNNE & BAYH



By: Robert L. Folks

RLF:cmd  
Enclosures

1870960904930

STATEMENT OF DESIGNATION OF COUNSEL

MUR \_\_\_\_\_  
NAME OF COUNSEL: Robert L. Folks  
ADDRESS: Rivkin, Radler, Dunne & Bayh  
EAB Plaza  
Uniondale, New York 11556-0111  
TELEPHONE: (516) 357-3000

The above-named individual is hereby designated as my  
counsel and is authorized to receive any notifications and other  
communications from the Commission and to act on my behalf before  
the Commission.

March 8, 1988  
Date

*Sherry Newman*  
Signature  
Sherry Newman

RESPONDENT'S NAME: Sherry Newman  
ADDRESS: Ten The Poplars  
Roslyn Estates, NY 11576  
HOME PHONE: \_\_\_\_\_  
BUSINESS PHONE: (718) 445-2300

93080960782

STATEMENT OF DESIGNATION OF COUNSEL

MUR \_\_\_\_\_  
NAME OF COUNSEL: Robert L. Folks  
ADDRESS: Rivkin, Radler, Dunne & Bayh  
EAB Plaza  
Uniondale, New York 11556-0111  
TELEPHONE: (516) 357-3000

The above-named individual is hereby designated as my  
counsel and is authorized to receive any notifications and other  
communications from the Commission and to act on my behalf before  
the Commission.

March 8, 1988  
Date

*Sherry Newman*  
*As parent for Michael Newman*  
Signature  
Michael Newman  
By: Sherry Newman, his parent

RESPONDENT'S NAME: Michael Newman  
ADDRESS: Ten The Poplars  
Roslyn Estates, NY 11576  
HOME PHONE: \_\_\_\_\_  
BUSINESS PHONE: \_\_\_\_\_

93080960783



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

March 11, 1988

Robert L. Folks, Esquire  
Rivkin, Radler, Dunne & Bayh  
EAB Plaza  
Uniondale, N.Y. 11556-0111

RE: MUR 2576  
Sherry Newman  
Michael Newman

Dear Mr. Folks:

This is in response to your letter dated March 9, 1988, which we received on March 10, 1988, requesting an extension until April 1, 1988, to respond to the interrogatories and requests for production in the above matter. After considering the circumstances presented in your letter, I have granted the requested extension. Accordingly, your response is due by the close of business on April 1, 1988.

If you have any questions, please contact Susan Beard, the attorney assigned to this matter, at (202) 376-8200.

Sincerely,

Lawrence M. Noble  
General Counsel

93080960784

**HAND DELIVERED**

RECEIVED  
FEDERAL ELECTION COMMISSION  
MAIL ROOM

88 MAR 14 AM 11:50  
600#6775

**RIVKIN, RADLER, DUNNE & BAYH**

EAB PLAZA

UNIONDALE, NEW YORK 11556-0111

(516) 357-3000

TELEX: 648-074 • TELECOPIER: (516) 357-3333 • CABLE: AT LAW

275 MADISON AVENUE  
NEW YORK, N.Y. 10016  
(212) 696-9050

1575 EYE STREET, N.W.  
WASHINGTON, D.C. 20005  
(202) 289-8660

30 NORTH LA SALLE STREET  
CHICAGO, ILLINOIS 60602  
(312) 782-5680

2049 CENTURY PARK EAST  
LOS ANGELES, CA 90067  
(213) 201-0510

ROBERT L. FOLKS  
PARTNER  
DIRECT DIAL  
(516) 357-3117

March 11, 1988

88 MAR 14 PM 3:06

RECEIVED  
FEDERAL ELECTION COMMISSION  
OFFICE OF GENERAL COUNSEL

VIA FEDERAL EXPRESS

Susan Beard, Esq.  
Federal Election Commission  
Office of General Counsel  
999 "E" Street, N.W.  
Washington, D.C. 20463

Re: MUR 2576 - Ava Lampel and Stephen Lampel.

Dear Ms. Beard:

As per my conversation with you today, please be advised that this firm represents Ava Lampel and Stephen Lampel. In this regard, I am enclosing the Statement of Designation of Counsel executed by them.

While I am aware that the time to respond to the Interrogatories and Requests for Production has past, I would respectfully request an extension of time until April 1, 1988. My request is based on the fact that the firm was just retained today and in order to insure adequate representation, investigation into these allegations is required. It is my understanding that there are a substantial number of witnesses and records which may bear on the inquiry of the Federal Election Commission. It is critical that I be given an opportunity on behalf of these two clients to conduct an investigation and examine all of the relevant material.

Please acknowledge the appearance of counsel and I would greatly appreciate a call so that the matter may be discussed as soon as possible.

Very truly yours,

RIVKIN, RADLER, DUNNE & BAYH



By: Robert L. Folks

RLF:cmd  
Enclosures

93080960785

STATEMENT OF DESIGNATION OF COUNSEL

MUR 2576

NAME OF COUNSEL: Robert L. Folks

ADDRESS: Rivkin, Radler, Dunne & Bayh

EAB Plaza

Uniondale, New York 11556-0111

TELEPHONE: (516) 357-3000

The above-named individual is hereby designated as my counsel and is authorized to receive any notifications and other communications from the Commission and to act on my behalf before the Commission.

March 11, 1988  
Date

*Stephen J. Lampel*  
Signature

RESPONDENT'S NAME: Stephen J. Lampel

ADDRESS: 51 Intervale

Rockville Centre, NY 11570

HOME PHONE:

BUSINESS PHONE: (212) 807-6899

93080960786

STATEMENT OF DESIGNATION OF COUNSEL

MUR 2576

NAME OF COUNSEL: Robert L. Folks

ADDRESS: Rivkin, Radler, Dunne & Bayh

EAB Plaza

Uniondale, New York 11556-0111

TELEPHONE: (516) 357-3000

The above-named individual is hereby designated as my counsel and is authorized to receive any notifications and other communications from the Commission and to act on my behalf before the Commission.

March 11, 1988  
Date

*Ava Lampel*  
Signature

RESPONDENT'S NAME: Ava Lampel

ADDRESS: 51 Intervale

Rockville Centre, NY 11570

HOME PHONE: -

BUSINESS PHONE: \_\_\_\_\_

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FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

March 16, 1988

Robert L. Folks, Esquire  
Rivkin, Radler, Dunne & Bayh  
EAB Plaza  
Uniondale, New York 11556-0111

RE: MUR 2576  
Ava Lampel  
Stephen Lampel

Dear Mr. Folks:

This is in response to your letter dated March 11, 1988, which we received on March 14, requesting an extension until April 1, 1988, to respond to the interrogatories and requests for production of documents in the above matter. After considering the circumstances presented in your letter, I have granted the requested extension. Accordingly, your response is due by close of business on April 1, 1988.

If you have any questions, please contact Susan Beard, the attorney assigned to this matter, at (202) 376-8200.

Sincerely,

Lawrence M. Noble  
General Counsel

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FEDERAL ELECTION COMMISSION  
SECRETARIAT

BEFORE THE FEDERAL ELECTION COMMISSION

88 MAR 18 PH 1:25

In the Matter of )  
William J. Levitt, et al. ) MUR 2576

**SENSITIVE**

COMPREHENSIVE INVESTIGATIVE REPORT #1

On February 1, 1988, the Commission found reason to believe that William J. Levitt knowingly and willfully violated 2 U.S.C. §§ 441b and 441f, that Rowenroy, Ltd. knowingly and willfully violated 2 U.S.C. §§ 441b, 441e and 441f, and that 22 other individuals violated 2 U.S.C. § 441f. On February 10, 1988, letters which included interrogatories and requests for production of documents were sent to all of the Respondents and one non-respondent witness, Joel Boyarsky.

To date, this Office has received 19 requests for extensions and two responses. Three Respondents have not been in written contact with this Office. This Office has granted 15 Respondents a 20 day extension of time until March 23, 1988, and has granted four Respondents a 29 day extension until April 1, 1988. With regard to the three Respondents that have not been in written contact with this Office, two of the Respondents were sent follow-up letters and the third was contacted by telephone. Finally, this Office has contacted Mr. Boyarsky and has been contacted by Mr. Boyarsky's counsel; however, a response has not yet been received.

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After receiving the responses and evaluating them, this Office will report to the Commission with appropriate recommendations.

Date

3/18/88

Lawrence M. Noble (42)  
Lawrence M. Noble  
General Counsel

Staff Person: Susan Beard

93080960790

OCC 8887

LAW OFFICES OF  
**SHAW, LICITRA, EISENBERG, ESERNIO & SCHWARTZ, P.C.**  
1010 FRANKLIN AVENUE, GARDEN CITY, NEW YORK 11530

RECEIVED  
FEDERAL ELECTION COMMISSION  
OFFICE OF GENERAL COUNSEL  
88 MAR 25 PM 4:29

J. STANLEY SHAW  
JOSEPH LICITRA (1930-1987)  
DOROTHY EISENBERG  
GEORGE P. ESERNIO  
JEFFREY L. SCHWARTZ  
VICTOR G. BEAUDET  
KAREN CARTER CASO  
DONNALYNN DARLINO  
HERBERT J. TAMRES  
WILLIAM V. ALESIO\*

(516) 742-0610 - (718) 895-3525  
CABLE LAWBANC  
TELEX NO. 143227  
TELECOPY (516) 742-2670  
RICHMOND HILL OFFICE  
103-42 LEFFERTS BOULEVARD  
RICHMOND HILL, NEW YORK 11419

MICHAEL S. ARANOFF  
KATHLEEN J. CAHILL\*  
FERN T. GOLD  
ANDREW D. GREENE  
SHARON E. GRUER  
JULIAN KAPLAN  
SARAH M. KEENAN  
JOSEPH SFERRAZZA  
JEFFREY M. ZALKINT

OF COUNSEL:  
HERBERT NEW\*  
RICHARD EISENBERG  
MICHAEL M. PLATZMAN

COUNSEL TO THE FIRM  
ALFRED WEINTRAUB

March 23, 1988

\*ALSO ADMITTED IN NEW JERSEY  
†ALSO ADMITTED IN CALIFORNIA  
‡ALSO ADMITTED IN WASHINGTON, D.C.

FEDERAL EXPRESS

Mr. Thomas J. Josefiak  
Chairman  
Federal Election Commission  
999 E Street, NW  
Washington, D. C. 20463

Re: William J. Levitt  
Simone Levitt  
Rowenroy, Ltd.  
Ralph Della Ratta  
Joan Della Ratta  
Harold Kellman  
Marilyn Kellman  
Edward Cortese  
Frieda Cortese  
Lou Stern  
Lisette Stern  
Stanley Ogonowski  
Fanny Ogonowski  
Nicole Levitt  
Gaby Levitt  
(MUR 2576)

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FEDERAL ELECTION COMMISSION  
88 MAR 24 PM 12:18

Dear Mr. Josephiak:

Please be informed that this firm represents the fifteen (15) captioned individuals in connection with MUR 2576. We have previously forwarded to Susan Beard, Esq., in the Office of the General Counsel, Statements of Designation of Counsel executed by each of them.

This letter constitutes the joint reply of these fifteen

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(15) individuals to the February 10, 1988 letters sent to each of them, which indicated that the Federal Election Commission ("FEC") has reason to believe that some or all of these individuals knowingly and wilfully violated 2 U.S.C. §§ 441 (b) and 441 (f) (in the case of William J. Levitt); 2 U.S.C. §441 (b), 441 (e) and 441 (f) (in the case of Rowenroy, Ltd.); and 2 U.S.C. §441 (f) (in the case of all of our other captioned clients).

We have discussed and reviewed the matter with each of our clients and the chronology of events surrounding the period covered by the allegations in your letter are substantially similar between William J. Levitt and the other captioned individuals represented by this firm.

In mid-May of 1986, Mr. Levitt met with Joel Boyarsky at Mr. Levitt's home. At the time, Mr. Levitt was greatly in need of a significant amount of financing, having suffered substantial financial reversals in the preceding years.

Mr. Boyarsky, who, at the time was very active in the Joseph Biden presidential campaign, committed himself to supplying Mr. Levitt with the necessary financing. At the time, Mr. Boyarsky told Mr. Levitt that he was working on a campaign to help Senator Biden gain recognition as a possible viable candidate for high public office. Therefore, Mr. Boyarsky requested that Mr. Levitt host a fundraiser in the form of a cocktail party for Senator Biden. Mr. Boyarsky explained to Mr. Levitt that each of the invitees would be asked to contribute \$1,000 to the Biden campaign. Mr. Levitt had met Mr. Biden some twelve (12) years earlier at a wedding reception and had been favorably impressed with him at that time. In addition, Mr. Levitt felt that to host the fundraiser would be beneficial to him in his efforts to obtain the necessary financing.

As a result, Mr. Levitt agreed to host the fundraiser, which was to be held on June 2, 1986. However, after sending wires and making telephone calls to all of his friends, he found that he could not get enough people to attend to make the fundraiser worthwhile. He, therefore, decided to invite employees, former employees, family and their respective spouses.

Unfortunately, the solution to this problem generated yet another problem. While all of the employees, former employees and family invitees were quite willing to attend the fundraiser as a favor to Mr. Levitt, in some of the cases people were unable to come up with the \$1,000 contribution. What made this problem even more compelling was the fact that most of the invitees were husbands and wives, so that the maximum contribution sought for those families would be \$2,000, or \$1,000 for each spouse.

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Mr. Thomas J. Josefiak - Federal Election Commission  
Page 3  
March 23, 1988

Mr. Levitt handled this problem in several different ways, depending upon the people involved. With respect to Ralph Della Ratta, Edward Cortese and Harold Kellman, Mr. Levitt was aware that he owed them money for services rendered as former employees. Thus, he approached each of them to ask them if they would attend the Biden fundraiser and contribute \$1,000 each (or \$2,000 in the case of those who were married), if he, William Levitt, reduced his indebtedness to each of them by the amount of their respective contributions.

With respect to Mr. Stanley Ogonowski, while Mr. Levitt did not owe him any money, Mr. Ogonowski had been a long and faithful employee, who had stood by and continued to work for Mr. Levitt during good times and bad. During some of those bad times, Mr. Ogonowski was owed salary for as long as 2-3 months. For this steadfast loyalty, as well as his forbearance, Mr. Levitt determined to give Mr. Ogonowski a bonus. Thus, he approached Mr. Ogonowski to ask if he and Ms. Ogonowski would contribute a total of \$2,000 if he, William Levitt, would give him a \$2,000 bonus for past loyalties.

In the case of his wife, Simone Levitt, his daughters, Nicole Levitt and Gaby Levitt, and his sister-in-law and brother-in-law, Lou Stern and Lisette Stern, through the years, Mr. Levitt would give them monetary gifts, whenever possible, because they were family. Accordingly, with the prospect of giving gifts to them, he asked them to each make the \$1,000 contribution to the Biden campaign.

As to Lou Stern, not only were he and his wife members of the family, but, in addition, he was and still is an insurance broker and Mr. Levitt firmly believed that, once he got the promised financing from Mr. Boyarsky, he would utilize much of it to do what he did best - that is, develop real estate. In such instance, Mr. Stern could be of great assistance for his future insurance needs. Thus, predicated upon those future insurance needs, he approached Mr. Stern for a contribution to the Biden fundraiser.

It should be pointed out that, of the \$2,000 contributed by Lou Stern and Lisette Stern, \$500 of it was the Sterns own money and only \$1,500 was repaid by Mr. Levitt.

Under the foregoing circumstances, each of the abovementioned individuals agreed to attend the fundraiser and to make the requested contributions.

Following the fundraiser, the Attorney General of the State of New York took the position that Mr. Levitt deposited funds from the Levitt Foundation into Rowenroy, Ltd. from which Mr. Levitt paid moneys to the individuals mentioned above.

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March 23, 1988

Subsequent thereto, Mr. Levitt's accountants, after a review of all of the relevant records, concluded that no such Foundation deposits were utilized for the Biden campaign. Nonetheless, to avoid any unpleasantness, Mr. Levitt, by letter and by telephone calls, requested the return, from the captioned individuals, of all moneys he had given to them, so that those funds could be transmitted to the Attorney General as an accomodation.

It should be noted and, indeed, emphasized, that Mr. Levitt had repaid the aforementioned individuals using checks from the account of Rowenroy, Ltd. because Mr. Levitt's own accounts were under legal restraint at the time.

Annexed hereto as Exhibit "A" is a copy of a letter from this Firm, dated October 26, 1987, to the Charities Division of the New York State Attorney General, which enclosed refund checks to the Attorney General from each of the following individuals - William J. Levitt, Simone Levitt, Gaby Levitt, Nicole Levitt, Stanley Ogonowski and Fanny Ogonowski. Checks were also set to the Attorney General independently by Edward Cortese, Frieda Cortese, Harold Kellman and Marilyn Kellman.

It is significant that Edward Donnelly, whose name is liberally mentioned in the FEC's factual dissertation in support of these charges, is an individual who did not return the funds given to him by William J. Levitt to the Charities Division of the New York State Attorney General. As set forth in the FEC's dissertation, Mr. Donnelly's counsel himself informed you that "the \$2,000 check from Rowenroy, Ltd. was treated by Mr. Donnelly as money owed to him for professional services already rendered and not as a reimbursement." Apparently, the FEC agreed, since Mr. Donnelly was not one to whom a letter charging the instant violations was sent.

It is equally significant that other individuals who attended the fundraiser at Mr. Levitt's request, such as Stephen Lampel, Jennifer Flynn, Adrienne Walters, Sherry Newman, Henry Fox, Robert Gersten and, of course, Edward Donnelly did not, to the best of our knowledge and belief, return any funds to the Charities Division of the New York State Attorney General. Clearly, they, like Edward Donnelly, regarded the funds they received as money owed to them for past services rendered to Mr. Levitt and they saw no reason to return that money.

In conclusion, there was absolutely no intent, on the part of William J. Levitt, or any of our other clients, to violate any of the election laws, either intentionally or unintentionally, including, but not limited to, 2 U.S.C. §§ 441 (b), 441 (e) and/or 441 (f).

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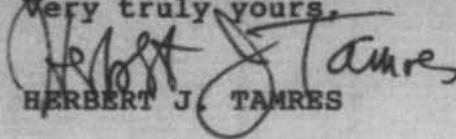
Mr. Thomas J. Josefiak - Federal Election Commission  
Page 5  
March 23, 1988

Annexed hereto collectively as Exhibit "B" are affidavits of Ralph Della Ratta, Edward Cortese and Harold Kellman, with exhibits, which substantiate the chronology of events set forth above. The exhibits are also in reply to the FEC's Interrogatories and Document Requests. We are in the process of obtaining affidavits from our other clients in this matter and will forward them to you, together with their answers to Interrogatories and Document Requests, as soon as possible.

In light of the foregoing, and on behalf of each of our clients, we wish to meet with you for the purpose of entering into pre-probable cause conciliation, pursuant to 11 C.F.R. § 111.18 (d). While we recognize that such conciliation is not mandatory at this stage on the part of the FEC or its General Counsel, we firmly believe that the circumstances warrant this approach and we look forward to working with you to dispose of this entire matter through this means.

Thank you for your courtesy, time and cooperation.

Very truly yours,

  
HERBERT J. TAMRES

HJT/etw  
Encls.

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AFFIDAVIT

STATE OF NEW YORK     )  
                              s.s.:  
COUNTY OF NASSAU     )

RALPH M. DELLA RATTA, being duly sworn, deposes and says:

1. I reside with my wife, Joan R. Della Ratta, at 348 Ridge Lane, Mill Neck, New York 11765. I have read the letters to me and to Mrs. Della Ratta from the Federal Election Commission, both dated February 10, 1988, and am fully familiar with this matter. This affidavit is made in response to the statements contained in those letters.

2. On or about May 30, 1986, William J. Levitt requested that I contribute \$1,000 on behalf of myself and \$1,000 on behalf of Mrs. Della Ratta to the Citizens for Biden - 1990 Campaign Committee. Mr. Levitt and I were present at that meeting.

3. I informed Mr. Levitt that I would not contribute because of money he owed me as salary, and further, I didn't have the money. Annexed hereto as Exhibit "A" is the Stipulation of Settlement, dated March 3, 1987 between Mr. Levitt, myself and others reflecting that indebtedness. Mr. Levitt then told me that he would give me \$2,000 which I assumed would be in reduction of my indebtedness.

4. I made the requested contributions on or around June 2, 1986, as noted by Exhibit "B," which is a copy of my check.

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5. Thereafter, I received \$2,000, as promised, from Mr. Levitt on a check of Rowenroy, Ltd. I cannot recall the date I received this check.

6. On or about August 31, 1987, I received a letter from Mr. Levitt requesting that I return to them the refund checks from the Biden Campaign. I no longer have that letter but I clearly remember receiving it.

6. On September 20, 1987, I read in that day's edition of Newsday that the Biden Campaign could not accept our contributions and that a refund check was being forwarded to us. Since I never received the refund check, I wrote to Senator Biden's Press Secretary on September 30, 1987 and, again, on February 22, 1988. Copies of both letters are annexed hereto collectively as Exhibit "C."

7. From that day to this, I never received any refund check from the Citizens for Biden Committee - 1990.

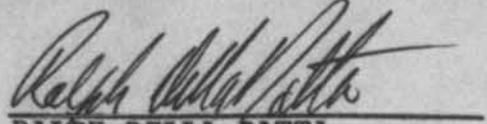
8. Mrs. Della Ratta had no direct dealings with Mr. Levitt or with anyone else in this matter. She has no direct knowledge of this transaction and knows only what I have told her about it.

9. Neither Mrs. Della Ratta nor I have, either intentionally or unintentionally, violated or sought to violate any portion of the election laws in connection with this matter. Neither of us ever knew or even suspected that the money given to us by Mr. Levitt was from the Levitt Foundation. Our only involvement, as set forth above, was through and on behalf of William J. Levitt.

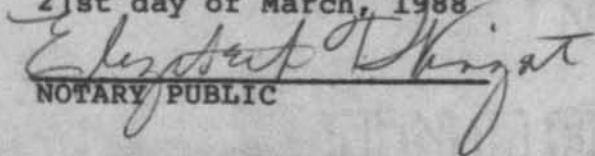
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9. I believe this matter can be expeditiously resolved  
by pre-preferable cause conciliation which I am requesting.

Dated: March 21, 1988  
Garden City, New York

  
\_\_\_\_\_  
RALPH DELLA RATTA

Sworn before me this  
21st day of March, 1988

  
\_\_\_\_\_  
NOTARY PUBLIC

ELIZABETH T. WINGERT  
NOTARY PUBLIC, State of New York  
No. 4761533  
Qualified in Nassau County  
Term Expires March 30, 1990

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AGREEMENT made this <sup>3<sup>rd</sup></sup> day of ~~February~~ <sup>March</sup> 1987 by and between RALPH M. DELLA RATTA, INC., (hereinafter "DELLA RATTA, INC."), RALPH DELLA RATTA (DELLA RATTA), WILLIAM J. LEVITT (hereinafter "LEVITT"), INTERNATIONAL COMMUNITY CORP and INTERNATIONAL COMMUNITY CORP. - TAMPA (hereinafter collectively referred to as "ICC"), LA COLLINE DEVELOPMENT LTD. (hereinafter "LA COLLINE"), INTERNATIONAL CONSTRUCTION CO. (IRAN) LTD. (hereinafter "IRAN"), CAPITAL COMMUNITIES CORPORATION (hereinafter "CCC"), WILLIAM J. LEVITT, INC., (hereinafter "LEVITT INC."), LEVITT COMMUNITY CORP. (hereinafter "LCC"), FIRST POINCIANA LIMITED partnership and SECOND POINCIANA LIMITED partnership (hereinafter collectively referred to as "POINCIANA"):

WITNESSETH:

A. WHEREAS, WILLIAM J. LEVITT is indebted to DELLA RATTA in the sum of \$32,715.00 pursuant to a certain promissory note as of December 31, 1986 for work done for "CCC" and further is indebted to DELLA RATTA in the sum of \$86,219.00 representing DELLA RATTA'S share of the general partnership-WILLIAMS ASSOCIATES, plus interest as of January 31, 1987, and

B. WHEREAS, ICC, and LEVITT INC. is indebted to DELLA RATTA INC. the sum of \$507,334.00 as of January 31, 1987, and

C. WHEREAS, CCC and POINCIANA is indebted to DELLA RATTA INC. in the sum of \$159,635.00 as of January 31, 1987, and

D. WHEREAS, the parties are desirous of making appropriate arrangements for the payments of the amounts due in lieu of involuntary

bankruptcy petitions being filed by DELLA RATTA and DELLA RATTA INC. against the other entities or the institution of any litigation.

NOW THEREFORE, in consideration of the promises contained herein and for other good and valuable consideration, the parties agree as follows:

1. All of the above paragraphs are material representations to this agreement and are true and correct and agreed to herein and incorporated in this agreement.

2. LEVITT, ICC and LEVITT INC., (hereinafter collectively referred to as debtor) acknowledge the total indebtedness due DELLA RATTA INC. and DELLA RATTA is the sum of \$785,903.00 together with interest at 10% per annum commencing January 31, 1987 and each separate party that comprise the debtor individually, severally and jointly unconditionally promise to pay said indebtedness pursuant to the terms contained herein on or before January 31, 1989.

3. The aforementioned indebtedness shall be secured by the following, upon the debtor and the other parties hereto being released from a Temporary Restraining Order issued by the Supreme Court, State of New York, County of Nassau in an action entitled "The People of the State of New York, by Robert Abrams, Attorney General of the State of New York, Petitioners, against William J. Levitt, Capital Communities Corp., International Community Corp., International Community Corp.-Tampa, Levitt Community Corp., William J. Levitt, Inc., Levitt Industries, Inc., Greenvale Advertising, Inc., La Belle Simone, Ltd., Rowenroy Ltd., Respondents, pursuant to Executive Law & 63 (12) and General Business Law & 350-C" Index No. 941/87:

a. Assignment of proceeds of claims numbered 209 and 210 and any other claims before the Iran-United State Claims Tribunal of William J. Levitt adv. Islamic Republic of Iran, subject to:

(i) Up to \$500,000 to Ginsburg, Feldman & Bress, 1250 Connecticut Avenue, N.W., Washington, D.C.:

(ii) Up to \$244,000 to Chemmical Bank;

(iii) Up to \$286,221.53, plus interest, to Community National Bank;

(iv) Up to \$461,046.45 to Shaw, Goldman, Licitra, Levine & Weinberg, P.C.; and

(v) Up to \$819,000 to an escrow agent for the benefit of Edward Donnelly

(vi) The Attorney General of the State of New York on behalf of the Levitt Foundation: up to \$11,000,000.00.

b. An assignment of the proceeds from the claims of ICC and William J. Levitt pending against Centerre Bank in La Colline Development LTD et al v. Centerre Bank, N.A. subject only to the prior assignment to Tropic Associates, the claim of Edward Donnelly in an amount up to \$819,000, to an escrow agent for the benefit of Edward Donnelly, and the claim of The Attorney General of the State of New York, on behalf of the Levitt Foundation in the sum of up to \$11,000,000.00.

c. An assignment of proceeds from the sale of La Colline by La Colline Development Ltd. to be evidenced by a UCC-1 Financing Statement subject only to the following liens:

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(i) A consolidated first mortgage held by National Westminister Bank in the present sum of approximately three million dollars;

(ii) A subordinate mortgage dated February 1, 1985 held by Zinman Insurance Company of Florida, Inc. in the original principal sum of \$100,000, recorded in Liber 11044, page 361;

(iii) An Agreement to Mortgage dated February 1, 1985 in favor of Central National Insurance Company of Omaha and Zinman Insurance Company of Florida, Inc., recorded in Liber 9617, page 936 of Mortgages;

(iv) Corporate franchise taxes of La Colline Development, Ltd.;

(v) Memorandum of Sale in favor of Tropic Associates dated June 12, 1986 recorded in Liber 9738, page 611 and the reciprocal right of La Colline Development, Ltd. to repurchase the rights of the buyer under said contract for a sum in the approximate amount of one million dollars;

(vi) Assignment of stock interest of International Community Corporation ("ICC") and the capital stock of La Colline Development Corp. as security for the payment of a mortgage on property owned by ICC in favor of Shaw, Goldman, Licitra, Levine & Weinberg, P.C., for itself and as nominee in the sum of approximately one million six hundred thousand dollars recorded in the Office of the Clerk of the County of Nassau.

(vii) A Mechanics lien filed on August 12, 1985, in the Office of the Clerk of the County of Nassau in favor of Andrew R. Kennedy, Inc.

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(viii) Reasonable attorneys' fees, not to exceed \$25,000 relative to the proposed sale of La Colline.

(ix) unpaid real estate taxes owed on La Colline and other usual and customary closing costs.

(x) the claim of the Attorney General of the State of New York on behalf of the Levitt Foundation in the sum of up to \$11,000,000.00

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d. An assignment of the <sup>proceeds</sup> ~~profit~~ to be derived by William J. Levitt in the development <sup>or sale</sup> of Poinciana Park, <sup>subject to prior assignments and liens</sup> including but not limited to, William J. Levitt's share of proceeds in Carpenter Estates, Titusville, Florida. Levitt hereby represents that Levitt's interest in said projects is limited to no greater than a ~~sixteen~~ <sup>75%</sup> per cent limited partnership interest through Levitt Community Corp. (LCC) subject to:

(i) The pledge of Levitt's interest in Poinciana to indemnify Old Court S & L and affiliates and the Maryland Deposit Insurance Fund, its agents and affiliates against any liability arising from the Poinciana development, as part of the settlement agreement therein.

(ii) The claim of the Attorney General of the State of New York on behalf of the Levitt Foundation: up to \$11,000,000.00

(e) Assignment of proceeds arising from the ICC vs. Victor Young, Gorham Rutter, et. al. litigation, subject to the prior assignments thereof to:

(i) Edward Donnelly,: \$463,400.00

(ii) Imperial Lumber Corp.: \$240,000.00

(iii) Edward Donnelly,: \$355,600.00

(f) A promissory note executed by Levitt, ICC and Levitt,

hereof and the sum of \$159,635.00 referred to in paragraph "C" hereof, and agree to pay same to Della Ratta and Della Ratta, Inc. no later than January 31, 1989.

7. Della Ratta and Della Ratta, Inc. agrees to institute no action or proceeding to enforce the claims set forth herein until prior to February 1, 1989 and will take no action or institute any involuntary bankruptcy proceeding prior to February 1, 1989.

8. The liens set forth herein in paragraphs "3" hereof shall further secure any sums which may become due to Della Ratta and Della Ratta, Inc., in the future, pursuant to the written agreements between the parties hereto.

9. In the event of a default by either party in performing their obligations hereunder to the other, the defaulting parties shall be jointly and severally liable to the prevailing party for all reasonable costs and expenses, including reasonable attorneys fees.

IN WITNESS WHEREOF, the parties hereto have set their respective hands and seals the day and year first above written and they hereby acknowledge that the provisions of this Agreement shall be

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binding upon their respective heirs, executors and administrators.

RALPH H. DELLA RATTA, INC.

By: Ralph Della Ratta  
RALPH DELLA RATTA, PRES.

Ralph Della Ratta  
RALPH DELLA RATTA

W. J. Levitt  
WILLIAM J. LEVITT

INTERNATIONAL COMMUNITY CORP.  
INTERNATIONAL COMMUNITY CORP. - TAMPA  
LA COLLINE DEVELOPMENT, LTD.  
INTERNATIONAL CONSTRUCTION CO. (IRAN) LTD.  
CAPITAL COMMUNITIES CORP.  
WILLIAM J. LEVITT, INC.  
LEVITT COMMUNITY CORP.

By: W. J. Levitt  
WILLIAM J. LEVITT, PRES.

FIRST POINCIANA UNITED PARTNERSHIP  
SECOND POINCIANA UNITED PARTNERSHIP

By: W. J. Levitt  
WILLIAM J. LEVITT, GENERAL PARTNER

93080960805

STATE OF NEW YORK )

COUNTY OF Nassau )

S.S.:

On the 6<sup>th</sup> day of March, 1987, before me personally came RALPH DELLA RATTA, to me known to be the individual described in and who executed the foregoing instrument and duly acknowledged to me that he executed same.

*George Peter Esernio*  
\_\_\_\_\_  
NOTARY PUBLIC

GEORGE PETER ESERNIO  
Notary Public, State of New York  
No. 119000  
Qualified in Nassau County  
Commission Expires March 30, 1987

STATE OF NEW YORK )

COUNTY OF Nassau )

S.S.:

On the 3<sup>rd</sup> day of March, 1987, before me personally appeared WILLIAM J. LEVITT, to me known to be the individual described in and who executed the foregoing instrument and duly acknowledged to me that he executed same.

*George Peter Esernio*  
\_\_\_\_\_  
Notary Public

GEORGE PETER ESERNIO  
Notary Public, State of New York  
No. 119000  
Qualified in Nassau County  
Commission Expires March 30, 1987

STATE OF NEW YORK )

COUNTY OF Nassau )

S.S.:

On the 6<sup>th</sup> day of March, 1987, before me personally came RALPH DELLA RATTA, to me known, who, being by me duly sworn, did depose and say that he resides at 348 Ridge Lane, Mill Neck, New York, that he is the President of RALPH M. DELLA RATTA, INC!, the corporation described in and which executed the foregoing instrument; that he knows the seal of said corporation; that the seal affixed to said instrument is such corporate seal; that it was so affixed by order of the board of directors of said corporation, and that he signed his name thereto by like order.

*George Peter Esernio*  
\_\_\_\_\_  
Notary Public

GEORGE PETER ESERNIO  
Notary Public, State of New York  
No. 119000  
Qualified in Nassau County  
Commission Expires March 30, 1987

960806  
93030

STATE OF NEW YORK )

S.S:

COUNTY OF *NASSAU* )

On the *3rd* day of *March*, 1987, before me personally came WILLIAM J. LEVITT, to me known, who, being by me duly sworn, did depose and say that he resides at *LA COLLINE, OYSTER BAY RD.*

*Mine Neck, New York*, that he is the President of INTERNATIONAL COMMUNITY CORP., INTERNATIONAL COMMUNITY CORP. TAMPA, LA COLLINE DEVELOPMENT LTD., INTERNATIONAL CONSTRUCTION CO. (IRAN), LTD., CAPITAL COMMUNITIES CORPORATION, WILLIAM J. LEVITT, INC. AND LEVITT COMMUNITY CORP., the corporations described in and which executed the foregoing instrument; that he knows the seal of said corporation; that the seal affixed to said instrument is such corporate seal; that it was so affixed by order of the board of directors of said corporation, and that he signed his name thereto by like order.

*George Peter Esernio*

Notary Public

STATE OF NEW YORK )

SS:

COUNTY OF *NASSAU* )

On the *3rd* day of *March*, 1987, before me personally came WILLIAM J. LEVITT, to me known who being by me duly sworn, did depose and say that he resides at *LA COLLINE, OYSTER BAY RD.* *Mine Neck, New York*, that he is a partner of FIRST POINCIANA LIMITED and SECOND POINCIANA LIMITED, a partnership, who executed the foregoing instrument and acknowledged that he executed the same.

*George Peter Esernio*

Notary Public

GEORGE PETER ESERNIO  
Notary Public, State of New York  
No. 112600  
Qualified in Nassau County  
Commission Expires March 30, 1987

93080960807

JOAN R. DELLARATTA  
RALPH M. DELLARATTA  
RIDGE LANE  
MILL NECK, NY 11785

367

524

1-7043/2280

PAY TO THE  
ORDER OF

*Citizens for Biden*

\$ *2000*<sup>00</sup>

*Two thousand & 00/100*

2 DOLLARS



AMERICAN  
SAVINGS BANK  
87 NORTHERN BLVD.  
GREENVALE, N.Y. 11548

*Ralph M. Dellaratta*

MEMO

JE '86 17

PAID BY  
NEW YORK OFFICE  
PAY ANY BANK

JE '86 16

THE PROVIDENT  
OF WILMINGTON, DE.  
PAY ANY BANK

DATE  
CITY

DATE  
CITY

93080960808

11785

Ralph M. DellaRatta  
Ridge Lane  
Mill Neck, New York 11765

Sept 30, 1987

Mr. Larry Rasky Pres. Sec.  
% Sen. Joseph R. Biden  
S. Russell Bld'g Rm 489  
Washington, D.C. 20510

Dear Mr. Rasky,

On June 7, 1986 my wife Joan and I  
each made a contribution of \$1000.00 to the  
Citizens for Biden campaign.

I read an article referring to the Levitt  
contribution in the Sept 20, 1987 Newsday  
that you are not able to accept our con-  
tribution and that a refund check was  
returned in the amount of the contribution.

Please be advised that we have not  
received the \$2000.00 refund.

However, if it was sent we probably  
threw out the unopened envelope  
with other unopened campaign  
literature.

Please put a stop order on the check  
and issue new refund check.

Yours truly  
Ralph M. DellaRatta

Ralph M. DellaRatta  
Ridge Lane  
Mill Neck, New York 11765

Feb 22 1988

Mr. Larry Rasky Pres. Sec.  
% Sen. Joseph R. Biden  
S. Russell Bld'g Rm. 489  
Washington D.C. 20510

Dear Mr. Rasky,

We have not received a reply  
on the refund check as requested  
in our Sept 30, 1987 letter, copy  
enclosed for your reference.

The refund is required in  
order to resolve the problem.

Thank you for your cooperation

Yours truly

Ralph M. DellaRatta

AFFIDAVIT

STATE OF NEW YORK     )  
                                  S.S.:  
COUNTY OF NASSAU     )

EDWARD CORTESE, being duly sworn, deposes and says:

1. I reside with my wife, Frieda Cortese, at 24 Westbourne Lane, Melville, New York 11747. I have read the letters to me and to Mrs. Cortese, both dated February 1, 1988, from the Federal Election Commission, with the enclosures, and am fully familiar with this matter. I make this affidavit in reply to the statements contained in those letters.

2. On or about May 28, 1986, William J. Levitt asked me to contribute a total of \$2,000 to the Citizens for Biden - 1990 Committee, on behalf of my wife and myself. Only Mr. Levitt and I were present at that meeting.

3. I told Mr. Levitt that I was not interested in contributing, since Mr. Levitt owed a substantial amount of money to me and I had no wish to increase that indebtedness. At the time, Mr. Levitt owed me in excess of \$96,000. Of that total, approximately \$61,168.70 is for salary arrears and \$34,831.30 is on a Confession of Judgment and Stipulation of Settlement, copies of which are annexed hereto.

4. Mr. Levitt agreed that, if I would make the desired contributions, he would reduce his indebtedness to me by the same amount. On this basis, I made the desired contributions. Copies of the checks representing these contributions, dated June 1, 1986 and June 2, 1986, are annexed hereto collectively as Exhibit "A."

93080960810

5. Thereafter, I received a check from Mr. Levitt for \$2,000. I do not have a copy of that check.

6. On or about August 25, 1987, Mrs. Cortese and I received separate letters from William C. Oldaker, Counsel to Citizens for Biden '90, dated August 25, 1987, returning our respective contributions. Annexed hereto collectively as Exhibit "B" are Mr. Oldaker's letters.

7. On August 31, 1987, I received a letter from Mr. Levitt requesting that I return to him the refund checks from the Biden Campaign. A copy of that letter is annexed as Exhibit "C."

8. On or about September 23, 1987, Mrs. Cortese and I received the same letter from the New York State Department of Law, a copy of which is annexed hereto as Exhibit "D."

9. Pursuant to the request contained in that letter, Mrs. Cortese and I mailed \$1,000 checks payable to the Levitt Foundation, to the New York State Department of Law. Copies of those checks are annexed hereto collectively as Exhibit "E."

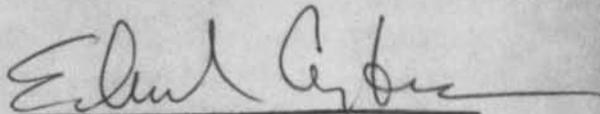
10. Mrs. Cortese has no independent or additional information since her entire involvement in this matter came about through me. She had no direct dealings with either Mr. Levitt, the Citizens for Biden '90 Committee or with the New York State Department of Law.

11. Neither Mrs. Cortese nor I have, either intentionally or unintentionally, violated or sought to violate any portion of the election laws in connection with this matter. Neither of us ever knew or even suspected that the money given to us by Mr. Levitt was from the Levitt Foundation. Our only involvement, as set forth above, was through and on behalf of William J. Levitt.

93080960811

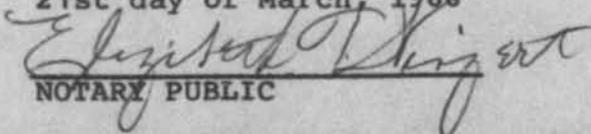
12. I believe this matter can be resolved by pre-preferable cause conciliation which I would like to initiate at this time.

Dated: March 21, 1988  
Garden City, New York



EDWARD CORTESE

Sworn before me this  
21st day of March, 1988



NOTARY PUBLIC

ELIZABETH T. WINGERT  
NOTARY PUBLIC, State of New York  
No. 4761533  
Qualified in Nassau County  
Term Expires March 30, 1990

93080960812

SUPREME COURT OF THE STATE OF NEW YORK  
COUNTY OF NASSAU

EDWARD CORTESE,

Plaintiff,

-against-

WILLIAM J. LEVITT,

Defendant.

Index No. 9186/37

STIPULATION OF SETTLEMENT

Assigned to the Honorable  
Kenneth D. Molloy

WHEREAS, by service of a summons with notice of motion and supporting papers, dated April 21, 1987, an action was commenced by Edward Cortese ("Cortese") against William J. Levitt ("Levitt") seeking the sum of \$29,270.00 plus interest at the rate of nine and one-half (9 1/2%) percent per annum from July 19, 1985; and

WHEREAS, the parties desire an amiable resolution to this matter and wish to avoid further litigation;

NOW, IT IS HEREBY STIPULATED AND AGREED THAT:

1. The firm of Shaw, Goldman, Licitra, Levine & Weinberg, P.C. appears in the within action on behalf of defendant Levitt.
2. Levitt shall execute and deliver a confession of judgment (the "Judgment") in the sum of \$34,831.30 simultaneous with the execution and delivery of this stipulation;
3. The judgment shall be held in escrow by Cortese's attorney, Joseph B. Gerter, Esq., for one (1) year (the "one year period") after the date hereof;
4. At any time prior to the expiration of the one (1) year period, Levitt may tender and Cortese shall accept the sum of

93080960813

\$26,123.48 in full and complete satisfaction of the judgment being held in escrow;

5. Should the proceeds from the closing of a sale of Levitt's personal residence, La Colline Ltd., during the one (1) year period in which the judgment is being held in escrow exceed the sums currently owed to the following creditors and lienors, Levitt shall tender and Cortese shall accept the sum of \$26,123.48 in full satisfaction of the judgment being held in escrow: First Mortgage held by National Westminster Bank, second mortgage held by the Zinman Company and liens and/or judgments held by Andrew K. Kennedy, Inc., Barclay's Bank of New York, N.A., General Electric Co., Hawkins Cove Oil Supply Corp., Burnett Bros., Armand J. Regateiro, Jr., Federal Tax Authorities, Nassau County Tax Authorities, Dealers Leasing Corp., Shaw, Goldman, Licitra, Levine & Weinberg, P.C. and the Attorney General of the State of New York. It is hereby acknowledged that Levitt is under no obligation whatsoever by virtue of this agreement to contract to sell or close a sale for his personal residence, La Colline Ltd.;

6. After the expiration of the one (1) year period, the judgment is released from escrow and judgment may be entered on five (5) days notice to Levitt's attorneys, Shaw, Goldman, Licitra, Levine & Weinberg, P.C., 1010 Franklin Avenue, Garden City, New York 11530; and

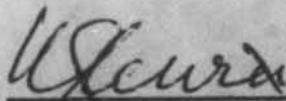
7. Levitt's attorneys shall execute and deliver a letter simultaneous with the delivery of this stipulation stating that in the event the proceeds of the sale of La Colline Ltd. exceed the amounts pursuant to paragraph 5 hereof, notice shall be given to

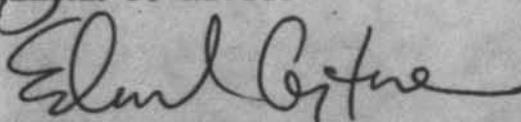
93030960814

Cortese's attorney, Joseph B. Gertler, Esq.

8. This agreement contains the entire understanding of the parties. It may not be changed orally, but only by an agreement in writing, signed by the party against whom enforcement of any waiver, change, modification, extension or discharge is sought.

Dated: Garden City, New York  
July 8, 1987

  
\_\_\_\_\_  
WILLIAM J. LEVITT

  
\_\_\_\_\_  
EDWARD CORTESE

93030960815



A

06-17-85

EDWARD CORTESE  
24 WESTBOURNE LANE  
MELVILLE, NY 11747

June 19 86 132  
18120478  
1-7029/2380

PAY TO THE  
ORDER OF

*Citizens for Order*

\$ 1000.00

*one thousand dollars*

DOLLARS

**DIME**

THE DIME SAVINGS BANK OF NEW YORK  
WALT WHITMAN ROAD ROUTE 114 & DETROIT RD.  
MONTICELLO STATION, N.Y. 11768

*Edward Cortese*

MEMO \_\_\_\_\_

93080960817

93010960818

JE '86 17  
NEW YORK OFFICE  
PAY ANY BANK

JE '86 16  
NEW YORK OFFICE  
PAY ANY BANK

NEW YORK OFFICE  
PAY ANY BANK

JOE BIDEN  
J. R. BIDEN, JR.  
CITIZENS FOR BIDEN  
FOR SENATE COMMITTEE  
IN DEPOSIT

(A)

EDWARD OR FRIEDA CORTESE  
24 WESTBOURNE LANE  
MELVILLE, NY 11767

3252

125 June 9, 1986

1-7823/2550

PAY TO THE  
ORDER OF

*Citizens for Biden*

\$ 1000.00

*one thousand dollars*

*xy*

DOLLARS



**1ST NATIONWIDE SAVINGS**  
A Federal Savings & Loan Association  
700 WALT WHITMAN RD.  
MELVILLE, N.Y. 11767

*Frieda Cortese*

MEMO

93080960819



CITIZENS FOR BIDEN



B

PO. BOX 371, WILMINGTON, DELAWARE 19899

August 25, 1987

Mr. Edward Cortese  
24 Westbourne Lane  
Melville, New York 11747

Dear Mr. Cortese:

Thank you for your generous contribution to Citizens for Biden '90. Your support is greatly appreciated, however, we regret that we are unable to accept your contribution at this time.

Enclosed please find a refund check in the amount of your contribution. Should you have any questions, please feel free to call me at (202) 861-0900.

Sincerely,

William C. Oldaker  
Counsel to Citizens for Biden '90

Enclosure: Refund

93080960821

CITIZENS FOR BIDEN



B

PO. BOX 371, WILMINGTON, DELAWARE 19899

August 25, 1987

Mrs. Frieda Cortese  
24 Westbourne Lane  
Melville, New York 11747

Dear Mrs. Cortese:

Thank you for your generous contribution to Citizens for Biden '90. Your support is greatly appreciated, however, we regret that we are unable to accept your contribution at this time.

Enclosed please find a refund check in the amount of your contribution. Should you have any questions, please feel free to call me at (202) 861-0900.

Sincerely,

William C. Oldaker  
Counsel to Citizens for Biden '90

Enclosure: Refund

93080960822

*William J. Levitt*  
GREENVALE, NEW YORK 11548

©

August 31, 1987

Mr. Edward Cortese  
24 Westbourne Lane  
Melville, New York 11747

Dear Ed:

You will be receiving two(2) checks refunding contributions that you and Frieda made to the Biden campaign. Please endorse them and send them back to me.

Sincerely,

*Bill*

WJL:mk

93080960823



D

STATE OF NEW YORK  
DEPARTMENT OF LAW  
120 BROADWAY  
NEW YORK, NY 10271  
(212) 341-2398

ROBERT ABRAMS  
Attorney General

PAMELA A. MANN  
Assistant Attorney General in Charge  
Charities Bureau

September 23, 1987

Mr. and Mrs. Cortese  
24 Westbourne Lane  
Melville, New York 11747

Dear Mr. and Mrs. Cortese:

As part of this office's enforcement of a consent judgment obtained against William J. Levitt providing for the payment of \$11 million by Mr. Levitt to the Levitt Foundation, it has come to our attention that you and other individuals each made \$1,000 contributions to the election campaign of Senator Joseph Biden, for which you were reimbursed by Mr. Levitt. Additionally, we have just learned that the Biden campaign has returned your contributions to you.

Please be advised that the funds used by Mr. Levitt to reimburse your contribution belonged to the Levitt Foundation, not to Mr. Levitt personally. We therefore request that you transmit the money you received from the Biden Campaign to this office on behalf of the Levitt Foundation. We understand that Mr. Levitt has recently made a demand on you for this money. If you have sent the money to him, we ask that you notify us of that fact; as reflected in the enclosed letter to Mr. Levitt, we have demanded that he return these monies to the Foundation, as he has no legitimate claim to them.

If you have any questions about this letter, please feel free to contact me or Assistant Attorney General Laura Werner. Thank you for your prompt attention to this matter.

Yours truly,

*David G. Samuels*  
DAVID G. SAMUELS  
Deputy Bureau Chief

DGS:pml

cc: Stephen J. Mathes, Esq.  
J. Stanley Shaw, Esq.  
Elizabeth Bradford, Esq.

93080960824

(E)

93080960825

EDWARD CORTESE  
 24 WESTBOURNE LANE  
 MELVILLE, NY 11747

10-05-87 003 824 60

Sept 28 1987 212

1-7029/2162

PAY TO THE ORDER OF Lewitt Foundation \$ 1000.00

one thousand dollars  $\frac{XV}{XX}$  DOLLARS

**DIME** THE DIME SAVINGS BANK OF NEW YORK  
 WALT WHITMAN ROAD SOUTH 118 & DETROIT BL.  
 BUNTINGTON STATION, N.Y. 11740

MEMO Biden Contribution Edw J Cortese

OT 7/ 05 2

FBI NY  
NEW YORK OFFICE

100-100000

100-100000

OT 87

OT 87 02 123

PAY ANY BANK, B.B.S.  
FIDELITY GUARANTY TRUST  
CO. OF NEW YORK, N.Y.

123 4 3 6 9

930809609608226

(E)

EDWARD OR FRIEDA CORTESE  
24 WESTBOURNE LANE  
MELVILLE, NY 11747

4127

9-28 19 87 1-7823/2280

PAY TO THE  
ORDER OF

*Levitt Foundation*

\$ 1000.00

*one thousand dollars*

$\frac{1000}{100}$

DOLLARS



1ST NATIONWIDE BANK

700 West Whitman Road  
Melville, NY 11747

*Bedon Contrit*

*Frieda Cortese*

93080960827

1 0 DT 7 05 2

FRE NY  
NEW YORK OFFICE  
PAY AM BANK

1-7023	0201-1
FIRST NATIONAL BANK	
7 52	0 57
MID-10-11	
PAY TO THE ORDER OF	
NEW YORK, N.Y.	
1-23	4

02 OCT 07

93080960828

AFFIDAVIT

STATE OF NEW YORK     )  
                                  S.S.:  
COUNTY OF NASSAU     )

HAROLD KELLMAN, being duly sworn, deposes and says:

1. I reside with my wife, Marilyn Kellman, at 114 Maytime Drive, Jericho, New York 11753. I have reviewed the letter and enclosed documents to me and to Mrs. Kellman from the Federal Election Commission, dated February 10, 1988. This affidavit is in reply to the statements contained in those letter.

2. On or about June 1, 1986, I was approached by William J. Levitt to make a \$1,000 contribution to the Citizens for Biden Committee, on behalf of my wife and myself. At that time, I was still in Mr. Levitt's employ.

3. I told Mr. Levitt that I was not interested in expending any sums for any reason at his request, since he owed money to me. At the time, Mr. Levitt owed me in excess of \$90,000. Of that total, approximately \$62,035 is for salary arrears and \$27,965 is on a Confession of Judgment and Stipulation of Settlement, a copy of which are annexed hereto.

4. Mr. Levitt informed me that he would reduce his indebtedness to me by the amount of our contributions.

5. With this understanding, I made the contributions as noted by the two (2) checks annexed as Exhibit "A."

6. On or about June 4, 1986, Mr. Levitt made good on his promise and gave me a check, dated June 4, 1986, from Rowenroy, Ltd. in the amount of \$2,000.

93040960829

7. On August 25, 1987, the Citizens for Biden '90 wrote to my wife and to me expressing appreciation for our contributions, but nevertheless returning them. A copy of those letters and the refund checks, dated August 9, 1987, are collectively annexed as Exhibit "B."

8. On August 31, 1987, I received letter from Mr. Levitt requesting that I return to him the refund checks from the Biden Campaign. A copy of that letter is annexed as Exhibit "C."

9. Thereafter, on or around September 23, 1987, Mrs. Kellman and I received a letter from the New York State Department of Law, a copy of which is annexed as Exhibit "D."

10. In response to that letter, Mrs. Kellman and I mailed checks to the New York State Department of Law, dated September 29, 1987. A copy of those checks, as well as our brief transmittal letter, are collectively attached as Exhibit "E."

11. Mrs. Kellman has no independent or additional information since her entire involvement in this matter came about through me. She had no direct dealings with either Mr. Levitt, the Citizens for Biden '90 Committee or with the New York State Department of Law.

12. Neither Mrs. Kellman nor I have, either intentionally or unintentionally, violated or sought to violate any portion of the election laws in connection with this matter. Neither of us ever knew or even suspected that the money given to us by Mr. Levitt was from the Levitt Foudation. Our only involvement, as set forth above, was through and on behalf of William J. Levitt.

93080960830

13. I believe this matter can be resolved by  
pre-preferable cause conciliation which I would like to initiate  
at this time.

Dated: March 21, 1988  
Garden City, New York

Harold Kellman  
HAROLD KELLMAN

Sworn before me this  
21st day of March, 1988

Elizabeth T. Wingert  
NOTARY PUBLIC

ELIZABETH T. WINGERT  
NOTARY PUBLIC, State of New York  
No. 4761533  
Qualified in Nassau County  
Term Expires March 30, 1990

93080960831

SUPREME COURT OF THE STATE OF NEW YORK  
COUNTY OF NASSAU

HAROLD KELLMAN,

Plaintiff,

-against-

WILLIAM J. LEVITT,

Defendant.

Index No. 9187/87

STIPULATION OF SETTLEMENT

Assigned to the Honorable  
Kenneth D. Molloy

WHEREAS, by service of a summons with notice of motion and supporting papers, dated April 21, 1987, an action was commenced by Harold Kellman ("Kellman") against William J. Levitt ("Levitt") seeking the sum of \$23,500.00 plus interest at the rate of nine and one-half (9 1/2%) percent per annum from July 19, 1985; and

WHEREAS, the parties desire an amiable resolution to this matter and wish to avoid further litigation;

NOW, IT IS HEREBY STIPULATED AND AGREED THAT:

1. The firm of Shaw, Goldman, Licitra, Levine & Weinberg, P.C. appears in the within action on behalf of defendant Levitt.
2. Levitt shall execute and deliver a confession of judgment (the "Judgment") in the sum of \$27,965.00 simultaneous with the execution and delivery of this stipulation;
3. The judgment shall be held in escrow by Kellman's attorney, Joseph B. Gerter, Esq., for one (1) year (the "one year period") after the date hereof;
4. At any time prior to the expiration of the one (1) year period, Levitt may tender and Kellman shall accept the sum of

93030960832

\$20,973.75 in full and complete satisfaction of the judgment being held in escrow;

5. Should the proceeds from the closing of a sale of Levitt's personal residence, La Colline Ltd., during the one (1) year period in which the judgment is being held in escrow exceed the sums currently owed to the following creditors and lienors, Levitt shall tender and Kellman shall accept the sum of \$20,973.75 in full satisfaction of the judgment being held in escrow: First Mortgage held by National Westminster Bank, second mortgage held by the Zinman Company and liens and/or judgments held by Andrew K. Kennedy, Inc., Barclay's Bank of New York, N.A., General Electric Co., Hawkins Cove Oil Supply Corp., Burnett Bros., Armand J. Regateiro, Jr., Federal Tax Authorities, Nassau County Tax Authorities, Dealers Leasing Corp., Shaw, Goldman, Licitra, Levine & Weinberg, P.C. and the Attorney General of the State of New York. It is hereby acknowledged that Levitt is under no obligation whatsoever by virtue of this agreement to contract to sell or close a sale for his personal residence, La Colline Ltd.;

6. After the expiration of the one (1) year period, the judgment is released from escrow and judgment may be entered on five (5) days notice to Levitt's attorneys, Shaw, Goldman, Licitra, Levine & Weinberg, P.C., 1010 Franklin Avenue, Garden City, New York 11530; and

7. Levitt's attorneys shall execute and deliver a letter simultaneous with the delivery of this stipulation stating that in the event the proceeds of the sale of La Colline Ltd. exceed the amounts pursuant to paragraph 5 hereof, notice shall be given to

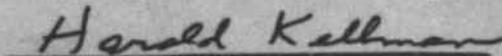
93040960833

Kellman's attorney, Joseph B. Gertler, Esq.

8. This agreement contains the entire understanding of the parties. It may not be changed orally, but only by an agreement in writing, signed by the party against whom enforcement of any waiver, change, modification, extension or discharge is sought.

Dated: Garden City, New York  
July 8, 1987

  
WILLIAM J. LEVITT

  
HAROLD KELLMAN

93080960834

**SUPREME  
COUNTY OF NASSAU**

**COURT OF THE STATE OF NEW YORK**

Index No. 9187/87

**HAROLD KELLMAN,**

*Plaintiff(s)*

*against*

**WILLIAM J. LEVITT,**

*Defendant(s)*

**AFFIDAVIT OF  
CONFESSION OF  
JUDGMENT**

**STATE OF NEW YORK, COUNTY OF NASSAU**

ss.:

**William J. Levitt**

*being duly sworn, deposes and says; that deponent is*

~~book~~

~~rk~~

~~rk~~

~~secession and in debt authorized to make this affidavit on behalf of the secured~~

~~defendant herein.~~

*The defendant hereby confesses judgment herein and authorizes entry thereof against defendant in the sum of \$ 27,965.00 plus interest from July 19, 1987 at 9 1/2% per annum.*

*Defendant resides at La Colline, Oyster Bay Road, Mill Neck  
in the County of Nassau State of New York 11765 . Defendant authorizes entry  
of judgment in Nassau County, New York, if said residence address is not in New York State.*

*This confession of judgment is for a debt justly \* due to the plaintiff arising from  
the following facts:*

*A promissory note dated July 19, 1985 in the sum of \$23,500.00 plus interest and payable on demand. The \$27,965.00 figure includes all interest accrued to July 19, 1987.*

*This affidavit, if made in connection with an agreement for the purchase for \$1,500.00 or less of any commodities for any use other than a commercial or business use upon any plan of deferred payments whereby the price or cost is payable in two or more installments, was executed subsequent to the time a default occurred in the payment of an installment thereunder.*

Sworn to before me this  
8th day of July 19 87

*Joseph Spennazzo*

*William J. Levitt*

The name signed must be printed beneath

**JOSEPH SPENNAZZA WILLIAM J. LEVITT**  
NOTARY PUBLIC, State of New York  
No. 4962364  
Qualified in Nassau County  
Commission Expires May 12, 1987

† Strike out matter in parenthesis if defendant is individual.  
\* Insert words "to become" if debt is not yet due.  
\*\* If in a city court, insert name of court, UCCA §1403.

9  
3  
0  
3  
0  
9  
6  
0  
8  
3  
5

93080960836

HAROLD KELLMAN  
 MARILYN KELLMAN  
 114 MAYTIME DRIVE  
 JERICO, NY 11753

June 2, 1986 143

PAY TO THE ORDER OF Citizens for Biden \$ 1,000.00

One Thousand and 00/100 DOLLARS

 National Westminster Bank USA 32  
Jericho Office  
 479 Jericho-Hicksville Road  
 Jericho, N.Y. 11753

Money Market Savings

MEMO Marilyn Kellman

HAROLD KELLMAN  
 MARILYN KELLMAN  
 114 MAYTIME DRIVE  
 JERICO, NY 11753

June 2, 1986 142

PAY TO THE ORDER OF Citizens for Biden \$ 1,000.00

One Thousand and 00/100 DOLLARS

 National Westminster Bank USA 32  
Jericho Office  
 479 Jericho-Hicksville Road  
 Jericho, N.Y. 11753

Money Market Savings

MEMO Harold Kellman

item 3

CITIZENS FOR BIDEN



PO. BOX 371, WILMINGTON, DELAWARE 19899

August 25, 1987

Mr. Harold Kellman  
114 Maytime Drive  
Jericho, New York 11753

Dear Mr. Kellman:

Thank you for your generous contribution to Citizens for Biden '90. Your support is greatly appreciated, however, we regret that we are unable to accept your contribution at this time.

Enclosed please find a refund check in the amount of your contribution. Should you have any questions, please feel free to call me at (202) 861-0900.

Sincerely,

William C. Oldaker  
Counsel to Citizens for Biden '90

Enclosure: Refund

93080960837

item 3<sup>2</sup>

CITIZENS FOR BIDEN



PO. BOX 371, WILMINGTON, DELAWARE 19899

August 25, 1987

Mrs. Marilyn Kellman  
114 Maytime Drive  
Jericho, New York 11753

Dear Mrs. Kellman:

Thank you for your generous contribution to Citizens for Biden '90. Your support is greatly appreciated, however, we regret that we are unable to accept your contribution at this time.

Enclosed please find a refund check in the amount of your contribution. Should you have any questions, please feel free to call me at (202) 861-0900.

Sincerely,

William C. Oldaker  
Counsel to Citizens for Biden '90

Enclosure: Refund

93080960838

item 3<sup>3</sup>

CITIZENS FOR BIDEN - 1990  
 P.O. BOX 371  
 WILMINGTON, DELAWARE 19899

REMITTANCE ADVICE					

82-13  
 311  
 912

PAY *One Thousand and 00/100* DOLLARS

TO THE ORDER OF	DATE	CHECK NO.	ACCT. NO.		CHECK AMOUNT
			SUB	GEN	
<i>Marilyn Kellman</i>	<i>8/9/87</i>	<i>912</i>			<i>1000 00</i>

DELAWARE  
 TRUST 9% WILMINGTON  
 DELAWARE

*C. W. Whiteaker*  
 AUTHORIZED SIGNATURE

⑆000912⑆ ⑆031100131⑆ 518-929 2⑆

9  
 0  
 9  
 6  
 0  
 8  
 3  
 9

CITIZENS FOR BIDEN - 1990  
 P.O. BOX 371  
 WILMINGTON, DELAWARE 19899

REMITTANCE ADVICE					

82-13  
 311  
 911

PAY *One Thousand and 00/100* DOLLARS

TO THE ORDER OF	DATE	CHECK NO.	ACCT. NO.		CHECK AMOUNT
			SUB	GEN	
<i>Harold Kellman</i>	<i>8/9/87</i>	<i>911</i>			<i>1000 00</i>

DELAWARE  
 TRUST 9% WILMINGTON  
 DELAWARE

*C. W. Whiteaker*  
 AUTHORIZED SIGNATURE

⑆000911⑆ ⑆031100131⑆ 518-929 2⑆

item 34

William J. Lovitt  
GREENWALE, NEW YORK 11548

August 31, 1987

Mr. Harold Kellman  
114 Maytime Drive  
Jericho, New York 11753

Dear Hal:

You will be receiving two(2) checks refunding contributions that you and Marilyn made to the Biden campaign. Please endorse them and send them back to me.

Sincerely,

*Bill*

WJL:mk

93030960840

item 3<sup>5</sup>



STATE OF NEW YORK  
DEPARTMENT OF LAW  
120 BROADWAY  
NEW YORK, NY 10271  
(212) 341-2398

ROBERT ABRAMS  
Attorney General

PAMELA A. MANN  
Assistant Attorney General in Charge  
Charities Bureau

September 23, 1987

Mr. and Mrs. Harold Kellman  
114 Maytime Drive  
Jericho, New York 11753

Dear Mr. and Mrs. Kellman:

As part of this office's enforcement of a consent judgment obtained against William J. Levitt providing for the payment of \$11 million by Mr. Levitt to the Levitt Foundation, it has come to our attention that you and other individuals each made \$1,000 contributions to the election campaign of Senator Joseph Biden, for which you were reimbursed by Mr. Levitt. Additionally, we have just learned that the Biden campaign has returned your contributions to you.

Please be advised that the funds used by Mr. Levitt to reimburse your contribution belonged to the Levitt Foundation, not to Mr. Levitt personally. We therefore request that you transmit the money you received from the Biden Campaign to this office on behalf of the Levitt Foundation. We understand that Mr. Levitt has recently made a demand on you for this money. If you have sent the money to him, we ask that you notify us of that fact; as reflected in the enclosed letter to Mr. Levitt, we have demanded that he return these monies to the Foundation, as he has no legitimate claim to them.

If you have any questions about this letter, please feel free to contact me or Assistant Attorney General Laura Werner. Thank you for your prompt attention to this matter.

Yours truly,

David G. Samuels <sup>W</sup>  
DAVID G. SAMUELS  
Deputy Bureau Chief

DGS:pml

cc: Stephen J. Mathes, Esq.  
J. Stanley Shaw, Esq.  
Elizabeth Bradford, Esq.

93080960841

item 3<sup>6</sup>

Sept. 29, 1987

Mr. David G. Samuels  
Deputy Bureau Chief  
Dept. of Law

Dear Mr. Samuels:

In response to your attached  
letter, we are honoring your request.  
Enclosed are 2 checks payable to  
the Leitt Foundation.

Very truly yours,  
Harold Kellman

93080960842

Item 39

HAROLD KELLMAN  
MARILYN KELLMAN  
114 MAYTIME DRIVE  
JERICHO, NY 11753

*Sept 27 1987* 152

PAY TO THE ORDER OF

*The Lentz Foundation*

\$ 1,000.00

*One Thousand & 00/100*

DOLLARS



National Westminster Bank USA 32

Jericho Office  
475 Jericho Turnpike East  
Jericho, N.Y. 11753

Money Market Savings

MEMO

*Harold Kellman*

93080960843

HAROLD KELLMAN  
MARILYN KELLMAN  
114 MAYTIME DRIVE  
JERICHO, NY 11753

*Sept 29 1987* 153

PAY TO THE ORDER OF

*The Lentz Foundation*

\$ 1,000.00

*One Thousand and 00/100*

DOLLARS



National Westminster Bank USA 32

Jericho Office  
475 Jericho Turnpike East  
Jericho, N.Y. 11753

Money Market Savings

MEMO

*Marilyn Kellman*

*item 3<sup>8</sup>*

**HAND DELIVERED**  
RECEIVED  
FEDERAL ELECTION COMMISSION  
MAIL ROOM  
6628854  
88 MAR 23 AM 9:55

**RIVKIN, RADLER, DUNNE & BAYH**  
EAB PLAZA  
UNIONDALE, NEW YORK 11556-0111  
(516) 357-3000  
TELEX: 645-074 • TELECOPIER: (516) 357-3333 • CABLE: AT LAW

275 MADISON AVENUE  
NEW YORK, N.Y. 10016  
(212) 696-9050

1575 EYE STREET, N.W.  
WASHINGTON, D.C. 20005  
(202) 289-8660

30 NORTH LASALLE STREET  
CHICAGO, ILLINOIS 60602  
(312) 782-5680

2049 CENTURY PARK EAST  
LOS ANGELES, CA 90067  
(213) 201-0810

**ROBERT L. FOLKS**  
PARTNER  
DIRECT DIAL  
(516) 357-3117

March 22, 1988

VIA FEDERAL EXPRESS

Ms. Susan Beard, Esq.  
Federal Election Commission  
Office of General Counsel  
999 "E" Street, N.W.  
Washington, D.C. 20463

Re: Stephen Lampel and Ava Lampel - MUR 2576

Dear Ms. Beard:

As per our conversation of this morning, enclosed please find the response of Stephen and Ava Lampel to the Interrogatories and Requests for Documents.

I have also enclosed an affidavit of Stephen Lampel which requests pre-probable cause conciliation. This affidavit is submitted on behalf of both Stephen and Ava Lampel.

You will note that Mr. Lampel has cooperated extensively with the Attorney General in New York concerning Mr. Levitt. I am advised that Mr. Lampel has a great deal of knowledge concerning the events which led up to the investigation of the campaign contributors by the Commission. Mr. Lampel is also aware of meetings which took place between members of Biden's campaign and William Levitt. He further believes that he has some information concerning the reason for Mr. Levitt's interest in supporting this particular campaign.

Mr. Lampel wishes me to advise you that he is available at any time to cooperate with the Commission and to supply any information that may be helpful to this investigation.

Very truly yours,  
RIVKIN, RADLER, DUNNE & BAYH



By: Robert L. Folks

RLF:cmd  
Enclosures

93080960844

RECEIVED  
FEDERAL ELECTION COMMISSION  
OFFICE OF GENERAL COUNSEL  
88 MAR 23 PM 12:11

----- X

In re:

FEDERAL ELECTION COMMISSION

MUR 2576

----- X

STEPHEN J. LAMPEL  
RESPONSE TO INTERROGATORIES  
AND REQUESTS FOR DOCUMENTS

In response to the interrogatories and requests for document submission by the Federal Election Commission, Stephen J. Lampel hereby submits the following answers:

1. a) Yes
- b) From a company owned by William Levitt called Rowenroy Ltd.
- c) William Levitt.

2. On Monday, June 2, 1986 William Levitt told me to give him two (2) \$1,000 checks for Biden; one from me and one from my wife for \$1,000 each. He told me he would reimburse the money. I believe I gave him both checks the next day after Ava, my wife, signed a check. I do not recall discussing this with Ava. Mr. Levitt also indicated that he was having a party for Biden and wanted me to attend. On Thursday or Friday, June 5th or 6th, Stanley Ogonowski a bookkeeper for Mr. Levitt, gave me a check for \$2,000 from the Rowenroy account.

3. Subsequently, on August 29, 1987 Ava and myself each received a \$1,000 check from the citizens for Biden campaign. I kept the checks since Mr. Levitt owed me approximately the same amount in back pay. By letter addressed to me, Mr. Levitt did

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request that the funds be returned to him, however since Mr. Levitt owed me the money I did not comply with his request.

4. At this time I am unable to locate any documents concerning this contribution.

Dated: Uniondale, New York  
March 22, 1988

Respectfully submitted,

Stephen J. Lampel  
Stephen J. Lampel

93080960846

In Re:

FEDERAL ELECTION COMMISSION

MUR 2576

STEPHEN J. LAMPEL  
RESPONSE TO INTERROGATORIES  
AND REQUESTS FOR DOCUMENTS

RIVKIN, RADLER, DUNNE & BAYH

Attorneys for

EAB PLAZA  
UNIONDALE, NEW YORK 11556-0111  
(516) 357-3000  
FILE # 007595 00001 RLF

To:

Attorney(s) for

Service of a copy of the within

is hereby admitted.

Dated:

.....

Attorney(s) for

PLEASE TAKE NOTICE

Check Applicable Box

NOTICE OF ENTRY that the within is a (certified) true copy of a entered in the office of the clerk of the within named Court on 19

NOTICE OF SETTLEMENT at that an Order of which the within is a true copy will be presented for settlement to the Hon. one of the judges of the within named Court, 19 at M.

Dated:

RIVKIN, RADLER, DUNNE & BAYH

Attorneys for

EAB PLAZA  
UNIONDALE, NEW YORK 11556-0111

To:

FILE # \_\_\_\_\_

Attorney(s) for

93080960847

----- X  
In Re:

Federal Election Commission

MUR 2576  
----- X

AVA LAMPEL  
RESPONSE TO INTERROGATORIES  
AND REQUESTS FOR DOCUMENTS

In response to the interrogatories and requests for document submission by the Federal Election Commission, Ava Lampel hereby submits the following answers:

1 a). On information and belief, my husband received a check for the contribution.

b). On information and belief, the person who solicited the contribution was William Levitt.

c). I don't recall being solicited by anyone for the contribution. I was asked to sign a check by my husband Stephen Lampel.

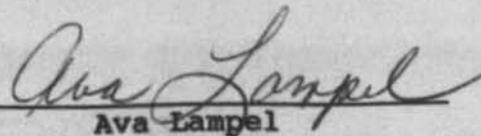
2. Except as indicated above, there were no conversations that I can recall.

3. In August 1987 I received a check for \$1,000 from the Biden campaign as a return of the contribution.

4. At this time, I am unable to locate any of the documents concerning the contributions.

Dated: Uniondale, New York  
March 22, 1988

Respectfully submitted,

  
Ava Lampel

93030960848

In Re:

Federal Election Commission

MUR 2576

AVA LAMPEL  
RESPONSE TO INTERROGATORIES  
AND REQUESTS FOR DOCUMENTS

**RIVKIN, RADLER, DUNNE & BAYH**

*Attorneys for*

EAB PLAZA  
UNIONDALE, NEW YORK 11556-0111  
(516) 357-3000

FILE # 007595 - 00001 / RLF

To:

*Attorney(s) for*

*Service of a copy of the within*

*is hereby admitted.*

*Dated:*

.....

*Attorney(s) for*

**PLEASE TAKE NOTICE**

Check Applicable Box

**NOTICE OF ENTRY** that the within is a (certified) true copy of a entered in the office of the clerk of the within named Court on

19

**NOTICE OF SETTLEMENT** that an Order of which the within is a true copy will be presented for settlement to the Hon. one of the judges of the within named Court.

at on 19 . at M.

*Dated:*

**RIVKIN, RADLER, DUNNE & BAYH**

*Attorneys for*

EAB PLAZA  
UNIONDALE, NEW YORK 11556-0111

To:

FILE # \_\_\_\_\_

*Attorney(s) for*

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5. In June 1986 I was told by Mr. Levitt to give him two checks for \$1,000 each for the Biden campaign. I was instructed that these checks should be from my wife and myself and that he would reimburse us the money. It was my clear understanding that this instruction was part of what was expected of me as part of my employment.

6. On June 5th or 6th the following Thursday or Friday, I was given a check made out to myself and Ava from Rowenroy Ltd. a corporation owned by Mr. Levitt.

7. I believe that the checks from myself and Ava were given to Mr. Levitt the following day. I asked Ava to sign the check for the Biden campaign but I do not recall any specific conversation concerning the incident. It is my recollection that Ava did not know of any of the events surrounding the contribution other than acquiescing to my request to sign the check.

8. In the late summer of 1986 there were problems which Mr. Levitt had in meeting the payroll. As a result, several employees including myself were not paid. Shortly thereafter, in September, I left Mr. Levitt's employment and went to work as Comptroller of Marketing Equities International located at 5 West 19th Street, New York City.

9. Sometime shortly after I left I was asked to cooperate in an investigation of Mr. Levitts' activities by the Attorney General's Office. I agreed to fully cooperate.

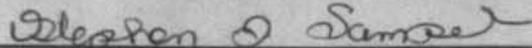
10. During this next few months I was interviewed extensively concerning the activities of Mr. Levitt and his

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corporations as on all occasions I made myself available to give information that was required. Attached as Exhibit "A" is a copy of a letter and pleadings which document that fact. The pleadings and complaint resulted principally from the information I was able to give the authorities.

11. At all times it was never my intention to violate any Federal Election Laws or any laws whatsoever. Neither I or my wife have ever been charged with any crimes nor have we been subject of any agency or departmental inquiry or investigation.

WHEREFORE, your deponent respectfully requests that Pre Probable Cause Conciliation be granted and that no further action be deemed appropriate by the Commission.

  
STEPHEN J. LAMPEL

Sworn to before me this  
22nd day of March 1988.

  
NOTARY PUBLIC

PAMELA HEYMAN  
NOTARY PUBLIC, State of New York  
No. 4904271  
Qualified in Nassau County  
Commission Expires Aug. 31, 1989

93080960852

93080960853



STATE OF NEW YORK  
 DEPARTMENT OF LAW  
 190 WILLIS AVENUE  
 MINEOLA, NY 11501  
 (516) 742-3700

ROBERT ABRAMS  
 Attorney General

DAVID A. SMITH  
 Assistant Attorney General in Charge  
 Nassau County Regional Office

January 22, 1987

Stephen Lampel  
 51 Intervale  
 Rockville Centre, NY 11570

Re: People v. William J. Levitt, et. al.

Dear Stephen:

Enclosed is a copy of the pleadings in the lawsuit we filed against Mr. Levitt yesterday. As you can see, I refer to your testimony in my affirmation but I did avoid using your name.

Many thanks for all your help -- which I may, of course, need to make use of again in the future.

Very truly yours,

*Elizabeth Bradford*  
 ELIZABETH BRADFORD  
 Assistant Attorney General

EB:kh  
 enc.

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At a Special Term, Part II of the Supreme Court of the State of New York, held in and for the County of Nassau, at on the 20<sup>th</sup> day of January, 1987.

P R E S E N T :

Hon. FRANCIS X. BECKER  
Justice

-----X

THE PEOPLE OF THE STATE OF NEW YORK,  
by ROBERT ABRAMS, Attorney General of  
the State of New York,

Petitioners,

-against-

ORDER TO SHOW CAUSE  
WITH TEMPORARY  
RESTRAINING ORDER

WILLIAM J. LEVITT, CAPITAL COMMUNITIES  
CORP., INTERNATIONAL COMMUNITY CORP.,  
INTERNATIONAL COMMUNITY CORP.-TAMPA,  
LEVITT COMMUNITY CORP., WILLIAM J.  
LEVITT, INC., LEVITT INDUSTRIES, INC.  
GREENVALE ADVERTISING, INC., LA BELLE  
SIMONE, LTD., ROWENROY LTD.

Index No.  
941/87

Respondents.

Pursuant to Executive Law §63(12) and  
General Business Law § 350-c.

-----X

Upon reading and filing the annexed verified petition and affirmation with exhibits of Elizabeth Bradford, Assistant Attorney General, sworn to the 16 day of January, 1987, and upon motion of ROBERT ABRAMS, Attorney General of the State of New York, for petitioners the People of the State of New York, it is hereby ordered that respondents in this proceeding show cause at an IAS term, to be determined by the Court at the Supreme Court-

93080960855

house, located at Supreme Court Drive, Mineola, New York, on the 29<sup>th</sup> day of January, 1987, at 9:30 o'clock in the fore noon, or as soon thereafter as counsel can be heard, why an order should not be made pursuant to Executive Law, Section 63, Subdivision 12, and General Business Law §350, granting all of the relief sought in the verified petition.

AND IT BEING FURTHER SHOWN by the verified petition and affirmation of Assistant Attorney General Elizabeth Bradford that respondent has engaged in repeated fraudulent and illegal acts and practices which have caused and threaten continued immediate and irreparable injury to the consuming public of the State of New York represented by the Attorney General;

AND IT APPEARING therefrom that immediate and irreparable injury, loss and damages will result unless respondents are restrained from disposing of their assets before a hearing can be had;

AND IT FURTHER APPEARING that a cause of action for temporary relief exists under CPLR §§6301 and 6313, it is

ORDERED that, pending hearing on this petition, respondents be and are hereby restrained pursuant to CPLR §§6301 and 6313 from:

1. Soliciting and/or accepting within the State of New York deposits or any other form of payment in connection with the sale or anticipated sale of a residential construction;
2. Withdrawing, transferring or otherwise disposing of any property or funds provided that respondents may make withdrawals for the sole purpose of refunding moneys to consum-

ers pursuant to the August 15, 1986 Assurance of Discontinuance entered into with the New York State Attorney General's office; and it is

ORDERED that upon service of a copy of this order upon any financial institution which holds funds in the name of or to the credit of respondents or any one or more of them, including time deposits, said financial institution is hereby temporarily restrained pending the hearing on this motion from paying out, transferring, honoring drafts or checks against or setting off or assigning to itself or to any other person or firm any such funds.

SUFFICIENT CAUSE to me appearing therefore

LET service by personal delivery of a copy of this order and supporting papers upon respondent William J. Levitt on or before the 22nd day of January, 1987, be deemed good and sufficient service hereof.

E N T E R

/s/ FRANCIS X. BECKER  
J.S.C.

Dated: January 20, 1987.  
Mineola, New York

93040960857

SUPREME COURT OF THE STATE OF NEW YORK  
COUNTY OF NASSAU

-----X

THE PEOPLE OF THE STATE OF NEW YORK,  
by ROBERT ABRAMS, Attorney General of  
the State of New York,

Petitioners,

-against-

VERIFIED PETITION

Index No.

WILLIAM J. LEVITT, CAPITAL COMMUNITIES  
CORP., INTERNATIONAL COMMUNITY CORP.,  
INTERNATIONAL COMMUNITY CORP.-TAMPA,  
LEVITT COMMUNITY CORP., WILLIAM J. LEVITT,  
INC., LEVITT INDUSTRIES, INC., GREENVALE  
ADVERTISING, INC., LA BELLE SIMONE, LTD.,  
ROWENROY, LTD.

Respondents.

Pursuant to Executive Law §63(12) and  
General Business Law §350-c.

-----X

The People of the State of New York, by their attorney  
ROBERT ABRAMS, Attorney General of the State of New York,  
respectfully allege upon information and belief:

JURISDICTION AND PARTIES

1. Petitioners bring this proceeding pursuant to  
Executive Law §63(12) which authorizes the Attorney General to  
seek restitution, damages, injunctive relief and costs when any  
person or business entity has demonstrated persistent fraud or  
illegality in the conduct of a business, pursuant to an Assur-

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ance of Discontinuance dated August 15, 1986 entered into by and between the Attorney General of the State of New York and the respondents Capital Communities Corp., International Community Corp. and William J. Levitt, and pursuant to General Business Law §350-c which authorizes the Attorney General to seek civil penalties of \$500 per violation for each violation of General Business Law §350, the false advertising statute.

2. Capital Communities Corp. ("Capital"), International Community Corp. ("ICC") International Community Corp.-Tampa ("ICC-Tampa"), Levitt Community Corp., William J. Levitt, Inc., Levitt Industries, Inc., Greenvale Advertising, Inc., La Belle Simone, Ltd., and Rowenroy, Ltd. (corporate respondents) are corporations with their principal places of business at Greenvale, New York.

3. William J. Levitt ("Levitt") is the president and controlling shareholder of the corporate respondents.

4. Respondents are in the business of constructing residential developments.

#### BACKGROUND

5. Respondents are responsible for the construction of a residential development in Florida known as Williamsburg.

6. Respondents have entered into contracts with consumers obligating ICC to construct and the consumers to purchase homes in Williamsburg.

7. Paragraph 1 of the "Standard Provisions" of the Williamsburg contract provides in relevant part that in no event will delivery of possession of the home to the purchaser be later than one year from the date of contract and further provides that:

...in the event the Seller is unable to deliver to the Purchaser possession of the envisioned completed residence within one year from the date hereof and said inability is caused by reasons beyond the control of Seller, this Agreement shall be null and void and all deposit monies tendered pursuant herewith shall be returned to Purchaser in full settlement for any and all claims that may be asserted with respect to this agreement.

8. Respondents typically required a down payment of approximately \$5,000 on Williamsburg homes ("down payment deposit").

9. Respondents have from time to time required consumers under contract to buy Williamsburg homes to make additional payments before the date of closing to cover incidental expenditures ("additional payments").

10. Section 501.1375 of the Florida Statutes requires that down payment deposits received for the purchase of residential dwelling units be placed in an interest-bearing escrow account and disbursed only under certain specified conditions.

11. Respondents have failed to deposit and/or maintain the Williamsburg down payment deposits in an interest-bearing escrow account.

12. Respondents expended the Williamsburg down payment deposits to cover the operating expenses of ICC.

13. Respondents have repeatedly failed to refund Williamsburg down payment deposits and additional payments to consumers who have demanded such refunds and are clearly entitled to them under the terms of the contract.

14. In addition to the Williamsburg project, respondents have planned and promoted the construction of a Florida housing development known as Poinciana Park. Since early 1985 respondents have solicited \$500 "reservation" deposits for homes in Poinciana Park (hereinafter "Poinciana Park reservation deposits").

15. To date, respondents have not commenced any construction in the Poinciana Park project. Their original source of financing for the project was a financial institution which was placed in receivership over a year ago. Despite their ongoing efforts, respondents have been unable to secure alternative sources of financing. Respondents are under a court-imposed deadline of April 1, 1987 to enter into a contract to sell all or a substantial portion of their interest in the Poinciana Park project.

16. In soliciting Poinciana Park reservation deposits, respondents consistently advertised and otherwise represented that the deposits would be "placed in an escrow interest-bearing account" and that should the depositor at any time decide not to purchase in Poinciana Park his deposit would be refunded with interest "at once".

17. Respondents have failed to deposit and/or maintain the Poinciana Park deposits in an interest-bearing escrow ac-

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count.

18. Respondents have expended Poinciana Park reservation deposits to pay operating expenses, overhead and personal expenses.

19. Respondents have repeatedly failed to return Poinciana Park reservation deposits upon demand.

20. Both the Williamsburg and Poinciana Park projects were heavily promoted in New York and a substantial number of the depositors are New York residents.

21. In response to numerous complaints from new Yorkers and others received by the Attorney General's office that respondents had failed, upon demand, to refund both Williamsburg down payment deposits and additional payments and Poinciana Park reservation deposits, the Attorney General's office served a subpoena on the respondent Levitt on May 15, 1986, requiring that he appear in the Attorney General's office to give testimony and that he produce certain documents.

22. In lieu of requiring Mr. Levitt's testimony, the Attorney General's office held a series of meetings with his attorneys which culminated in the execution, on August 15, 1986, of an Assurance of Discontinuance between respondents Levitt, ICC and Capital Communities and the Attorney General's office.

23. Pursuant to the Assurance, respondents were required, inter alia:

- a) To refund no later than November 15, 1986, Williamsburg down payment deposits, with interest, to all purchasers requesting such refunds

whose homes had not been completed within a year from the date of contract;

- b) To refund no later than December 15, 1986 Poinciana Park deposits, with interest, to all purchasers requesting such refunds.
- c) To deposit on or before August 29, 1986, and thereafter to maintain all existing Poinciana Park reservation deposits, with accrued interest, in an interest-bearing escrow account; and
- d) To notify all Poinciana Park depositors who had requested or who subsequently requested refunds, of the terms of the Assurance relating to the return of such deposits.

24. To date, respondents have failed substantially to comply with any of these provisions, as more fully detailed below:

- a) Respondents have failed to make the Williamsburg refunds with interest, as required by the Assurance.
- b) Respondents have failed to make most of the Poinciana Park refunds, despite the lapse of almost a month since the December 15, 1986 deadline.
- c) Respondents have failed to create the required escrow account, so that the Poinciana Park deposits -- to the extent that they continue to exist at all -- are completely unprotected.
- d) Respondents not only failed to send out the required notice to Poinciana Park depositors, but affirmatively misrepresented to consumers the nature and timing of their refund obligations, as more fully set forth in the affirmation filed simultaneously herewith.

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FIRST CAUSE OF ACTION --  
BREACH OF CONTRACT

25. The August 15, 1986 Assurance of Discontinuance is a binding contract, entered into knowingly and willingly by respondents, for valid consideration.

26. By their actions, respondents have breached their contract. As a result of their breach, consumers have been damaged as more fully set forth above.

SECOND CAUSE OF ACTION --  
FALSE AND MISLEADING ADVERTISING

27. Respondents solicited Poinciana Park reservation deposits by means, inter alia, of print media advertisements which stated that such deposits would be held in an escrow interest-bearing account, when in fact such deposits were not at any time held in an escrow account.

28. Respondents solicited Poinciana Park reservation deposits by representing in such advertisements that such deposits would be refunded with interest "at once" upon request of the depositor, when in fact such deposits were being used to meet various expenses and would not be refunded upon demand.

29. By virtue of the foregoing, respondents have engaged in false and misleading advertising in violation of General Business Law §350.

30. Petitioners have duly served on the respondents by

93080960864

certified mail the notice required by Section 350-b of the General Business Law.

THIRD CAUSE OF ACTION --  
CONVERSION

31. As more fully set forth above respondents have taken Poinciana Park reservation deposits and Williamsburg down payment deposits being held in trust by them for the benefit of consumers and have misappropriated and converted such deposits, and the interest accrued on such deposits, to their own use.

32. By virtue of the foregoing, respondents have engaged and continue to engage in repeated and persistent fraudulent and illegal conduct violation of Executive Law §63(12).

FOURTH CAUSE OF ACTION --  
VIOLATION OF EXECUTIVE LAW §63(12).

33. By virtue of all the actions alleged above, respondents have engaged in and continue to engage in repeated and persistent fraudulent and illegal conduct in violation of Executive Law §63(12).

WHEREFORE, petitioners respectfully request that judgment and order be issued:

1. Permanently enjoining the respondents, their successors, agents or assigns from engaging in any of the fraudulent and/or illegal acts alleged above;

2. Permanently enjoining the respondents, their successors, agents or assigns from soliciting and/or accepting within the State of New York deposits or any other form of payment in connection with the sale or anticipated sale of a residential construction;

3. Directing the respondents to comply with each and every provision of the August 15, 1986 Assurance of Discontinuance;

4. Directing the respondents to refund with interest each and every Poinciana Park reservation deposit, whether or not such refunds have been requested;

5. Directing the respondents to pay damages to all entitled consumers;

6. Directing the respondents to pay a civil penalty of \$500 pursuant to General Business Law §350-c for each advertisement in violation of General Business Law §350;

7. Awarding petitioners \$2000 costs against each respondent pursuant to CPLR §8303(a)(c); and

8. Granting such other and further relief as the Court deems just and proper.

Dated: Mineola, New York  
January 16, 1987

ROBERT ABRAMS  
Attorney General of the State  
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ELIZABETH BRADFORD  
Assistant Attorney General  
of Counsel

SUPREME COURT OF THE STATE OF NEW YORK  
COUNTY OF NASSAU

-----X  
THE PEOPLE OF THE STATE OF NEW YORK,  
by ROBERT ABRAMS, Attorney General of  
the State of New York,

Petitioners,

-against-

AFFIRMATION

Index No.

WILLIAM J. LEVITT, CAPITAL COMMUNITIES  
CORP., INTERNATIONAL COMMUNITY CORP.,  
INTERNATIONAL COMMUNITY CORP.-TAMPA.,  
LEVITT COMMUNITY CORP., WILLIAM J.  
LEVITT, INC., LEVITT INDUSTRIES, INC.,  
GREENVALE ADVERTISING, INC., LA BELLE  
SIMONE LTD., ROWENROY LTD.

Respondents.

Pursuant to Executive law §63 (12) and  
General Business Law §350-c.

-----X  
ELIZABETH BRADFORD, an attorney duly admitted to  
practice before the courts of this state, makes the following  
affirmation under penalty of perjury:

1. I am an Assistant Attorney General in the Nassau  
County Regional Office of the New York State Department of Law  
and am fully familiar with the facts and circumstances alleged  
herein, based upon consumer complaints and investigative materi-  
als in the files of the Nassau regional office.

2. This affirmation is made in support of the Verifi-  
ed Petition and the relief sought herein under Executive Law  
§63(12) and General Business Law §350-c.

I. BACKGROUND:

3. Capital Communities Corp. ("Capital"), International Community Corp. ("ICC"), International Community Corp.-Tampa ("ICC-Tampa"), Levitt Community Corp., William J. Levitt, Inc., Levitt Industries, Inc., Greenvale Advertising, Inc., La Belle Simone, Ltd., and Rowenroy, Ltd. (corporate respondents) are corporations with their principal places of business located at Greenvale, New York.

4. William J. Levitt ("Levitt") is the President and controlling shareholder of the corporate respondents.

5. Respondents are in the business of constructing residential developments.

6. The respondent Levitt has been in the residential construction business for over 50 years. During that time he has built a housing empire, amassed a personal fortune and acquired a bigger-than-life reputation among American homeowners. The residential community he constructed at Levittown 40 years ago during the post-War housing boom has served as a model for countless similar projects.

7. In recent years, following a number of unsuccessful overseas ventures, Mr. Levitt's empire began to decline. Despite this reversal of fortunes, however, he proceeded to undertake the development of two extensive residential housing projects in the State of Florida: Williamsburg and Poinciana Park. Drawn by his substantial reputation, consumers in record numbers signed contracts and put down payment deposits on Wil-

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Williamsburg homes while other consumers put down deposits of \$500 each to reserve the right to purchase homes in Poinciana Park (hereinafter "reservation deposits").

8. As more fully detailed below, both of Mr. Levitt's projects were financially troubled from the outset. In order to service the needs of those projects and his own personal appetite for capital, Mr. Levitt and the companies he controls "raided" the consumer deposits, violating a series of contractual and statutory obligations to escrow those moneys and to refund them upon demand.

## II. THE ATTORNEY GENERAL'S INVESTIGATION AND THE ASSURANCE OF DISCONTINUANCE.

9. In the late winter-early spring of 1986, the Attorney General's office began to receive a number of complaints from both Williamsburg down payment depositors and Poinciana Park reservation depositors stating that respondents had failed to make refunds of those deposits to consumers who were clearly entitled to them. In response to those complaints, the Attorney General served a subpoena on Mr. Levitt on May 15, 1986, requiring that he appear in the Attorney General's office to testify and that he produce certain documents ("May 15 subpoena") (Exhibit A).

10. In lieu of requiring Mr. Levitt's testimony in response to the May 15 subpoena, the Attorney General's office held a series of meetings with his attorneys culminating in the execution, on August 15, 1986, of an Assurance of Discontinuance

between respondents and the Attorney General's office, which, inter alia, set out a timetable for returning the Williamsburg down payment deposits and the Poinciana Park reservation deposits to consumers. A copy of the August 15, 1986 Assurance of Discontinuance is attached as Exhibit B.

11. After the lapse of approximately 3½ months from the execution of the Assurance had revealed a persistent failure to comply with its terms, the Attorney General reopened his investigation by serving a second subpoena, on November 26, 1986, once again calling for Mr. Levitt's testimony and for the production of certain documents ("November 26 subpoena") (Exhibit C).

12. Mr. Levitt appeared in response to the November 26 subpoena and testified on December 11, 1986, and January 8, 1987. A copy of the December 11 transcript of the hearing is attached as Exhibit D. Mr. Levitt's chief financial officer, Edward Donnelly, appeared on January 9, 1987 pursuant to subpoena and testified briefly before adjourning the hearing to seek new counsel.

13. In addition to the subpoena served on Mr. Levitt, the Attorney General's office has subpoenaed Mr. Levitt's account records from the Chase Manhattan Bank, portions of which are attached as Exhibit E, has secured copies of the transcripts of certain proceedings held in connection with an action entitled State of Maryland Deposit Insurance Fund Corporation, Receiver for Old Court Savings and Loan, Inc. v. William J. Levitt, et. al. brought in the Maryland Circuit Court for Baltimore

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County (Exhibits F, G and H), and has secured affidavits from two of Mr. Levitt's ex-employees (Exhibits I and J).

14. As more fully detailed below, the evidence uncovered by the Attorney General's investigation establishes that respondents have solicited deposits under false pretenses, ignored their obligations to escrow them, misappropriated those deposits, violated virtually every aspect of the Assurance of Discontinuance, and lied to consumers concerning the location of certain deposits, concerning respondents' ability and obligation to make refunds and concerning the consumers' rights under the Assurance. In short, both the Williamsburg and Poinciana Park projects have, from beginning to the end, been tainted by fraud.

### III. WILLIAMSBURG DOWN PAYMENT DEPOSITS

15. The Williamsburg residential project was planned and developed by Mr. Levitt through the corporate respondents ICC and ICC-Tampa. The Williamsburg development includes two tracts of land: one near Orlando which was announced in 1978 (Williamsburg-Orlando), and one near Tampa which was announced in 1981 (Williamsburg-Tampa).

16. From the outset, the Williamsburg-Orlando project was undercapitalized and misconceived. As a result, respondents were soon beset by complaints and lawsuits filed by new homeowners, liens and foreclosures by unpaid contractors and building moratoriums imposed by local government agencies. Of the 10,000 homes originally planned for the development, respondents ultimately constructed only about 2,000. (Exhibit D at 6) In

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early November 1986, respondents sold the Williamsburg-Orlando project to a land development consortium. (Exhibit D at 5)

17. The Williamsburg-Tampa development was even less successful. Only a handful of the 4,000 homes planned for the development were ever constructed and the vacant land has since been lost in a foreclosure proceeding to the lending institutions which advanced the money for its purchase. There are no current plans for the development of Williamsburg-Tampa. (Exhibit D at 17)

18. Respondents utilized the same form contract for all sales of homes in the Williamsburg projects. Paragraph 1 of the "Standard Provisions" of the Williamsburg contract provides in relevant part that in no event will delivery of possession of the home to the purchaser occur later than one year from the date of contract and further provides that:

in the event the seller is unable to deliver to the Purchaser possession of the envisioned completed residence within one year from the date hereof and inability is caused by reasons beyond the control of the Seller, this Agreement shall be null and void and all deposit money tendered pursuant herewith shall be returned to Purchaser in full settlement for any and all claims that may be asserted with respect to this agreement. (Exhibit B(F))

19. Respondents typically required a down payment of approximately \$5,000 on Williamsburg homes and frequently also required consumers under contract to make additional payments before the date of closing to cover incidental expenditures.

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20. Section 501.1375 of the Florida statutes requires that down payment deposits received for the purchase of residential dwelling units be placed in an interest-bearing escrow account and disbursed only under certain specified conditions.

21. Respondents failed to place any of the Williamsburg down payment deposits in an escrow account as required by Florida law. Moreover, respondents persistently failed to refund those deposits to Williamsburg contract-holders whose homes had not been completed (or in many cases even begun) despite the lapse of over a year and who had elected to cancel their contracts under the terms of paragraph 1 of the Williamsburg contract. By the fall of 1986, respondents owed approximately \$650,000 in unrefunded down payment deposits (excluding unrefunded interest). (Exhibit K)

22. Under the terms of the Assurance of Discontinuance, respondents agreed to honor all existing requests for Williamsburg refunds -- with interest -- on or before November 15, 1986. On or about mid-November, 1986, respondents sold Williamsburg-Orlando to a land development group doing business as "Unibilt." Pursuant to the terms of the sale, Unibilt undertook to make down payment refunds to contract holders in the "Somerset" area of the project, while respondent ICC undertook to make refunds in the "Sheffield" area. (Exhibit K)

23. None of the refunds made either by Unibilt under the terms of the sale or by ICC directly was made with interest.

24. As if to add insult to injury, the refund checks mailed directly by ICC were mailed under cover of a letter,

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signed by Edward Donnelly, a vice-president of the company, stating that:

Acceptance by you of the enclosed deposit constitutes full settlement of any and all claims by you against International Community Corporation with respect to your contract to purchase a home at Sheffield Park, Williamsburg Orlando, Florida. (Exhibit L)

Mr. Donnelly testified that he had in mind consumer claims against ICC for the missing interest payments when he included the above-quoted statement in the letter. Thus, not only did respondents deny consumers their right to full reimbursement, including interest, under Florida law and under the terms of the Assurance, but they also tried to deceive them into a waiver of those rights.

25. By letter dated December 16, 1986, a copy of which is attached as Exhibit M, I demanded that respondents send before December 25 a corrective letter to all consumers who had received "waiver" letters in the form of Exhibit L. To date, I have received no reply to my demand or any indication that corrective action was taken.

26. Mr. Levitt testified that he was unaware of the obligation imposed on him by the Assurance to refund the interest on the Williamsburg down payments and did not know what his intentions were with respect to such payments. (Exhibit D at 63-64). Mr. Donnelly testified that the company did intend to pay back the interest but that it had no present timetable for such payments.

27. The pattern of conduct which emerges from the above chronology can be summarized as follows:

a) Respondents failed to escrow the Williamsburg down payments, in violation of Florida law, keeping them available for use in paying the operating expenses of ICC -- or, indeed, of any of Mr. Levitt's other companies.

b) Respondents reneged on an unequivocal contractual obligation to refund such deposits, thus enjoying the continued use of the funds for months and, in many cases, years. Such enjoyment was, of course, at the expense of prospective homeowners, many of whom had reached retirement age in the interim and found their "nest eggs" tied up in a moribund project.

c) Respondents, in full knowledge of their obligations under the Assurance and under Florida law, issued dozens of refund checks to Williamsburg contract holders without interest and misled them concerning the legal effect that cashing such checks would have -- presumably in the hope of cementing the interest-free status of the loans they had enjoyed for so long.

27. In short, respondents have, in their treatment of the Williamsburg down payment deposits, consistently pursued a strategy which was designed to maximize their own return at the expense of the consumers' rights.

#### IV. POINCIANA PARK RESERVATION DEPOSITS

28. In the wake of the Williamsburg debacle, Mr. Levitt announced in December 1984 the development of yet another

Florida residential community, to be known as Poinciana Park. The project was structured as a joint venture partnership, 50% of which was owned by Mr. Levitt, Levitt Community Corp. and their nominees, and 50% by various subsidiaries of the Baltimore-based Old Court Savings and Loan, Inc. ("Old Court") and their principal, Jeffrey Levitt. The respondent Capital Communities Corporation was formed to solicit and accept reservation deposits for Poinciana Park. (Exhibit D at 20)

29. In order to finance the acquisition of the Florida property and to cover preliminary engineering expenses, Old Court made various loans to Mr. Levitt totalling 15 million dollars, partially secured by mortgages on the Poinciana Park property. (Exhibits D at 18, 22)

30. Following the announcement of the project, Mr. Levitt immediately began to solicit \$500 "reservation deposits" from prospective homeowners through advertisements placed in various publications. The advertisements were placed by the respondent Greenvale Advertising, Inc., a corporation owned and controlled by Mr. Levitt, and were written by Mr. Levitt himself. (Exhibit D at 43) Attached as Exhibit B(A) is an example of such an advertisement from the April 19, 1985 edition of the New York Times. Exhibit B(A) states that each home will have certain features and will be priced between \$39,990 and \$59,990.

31. The advertisement further states that the \$500 reservation deposits "will be placed in an escrow interest-

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bearing account is the Old Court Savings and Loan Association of Baltimore," and that should the depositor decide not to purchase, "your \$500 plus interest will be returned to you at once."

32. Respondents ran advertisements similar to the one attached as Exhibit B(A) throughout the winter and early spring of 1985, and received a steady stream of reservation deposits in response to such ads. Respondents advertised heavily in New York, and received a massive response from New York residents. Upon receipt of each deposit, respondents mailed an acknowledgment letter to each depositor in the form attached as Exhibit B(C), reiterating their commitments to maintain the deposits in an interest-bearing escrow account and to refund them immediately upon request.

33. Mr. Levitt provided the following description of his procedure for handling the reservation deposits in the spring of 1985. Upon receipt of a \$500 check he would promptly cash it and deposit it in a Capital Communities account at the Greenvale branch of the Norstar Bank of Long Island. After a number of such deposits had accumulated in the Norstar account, he would write a single check on that account for the total amount and deposit it in an account maintained for that purpose at Old Court. (Exhibit B at 336-337)

34. The Old Court account was not an escrow account. There was no escrow agreement in place with respect to that account and respondents had unrestricted access to the moneys on deposit there. Old Court had no record of the individual

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depositors whose funds were represented by the account.

(Exhibit B at 44-45; Exhibit N)

35. The Old Court account paid interest at a rate which fluctuated between 10.5 and 11% during the period involved. (Exhibit O) Mr. Levitt has testified that when refunds were made to consumers out of that account, they received interest on their deposit at the passbook rate of 5½%. (Exhibit B at 48)

36. In May 1985, rumors of mismanagement by Old Court president Jeffrey Levitt sparked a run by depositors and caused a major crisis in Maryland's saving and loan industry. Old Court was placed in conservatorship in mid-May 1985 and in receivership later that year. Jeffrey Levitt was eventually convicted of misappropriating millions of dollars and was sentenced to 40 years in prison.

37. The demise of Old Court created two substantial problems for the respondents. First, it effectively "froze" the funds which respondents had on deposit at Old Court. In their correspondence with consumers who requested refunds of those deposits, respondents took the position that the demise of Old Court relieved them of the obligation to make the refunds. An example of such correspondence is attached as Exhibit B(D).

38. A number of the depositors who received correspondence in the form of Exhibit B(D), informing them that their deposits were "frozen" in the Old Court account, were individuals whose deposits were in fact never deposited at Old Court and were instead being held in an account at Chase Manhattan Bank

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("Chase"). In the few days immediately preceding the public announcement of the Old Court crisis, respondents received approximately 100 Poinciana Park reservation deposits which were deposited in the Norstar account. The depositors were informed by written receipt that their moneys had been deposited at Old Court.

39. Before those deposits were actually transferred to Old Court, however, Old Court went into conservatorship and Mr. Levitt instead transferred the funds into an account at Chase. Rather than inform the depositors that their funds had been "retrieved", however, Mr. Levitt chose to leave them in ignorance so that he would have an additional \$50,000 at his disposal. Mr. Levitt instructed his sales employees that refund requests received from any of those approximately 100 depositors were not to be honored. The depositors were accordingly told that their deposits were in Old Court and could not be returned until released by the receiver. (Exhibit J)

40. In April 1986 the Maryland state court authorized the Old Court receiver to release up to \$5,000 to each Old Court depositor. In implementing the court's order, attorneys for the receiver took the position that since the Poinciana Park reservation deposits had been aggregated in the one account in the name of Capital Communities Corp., without any record having been kept of individual depositors, the Poinciana Park depositors were not entitled to benefit from the distribution.

(Exhibit N)

41. The second major effect of the Old Court receiver-

ship was to dry up respondents' only source of financing for the Poinciana Park development, and to compel respondents to go "back to the drawing boards" to line up alternative backing. According to Mr. Levitt's own testimony, his continual efforts to refinance Poinciana Park over the past 18 months have to date been unsuccessful. (Exhibit D at 23-24)

42. The Old Court receiver brought suit against Mr. Levitt seeking to dissolve the Poinciana Park joint venture partnership contending that, in the wake of the adverse publicity surrounding the Williamsburg project, the use of Mr. Levitt's name might adversely affect the marketability of homes in Poinciana Park. The receiver also sued to recover the over \$15 million loaned to Mr. Levitt.

43. In settlement of the Maryland lawsuit and other related litigation, Mr. Levitt agreed that he would within six months enter into a contract for the sale of Poinciana Park for no less than \$11 million, the proceeds of which would be paid over to the Old Court receiver, or forfeit his interest in the partnership and its property. The six-month period fixed by the settlement began to run on October 1, 1986. Thus, Mr. Levitt has until April 1, 1987 to sell the Poinciana Park project. A copy of the transcript of the settlement agreement, which was reached in open court, is attached as Exhibits G and H.

44. Despite the of Old Court fiasco, respondents continued to advertise and the \$500 reservation deposits continued to pour in. Attached as Exhibit B(E) is an example of the type of advertisement respondents ran in the post-Old Court period.

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Exhibit B(E), like Exhibit B(A), states that the \$500 deposits will be held in an "escrow interest-bearing account" and will be returned "at once" upon demand by the consumer. Respondents continued to solicit reservation deposits, until approximately June 1986, a full year after Old Court went into conservatorship. Deposits continued to trickle in, and were accepted by respondents, throughout the summer of 1986.

(Exhibit I)

45. During the period following Old Court's demise, the consumers' \$500 checks were deposited in a money market account at the Chase Manhattan Bank in Little Neck. The stamped endorsement placed by the company on the back of the consumer's \$500 check read: "Capital Communities escrow account". (Exhibits I,P) At the same time, respondents maintained at least two other accounts at Chase: a checking account entitled "Capital Communities escrow account", and one ordinary checking account from which the operating expenses of Capital Communities were paid. (Exhibit I)

46. None of these accounts was in fact an escrow account. Respondents did not execute any escrow agreements with Chase with respect to those accounts and their access to the accounts was unrestricted. (Exhibit D at 49) Chase did not maintain records of any individual depositors.

47. Mr. Levitt testified that upon receiving a request for a refund, he would cause a check to be written on the "escrow" checking account. Funds were periodically transferred from the money market "escrow" account to the "escrow" checking

account for the purpose of making such refunds. The refunds were made on checks printed "Capital Communities Escrow Account." (Exhibits I,P) The refunds were, once again, made at the passbook rate of interest rather than the money market rate, with the difference being retained in the money market "escrow" account. (Exhibit D at 51.)

48. Mr. Levitt further testified that he also drew money out of the money market "escrow" account to pay the operating expenses of the increasingly beleaguered Poinciana Park project. (Exhibit D at 51-54; Exhibit F at 343-353). While Mr. Levitt's testimony was vague concerning the timing and amounts of those withdrawals, account records subpoenaed from Chase by the Attorney General's office show that the "Capital Communities money market escrow account" had a balance of \$967,191.75 on February 28, 1986. By May 30, 1986 it had a balance of \$227,355.62. By August 31 it was down to \$932.00. (Exhibit E) An analysis of the account statements reveals that between the end of February and the end of August, 1986, respondents withdrew \$557,500 from the money market "escrow" account for the purpose of making refunds to depositors and withdrew another \$975,000 which was diverted to their own use.

49. Respondents' former accountant confirms Mr. Levitt's testimony that much of the depositors' money was used to pay the operating expenses of Poinciana Park. In addition, some of the depositors' money was funnelled through an account held in the name of William J. Levitt, Inc. and used to pay the overhead on Mr. Levitt's elegant Greenvale offices -- rent,

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salaries, utilities, etc. The accountant also testifies that some of the depositors' money was funnelled through accounts in the name of La Belle Simone, Ltd. (a corporation originally set up by Mr. Levitt to own and operate his yacht) and Powenroy, Ltd. and used to cover personal expenses. (Exhibit I) An account in the name of Levitt Industries, Inc., was also used as a conduit for expending depositors' funds.

50. The evidence establishes not only that Mr. Levitt withdrew depositors' moneys for his own purposes, but also that he continued to solicit deposits throughout the spring of 1986 knowing that they would almost immediately be spent to meet operating expenses. Mr. Levitt testified that he not only continued to advertise during the time that he was spending depositors' money, but that some of the depositors' funds were actually used to cover the cost of soliciting additional deposits.

51. Mr. Levitt stopped honoring most requests for Poinciana Park refunds -- whether of deposits being held at Old Court or of deposits being "held" at Chase -- at approximately the end of June 1986. He continued to accept deposits throughout the summer of 1986, knowing full well that they would be spent and not refunded. (Exhibit I)

52. There are at present at least 375 outstanding requests for refunds of Poinciana Park deposits which have not been honored. Approximately 125 of those depositors have made complaints to the Attorney General's office. Attached as Exhib-

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its Q through T are four representative complaints. Each of the complainants describes having made repeated requests to the company for return of his deposit and being met in every instance with silence, evasion, or misinformation.

53. The above course of conduct can only be described as fraudulent. To solicit payments on the representation that they will be held in escrow, in the full knowledge that those payments will be placed in an ordinary account unprotected either from creditors or from the ravages occasioned by your own financial imperatives, is fraudulent. To turn your back repeatedly on your promise to refund such deposits is fraudulent. To tell depositors that their funds are "frozen" in a Maryland savings and loan account when in fact they are on deposit at a perfectly solvent New York bank, is fraudulent. To spend the ostensibly escrowed deposits on your corporate and personal needs is fraudulent. To continue to accept such deposits knowing that they will be spent rather than held for refund, is fraudulent.

54. On the basis of the conduct described above, respondents should be barred from hereafter soliciting or retaining any consumer deposits in connection with Poinciana Park homes or in connection with any other residential development project.

55. In addition, Mr. Levitt's inability, despite the lapse of over 18 months, to secure alternative financing -- together with his obligation under the terms of the Old Court settlement to sell a substantial portion of his interest in

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Poinciana Park or forfeit it altogether -- renders it highly unlikely that he will ever develop Poinciana Park. There is no longer any justification for his retention of any of the Poinciana Park reservation deposits, which were advanced by consumers attracted by his name and the prices he was offering. Accordingly, on that basis as well, respondents should be directed to return all such deposits -- whether or not their return has been requested.

#### V. VIOLATIONS OF THE ASSURANCE OF DISCONTINUANCE

56. The arrogance and indifference to legal commitment demonstrated by the conduct described above has also permeated respondents' dealings with the Attorney General's office and, more particularly, their response to the obligations imposed on them by the Assurance of Discontinuance.

57. The Assurance requires that all Williamsburg down-payment deposits be refunded, with interest, by November 15, 1986. Instead, as more fully described in Part III, respondents refunded some down payment deposits, all without interest, and attempted to secure from those consumers who did receive refunds a waiver of their remaining rights under the Assurance.

58. The Assurance requires that, during the four-month period between the execution of the Assurance and the December 15 deadline for making the Poinciana Park refunds, notice be sent out to all Poinciana Park depositors with outstanding refund requests notifying them of the terms of the Assurance. Not only did respondents fail to send such a notice, but they met

the depositors' continued requests for refunds and information either with silence or with blatant misinformation. Attached as Exhibits Q through T are examples of accounts supplied by the consumers of their communications with respondents over the last few months. Exhibits U and V are letters from Capital Communities to Old Court depositors dated October 16 and November 6, 1986 respectively -- two to three months after the execution of the Assurance -- informing them that their deposits cannot be refunded until the Old Court receiver releases the account.\*

59. The Assurance requires that respondents set up, on or before August 29, 1986, an interest-bearing escrow account into which all existing Poinciana Park reservation deposits, with accrued interest, will be deposited and thereafter maintained. As of the date of this affirmation, no such account has been created and the depositors' funds remain not only unprotected, but completely unaccounted for.

60. At the time that the terms of the Assurance were being negotiated, respondents' counsel supplied me with a draft of a proposed escrow agreement and represented to me that the respondents were conducting discussions with Manufacturers Hanover Trust Company with the object of setting up an escrow account along the lines described in the draft agreement, and that such an account could and would be promptly created. Part of

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\*The letters also state that the return of the deposits is contingent on the outcome of a lawsuit brought by Mr. Levitt seeking to compel the disbursement of the Old Court deposits. In fact, that lawsuit had already been settled at the time the letters were sent. The settlement did not provide for the disbursement of the Old Court deposits. (Exhibits G and H)

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the money to fund the escrow account was being held in the form of certificates of deposit issued by various financial institutions in the name of Capital Communities. Respondents raised no objection to the August 29 deadline for the escrow agreement, nor did they at any time attempt to negotiate, either before or after the execution of the Assurance, an extension of that deadline.

61. I am informed by Don Noonan, the Vice-President of Manufacturers Hanover responsible for the negotiations concerning the escrow agreement, that while there had been some preliminary discussions in the summer of 1986 concerning the creation of an escrow account, respondents took no further steps to pursue negotiations with the bank between mid-August and mid-October 1986. Between mid-October and mid-December there were some negotiations concerning the content of the escrow agreement. Execution of a final agreement was delayed for so long due to respondents' failure to supply the bank with the necessary data concerning each depositor, however, that Manufacturers Hanover finally withdrew its offer by letter dated January 12, 1987, a copy of which is attached as Exhibit W. Thus, it is clear that respondents' four-month-old default in complying with this aspect of the Assurance is almost entirely the result of their own inaction.

62. The Assurance requires that refunds be made by December 15, 1986, with accrued interest, to all Poinciana Park depositors who have requested them. On December 11, 1986, re-

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spondents' counsel requested a waiver of the requirement that the refunds be made directly out of the still non-existent escrow account, a waiver which I granted, and assured me that the checks had already been "cut" and would go out immediately.

63. I spoke to respondents' counsel again on December 12, 15, 17 and 18. On each occasion I was assured that the checks had been cut, that the money was available and that every effort was being made to expedite the process of putting the checks in the mail. During the same time period, the Attorney General's office recieved a barrage of telephone calls from irate depositors who, upon calling the respondents' Greenvale office, were being told by company representatives that the checks would not go out until mid-January.

64. On or about December 15, respondents' counsel agreed to supply me with a copy of the list of names and addresses of depositors to which he was purportedly referring in having mailing labels typed for the refund checks. On December 18 he informed me that the list was still unavailable because it was locked in the trunk of Mr. Levitt's car, which was parked at the airport.

65. To date, I have still not received a copy of the list of depositors or proof that any of them received refunds. In a telephone conversation today with respondents' counsel I was informed that 50 refund checks were mailed yesterday and that the rest of the refunds, approximately 375, will be made just as soon as respondents receive the checks which are being printed on a newly-created refund account.

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66. The Assurance requires that the respondents file compliance reports with the Attorney General's office on or before December 1, 1986 and January 1, 1987. Neither report has been filed. The December 1 compliance report was also among the documents subpoenaed by the Attorney General's office and required to be produced by Mr. Levitt at the hearing on December 11. Mr. Levitt appeared on December 11 and again on January 8, 1987, without the compliance report, and without the great majority of the other documents demanded in the subpoena.

67. In agreeing to the terms of the Assurance, the Attorney General's office made substantial concessions to the respondents. Respondents' obligations to refund the Williamsburg down payment deposits and the Poinciana Park reservation deposits and to maintain the deposits in an escrow account were clear. Instead of demanding immediate compliance, however, the Attorney General agreed to what was in effect an extended schedule for compliance. Rather than viewing it as such, however, respondents apparently read into the Assurance a license to continue to steal from and mislead consumers. As a result, respondents are now in violation of each and every requirement of the Assurance, demonstrating precisely the same contempt for their contractual obligations to the State as they have demonstrated for their contractual and statutory obligations to consumers.

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VI. THE NEED FOR TEMPORARY RESTRAINING  
ORDER AND PRELIMINARY INJUNCTION

68. At the heart of all of the conduct described above and in the Verified Petition is respondents' repeatedly demonstrated inability or unwillingness to live up to their contractual and statutory commitments with respect to the handling of funds being held in trust for the benefit of the consumers. In short, respondents simply cannot be trusted to leave money where it belongs. Accordingly, petitioners are entitled to an order, pending a hearing on the petition, temporarily prohibiting the transfer of any assets which may be used to satisfy the depositors' claims.

69. No prior application has been made for the relief requested herein.

WHEREFORE, it is respectfully requested that the Verified Petition be granted in all respects and that, pending a hearing on the Petition, this Court grant the temporary and preliminary injunctive relief indicated in the Order to Show Cause.

Dated: Mineola, New York  
January 16, 1987

  
ELIZABETH BRADFORD

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IN RE:

FEDERAL ELECTIONS COMMISSION

MUR 2576

AFFIDAVIT OF STPHEN J. LAMPEL

**RIVKIN, RADLER, DUNNE & BAYH**

*Attorneys for*

EAB PLAZA  
UNIONDALE, NEW YORK 11556-0111  
(516) 357-3000

FILE # 007595 00001 / RLF

To:

*Attorney(s) for*

*Service of a copy of the within*

*is hereby admitted.*

*Dated:*

.....  
*Attorney(s) for*

**PLEASE TAKE NOTICE**

Check Applicable Box

**NOTICE OF ENTRY** that the within is a (certified) true copy of a entered in the office of the clerk of the within named Court on

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**NOTICE OF SETTLEMENT** at that an Order of which the within is a true copy will be presented for settlement to the Hon. one of the judges of the within named Court,

on

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, at

M.

*Dated:*

**RIVKIN, RADLER, DUNNE & BAYH**

*Attorneys for*

EAB PLAZA  
UNIONDALE, NEW YORK 11556-0111

To:

FILE # \_\_\_\_\_

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FEDERAL ELECTION COMMISSION  
OFFICE OF GENERAL COUNSEL

MANATT, PHELPS, ROTHENBERG & EVANS  
A PARTNERSHIP INCLUDING PROFESSIONAL CORPORATIONS

88 MAR 25 PM 12:38

ATTORNEYS AT LAW

1200 NEW HAMPSHIRE AVENUE, N.W.  
SUITE 200  
WASHINGTON, D.C. 20036  
TELEPHONE (202) 463-4300

LOS ANGELES  
1388 WEST OLYMPIC BOULEVARD  
LOS ANGELES, CALIFORNIA 90064  
(213) 312-4000

March 25, 1988

Lawrence M. Noble, General Counsel  
Office of the General Counsel  
Federal Election Commission  
999 E Street, N.W.  
Suite 657  
Washington, D.C. 20463

Re: MUR 2576

Dear Larry:

Our office has recently been retained to represent Joel Boyarsky, a witness in MUR 2576. It is our understanding that Mr. Boyarsky is not a respondent in this MUR, but as a witness he has received a subpoena to produce documents and an order to answer written questions.

A response will be forthcoming as soon as possible. Because the Commission's subpoena is seeking correspondence concerning an event which was held over twenty-one months ago, the task of ascertaining the existence of any documents and locating them is a time-consuming one. Consequently, we will have a response to you no later than April 8, 1988.

Should you have any questions, please feel free to call.

Sincerely,

*William C. Oldaker*  
William C. Oldaker

cc: Susan Beard, Esquire

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FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

March 30, 1988

William C. Oldaker  
Manatt, Phelps, Rothenberg & Evans  
1200 New Hampshire Avenue, N.W.  
Washington, D.C. 20036

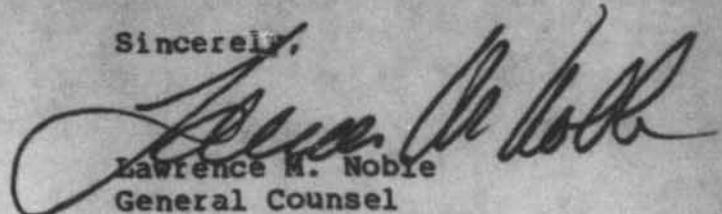
RE: MUR 2576

Dear Mr. Oldaker:

This is in response to your letter dated March 25, 1988, which we received on March 25, requesting an extension until April 8, 1988, to respond to the subpoena to produce documents and order to answer written questions which were issued to Joel Boyarsky as a non-respondent witness in the above matter. After considering the circumstances presented in your letter, I have granted the requested extension. Accordingly, your response is due by close of business on April 8, 1988.

If you have any questions, please contact Susan Beard, the attorney assigned to this matter at (202) 376-8200.

Sincerely,



Lawrence M. Noble  
General Counsel

930840960893

CCC # 8952

**HAND DELIVERED**  
RECEIVED  
FEDERAL ELECTION COMMISSION  
MAIL ROOM

**RIVKIN, RADLER, DUNNE & BAYH**  
EAB PLAZA  
UNIONDALE, NEW YORK 11556-0111  
(516) 357-3000  
TELEX: 648-074 • TELECOPIER: (516) 357-3333 • CABLE: AT LAW

88 APR -1 AM 10:33

275 MADISON AVENUE  
NEW YORK, N.Y. 10016  
(212) 696-9050

1575 EYE STREET, N.W.  
WASHINGTON, D.C. 20005  
(202) 289-8660

30 NORTH LA SALLE STREET  
CHICAGO, ILLINOIS 60602  
(312) 782-5680

2049 CENTURY PARK EAST  
LOS ANGELES, CA 90067  
(213) 201-0510

**ROBERT L. FOLKS**  
PARTNER  
DIRECT DIAL  
(516) 357-3117

March, 31, 1988

VIA FEDERAL EXPRESS

Ms. Susan Beard, Esq.  
Federal Election Commission  
Office of General Counsel  
999 "E" Street, N.W.  
Washington, D.C. 20463

Re: Sherry Newman and Michael Newman  
MUR 2576

Dear Ms. Beard:

As per our conversation, enclosed please find the response of Sherry Newman to the Interrogatories and Requests for Documents. This is submitted on behalf of herself and her son Michael.

I have also enclosed an affidavit of Sherry Newman in support of her request for pre-probable cause conciliation. This application is likewise submitted on behalf of herself and Michael.

You will note that Ms. Newman has cooperated extensively with the Attorney General in New York concerning the investigation of Mr. Levitt. I am advised that Ms. Newman has a great deal of information concerning the events which led up to the investigation of the campaign contributors by the commission. I am advised that this information includes a knowledge of some activities of individuals actively involved in the Biden Campaign.

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RIVKIN, RADLER, DUNNE & BAYH

Ms. Susan Beard, Esq.  
March 31, 1988  
Page 2

Ms. Newman wishes me to advise you that she is available at any time to cooperate with the commission and to supply any information that may be helpful to the investigation.

Very truly yours,

RIVKIN, RADLER, DUNNE & BAYH



By: Robert L. Folks

RLF:cmd  
Enclosures

CRANE

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----- X  
In Re:

Federal Election Commission

MUR 2576

----- X

SHERRY NEWMAN  
RESPONSE TO INTERROGATORIES  
AND REQUESTS FOR DOCUMENTS

In response to the interrogatories and requests for document submission by the Federal Election Commission, Sherry Newman hereby submits the following answers on behalf of herself and Michael Newman:

1. a) Yes.  
b) From a Company owned by Mr. Levitt.  
c) Mr. William Levitt.

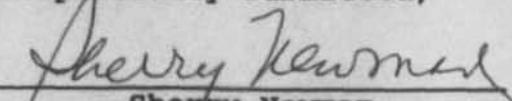
2. In June 1986 William Levitt told me that he wanted two checks from me for \$1,000 each. I told him I didn't have \$2,000 and he advised me that he was going to exchange checks with me. He asked me to give him one check from myself and one from another member of my family. He told me to make one of my checks out to Michael (my son) and then endorse his (Michael's) name in favor of the Biden campaign. No discussion of this was ever had with Michael Newman and he knew nothing about it.

3. Subsequently, sometime in August 1987 I received two checks made out to Michael and myself for \$1,000 each. I kept the checks since Mr. Levitt owed me approximately the same amount in back pay. By letter Mr. Levitt did request that the funds be returned to him, however since he owed me the money, I did not comply with his request.

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4. At this time I am unable to locate any of the documents concerning this contribution.

Respectfully submitted,

  
Sherry Newman

Dated: Uniondale, New York  
March 31, 1988

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3. In February, 1986, I answered an ad to work for Mr. Levitt and begged for a job as a receptionist. I desperately needed the medical coverage even though the \$325.00 per week salary was inadequate for the needs of the household.

4. During this time, while working for Mr. Levitt, I became familiar with the Poinciana Park project being developed by him. I was also aware of his other projects and the state of his financial dealings.

5. In June of 1986, Mr. Levitt told me that he wanted two checks from me for \$1,000 each. I told him that I didn't have \$2,000 and he advised me that he was going to exchange checks with me. He asked me to give him one check from myself and one from another member of my family. He told me to make one of my checks out to Michael (my son) and then endorse his name in favor of the Biden campaign. I did as he asked. I understood his directions were part of what was expected of me and I desperately needed to keep this job.

6. I believe that these checks, made out to the Biden campaign fund, were kept by Mr. Levitt for a period of time and then deposited. I recall being given checks drawn on one of Mr. Levitt's companies for the \$2,000 as exchange checks which he had promised.

7. At about this time I knew that Mr. Levitt was taking money for deposits on unbuilt projects and using the money for cash flow and other business uses. Myself and other employees attempted, often successfully, to return the money when requested by those potential buyers. This was not always done

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with Mr. Levitt's knowledge since he was attempting to keep the money for other purposes.

8. In August of 1986 Mr. Levitt owed me six weeks of back salary and it was then that I decided to leave. Many of the other employees did the same. In September I then went to work for AVATAR located at 91-31 Queens Boulevard, Queens, New York.

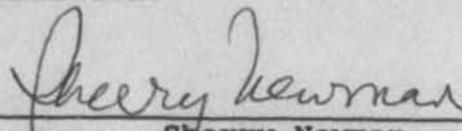
9. Subsequently, I became aware that the New York State Attorney General was conducting an investigation into Mr. Levitt's financial dealings. I contacted the attorney in charge, Elizabeth Bradford, and was requested to give her information concerning the deposits on Poinciana as well as other projects. At all times I fully cooperated in this investigation and gave substantial information concerning the inquiry made by the Attorney General.

10. At all times, it was never my intention to violate any Federal Election Law or any law whatsoever. As it plainly appears from the above, my son Michael knew nothing about what happened with the checks.

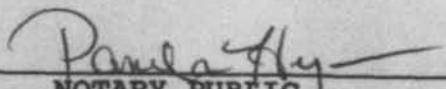
11. I have never been charged with any crimes nor have I ever been the subject of any agency or departmental inquiry or investigation.

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WHEREFORE, your deponent respectfully requests that pre-probable conciliation be granted and that no further action be deemed appropriate by the Commission.

  
\_\_\_\_\_  
Sherry Newman

Sworn to before me this  
31st day of March, 1988.

  
\_\_\_\_\_  
NOTARY PUBLIC

PAMELA HEYMAN  
NOTARY PUBLIC, State of New York  
No. 4004271  
Qualified in Nassau County  
Commission Expires Aug. 31, 1989

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ALL STATE BOND  
AND CONTENT

CCC # 8985

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88 APR -5 AM 9:09

PASCARELLA, CAPETOLA, ILLMENSEE & DODDATO

ATTORNEYS AND COUNSELLORS AT LAW  
BUILDING C  
TWO HILLSIDE AVENUE  
WILLISTON PARK, NEW YORK 11506-2335  
(516) 746-2300 (516) 742-1134

FAX (516) 746-2318

OF COUNSEL

PAUL S. LAWRENCE  
GERARD J. FENTER

March 31, 1988

JAMES A. PASCARELLA  
ANTHONY A. CAPETOLA  
THOMAS A. ILLMENSEE  
FRANK A. DODDATO  
JOSEPH J. CAPETOLA  
JUDITH A. ACKERMAN  
PETER A. MANDLER  
PATRICIA A. HARRINGTON

General Counsel  
Federal Election Commission  
Washington, DC 20463

ATTENTION: Susan Beard, Esq.

REFERENCE: MUR-2576 - Edward G. Donnelly  
Michelle Donnelly

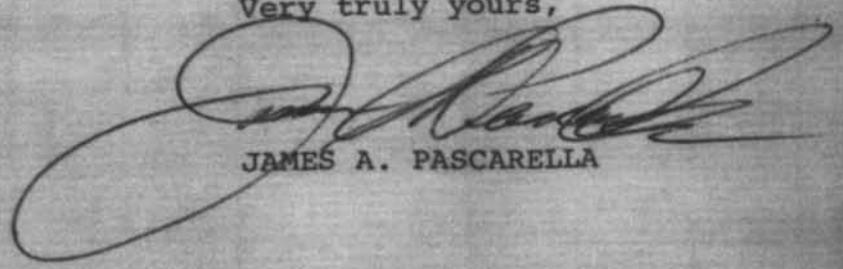
Dear Ms. Beard:

Pursuant to our conversation of this date, enclosed please find two completed "Statement of Designation of Counsel" forms designating me as counsel for Edward Donnelly and Michelle Donnelly, his wife. Please forward any further notifications or correspondence to this office. (Please note after April 18, 1988, my firm will be located at a new address, 377 Oak Street, Garden City, New York 11530.)

This letter shall also serve as notification to General Counsel and the Federal Election Commission that I am requesting pre-probable cause conciliation on behalf of both of my clients. It is my hope that your office will recommend such conciliation be pursued; I believe that this entire matter may be amicably settled pursuing such a course.

Thank you for your courtesies herein.

Very truly yours,



JAMES A. PASCARELLA

JAP :ce  
Enc.

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OFFICE OF GENERAL COUNSEL  
88 APR -5 AM 11:07

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STATEMENT OF DESIGNATION OF COUNSEL

MUR 2576

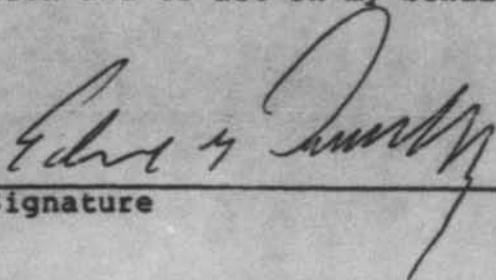
NAME OF COUNSEL: JAMES A. PASCARELLA, ESQ.

ADDRESS: 1501 FRANKLIN AVENUE  
MINEOLA, NEW YORK 11501

TELEPHONE: (516) 742-1134

The above-named individual is hereby designated as my counsel and is authorized to receive any notifications and other communications from the Commission and to act on my behalf before the Commission.

March 30, 1988  
Date

  
Signature

RESPONDENT'S NAME: EDWARD G. DONNELLY

ADDRESS: 9 PRIORY COURT  
MELVILLE, NEW YORK 11747

HOME PHONE:

BUSINESS PHONE: (516) 624-8585

930A0960903

STATEMENT OF DESIGNATION OF COUNSEL

MUR 2576

NAME OF COUNSEL: JAMES A. PASCARELLA, ESQ.

ADDRESS: 1501 FRANKLIN AVENUE  
MINEOLA, NEW YORK 11501

TELEPHONE: (516) 742-1135

The above-named individual is hereby designated as my  
counsel and is authorized to receive any notifications and other  
communications from the Commission and to act on my behalf before  
the Commission.

March 30, 1988

Date

*Michelle M Donnelly*

Signature

RESPONDENT'S NAME: MICHELLE M. DONNELLY

ADDRESS: 9 PRIORY COURT  
MELVILLE, NEW YORK 11747

HOME PHONE: \_\_\_\_\_

BUSINESS PHONE: \_\_\_\_\_

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88 APR -6 AM 9:06

@CC# 8991

Mar 2576

April 3, 1988

To whom it may concern,

In reply to the questions  
sent me

1) a) I was reimbursed for my  
contribution

b) I was reimbursed from the  
Biden Citizens Committee

c) The person who solicited the  
contribution from me was  
William J. Devitt

2) All I know was that I  
received a letter with a check  
thanking for the contribution  
& that it was being reimbursed  
to do the fact that Biden  
was pulling out at that time

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(2)

3) When I received the contribution I sent it back to the Attorney General to go back to the Levitt Foundation from which Mr Levitt took the money which he reimbursed me for writing the 2 checks each for \$1,000. signed by me in my daughters name & mine. I did not know that it was against the law from the beginning & also had my job on the line which I could not afford to lose

4) I do not have any copies of the checks or correspondence that pertain to the reimbursements or refund of the 1986 Contribution to Citizens for Biden Committee  
1990

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(3)

April 3, 1988

I swear under penalty of perjury  
that the above information is  
to the best of my knowledge &  
belief is true & correct  
Adrienne J. Hatters

I swear under penalty of perjury  
that the above information  
is to the best of my knowledge  
& belief is true & correct

Jennifer Lynn

93080960907

(4)

April 3, 1988

My name is Jennifer Flynn.  
At this time I'm 18 years  
old. I want you to know  
that I didn't have any  
involvement with Mr  
Swift or the Biden  
campaign. My Mom  
had worked for Mr Swift  
& he approached her one  
day at work & told  
her that he wanted  
her to sign 2 checks for the  
campaign, one in my name  
& one in hers. She did so  
because her job was at  
stake. If she had known  
it was illegal she would  
never had gotten involved.

Thanks,  
Jennifer Flynn

9308/0960908

Response to Order to Submit Written Answers

Joel Boyarsky, being duly sworn, states as follows:

1. Describe, in detail, your relationship with Citizens for Biden Committee - 1990 and any other authorized campaign committee of Joseph Biden.

I am a member of the Finance Committee of Citizens for Biden - 1990. Although I have no specifically defined duties or responsibilities as such, in general, I assist in the Committee's fundraising. Primarily, I identify other individuals whom I believe could be capable fundraisers for the campaign. In addition, on occasion I will also personally raise funds for the Committee.

At present, I have no other relationship with any campaign committee authorized by Joe Biden.

2. Describe, in detail, your knowledge of or concerning a fundraiser for Joseph Biden hosted by William Levitt, on or about June 2, 1986. Include a description of the content, the date, and the participants of each and every communication you had with any individual or entity concerning the fundraiser. Also include a description of any role you served in connection with the fundraiser.

As a general matter, my duties for Citizens for Biden-1990 include identifying individuals whom I considered capable fundraisers. Typically, when an individual agrees to host a fundraiser for the Committee, he or she commits himself/herself to raising \$25,000. Only after that sum is actually raised is an event scheduled. However, individual fundraisers are left to their own approaches in raising money. Moreover, I am not involved in the day-to-day details of the fundraisers, nor in arranging the events themselves.

My recollection is that the Levitt fundraiser followed the usual procedures. Thus, I had identified William Levitt as a possible fundraiser for the Committee. However, I had no role with regard to this fundraiser. I did not raise any of the money, nor did I meet any of the contributors. From time to time I do recall receiving progress reports from Mr. Levitt directly in telephone conversations, as I did from other fundraisers. He would inform me that he was raising money and close to his goal of \$25,000. Once he had reached this amount, I informed the Committee, and they scheduled an event on June 2, 1986 at which the Senator appeared, and I was also in attendance. I had no other role in connection with this fundraiser. I did not make or receive, to the best of my recollection, any other communications with respect to the Levitt fundraiser.

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3. State whether you knew that some of the contributors who made contributions to Citizens for Biden Committee - 1990 at the Levitt fundraiser may have been reimbursed for their contribution. If so, state the date, you became aware of this situation, and describe in detail the source(s) of this information.

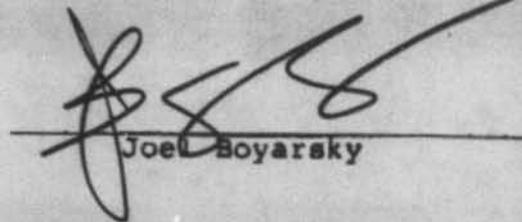
At the time of the Levitt fundraiser, I was not aware that any of the contributors may have been reimbursed. At a subsequent date, which I do not recall with specificity, though I believe it was many months later, I began to hear rumors regarding some of the Levitt contributors. Although I do not recall the source of the rumors, this is how I became aware of the situation.

4. State whether you informed Citizens for Biden Committee - 1990 or any other committee or person connected to Joseph Biden that some contributors may have been reimbursed for their contributions. If so, state the date, participants to the communication and the content of the communication.

In June 1987, I was in Washington, D.C. and had the opportunity to meet privately with Edward Kaufman, Dennis Toner and William Oldaker. We had a conversation about the recurring rumors I had heard concerning the contributions raised by Levitt for Citizens for Biden - 1990. At that time, it was decided not to determine whether the rumors had any merit, but simply to refund all contributions raised by Levitt. I was not involved with the refunds, which, as far as I know, were undertaken directly by the Committee.

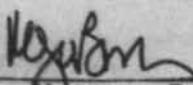
I do not have in my possession any documents concerning the above questions.

I declare that the foregoing is true and correct to the best of my knowledge and belief.

  
 \_\_\_\_\_  
 Joel Boyarsky

Subscribed and sworn to before me  
 this 5<sup>th</sup> day of March, 1988.

My Commission expires: \_\_\_\_\_.

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

MARVIN BLOOM  
 NOTARY PUBLIC, State of New York  
 No. 30-0325442  
 Qualified in Nassau County  
 Commission Expires Feb. 28, 1990

93080960910

FEDERAL ELECTION COMMISSION  
OFFICE SERVICES BRANCH

GCCA#9019

MANATT, PHELPS, ROTHENBERG & EVANS

88 APR 8 PM 2:57

A PARTNERSHIP INCLUDING PROFESSIONAL CORPORATIONS

ATTORNEYS AT LAW

1200 NEW HAMPSHIRE AVENUE, N.W.  
SUITE 200  
WASHINGTON, D.C. 20036  
TELEPHONE (202) 463-4300

LOS ANGELES  
1138 WEST OLYMPIC BOULEVARD  
LOS ANGELES, CALIFORNIA 90064  
(213) 382-4000

April 8, 1988

RECEIVED  
FEDERAL ELECTION COMMISSION  
OFFICE OF GENERAL COUNSEL  
88 APR 12 PM 12:54

Lawrence M. Noble, General Counsel  
Office of General Counsel  
Federal Election Commission  
999 E Street, N.W.  
Washington, D.C. 20463

Re: MUR 2576

Dear Mr. Noble:

Enclosed is the sworn response of our client, Joel Boyarsky, a witness in Matter Under Review 2576, to the Commission's Order to Answer Questions and Produce Documents.

Should you have any questions or desire additional information, please do not hesitate to contact me.

Sincerely,  
*Bill*

William C. Oldaker  
Manatt, Phelps, Rothenberg &  
Evans

enclosure

11609608036

GCC # 9088

LAW OFFICES OF  
**SHAW, LICITRA, EISENBERG, ESERNIO & SCHWARTZ, P.C.**  
1010 FRANKLIN AVENUE, GARDEN CITY, NEW YORK 11530

J. STANLEY SHAW  
JOSEPH LICITRA (1930-1987)  
DOROTHY EISENBERG  
GEORGE P. ESERNIO  
JEFFREY L. SCHWARTZ  
VICTOR G. BEAUDET  
KAREN CARTER CASO  
DONNALYNN DARLING  
HERBERT J. TAMRES  
WILLIAM V. ALES†\*

(516) 742-0610 • (718) 895-3525

CABLE LAWBANC  
TELEX NO. 143227

TELECOPY (516) 742-2670

RICHMOND HILL OFFICE  
103-42 LEFFERTS BOULEVARD  
RICHMOND HILL, NEW YORK 11419

MICHAEL S. ARANOFF  
KATHLEEN J. CAHILL\*  
FERN T. GOLD  
ANDREW D. GREENE  
SHARON E. GRUER  
JULIAN KAPLAN  
SARAH M. KEENAN  
JOSEPH SPERRAZZA  
JEFFREY M. ZALKIN†

OF COUNSEL:  
HERBERT NEW\*  
RICHARD EISENBERG  
MICHAEL M. PLATZMAN

COUNSEL TO THE FIRM  
ALFRED WEINTRAUB

\*ALSO ADMITTED IN NEW JERSEY  
†ALSO ADMITTED IN CALIFORNIA  
\*ALSO ADMITTED IN WASHINGTON, D.C.

April 15, 1988  
FEDERAL EXPRESS

Mr. Thomas J. Josefiak  
Chairman  
Federal Election Commission  
999 E Street, NW  
Washington, D. C. 20463

Re: William J. Levitt  
Simone Levitt  
Rowenroy, Ltd.  
Ralph Della Ratta  
Joan Della Ratta  
Harold Kellman  
Marilyn Kellman  
Edward Cortese  
Frieda Cortese  
Lou Stern  
Lisette Stern  
Stanley Ogonowski  
Fanny Ogonowski  
Nicole Levitt  
Gaby Levitt  
(MUR 2576)

Dear Mr. Josefiak:

I refer to my letter of March 23, 1988 and the exhibits annexed thereto.

I have now obtained, and am enclosing, affidavits from the remainder of our clients, which affidavits include answers to

9300960912

Mr. Thomas J. Josefiak  
Chairman  
Federal Election Commission  
Page 2  
April 15, 1988

the Federal Election Commission's Interrogatories and Document Requests:

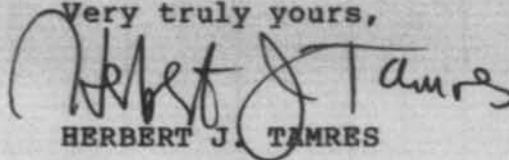
- (1) William J. Levitt
- (2) Simone Levitt
- (3) Rowenroy, Ltd.
- (4) Lou Stern
- (5) Stanley Ogonowski
- (6) Nicole Levitt
- (7) Gaby Levitt

Please accept these affidavits and enclosures, as well as my letter of March 23 and the enclosures thereto, as the remaining portion of the joint reply of our fifteen (15) clients in this matter.

In view of the foregoing, and on behalf of each of our clients, I once again renew my wish to meet with you for the purpose of entering into pre-probable cause conciliation, pursuant to 11 C.F.R. §111.18(d), for the purpose of working toward a disposition of the entire matter at this stage.

Thank you once again for your kind courtesy and cooperation.

Very truly yours,

  
HERBERT J. TAMRES

HJT/etw  
Encls.

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5. I could not help but feel that to host the fundraiser would be beneficial to me in obtaining the financing.

6. I, therefore, agreed to host the fundraiser, which was scheduled for June 2, 1986. Initially, I sent wires and made telephone calls to many of my friends. However, I found that I could not get enough people willing to attend to make the fundraiser worthwhile. As a consequence, I decided to invite employees (both present and former), family members and spouses of family members.

7. While substantially all of the employees, former employees and family members indicated a willingness to attend, many of them were unable or unwilling to come up with the \$1,000 contribution (or \$2,000 in the case of husband and wife).

8. To accomodate the invitees and yet make the fundraiser a success, I handled the contribution problem in several different ways:

- (a) Ralph and Joan Della Ratta
- Edward and Frieda Cortese
- Harold and Marilyn Kellman
- Edward and Michelle Donnelly
- Jennifer Flynn
- Stephen and Ava Lampel
- Sherry Newman
- Adrienne Walters

All were former employees of mine and each was owed money by me for past services rendered. None was willing to contribute to the fundraiser because of my indebtedness to them.

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Therefore, I approached each of them and told them, if they would attend the fundraiser and contribute \$1,000 on their own behalf (and another \$1,000 on behalf of those who were married), that I would reduce my indebtedness to each of them by the amount of their respective contributions. On this basis, each of them agreed to make the desired contribution.

(b) Stanley and Fanny Ogonowski

While I did not owe any money to Stanley Ogonowski, he had been a faithful employee, who had stood by and continued to work for me during good times and bad, even when I could not pay him for months. I had, sometime before, determined to reward him with a bonus in return for his loyalty and steadfastness and, therefore, approached him to ask if he would contribute a total of \$2,000 on behalf of Mrs. Ogonoswki and himself if I gave him a \$2,000 bonus. Mr. Ogonowski agreed to make the contributions.

(c) Simone Levitt

Nicole Levitt

Gaby Levitt

With respect to my wife, Simone and my daughters, Nicole and Gaby, I had frequently given monetary gifts to them throughout the years, whenever possible, because they are family. With the prospect of giving additional gifts to them, I asked them to make the \$1,000 contribution to the Biden Campaign.

(d) Lou Stern and Lisette Stern

In addition to being my brother-in-law and sister-in-law, to whom I had also given gifts through the years because they are family, Lou Stern had been an insurance broker

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for many years. I saw Mr. Stern as being a very valuable aid for my future insurance needs, once I received the promised financing from Mr. Boyarsky, which would enable me to return to the development of real estate. Thus, predicated upon the foregoing, I approached Mr. Stern to contribute \$2,000 to the Campaign on behalf of his wife and himself. I should emphasize here that, of the \$2,000 contributed by the Sterns, \$500 was their own money.

9. I am extremely pleased to state that the fundraiser was a success. I was, therefore, surprised when, over fifteen (15) months later, on September 23, 1987, the Attorney General of the State of New York informed me and most, if not all, of the contributors that the advances given by me to the individuals mentioned above belonged to the Levitt Foundation and not to me personally and that the Biden Campaign had returned the individual contributions. Therefore, the Attorney General asked that each of the contributors return the refunded contributions to that office for and on behalf of the Levitt Foundation. For your information, those contributions had been refunded by the Biden Campaign on or about August 25, 1987.

10. Although my accountants reviewed the relevant records and found that, in point of fact, no unauthorized withdrawals had been made from the Foundation, I, nonetheless, for the purpose of avoiding unnecessary litigation and without admitting any of the facts alleged by the Attorney General, asked all of the contributors, by letter and by telephone, to return the refunds from the Campaign, so that they could, as an accomodation, be forwarded to the Attorney General.

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11. I must emphasize that the checks which I used to repay the individuals named above came from the account of Rowenroy, Ltd., one of the corporations which I controlled, because my own individual accounts were under legal restraint at that time.

12. About one month after the Attorney General demanded the repayment mentioned above, and in furtherance of my view to avoid unnecessary litigation, my attorney, at my request, returned refund checks to the Attorney General from Stanley and Fanny Ogonowski, as well as from my wife, my two (2) daughters and myself. A copy of that transmittal letter, dated October 26, 1987, is attached to this affidavit as Exhibit A. I understand that refund checks were also sent directly to the Attorney General by Edward and Frieda Cortese and by Harold and Marilyn Kellman.

13. From the Factual and Legal Analysis enclosed with the FEC's letter to me of February 10, 1988, I note that, as of November 17, 1987, only 11 of 19 individuals complied with the Attorney General's demand for the abovementioned reimbursement checks. I further note that two of the individuals who did not transmit their refund checks to the Attorney General were Edward and Michelle Donnelly. The FEC has also pointed out in that Analysis that Mr. Donnelly's own counsel stated to the Attorney General that the money received by Mr. Donnelly from me, through Rowenroy, Ltd., was "money owed to him for professional services already rendered and not as a reimbursement." I can only conclude that the FEC agreed with Mr. Donnelly's counsel, since Mr.

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Donnelly did not receive a letter from the FEC similar to the one that I received.

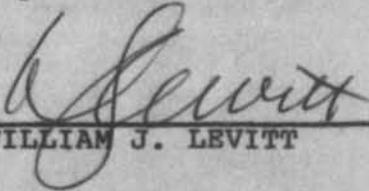
14. In addition, others, such as Stephen Lampel, Jennifer Flynn, Adrienne Walters and Sherry Newman, also apparently did not return their refund checks to the Attorney General. Clearly, they, like Edward and Michelle Donnelly, regarded the money they received as money owed to them for past services rendered to me and, therefore, saw no reason to return that money.

15. In response to your Request for Documents, please be informed that I do not now have in my possession, nor have I been able to locate, any documents concerning my relationship with or communications with the Citizens for Biden Committee - 1990 or any other entity connected with Joseph Biden or with Joel Boyarsky. The reason for this is that all of the revelant files and documents pertaining to this matter are in the hands of the Attorney General and I cannot locate any copies of those files in my possession. Any information pertaining to Rowenroy, Ltd. or cancelled checks from the Rowenroy account are equally unavailable because all information pertaining to Rowenroy, Ltd. is also in the possession of the Attorney General.

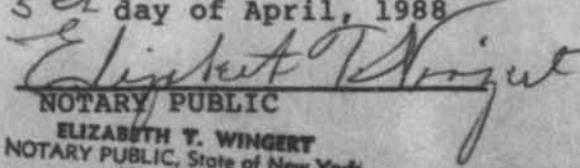
16. With respect to this entire matter, there was absolutely no intent on my part, or, to my knowledge, on the part of any of the other contributors, to violate any of the election laws, either intentionally or unintentionally, including but limited to, 2 U.S.C. §§ 441 (b) and/or 441 (f).

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17. In view of the foregoing, I believe it would be in the best interests of all concerned for my attorneys to meet with authorized representatives of the FEC for the purpose of entering into pre-probable cause conciliation, pursuant to 11 C.F.R. §111.18 (d).

  
WILLIAM J. LEVITT

Sworn to before me this  
5<sup>th</sup> day of April, 1988

  
NOTARY PUBLIC

ELIZABETH T. WINGERT  
NOTARY PUBLIC, State of New York  
No. 4761533  
Qualified in Nassau County  
Term Expires March 30, 1990

93080960920

AFFIDAVIT

STATE OF NEW YORK     )  
                                  s.s.:  
COUNTY OF NASSAU     )

SIMONE LEVITT, being duly sworn, deposes and says:

1. I reside with my husband, William J. Levitt, at 50 Tiffany Circle, North Hills, New York 11030. I have received and reviewed the letter addressed to me from the Federal Election Commission ("FEC"), dated February 10, 1988, and make this affidavit in reply to the Factual and Legal Analysis contained in that letter.

2. Mr. Levitt and I have been married for over eighteen (18) years. During that period, Mr. Levitt gave me monetary gifts on many occasions to express his love and affection because we are husband and wife.

3. In the present instance, Mr. Levitt asked me to make a \$1,000 contribution to the Citizens for Biden Committee - 1990, on or around June 2, 1986. At the time, he also made clear his intention to give me a monetary gift because of our relationship as husband and wife.

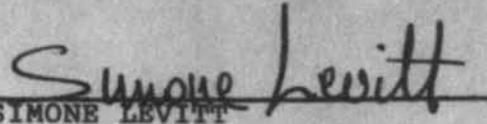
4. In response to your Interrogatories and Requests for Documents, I was not reimbursed for my contribution to the Citizens for Biden Committee - 1990. I have set forth above the circumstances under which I made the contribution. I cannot, at this time, recall any communication or contact with the Citizens for Biden Committee - 1990, nor, to the best of my present recollection, do I have any correspondence or other documents from

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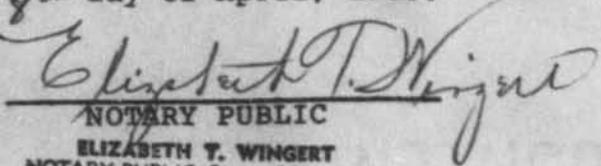
that Committee. I know that my cancelled check, showing my \$1,000 contribution, must have been in existence, but, at the present time, I am unable to locate it. The reason for this is that all documents pertaining to this matter are in the hands of the Attorney General and I have been unable to locate copies of any of those documents in my possession.

5. I can state categorically that I never had any intent to violate any of the election laws, either intentionally or unitentionally, including, but not limited to 2 U.S.C. §441(f).

6. I join with my husband, William J. Levitt, and the other contributors in requesting pre-preprobable cause conciliation, under 11 C.F.R. §111.18(d), as a means of resolving this matter.

  
SIMONE LEVITT

Sworn to before me this  
8<sup>th</sup> day of April, 1988.



NOTARY PUBLIC  
ELIZABETH T. WINGERT  
NOTARY PUBLIC, State of New York  
No. 4761533  
Qualified in Westchester County  
Term Expires March 30, 1990

93009960922

AFFIDAVIT

STATE OF NEW YORK     )  
                                  s.s.:  
COUNTY OF NASSAU     )

WILLIAM J. LEVITT, being duly sworn, deposes and says:

1. I am President and sole shareholder of all of the issued and outstanding stock of Rowenroy, Ltd. I reside at 50 Tiffany Circle, North Hills, NY 11030 and make this affidavit in reply to the Interrogatories and Request for Documents, which are annexed to a letter, dated February 10, 1988, from the Federal Election Commission ("FEC"). The numbered paragraphs in this affidavit correspond to the numbered paragraphs of the Interrogatories and Request for Documents.

2. All of the books and records of Rowenroy, Ltd., including cancelled checks, are currently in the possession of the Attorney General of the State of New York. Consequently, I am unable to provide any of the documents requested by the FEC, including the articles of incorporation and amendments thereto.

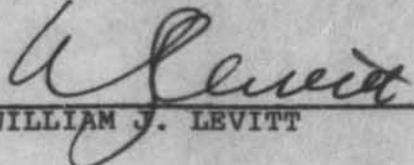
3. To the best of my knowledge and recollection, I have authority to, and do in actuality, make decisions regarding Rowenroy's finances and other significant business matters.

4. (a) and (b) I cannot provide you with true copies of the checks identified in 4(a) or describe the purpose of those checks since, as set forth above in answer to No. 2, the Attorney General of the State of New York is presently in possession of the Rowenroy books and records, including cancelled checks.

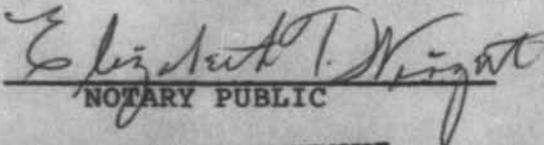
4. (c) To the best of my knowledge and recollection, I authorized payment of all substantial checks drawn by Rowenroy, Ltd.

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5. To the best of my knowledge and recollection, I am the sole officer and director of Rowenroy, Ltd. As President, I am in charge of the day-to-day operations of the corporation.

  
WILLIAM J. LEVITT

Sworn to before me this  
11<sup>th</sup> day of April, 1988.

  
NOTARY PUBLIC

ELIZABETH T. WINGERT  
NOTARY PUBLIC, State of New York  
No. 4761533  
Qualified in Nassau County  
Term Expires March 30, 1990

93080960924

AFFIDAVIT

STATE OF NEW YORK     )  
                                  s.s.:  
COUNTY OF NASSAU     )

LOU STERN, being duly sworn, deposes and says:

1. I reside with my wife, Lisette Stern, at 320 Central Park West, New York, NY 10021. I have reviewed the letters addressed to my wife and myself, dated February 10, 1988, from the Federal Election Commission ("FEC"). This affidavit is in response to the Interrogatories and Request for Documents attached to those letters.

2. I have been an insurance broker for many years. I knew Mr. Levitt had major financial problems, which he was attempting to work out, so that he could continue to develop real estate, as he had done so successfully in the past. He had, on several occasions, mentioned using me as a broker for his insurance requirements when he returned to real estate full time.

3. In addition, Mrs. Stern and I are close members of the same family. Through the years, Mr. Levitt would occasionally give cash gifts to us, as he did with many other family members.

4. Sometime in early June of 1986, Mr. Levitt approached me to make a \$1,000 contribution for myself (and to have Mrs. Stern make a similar one) to the Citizens for Biden - 1990 Campaign. At the time, he reiterated his intentions to utilize my services as an insurance broker and also to give Mrs. Stern and I a cash gift in the approximate amount of our contributions.

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5. Based upon the foregoing, Mrs. Stern and I each gave a \$1,000 contribution to the Biden Campaign Committee. I also recall receiving \$1,500 from Mr. Levitt around the time we made these contributions, but I don't recall the date of my receipt of that money.

6. My answers to the FEC's Interrogatories and Request for Documents are:

(a) We were not reimbursed for our contributions to the Biden Campaign Committee.

(b) The circumstances under which our contributions were made are set forth above.

(c) Any contact with the Citizens for Biden Committee - 1990 which I may have had is reflected in the correspondence received from the Committee, copies of which are attached.

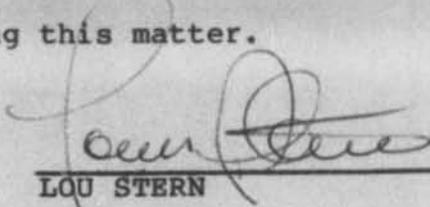
(d) I received photostatic copies of news clippings from various newspapers countrywide from Mr. Joel Boyarsky on behalf of Joseph Biden. Copies of several of these clippings are attached. Also attached are copies of the \$1,000 contributions given to the Biden Campaign by Mrs. Stern and myself.

7. On behalf of Mrs. Stern, I can state unequivocally that we never had any intention of violating any of the election laws, either intentionally or unintentionally.

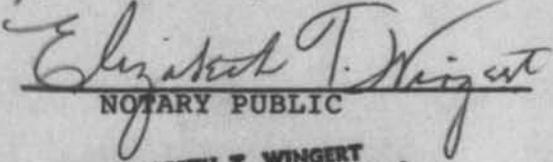
8. We agree with Mr. Levitt that pre-probable cause conciliation, pursuant to 11 C.F.R. §111.18(d), would be the most

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appropriate means of resolving this matter.

  
\_\_\_\_\_  
LOU STERN

Sworn to before me this  
15<sup>th</sup> day of April, 1988

  
\_\_\_\_\_  
NOTARY PUBLIC

**ELIZABETH T. WINGERT**  
NOTARY PUBLIC, State of New York  
No. 4761533  
Qualified in Nassau County  
Term Expires March 30, 1990

93040960927

AFFIDAVIT

STATE OF NEW YORK     )  
                                  s.s.:  
COUNTY OF NEW YORK    )

NICOLE LEVITT, being duly sworn, deposes and says:

1. I reside at 225 East 36th Street, New York, New York 10016. I have received and reviewed the letter addressed to me from the Federal Election Commission ("FEC"), dated February 10, 1988, and make this affidavit in reply to that letter.

2. I am thirty-five (35) years of age and William J. Levitt is my father. At various times in my life, my father has conferred monetary gifts upon me as a show of his love and affection for me as one of his children.

3. In the present instance, my father asked me to make a \$1,000 contribution to the Citizens for Biden Committee - 1990, on or around June 2, 1986. At the time, he also made clear his desire to give me a monetary gift because we are father and daughter.

4. My answers to your Interrogatories and Requests for Documents are as follows. I was not reimbursed for my contribution to the Citizens for Biden Committee - 1990. The circumstances under which I made the contribution are set forth in Paragraph 3. I cannot, at this time, recall any communication or contact with the Citizens for Biden Committee - 1990. I do not have any correspondence or other documents from that Committee. I cannot locate my cancelled check.

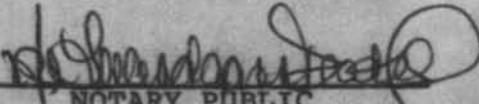
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5. I can state unequivocally that I never had any intent to violate any of the election laws, either intentionally or unintentionally, including, but not limited to 2 U.S.C. §441(f).

6. I agree with my father, William J. Levitt, and the other contributors in requesting pre-probable cause conciliation, under 11 C.F.R. §111.18(d), as a means of resolving this matter.

  
\_\_\_\_\_  
NICOLE LEVITT

Sworn to before me this 11<sup>th</sup>  
day of April, 1988.

  
\_\_\_\_\_  
NOTARY PUBLIC

LUCINDA ANN PEAKES  
Notary Public, State of New York  
No. 94-4919142  
Qualified in New York County  
Cert. Filed in Kings County  
Commission Expires 8/1/92



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AFFIDAVIT

STATE OF NEW YORK     )  
                                  s.s.:  
COUNTY OF NEW YORK    )

GABY LEVITT, being duly sworn, deposes and says:

1. I reside at 280 First Avenue, New York, New York 10009. I have received and reviewed the letter addressed to me from the Federal Election Commission ("FEC"), dated February 10, 1988, and make this affidavit in reply to that letter.

2. I am thirty (30) years of age and William J. Levitt is my father. During my lifetime, my father has given me monetary gifts on many occasions to express his love and affection for me, his daughter.

3. In the present instance, my father requested that I make a \$1,000 contribution to the Citizens for Biden Committee - 1990, on or around June 2, 1986. On that date, he also made clear his desire to give me a monetary gift because of our relationship.

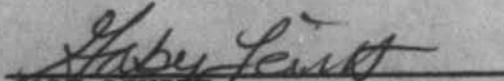
4. In response to your Interrogatories and Requests for Documents, I was not reimbursed for my contribution to the Citizens for Biden Committee - 1990. I have set forth above the circumstances under which I made the contribution. I cannot, at this time, recall any communication or contact with the Citizens for Biden Committee - 1990, nor, to the best of my present

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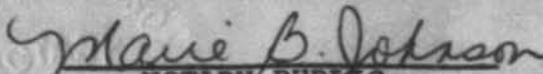
recollection, do I have any correspondence or other documents from that Committee. I am unable to locate my cancelled check, showing my \$1,000 contribution.

5. I can state categorically that I never had any intent to violate any of the election laws, either intentionally or unintentionally, including, but not limited to 2 U.S.C. §441(f).

6. I join with my father, William J. Levitt, in requesting pre-probable cause conciliation, under 11 C.F.R. §111.18(d), as a means of resolving this matter.

  
GABY LEVITT

Sworn to before me this  
7<sup>th</sup> day of April, 1988.

  
NOTARY PUBLIC

MARIE B. JOHNSON  
Notary Public, State of New York  
No. 43-4871743  
Qualified in Richmond County  
Cert. Filed in N. Y. County  
Commission Expires Sept. 22, 1988

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CUSTOMER'S RECORD COPY OF MONEY ORDER OBTAINED FROM

**First Federal**

Member FDIC  
NEW YORK CITY HEADQUARTERS  
217 BROADWAY - NEW YORK, N.Y. 10007

0248-068-08

0038090

Not Valid Over \$1,000.00

Date JUN 02 1986 91-222  
FD

Pay to the  
Order of

*Citizens for Biden*

FEDERAL RESERVE SYSTEM **FIF I,000,000 CTS**

*Paul Stein*

*320 Central Park West - N.Y.*

*First Federal*

**NOT NEGOTIABLE**

The drawer institution authorizes the sender obtaining the money order instrument corresponding in number and amount to that shown on this copy to enter the name of the payee and the sender agrees to reimburse the drawer institution for all losses and costs arising from sender's failure to do so.  
**READ ABOVE AND SAVE THIS COPY AS YOUR RECORD.**

CUSTOMER'S RECORD COPY OF MONEY ORDER OBTAINED FROM

**First Federal**

Member FDIC  
NEW YORK CITY HEADQUARTERS  
217 BROADWAY - NEW YORK, N.Y. 10007

0248-068-08

0038091

Not Valid Over \$1,000.00

Date JUN 02 1986 91-222  
FD

Pay to the  
Order of

*Citizens for Biden*

FEDERAL RESERVE SYSTEM **FIF I,000,000 CTS**

*Paul Stein*

*320 Central Park West - N.Y.*

*First Federal*

**NOT NEGOTIABLE**

The drawer institution authorizes the sender obtaining the money order instrument corresponding in number and amount to that shown on this copy to enter the name of the payee and the sender agrees to reimburse the drawer institution for all losses and costs arising from sender's failure to do so.  
**READ ABOVE AND SAVE THIS COPY AS YOUR RECORD.**

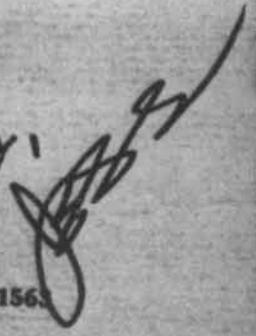
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Committee was  
formed Feb. 26  
For your information.....  
Joe is running for  
President - we really  
need your help  
\$1000 Biden for President  
call -  
Best!

JOE BOYARSKY

211 Broadway, P.O. Box 720; Lynbrook, NY 11563  
(212) 319-1489 (516) 887-4433



# Congressional Quarterly

Weekly  
Report

**Biden:  
Love Him,  
Loathe Him**

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# Joe Biden's Record Depends on Who Plays It

Joe Biden is not a man of shadings.

He is either invisible or the star of the show. People either like him intensely or not at all, impressed by his quick intellect and drawn in by his self-effacing charm, or put off by a brashness bordering on arrogance and a reluctance to do the nuts-and-bolts work required for good legislating.

Yet the paradox of Biden is that the very things that excite his critics in Washington endear him to the people he meets out on the hustings. Where congressional aficionados can find his oratory tiresome and overdone, his audiences outside of Washington find him dynamic and entertaining.

"He's either Prince Charming or Flip Frank," says one senior aide.

If critics charge that he shuns the legislative drudgery, his supporters beyond the Beltway see only the results Biden can claim when he has stepped into an already moving situation and brought it successfully to a close.

Last year's omnibus drug bill is a perfect example. While other members did more of the initial spadework, Biden emerged as the principal architect of the final compromise. Without him, insiders say, there would not have been a bill.

Biden himself puts it this way: "I find that there is sometimes an enormous void between what Washington people think and what the rest of the country thinks, not only about specific issues but about me. And the people in Washington are only three electoral votes."

That blunt assessment is all the more interesting as the 44-year-old Delaware Democrat ponders his future.

## A Choice to Make

Biden wants to be president. But he also wants to keep his position as chairman of the Senate Judiciary Committee, and he has all but abandoned a plan he flirted with last November of giving up the post to run for the White House.

After presiding over his first

—By Nadine Cohodas

## 'Prince Charming' Or 'Flip Frank'

meeting Jan. 14, a grinning Biden told aides, "When I picked up that gavel, I liked it. No foolin', I like the job." Biden also needs the highly visible and powerful assignment to propel his candidacy.

The dilemma is whether he has time to do both well — whether he can run for the White House with one foot in the Senate.

Last month he ordered his staff to prepare time charts for him, plotting how many hearings he must hold, how many committee markups will be required, how much time he needs for the press and political meetings and how much time he needs to spend in New Hampshire, Iowa and the South — three areas crucial for a successful presidential run.

Biden is still studying the charts and has not made a formal announcement that he's running for president. But he is acting very much like a candidate and the betting is he will make it official within a few weeks' time.

Biden has reason to feel confident now. He has just come off one of the most productive years of his Senate career, he's in demand as a speaker and he has friends, pollsters and fellow Democrats prodding him to seek the White House.

Furthermore, his personal life — for years in a rocky recovery from the death of his first wife and infant daughter in 1972 — is stable and happy. "I really believe I'm the luckiest person I know," he says. "Jill [his second wife] put my life back together."

## Gavel in Hand

Biden got the Judiciary Committee off to a slow start this year — at least when compared with other committees like Labor and Human Resources. But he began making up for it Feb. 4 when he launched an intensive round of Justice Department oversight hearings on issues ranging from drug law enforcement to immigration.

Although he's been a senator for 14 years, this is Biden's first chance to run a committee, set an agenda and move it.

He starts with an important advantage — a good working relationship with almost everyone on the committee. One especially important ally is Strom Thurmond, R-S.C., the ranking Republican, who at 84 is nearly twice Biden's age.

Thurmond chaired the committee from 1981-87, while the Senate was in Republican hands. During that time he developed a warm relationship with Biden. Despite their role reversals, Biden still calls him "boss," and he held up the first meeting of the committee Jan. 14 so he could reach Thurmond by phone on a parade reviewing stand in Columbia, S.C., to get his approval for a subcommittee reorganization.

Orrin G. Hatch, R-Utah, actually thinks Biden will have less trouble with the panel's six Republicans than he will with his seven Democratic colleagues. "Metzenbaum alone can keep two chairmen busy," says Hatch, referring to Ohio Democrat Howard M. Metzenbaum, one of the Senate's most independent members.

But Metzenbaum says he is not out to give Biden problems. "There are times that he and I will be in disagreement, but we will make allowances," he says. "We get along very well. We're friends."

Metzenbaum will apply pressure from the left, while Howell Heflin, Ala., and Dennis DeConcini, Ariz., the panel's conservative Democrats, apply it from the right. In the past, they voted with Republicans on some key issues.

Biden says he expects both to "be there" when he needs them. "I have not, with any of my colleagues, ever carried a brief, a crusade that was designed to make a point without being able to potentially win. I don't ask them ... to walk the plank for no reason."

Heflin predicts Biden will be "a very good chairman," but he adds that "I don't think anybody is going to be a rubber stamp for him."

Says DeConcini: "He is able to work with people." Even when they

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People either like Joe Biden intensely or not at all, impressed by his quick intellect and drawn in by his self-effacing charm, or put off by a brashness bordering on arrogance.



have been on opposite sides, DeConcini adds, "he doesn't have a mean spirit about him. He isn't trying to ram you in the ground and step on you. I think that carries him a long way with senators."

#### A Tragic Beginning

Biden's Washington career almost stopped before it got started. A month after he was elected in 1972, his wife and infant daughter were killed in a car accident and his two sons were badly injured.

He considered resigning and entered the Senate only with great reluctance. He describes his first term as "treading water." His prime concern was his family, and he made a decision then — still in effect today — to keep his family in Wilmington and commute every day by train to Washington.

"The first two years I didn't know where the hell I was and what I was doing," he says now. "The second two years I was trying to make up for the stupid things I had done, and the third two years I was trying to get re-elected."

During that time, he adds, "I paid more attention to getting my family and me together than I did my job."

Despite those rough early years, Biden says he has no skeletons in his

closet that could come back to haunt him during the scrutiny of a presidential race.

"There may be a few women along the way who say they went out with Joe Biden — I'm not kidding, there are women I went out with. But," he says, "there is nothing at all in that period that I did that I am ashamed of or that would relate to principle or character."

Biden also admits that "I came here with a chip on my shoulder" that was particularly evident in his dealings with the press.

By his own account he was generally inaccessible, and when he was available, he was often rude or flip-pant. As a result, Washington reporters were wary and quick to be critical.

A reservoir of animosity and skepticism remains, but in the last five years, Biden has worked consciously to improve relations with reporters, and he now professes to be comfortable with the writers who are constantly trailing him in these pre-presidential campaign days.

Looking back, Biden is not angry about coverage of what he describes as "this black Irish mood I was in." And he admits, "I had done myself some damage in terms of relationships, in terms of what my image was."

Martin Nolan, now the editorial page editor for *The Boston Globe* and a reporter who had some run-ins with the young Biden, says the senator "had a lot of growing up to do, and he's still doing it."

#### The Biden Record

Because of the difficulties of his first term, Biden says, "I view the beginning of my Senate career as the day after my second election [in 1978]."

The record seems to bear that out. His first term was unremarkable. His most visible and notable accomplishment was pushing through an anti-busing amendment on an appropriations bill.

While Biden is a strong advocate of civil rights, he broke with activists over court-ordered busing when he concluded that busing did not work.

One longtime Senate Democratic aide summed up the Biden of these early years, dryly observing that Biden was "the only person elected at age 29 who was an underachiever."

It was only in his second term that Biden became more visible on several issues:

- **Drugs and Crime.** Biden played a key role in crafting the omnibus drug bill that enhanced penalties for drug offenses and provided more

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Feb. 7, 1987—PAGE 223

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shared his opposition to bus- ing and affirmative action programs.

Biden played a key role in blocking confirmation of the nominees until a plan could be developed to pre- serve the commission's inde- pendence.

After weeks of tense ne- gotiations, with Biden at one point conducting a trans-At- lantic conversation with then-White House counselor Edwin Meese III, a deal was struck, and it was hailed as a major achievement. Subse- quently, however, the admin- istration and Congress dis- agreed over some key elements in the compromise and it unraveled.

Last year, Congress ex- pressed its displeasure with the situation when it cut the Civil Rights Commission's funding in half.

• **Nominations.** Biden's greatest visibility has come in fighting Reagan nominees. In 1986, for exam- ple, his long, emotional speech oppos- ing Meese's nomination for attorney general was reprinted on the editorial page of *The Washington Post*.

Later that year, Biden was a ma- jor force in defeating the nomination of William Bradford Reynolds, head of the Justice Department's civil rights division, to be associate attor- ney general, the No. 3 position at the Justice Department.

Biden relentlessly questioned Reynolds about his enforcement of the Voting Rights Act. Civil rights lawyers claimed Reynolds failed to enforce the law properly and failed to testify can- didly before the committee about Jus- tice Department activities.

Biden then became very active in examining Reagan's judicial nominees. One of the important factors was an arrangement he negotiated with the Republican majority to give Demo- crats more time to investigate the doz- ens of nominees Reagan was sending to the committee.

The most dramatic fight was against Indiana lawyer Daniel A. Manion, who was nominated in 1986 to a federal appeals court seat.

Biden was the opposition floor leader, and in a daring tactical move June 26, he pressed then-Majority Leader Robert Dole, R-Kan., for a quick vote.

The move caught Republicans by

surprise, and anti-Manion lobbyists joked later that GOP senators "had to go out for clean pants."

Dole rallied his forces and Manion ultimately was confirmed, but only after a bitter Senate floor fight that included charges and counter- charges of misrepresentation. It poi- soned relations between some senators for weeks, and some Democrats ac- cused Republicans of using unsavory procedural tactics to win.

Biden had more success in defeat- ing the nomination of Jefferson B. Ses- sions III, an Alabama U.S. attorney, for a district court judgeship. Critics charged that Sessions had demon- strated an insensitivity to racial issues.

Finally, Biden played a signifi- cant role in the fight against the nomi- nation of Justice William H. Rehn- quist to be chief justice of the United States. Biden did not decide until just before the Judiciary vote that he was going to oppose Rehnquist, but he was one of Rehnquist's most aggressive in- terrogators.

• **SALT II.** In 1979 he emerged as one of the most aggressive supporters of the ill-fated Strategic Arms Limita- tion Treaty (SALT II), earning plau- dits for his mastery of arms details and his ability to go head-to-head with the experts. At the time he was chair- man of the Foreign Relations Subcom- mittee on European Affairs and was particularly sensitive to the allies' fer- vent desire that the treaty be ob- served.

In 1984, Biden and Sen. William S. Cohen, R-Maine, introduced legis- lation to force continued compliance with SALT II. The legislation didn't go anywhere, but it helped focus the issue.

Now, however, Biden has all but dropped out of the arms control de- bate.

• **Classified Information.** In 1980 Biden was a key sponsor of a new "graymail" law to protect classified in- formation during a criminal trial. It is designed to prevent a defendant, who has access to classified material, from threatening to disclose it unless his case is dismissed.

• **Budget.** Biden joined forces in 1984 with Republicans Nancy Landon Kassebaum of Kansas and Charles E. Grassley of Iowa to propose a budget freeze to help reduce the deficit. The so-called "K-G-B" plan was rejected by the Senate, but many considered it the starting point for a deficit-reduc- tion proposal that eventually passed in the 99th Congress.

funds for drug interdiction, eradica- tion and education efforts.

Biden also played a leading role in revising the federal criminal laws.

He became active in 1981, after the Judiciary Committee had repeat- edly approved wide-ranging bills that did not have enough support to pass in the full Senate.

Biden was instrumental in con- vincing colleagues that a more prag- matic approach was required: "We've learned that the only way to get action is to agree on what we agree on and move on it, and fight over what is left," he said during consideration of the bill in 1983.

He hammered out agreements with other Democrats and key Repub- licans to keep controversial items, like the death penalty, off the bill.

Finally in 1984, legislation was enacted that overhauled federal sen- tencing procedures, stiffened penalties for drug offenses and allowed judges to detain defendants before trial.

• **Civil Rights Commission.** Bi- den was the Democrats' principal ne- gotiator in an effort to preserve the U.S. Civil Rights Commission as an independent agency. Created in 1957 to monitor civil rights throughout the country, the agency became embroiled in controversy when President Rea- gan, angered by panel criticism of the administration's civil rights record, sought to fire sitting commissioners and replace them with people who

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# Biden on Civil Rights: Slow Start, Strong Finish

Joe Biden's work on civil rights issues is a microcosm of his Senate career.

His efforts, for example, to protect the U.S. Civil Rights Commission and his probing of the civil rights views of presidential nominees has showcased his ability to forge consensus, his willingness to fight hard for a cause and his formidable way with words.

But Biden's work in this area has also provided fodder for critics who find him too cautious and slow to commit to a cause. The result, they say, is that the Delaware Democrat rarely gets out in front of an issue and therefore does not help define it. Instead, he enters the fray only after others have set the political boundaries.

Once he's involved, however, supporters and critics agree that he is a force to contend with.

"If you were to ask other senators who they would least like to have in opposition, one of the names most frequently mentioned is Biden's," says one former Democratic staffer, adding that Biden's name also comes up when senators are asked whom they want on their side.

When he is interested, says the NAACP's Althea T. L. Simmons, "he's out there like a drum major."

His work on behalf of the Civil Rights Commission is a good example. When President Reagan sought to fire some activist commissioners and replace them with individuals more ideologically in tune with the administration, Biden was instrumental in holding up the nominations and then working out a compromise that reconstituted the commission.

The legislative work went fine, but in the aftermath, the administration interpreted the agreement differently and replaced two of the embattled commissioners anyway.

## Slow off the Mark

To get Biden involved in an issue can take some doing.

It was no secret in 1985 that civil rights lawyers were annoyed with his initially tepid concerns about the proposed elevation of William Bradford Reynolds from head of the civil rights division to associate attorney general.

Biden had to be cajoled, begged and pushed into opposing Reynolds. But once he decided there were problems, he attacked with force, relentlessly interrogating the nominee and demanding that Republicans abide by procedural agreements. Reynolds' nomination was rejected.

Similarly, it took a quietly orchestrated campaign of personal visits and editorial opinion pieces to get Biden revved up on judicial nominations. Civil rights lobbyists were particularly concerned that the Democrats were not giving themselves enough time to investigate nominees.

Biden came around to their point of view and negotiated an agreement with then-Chairman Strom Thurmond, R-S.C., to establish a more acceptable timetable.

Civil rights lobbyists were also unhappy that Biden took so long to make up his mind to vote against the nomination of William H. Rehnquist to be chief justice of the United States. They contended that the Rehnquist record was clear enough to justify a "no" vote well before Biden decided, and they said, had he announced his position earlier, he might have brought one or two other wavering committee Democrats with him.

Rehnquist was approved by Judiciary 13-5 and was confirmed by the Senate 65-33.

"His greatest weakness," says one generally admiring Democratic committee aide, "is that he sits and waits. . . . He doesn't get out there and develop the issue."

When Democrats took over the Senate after the November elections, many civil rights activists urged Edward M. Kennedy, D-Mass., to take over Judiciary instead of the Labor and Human Resources panel.

They said they were more comfortable with Kennedy and cited his two decades of unwavering support for their causes.

Biden seems bemused by his critics and says he often tells people he agrees with their observations.

"When someone says, 'Is it true that you are less partisan, less strident? Is it true you seek consensus more and Teddy does not?' And I say, 'Yes, it is true.' Then how can anybody be mad at me?" Biden asks.

Simmons believes Biden will be "a champion of civil rights" and cautions her fellow civil rights activists not "to put a Joe Biden into the clothes of Ted Kennedy. . . . I don't think that's fair. People have different styles."

This pragmatic approach is reflected by Ralph G. Neas, the executive director of the Leadership Conference on Civil Rights, an umbrella organization for 175 groups.

"He does know how to get things done," Neas says. He does know how to forge consensus. He does know how to count votes."

—By Nadine Cohodas

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• Lebanon. Biden was a vigorous critic of Reagan's use of U.S. Marines in Lebanon and in 1983 was a leader in efforts to give Congress a greater voice in determining policy on Lebanon.

## Analyzing the Record

Reflecting on his record, Biden bristles at the notion that he has not accomplished very much in his Senate career.

"I don't think anyone has ever been chairman of Judiciary who has passed as much legislation as I have," he says, referring specifically to the crime and drug bills.

But while Biden has played an important role in major legislative fights, his life in the Senate differs in important respects from that of other influential members.

These members — like Bill Brad-

ley, D-N.J., on taxes and Third World debt, or Alan K. Simpson, R-Wyo., on immigration — take their ideas, put them into legislative form and start the often slow process of building a constituency on and off Capitol Hill.

Biden, by contrast, doesn't go the long haul. Instead, he is quick to absorb ideas and facts and then translate them into action when he decides the time is right to move. He is like the

senior trial lawyer who makes a case into court after others have done the often tedious background work.

"Joe is very bright and articulate, but he is not the quintessential legislator. I think it bores him. That's why he wants to run for president," says Hatch, adding that in his view, Biden disdains the detail work that so often takes place during the drafting stages of any bill.

David Cohen, president of the Professionals' Coalition for Nuclear Arms Control, who has lobbied on a variety of defense and nuclear arms issues, says, "Where there is an absence of record with Biden is the relationship of announced policy to legislative drive."

Cohen says Biden is "not a self-starter. I don't want to take away the fact that he's knowledgeable and can make an articulate statement on a subject," Cohen adds. "It's what you do after that."

One of Biden's longtime friends who has also worked for him in the Senate understands these critical observations, but defends Biden's contributions.

"He may not be the generator of great legislation," says his friend, "but he has done a lot to make a number of things happen in Congress. . . . When people have something that is really important, they come to Joe."

He cites as an example the civil rights community, which looked to Biden to help rescue the Civil Rights Commission. "He's not their most favorite person," this friend says, "but when they really need something, he's the guy they come to." (*Box, p. 225*)

#### A Matter of Style

Joe Biden likes people. He gets things done in face-to-face meetings, not through memos or intermediaries.

He plunges into crowds with gusto, enjoying himself as he shakes hands with strangers and well-wishers.

He's also a toucher, literally reaching out to a listener to draw him into the conversation.

The classic Biden style was apparent, says DeConcini, when the Judiciary Committee met Jan. 14 to organize. The Democrats were still having problems dividing up into subcommittees despite hours of staff work.

After some discussion, Biden told all staff members to leave and huddled alone with the senators. According to DeConcini, Biden explained why he had come up with his plan and then let the senators express their views.

Having senators-only meeting "was really smart," DeConcini says. "You don't see that very often. Joe knows when to call it out. When you deal with staff it's a lot easier to get your back up, but when you're there sitting around the table — we worked it out in a matter of 20 minutes."

Biden took the same hands-on, member-to-member approach on the drug bill negotiations, getting the principals in a room and forging the outlines of a compromise.

Kassebaum says Biden worked in a similar fashion on the budget-freeze proposal in 1984. "He reaches out to work with people," Kassebaum says, "and he sees the humor as well as the passion in a situation."

"He's not much of a detail man," she adds. Once a basic idea or strategy is developed, "pretty much that's it. He doesn't want to deal with it, to work it on through to its completion."

#### Wowing the Crowds

To mention Joe Biden today is to talk about his power as a speaker. He is considered one of the best on the stump and one of the most forceful in Congress.

But his speeches also prompt the greatest criticism from both friends and detractors. They think that he sometimes is out of control.

A quintessential Biden sampler comes from July 24, 1986, when the senator tore into Secretary of State George P. Shultz, who was testifying before the Foreign Relations Committee about racial segregation in South Africa.

"What is our timetable? Where do we stand morally?" Biden asked, his voice steadily rising. "I hate to hear an administration and a secretary of state refusing to act on a morally abhorrent point. . . . I'm ashamed of this country that puts out a policy like this that says nothing, nothing. . . . I'm ashamed of the lack of moral backbone to this policy."

Biden made all the network TV shows with his attack and found his picture on the front of major newspapers the next day.

Biden fans thought he was great — impassioned, outraged and articulate. But some thought, as Kassebaum put it, that he "went too far."

"I think it stems from a passion that he can feel toward the subject," she says, "but he simply doesn't know how to control it."

Biden can talk at length even when there are no cameras around.

(more)

# Biden tops list of Dem hopefuls wooing labor

BAL HARBOUR, Fla. (UPI) — Sen. Joseph Biden, D-Del., said Friday he plans to run for president and sought the support of labor leaders by telling them, "Outright war has been declared upon you the last eight years."

Biden, former Sen. Gary Hart, D-Colo., and U.S. Rep. Richard Gephardt, D-Mo., addressed the AFL-CIO's Maritime Trades Department in an initial effort to win the support of organized labor.



Biden

"I think that as time has transpired I have been able to solve, as well as anybody is able to solve, the things that were question marks in my mind about running," Biden told reporters after his speech, which touched on education, the trade imbalance, foreign competitiveness and the debt.

"I plan on running," he said. "Only if I hit a rock between now and the time that I announce will I change my mind."

Gephardt is expected to announce his candidacy in St. Louis Feb. 23. Hart's announcement is expected in April.

Hart, Biden and Gephardt emphasized education in their speeches to labor leaders at their annual meeting, enumerating goals involving the elimination of illiteracy, higher teacher pay and worker training.

Hart called for more investment in education and, "I think the trade union

movement can and must play a central role in making education and training one of the centerpieces in this nation's economic recovery."

Union leaders were careful not to condemn Hart, who charged in his 1984 primary campaign that former Vice President Walter Mondale was catering to special interests in gaining the support of labor.

"He's worked hard in three years in terms of relations with labor," said Jerry McEntee, president of the American Federation of State, County and Municipal Employees. "His voting record has been excellent. I think he realized the effect of American labor that can help in the primary."

But one union leader reserved special praise for Biden.

"I think (his speech) was terrific," said George Obea, general vice president and political director of the United Paperworkers.

In their speeches and their remarks to reporters, the three potential candidates admitted the importance of the support of organized labor.

Hart called workers part of a "coalition of conscience," and said the "labor movement has always an important role in the Democratic process."

Biden drew applause from the crowd of several hundred when he said, "An outright war has been declared upon you the last eight years."

"This is not some minor conflict. The chambers of commerce of America understand what's at stake," he said.

"They are about the business, seeing to it that your say and your share in the economic bounty and prosperity of America are fundamentally changed."

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Lizabeth Tankersley, his legislative director, recalls that last month Biden invited a group of defense experts to his home in Wilmington, Del., for one in a series of briefings on national issues.

When all of the specialists had assembled, Biden opened the meeting, having been admonished by aides beforehand to keep it short.

Fifteen minutes into the session Biden was still going strong, when Tankersley, from the other end of the room, passed him a note.

Without reading it, Biden cheerfully told his audience, "She's probably telling me it's time to shut up." She was.

Tankersley insists Biden's legendary long-windedness is "not a problem. People find him entertaining."

Biden doesn't worry about it either. "I'm me and I'm not going to change me," he says. "I've never had an audience get up and walk away."

Furthermore, he adds, "nothing I said I regret, including Shultz."

But Biden does poke fun at his tendency to ramble. On Dec. 13 he gave a commencement address at West Chester University in Pennsylvania. He took his 5-year-old daughter, Ashley, along for the event, and during the ride over, he explained to her what graduation was about.

"Parents are there, and they are all so happy," he told her. "And then I make a speech, which makes them sad because it's so long."

His commencement address followed the theme of his standard stump speech. America is at a watershed in its history for the first time since the early 1960s, he tells audiences.

He talks about the important decisions to be made in arms control, in domestic policy from education to controlling drugs, and concludes by recalling the days of John F. Kennedy, who "kindled a bonfire" in the country.

"It's time to restore the American soul again," he says. "It's time to be on the march again."

When he spoke to 4,600 city officials in San Antonio Dec. 3, he received particularly loud applause for his education proposals, which call for requiring teachers to have a specialty in their discipline before they teach and for lengthening the school year.

After the speech the notices were good. "I was truly impressed. He really turned me on," said Rockville, Md., Mayor Steven Van Grack. "He was comfortable, not arrogant. Very earthy." And Otis Johnson, a local government official from Savannah, Ga., said, "The message was all right, definitely."

### The Importance of Family

Biden rarely goes out of town these days without at least one member of his family. When he went to San Antonio Dec. 2, he took his father, Joseph R. Biden Sr.

Just hours after taking his daughter to the West Chester speech, he took his oldest son Beau and wife Jill to a fund-raising dinner in Florida.

Biden says his willingness to have his children travel with him is "the wild card" rule he developed after his first wife died — that his children can go anywhere they want with him, "no questions asked."

"The most important thing a father can do, in my view, is to create an atmosphere of certainty and stability," he explains. "Children have to know that they are the single most important thing in the world to their parents."

Indeed, Biden is considering a presidential race only with the blessing of his family. And he frequently says, "If we run for president . . ."

Why does Biden want to be president? "It's the greatest opportunity anybody's had to do good for this country. . . . I think the American public is ready to make difficult decisions. The chance to make the world anew is phenomenal, to bring people together," he says.

"I'm hopeful I possess that ability, to be able to call on the passions of the people. . . . There's a phenomenal reservoir of energy [in the country]. For the next president to be successful, he or she has to be able to A, tap that, and B, forge it into a consensus."

Biden senses that the time may be right for him.

"I'm really at peace with me," he says. "Things are workin'." ■

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Mon., February 14, 1987

# 'I want to be president,' Biden affirms

By DAVID YKPSEN

Register Staff Writer

In case there were any doubts, Delaware Senator Joseph Biden returned to Iowa Sunday to make it clear to the state's Democrats that he is running for president — and he's drawing good reviews from the party's 1986 gubernatorial nominee, Lowell Jenkins, who appears likely to support Biden's bid for the White House.

Biden spent several days in Iowa during the 1986 campaign working for Democratic candidates, including Jenkins, who got about \$25,000 for his campaign from Biden. In recent weeks, however, Biden has deliberated over making the run as he weighed the pressures of a campaign against his family responsibilities and duties as chairman of the Senate Judiciary Committee.

That hesitation prompted some Iowa Democrats to say he wasn't going to be competing for votes in the 1988 Iowa caucuses. Speaking to a group of 40 Polk County Democrats at a meeting Sunday at the Hotel Savery, Biden responded:

FOOLS, MY NAME IS JOE BIDEN. I want to be president of the United States of America. I'd like you to look me over. If you like what you see, help out. If not, there's plenty of other good guys in the race to help out, but I plan on working like the devil on you between now and the Iowa caucuses to convince you I'm the person that you should be looking to."

Jenkins said he isn't making any formal endorsements yet, but said, "Joe Biden and I are close personal friends. I'd be inclined to be very helpful to him. ... He's a guy who has been very helpful to me personally and politically."

Jenkins said Biden will "sell well" in Iowa. "He's really what the party needs. We've got to be challenged. What are the new frontiers and the new challenges? No one has yet offered the challenge, but Joe Biden has the ability to do that. He can articulate a vision for the future the same way Jack Kennedy did."

Biden told his audience here Sunday: "We are in a position where there's a gradual decline in the country that can be turned around, and turned around in a big way. I am confident the American people are ready to turn things around. ... They simply believe America can do better.

"The American people are a lot more generous than we have given them credit for being. What they've lacked is moral leadership. They've lacked being challenged. They have to be told we have to change this sort of orgy of self-indulgence and talk about community again," Biden said.

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# Biden says he plans to run for presidency

CAMPAIGN '88

By Paul West  
Sun Staff Correspondent

BAL HARBOUR, Fla. — Signaling his intention to enter the 1988 Democratic presidential race, Senate Judiciary Chairman Joseph R. Biden Jr. of Delaware said yesterday that he plans to create an exploratory committee within the next few weeks.

the most important thing I could do now is handle my responsibilities in the Senate well, and let people in all of those areas know I want to be considered."

"I want to run for president. I want to be the next president of the United States of America," Mr. Biden said. "I plan on running, and only if I hit a rock between now and the time of a formal announcement would anything change my mind."

Mr. Biden made his remarks to reporters after a speech in Bal Harbour, Fla., to leaders of the AFL-CIO Maritime Trades Department.

The judiciary chairman said he would run "an unorthodox campaign" by spending 70 percent of his time over the next few months in Washington and only 30 percent on the campaign trail.

No date has been set for a formal announcement of his candidacy, Mr. Biden said. A Biden aide indicated that the exploratory committee may be in place by March 1, making it possible for the senator to finance his early campaign activities.

Mr. Biden said he hopes to raise between \$4 million and \$6 million by the time of the first caucuses next February and added that his delay in forming a committee might hold down the overall cost of his campaign.

In deliberations over the last 2½ months, Mr. Biden said he was able to "solve the things that were question marks in my mind about my running," including its impact on his family.

He said he now believes he can "do service" to both his Senate committee responsibilities and his political campaign.

Some of his advisers had counseled against trying to pursue both tasks simultaneously, but the senator said he believes the "wide open" political climate should make it possible to do both for the next few months.

"Right now, I believe Iowa is still wide open. I believe New Hampshire is still wide open. I think the South is still wide open. I believe all of it is still wide open," he said. "I believe

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# Biden Struggles With Tragedy in '88 Decision

By ROBERT SHOGAN,  
Times Political Writer

WASHINGTON—Almost every night after his Senate chores are done, Delaware's Joseph R. Biden Jr. makes his way to Washington's Union Station and boards the train to Wilmington, headed home to his wife and three children.

The nearly four-hour round trip reflects the 44-year-old Democrat's extraordinary commitment to his family. It is a relationship he cherishes all the more because it was built from the ashes of a shattering tragedy—the loss of his first wife and their daughter in an auto accident a month after he was first elected to the Senate in 1972.

This complex of emotions helps explain why Biden is struggling as he decides whether to run for President in 1988. Thanks to his soul-stirring oratory, Irish charm and only moderately left-of-center record, many Democrats regard him as prime presidential timber. But life for Biden, he says, "begins and ends with family. Everything else comes second."

### Struggle Is Illuminating

Biden says he will make his intentions clear by early next month. Whatever his decision, his struggle to make up his mind illuminates the strengths and limitations he would bring to the presidency.

Some-party professionals, who note that Biden has a reputation for sparing himself some of the tedium of Senate business, speculate that he may be hesitating because he wants to avoid the grind of the campaign trail.

Others guess that Biden simply may fear that his candidacy would flop. Gary Hart, the Democratic front-runner, is far better known, they point out, and New York Gov.

Mario M. Cuomo, if he enters the race, would threaten to draw off much of Biden's potential support among Catholics, and dry up his

But Biden professes to be unfazed by the competition. "I think I have as good a chance of winning as anybody else out there," he said. "I've been out in the field with political people for over a year and a half. By most people's standards, I think I'm competitive."

Rather, Biden contends that his indecision stems from a highly personal conundrum in which his sense of obligation to his family is linked to his understanding of himself and the burdens of political leadership.

The political leaders Biden trusts the most, he said, are "those at peace with themselves. They're the leaders who I think are least likely to let their own insecurities impact on the well-being of the nation. It's the difference between a Harry Truman and a Richard Nixon."

With his own peace of mind dependent on the welfare of his two sons, ages 17 and 18, and his daughter, 5, Biden wonders: "Am I more of a whole person, am I going to be more at peace with myself and consistent with my values" by waiting until his children are older to confront the burdens of running for President?

"You work as a parent, as everybody knows, so damn hard to get them this far," he said. "And you say to yourself, 'Am I going to let my ambition get in the way of what I say are my values that I say I believe so deeply?'"

### Impressive Presence

On the stump, Biden projects an impressive presence—a lithe figure, boyish good looks only slightly belied by his balding pate, an air of ease and congeniality. To hear him talk, it is hard to believe that he could even think about passing up the chance to run for the White House in 1988.

That election, he told 3,000 enthralled California Democrats at their convention in Sacramento last weekend, will decide "what kind of America crosses the millennium divide into the 21st Century. . . . The issue is whether we as a nation shall continue to drift in the still waters of the present, content to manage the day-to-day stagnation of America. Or shall we seize the moment and ride the rapids of history to reach for greatness once again?"

With such soaring rhetoric delivered to party audiences around the country over the last four years, Biden has not only helped rekindle Democratic spirits in the midst of the Reagan era, but has also pumped life into his own presidential aspirations.

Asked to name the one characteristic that would distinguish a Biden presidency, Maine's Republican Sen. William S. Cohen, a close friend of Biden's, replied: "The ability to inspire people to follow the leadership he is offering. He is electric, dynamic and funny."

### Humor Is a Specialty

Indeed, humor, particularly the self-deprecating sort, is a Biden specialty and one of the keys to his appeal as an orator.

Typically, Biden regaled the Sacramento conventioners with the story of being totally ignored at a Cleveland fund-raiser for a Democratic House colleague until a local television reporter mistook him for Baseball Commissioner Peter V. Ueberroth. Rushing to Biden's side and shoving a microphone in his face, the reporter demanded: "Commissioner, what brings you to Cleveland?"

"Drug testing," Biden responded. "Drug testing for the media."

"Let's get the hell out of here," the newsmen told his camera crew. "This guy has got nothing for us."

The audience roared with laughter.

Although no one questions Biden's ability to rouse an audience, this very gift has helped crystallize the most significant criticism of his performance as a senator and his potential as a President: that there is less to him than meets the eye (and the ear); that he sells the steak but is short on the steak; that he is more of a show horse than a workhorse.

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In the Senate, critics accuse Biden of excessive windiness and complain that some of his utterances, such as his lengthy soliloquy attacking Edwin Meese III during Meese's 1985 Judiciary Committee confirmation hearings as attorney general, are long on emotion and short on reason.

A staff member of the Senate Foreign Relations Committee charged that Biden, although publicly expressing outrage on such controversies as South Africa's apartheid policies, often neglects the nitty-gritty work of dealing with the issue.

"He is as articulate on key issues as anyone up here," said this committee aide. "But when the time comes for trench warfare, he may stay in the trenches for only 30 minutes."

Robert Perkins, an aide to former Delaware Republican Gov. Pierre S. (Pete) du Pont, a presidential candidate himself, said: "There are two kinds of politicians, some who make you feel and some who make you think. Joe is the type that really makes you feel."

Biden rejects that categorization. He says he has been a leader in the effort to shake the Democratic Party free from some of its traditional liberal moorings and steer it on a more moderate course.

"I think the thing I have done more than anything is to make my colleagues think, rather than feel," he said. "Everyone is now talking about the need for the Democratic Party to change its views on criminal justice. Everyone now says how we need more to be more reasonable on social programs. I'm the one who said [that] we can't have another CETA [public service jobs] program, that we had to reform the food stamps program."

#### Under Shock of Deaths

His staff, noting that he is now 25th in Senate seniority, chairman of the Judiciary Committee and second-ranking Democrat on the Foreign Relations Committee, proudly ticks off his substantive contributions.

In foreign policy, these include his leadership in the unsuccessful battle for ratification of the SALT II treaty in 1979 and his continuing opposition to the MX missile; and in the field of criminal justice and civil rights, his role five years ago in re-enacting the 1965 Voting Rights Act and his co-authorship of the 1984 comprehensive crime bill.

Biden, calling criticism of his Senate performance outdated, said it is based on what he concedes was a sub-par performance during his first term, when he was still suffering from the shock of the death of his wife and daughter.

"I came to Washington with a helluva chip on my shoulder," he recalled. "My first two years I was self-absorbed with my own problems."

But for all the undoubted impact of that tragedy on the new senator's outlook, other testimony suggests that, long before he entered the Senate, Biden tended to be selective about the sort of discipline he was willing to impose upon himself.

"Nobody would ever accuse him of being an outstanding student."

said David Walsh, Biden's former law partner and before that his close friend at Archmere Academy, the Catholic secondary school both attended in Wilmington. Although Biden was looked upon as a student leader and even talked of running for President someday, he was distinguished more by his prowess at athletics, particularly football, and more by his facile tongue than academic achievement.

Biden did well in history and political science, Walsh remembers, but had a harder time with "drudgery courses" such as Latin and math.

"He probably never studied as hard as other people did," recalled

Biden's roommate at the University of Delaware, Donald Brunner, now a senior vice president with J.P. Morgan. Brunner and Biden both played football as freshmen, but Biden then quit the team. Brunner said, under pressure from his father, who thought that he was devoting too much time to sports and not enough to books.

Biden applied himself to his studies diligently enough to graduate from Delaware and then from Syracuse University Law School. He proved to be a successful trial lawyer in Wilmington, but once again his accomplishment seemed to come more from the strengths of his personality than from his intellectual powers.

"As a lawyer he was very good with people," said Sidney Balick, a Wilmington trial lawyer whose firm Biden joined early in his career. "If somebody had a legal problem, he'd put his arm around them and comfort them and they loved it. But writing briefs wasn't his forte."

For the time being, while Biden ponders his decision about the presidency, he is striving to maintain his visibility through such appearances as his speech in Sacramento and forthcoming talks to the AFL-CIO and the Democratic Party in Broward County, Fla. Necessary as these occasions may be to keep up political contacts, Biden said they do little to help him make up his mind.

"It makes you focus on the part I don't think I should be focusing on," he said. "It makes you focus on the can-I-win part."

The real question for him, he said, remains whether he can make the race and fulfill his duties as a senator, which have been considerably increased by his recent elevation to chairmanship of the Judiciary Committee, without seriously diminishing his role as a husband and father.

Biden acknowledged that his concerns have been intensified by what he refers to as "the accident," which claimed the life of his wife and daughter and injured his two sons, at whose hospital bedsides he took the oath of office as senator.

#### 'How Fragile Life Is'

That experience made him, he said, "to state the obvious, much more aware of the fact of how fragile life is and how little I can control it."

But far from changing his values, he and those who know him best say, the tragedy only intensified the feelings and attitudes instilled in him from childhood.

"I think his feeling about family is not something he created," said his sister and campaign manager, Valerie Owens, three years his junior. "I think Mom and Dad taught us that."

As she remembers it, she and Joe and their two brothers "had a very normal middle-class upbringing" in a split-level, three-bedroom house in suburban Wilmington. "The biggest thing my parents wanted for us was an education," she said.

#### Father Taught Him Too

Joseph R. Biden Sr. worked seven days and most nights as sales manager of a local Chevrolet dealership to help pay the tuition for his children at private Catholic schools. He also taught some lessons on his own, as Joe Jr. remembers.

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"My father was one of those people who gathered his family at the dinner table to discuss issues and incidentally eat," Biden said. One issue in particular that he stressed, Biden told a recent fundraising dinner for the American Israel Public Affairs Committee in Los Angeles, was the Holocaust, which consumed 6 million Jews during World War II.

"My father spoke to us frequently about why it was so important from the point of what it said about us as human beings that we stay

committed to the principle that would in our own way help see to it that it would never happen again," the senator said.

The father's point made sufficient impression on the son that, a few months after his second marriage in 1977, he took his bride on a tour of Holocaust sites in Hungary. And later, when each son reached the age of 15, he took them to visit the infamous Dachau concentration camp in Germany.

As Biden wryly points out, his father did not stop educating him when he won elective office.

A few years ago, when the elder Biden was selling condominiums at a Delaware beach resort, he asked his son to pay a call on two men who had been friendly to him and to his wife and who were strong supporters of the senator. The two men, in their mid-50s, were homosexuals who shared an apartment, his father mentioned.

When the younger Biden tried to postpone the visit, his father became angry. "My dad said, 'Look, damn it, you're my son, aren't you?'" Biden recalled. "I'm telling you that they're good people. It's

important to me that you meet them. Where the hell have you been raised?"

"So I dutifully marched upstairs in my bathing suit to thank those two guys for being nice to my parents and for their support," the senator said. "We had a glass of iced tea. And my dad said, 'That's more like the person I've raised.'"

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# Senator: Policy in shambles

By Robert W. Reiss  
*Dispatch Staff Reporter*

DELAWARE, Ohio — Foreign policy decisions made within the next two to six years will affect U.S. presidents for many years to come, Sen. Joseph Biden Jr., D-Del., told Ohio Wesleyan University students last night.

Biden, one of the contenders for the Democratic nomination for president, is considered a foreign policy expert and an advocate of arms control.

His speech was part of the university's National Colloquium, which this year is focused on the 200th anniversary of the U.S. Constitution.

"We have no foreign policy now," he said. The Republicans are seeking simplistic answers, and the Democrats, "unbothered by complexity," are inactive, he said.

"The test for my party and the Republican Party, for that matter, will be who can come up with a tough and smart foreign policy," he said.

He said he holds little hope that President Reagan and the Soviets can reach any meaningful agreement on arms control.

Biden said any new foreign policy must have a number of elements.

"First, we must have military parity. Second, we must achieve cooperation with the Soviet Union. Just because they are bad guys doesn't mean we shouldn't cooperate," he said.

"We are at a watershed period in American history," Biden said. There have been "only four or five times when history and fate have delivered us to a point like this."

The next two to six years "offer us phenomenal opportunities as well as potential dangers," he said, urging the students to take an active role in government.

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# Los Angeles Times

Los Angeles Times

★ ★ Sunday, February 1, 1987/Part I

## Biden Says U.S. Must Reverse Era of 'Decline'

By KEITH LOVE,  
*Times Political Writer*

SACRAMENTO—Delaware Sen. Joseph Biden made it plain Saturday that if he seeks the 1988 Democratic presidential nomination, his message will not always be pleasant and it will not depend on detailed policy papers.

"On the surface, America is a land content, but we have been blinded by the illusion of security and tranquility, we've adjusted to the slow and subtle forces of decline," Biden said in a speech to the California Democratic Convention. His appearance here was viewed as a major testing of the waters for his possible presidential candidacy.

"We can all see our economy, its productivity, its world position steadily and inexorably slowing," Biden said. "... It is time to get America on the march again, to get America moving again."

Biden, 44, is one of the Democratic Party's better orators and he did not disappoint the more than 2,000 Democrats at the state convention. He was interrupted numerous times by applause and received several standing ovations.

### Demands on His Time

But, while acknowledging the importance of such a reception from activists in a large state, Biden told reporters that demands on his time—both as a senator and as a parent—were causing him to put off the announcement of a candidacy that many in the party once thought inevitable.

"I have to make up my mind soon or lose the opportunity," Biden said in a press conference. "My dilemma, quite bluntly, is that I am the new chairman of the [Senate] Judiciary Committee. I honestly don't know whether I can competently be in Iowa the number of days I have to be in New Hampshire the number of days, do the fund raising and run the committee and still have a chance to see my children."

But if he does run, he said in response to a question, he does not plan to churn out the kinds of detailed position papers on such issues as education and trade that have been coming out of the Denver office of former Colorado Sen. Gary Hart, who will announce his presidential candidacy in April.

"I think it is the wrong way," Biden said of the position papers. "What will happen

Please see BIDEN, Page 27

(more)

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# BIDEN:

## Senator Says U.S. Must Halt 'Forces of Decline'

Continued from Page 3

in this country will not come as a consequence of legislation that's passed. . . . You're not going to reinvigorate this country with mere legislative initiative."

Biden denied that he was implying any criticism of Hart when he said in his speech: "Not only must we reject the voices of the victors of '84, but we must also reject the voices of '88 who have lost faith in the American people and whose pathway to the future is antiseptic and passionless, paved with slick position papers and adorned with fancy titles."

### Point of Conflict

But it appeared to be an allusion not only to the Hart documents but also to Hart's cool, academic style. By contrast, Biden's style is often described as passionate. It foretells a lively confrontation between the two should Biden seek the nomination.

Both Hart and Biden have called in recent speeches for a more rigorous, disciplined America after the Reagan presidency, and both have urged ordinary citizens to get more involved in their communities in order to solve such problems as crime and deteriorating schools.

And on Saturday, Biden presented a blunt assessment of the country similar to that often offered by Hart.

Not only is the economy stagnating, Biden said, but "our relationships with the rest of the world are in chaos. . . . The President seems determined to destroy Nicaragua in order to save it.

### Influence of Money

"Nowhere is the challenge facing America more evident [than] in our political process. Our electoral system has been overwhelmed by money. . . . and the slick [TV] spots and negative attacks have virtually silenced meaningful debate and led to a decline in participation and voting by our citizenry."

He said that if he does run for the presidency, he will form an exploratory committee in March.

The Democratic activists also heard a rousing speech from the Rev. Jesse Jackson, who got 3.2 million votes in the 1984 presidential primaries and may seek the nomination in 1988.

Jackson said that the residents of Howard Beach, N.Y., scene of a recent violent racial clash, and Harlem have much in common because both are victims of Republican economic policies.

Jackson warned the Democrats not to be misled by racial clashes in New York and Georgia, saying:

"It is not black vs. white. The residents of Howard Beach and Forsyth County [Georgia] are not the investors in South Africa, they are not the land speculators building condos amid the homeless, they are not closing plants without notice."

Jackson urged that Democrats in 1988 to make economic injustice a major issue as they seek the White House.

The 1988 presidential race was very much on the minds of Democratic officials and delegates at the convention, some of whom wonder whether the state's primary should be held earlier to increase California's importance in the nominating process.

Sen. Alan Cranston, Lt. Gov. Leo McCarthy and Atty. Gen. John Van de Kamp all lamented that the selection of presidential candidates is all but over by the time the California primary is held.

Assemblyman Jim Costa (D-Fresno) said he will introduce legislation to move California's presidential primary to the second Tuesday in March.

Assemblyman Tom Hayden (D-Santa Monica) and McCarthy also said they would push for party approval and subsequent legislation to allow independent voters—those registered "declined to state"—to vote in Democratic primaries. They said this would increase voter participation and make independents more likely to vote for Democratic candidates in the November general elections.

### Move to the Center

The U.S. Supreme Court in December cleared the way for independent voters to cast ballots in party primaries, if a party permits them to.

In California last fall, 8.7% of the registered voters were registered "declined to state," compared to 50.8% registered as Democrats, 38.3% as Republicans and 2.2% with minor parties.

If those registered as "declined to state" were to vote in the Democratic primary, it would tend to move that electorate more to the center philosophically.

For example, The Los Angeles Times Poll found in interviews with voters after they had left the voting booths last Nov. 4 that "declined to state" voters sided heavily with Republican Gov. George Deukmejian over Democratic nominee Tom Bradley. By contrast, Democrats voted roughly 2 to 1 for Bradley. These independents also voted overwhelmingly against then-Chief Justice Rose Elizabeth Bird, while Democrats voted for her. And in contrast to Democrats, they also voted against Associate Justices Joseph R. Grodin and Cruz Reynoso.

In each of these cases, the independents basically mirrored the California electorate as a whole, in contrast to the leftward tilt of the Democratic voters.

However, in the U.S. Senate contest, independents voted narrowly for Democratic incumbent Cranston, who wound up winning by a thin margin over Republican Rep. Ed Zschau. Democrats voted lopsidedly for Cranston, while Republicans went just as big for Zschau. So it was the independents who provided the margin of Cranston's victory.

Contributing to this article was Times Sacramento Bureau Chief George Skelton.

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Remarks of U.S. Senator Joseph R. Biden, Jr.  
California Democratic Convention  
Sacramento, California  
January 31, 1987

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Ladies and gentlemen, let me be serious with you for a few moments because the reason I came to California and to this convention is to tell you what is on my mind. I am not here to seek your approval -- I suspect some of you may not like at all what I have to say. But, as the old joke goes, my job is to speak, and yours is to listen.

In another season, long ago, marked by tension and turmoil, a group of Americans gathered in another convention to fashion a very unique experiment -- the most unique experiment -- in self-government. When they were done, as the story goes, a woman approached Benjamin Franklin and asked, "What have you given us, a monarchy or a republic?" And Franklin replied, "A republic, if you can keep it."

The seasons have obviously turned to centuries. The document they framed is now the world's oldest written constitution. And for over two hundred years, each generation of Americans has been summoned to Ben Franklin's test.

In our time, this generation of Americans is being summoned. But we face a very different and, I would add, a more subtle test. And yet the challenge is as great as any faced by our forefathers.

The threat to our nation is barely discernable to the naked eye. For on the surface, America is a land content; on the surface, a nation at peace -- for there are no wars engaging America's soldiers; on the surface, a nation of prosperity -- more Americans work today than at any time in our history; and on the surface, a tranquil nation -- for there are no riots in our cities, and our streets are empty of massive protest demonstrations.

But I come to tell you today, America is a nation at risk. And, ladies and gentlemen, if that threat is not yet at our gates, we can see -- if we raise our eyes -- the ominous flickering of the campfires in the hills.

Blinded by the illusion of our current security and tranquility, we have adjusted to the slow and subtle forces of decline, much as our eyes adjust to the darkness. But if we have the courage to focus, we can all glimpse the signs of our national drift.

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We can all see the decline in our twilight economy, neither collapsing nor surging, its growth, its productivity, its world position steadily, inexorably slowing, delivering a sluggish and stagnant standard of living to our middle class and hopelessness to our poor -- our economic bounty, unevenly spread -- subtly dividing our nation by region, by class and by group. And the prosperity of one America can not hide the traumas of the other Americas.

A full one-third of our children today are born into poverty; and in our inner cities are trapped whole generations, wasting away without much hope.

Our relationships with the rest of the world are in chaos. Our approach seems to swing wildly from accommodation to aggressiveness. Nowhere is the failure and danger of our policy so clear as in Nicaragua, where the President seems determined to strike all history, logic, and common sense -- much less the law of the United States Congress and the will of the American people -- to destroy Central America in order to save it.

In the Middle East, we sacrifice hundreds of American Marines and then, while promising the swift sword of justice, we instead clandestinely deliver arms to those who masterminded their deaths.

Nowhere is the challenge facing America more evident than in our political process. Our electoral system has been overwhelmed by the corrosion of money -- money raised, money spent -- a staggering flood literally drowning our politics, producing the political equivalent of a nuclear arms race, holding candidates and parties virtually hostage. And the tyranny of technology -- the gimmick, the slick spot, the negative attack -- has virtually silenced meaningful public debate. And as a result, we see an ever-declining rate of participation in voting by our citizenry, and our government institutions are, at least partially, paralyzed.

Our leaders -- spurred on by the media -- move from mantra to mantra, chanting "competitiveness" in this season, "drug abuse" last season, "deficit reduction" the season before that, and "industrial policy" in yet another season -- all the while seeking to soothe the beast of fickle public opinion.

As one commentator has said, "Washington has retreated into a surreal world, where values are so reversed that fantasy is fact; evasion is honesty and irresponsibility is cause for pride."

The victors of 1984 would have made George Orwell proud of their own version of doublespeak. For we learn that the abandonment of the SALT II means progress for arms control; that the MX missile is named the "Peacekeeper;" that the Daniloff exchange is not a trade; that the Iran arms transfer is not a hostage deal; and that the Contras are the moral equivalent of our Founding Fathers.

My fellow Democrats, not only must we reject the voices of the victors of '84, but we must also reject the voices of '88 that have lost faith in the spirit of the American people and whose pathway to a false future is smooth and anesthetic and passionless, paved with slick white papers, adorned with fancy-sounding titles.

We must also ignore those voices of '88 that simplistically reduce the public debate to a choice between the rich and the poor, disregarding the crisis of the young middle class -- strapped with stagnant income and staggering problems, haunted by the spectre of economic dislocation, rising college tuition, and now, soaring health costs.

Ladies and gentlemen, for too much and for too long, we have sacrificed personal excellence and community values for the mere accumulation of material things. Our brightest graduate students seek quick riches as investment bankers, rather than as producers of real wealth. Our economic managers pursue quarterly paper profits and mergers at the expense of the nation's long-term productive investment. And while Japan produces engineers to drive the technology of the future, we produce lawyers to push paper.

For too long in this society, we have celebrated individualism over community. For a decade led by Ronald Reagan, self-aggrandizement has been the full-throated cry of our society -- "Got mine, get yours!" "What's in it for me?" This has become the operative ethic, until we have reached the point where Ivan Boesky -- speaking to one of the greatest universities in this country; here, in California -- would be applauded for telling a graduating class, "Greed is good." In Ronald Reagan's America, the standard has been wealth, economic success, and personal gain -- the bottom line.

But this standard of measure can not evaluate the true condition of our society. To paraphrase the words of a great American -- this standard can not measure the happiness of our children, the quality of their education, or the promise of their future. It does not measure the beauty of our poetry, the solidarity of our marriages, or the awe of our natural wonders. It can not measure the intelligence of our public debate or the integrity of our public officials. It counts neither our wit nor our wisdom, neither our compassion nor our devotion to our country.

That bottom line can tell us everything about our lives except that which makes life worthwhile. And it can tell us everything about America except that which makes us proud to be Americans.

Ladies and gentlemen, America stands at a crossroads -- a fateful moment. And the choices we make or fail to make as a nation in the next few years will bind this country for the remainder of this century and well into the next, and will determine what kind of America crosses the millennium-divide into the twenty-first century.

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The issue, quite simply stated, is, shall we as a nation continue to drift in the still waters of our present, hostage to the politics of the moment, content to manage the day-to-day stagnation of America, committed to maximizing our self-satisfaction; or shall we as a people seize the moment, and ride the rapids of history to reach for greatness once again?

In the next few years, how we meet this fateful question will determine whether America reaches the year 2000 a great power -- still growing, still vibrant, still the world's engine of progress; or whether we will stagger into the next millenium, delivering to our children a lesser America -- a fading shadow of a dimming promise.

In the next few years, critical choices will be made either by conscious decision or indecision. We will make fundamental choices on foreign policy, education, nuclear arms, civil rights. At stake is one great issue: will America remain the master of its own destiny in the year 2000?

For example, in the next few years we will do one of two things: we'll either proceed to deploy a strategic defense system -- so-called Star Wars -- or we will achieve the most far-reaching arms-control agreement in history. Either Man-the-Satesman, will prevail over Man-the-Scientist; or we will suffer the consequences. The consequences are clear: nuclearizing the heavens, and yielding the fate of the earth to the malfunctioning of a computer chip.

Ladies and gentlemen, in the next few years, we as a nation will decide the structure of our education system. We'll either continue what I believe is the drift toward a quasi-British system, a dual system -- one for the richest and brightest students and another for everyone else; or, we will totally refashion our education system, by demanding much more. By demanding more of our students -- they must go to school longer; they should go to school more than 180 days a year. Demanding more of our students in English, in math and in science -- more homework. We must demand more of our teachers -- more professional dress and conduct and degrees in the subject which they are going to teach.

And we must demand more of ourselves, as a people. If we want teachers to be professionals, we must treat them like professionals. We must pay them like professionals. My wife, Jill, is a teacher in the public school system, and as teachers will tell you everyday, we also must allow them to get about the business of teaching and have someone else do the clerical work.

If you're saying it costs money, you're right it costs money. Excellence costs. It costs in every way.

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Whatever choice we make on education or on nuclear weapons, whichever of the two paths we go, I can not guarantee. But there is one thing I can guarantee you here today; that the nuclear situation and our education system will look nothing like they do today ten years from now.

And although the choice we must make is fraught with considerable danger, it also presents us with a phenomenal opportunity. For in the next several years, we will be witness to the most exciting period of American history in the last forty years, one of the most exciting periods in the history of this country.

This generation of Americans has an opportunity so rarely granted to others by fate and by history. We literally have a chance to shape our own future, to put our own stamp on the face and on the character of America.

Ladies and gentlemen, in order to put that stamp, in order to win, there are many things this government must do. We must have an economy driven by a technological supremacy and stamp the information age with the label, "Made in America."

And that means changing the laws in this country as well as the attitudes of those in the Silicon Valleys of California and Massachusetts. We must invest as much time in developing the strategies for manufacturing and producing and selling our breakthroughs as we do in developing the technology in the first place. And if that means we have to change the antitrust laws in order to do it, so be it. It is ridiculous that you here in California introduce to the world the VCR, and that a Japanese manufacturer reaps the profit and the jobs from manufacturing and marketing it.

We must insist that American banks deal with the staggering Third World debt. Bankers must simply face up to their obligation. They should reschedule the loans and forgive interest, because bankers must stop looking to the American people to bail them out for the bad judgments they make.

And I assure you of one other thing; if they do not, we run the risk of the Bank of America becoming the Bank of Japan. If the Third World debt starts to collapse, it stands to ripple through the entire banking system of the world. And that will leave us with one of only two options: the American taxpayers must either bail it out, or somebody else will come in and buy it out.

I don't believe, by the way, that we have to choose in making these decisions between the simplistic notions I hear so much in our Party -- between free trade and protectionism. The world is more complicated than merely free trade or protectionism.

Let me give you an example. We don't have to have protectionist policies to compete with Japan. We should put everything on the table. The Japanese now are extremely worried about the fall of the dollar. We could say to the Japanese, "Hang on, or open your markets." That doesn't require protectionist legislation. We just say to the Japanese, "God bless you; you're a great ally. Isn't it time you start to pay for some of your own defense, instead of us paying?"

The Japanese are only one small part of our problem in trade. The ultimate problem lies with us. We must have a government that defends American jobs, and accomodates and eases the transition to new industries without falsely propping up those that should not continue. Rather than consign our workers to the industrial scrapheap, merely because they are reluctant to go over from making steel girders to making McDonald hamburgers, we need to deal with these problems head-on. We don't have to walk away.

I don't intend to be satisfied to see the American economy -- and the American workers -- consigned to the role of the world's largest McDonald's outlet. And I am not going to be satisfied just to "compete," which has become the new rage among Washington politicians who seem to think that chanting slogans is enough. "Compete" means you can lose, but I am not interested in losing. I want America to win. The Japanese, the Europeans, the Koreans -- they don't strive to simply "compete;" they strive to win the economic contest, and so must America. We can do better. We must do better.

And we can. We can do this by changing quotas to tariffs -- in those places where temporary help is being given -- and dedicate the proceeds to retraining, relocating and reeducating those workers who lost their jobs to unfair competition.

Ladies and gentlemen, the government can do these things and many more that you will agree and disagree with. But the point I wish to make is this: in the final analysis, our government can be no more than a catalyst. Indeed, I'll tell you that if government enacted all the ideas, programs and policies being discussed in Washington today -- and assume every one of them were correct -- America's economic fate would still be in jeopardy.

For only a wholesale commitment by our entire society -- our managers, our workers, our consumers -- to revitalize and reconstruct our economy will suffice. And the place to start this reconstruction is by recognizing that the central social, as well as economic, challenge of our time is to reclaim the tradition of community in our society.

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Only by recognizing that we share a common obligation to each other and to our country can we ever maximize our national or our personal potential. America has been and must continue to be a seamless web of caring and community. For this has been the story of America.

But there are those out there who say that there is little that one man can do to affect humanity. While few of us have the greatness to shape history itself, each of us can act to influence a small portion of events. And in the totality of these acts will be written the history of this generation.

We also need new political leadership -- a leadership that's prepared to go to the American people, telling them not what it will promise them, but what it will demand of them; a leadership that recognizes that its role is not just to preside over government, but to lead our society as well; a leadership that's prepared to tell the American people that excellence must once again be the measure of our worth -- in our government, in our education system, and in our personal lives --; a leadership that tells the American people that we must begin to reward rich innovation in our society and stop arbitraging our current condition and present inequities; a leadership that declares that equal justice, equal rights, and equal opportunities among blacks, hispanics, and whites, between women and men, rich and poor are the overriding issues that this country faces in 1987, in 1988 and for as long as it takes to achieve these goals.

A political leadership that is prepared to tell the hard truths and lead this country.

But in final analysis, the greater America that we seek will not be achieved by political leadership. The fate of our America lies more in the hands of you in this room today and among your fellow citizens than it does with those of us who crowd the corridors and chambers of Washington D.C.

You know, the elites and experts in Washington share a conceit that they alone are in the best position and are the best equipped to resolve the choices facing America. But they are wrong. The resolution of our watershed choices ultimately lies in the hands of the people. And only if they have a real and meaningful say in the direction of the future of their country, can we expect them to provide the energy and the commitment, the perseverance and the imagination, that will be required to achieve a true American Renaissance.

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Our workplaces, our classrooms, our local communities, our living rooms will be the battlegrounds for America's future, not the floor of the United States Senate. For I believe that our citizenry contains untapped legions whose success in other fields prepares them -- by disposition, experience, competence and creativity -- to transfuse the tired blood of our politics with new ideas and new approaches and, most importantly, with new passion and energy.

And the task of a new political leadership is to define our candidacies not as single individual ambition, but as collective efforts -- not the election of "me" but the election of "we." The vision that I proclaim here today is not some pipe-dream or misplaced romanticism. It's nothing less than the legacy of our generation.

You know, I share with many of you in this room the distinction of being part of the post-war generation. It's the largest in our history.

When I was 17 years old, I participated in sit-ins to desegregate restaurants and movie houses of Wilmington, Delaware. When I was 18 years old, my spirit soared on that freezing January day, when I heard a young president call us to greatness. And when I was 20 years old, my heart was full as I listened to that eloquent, courageous black man who shared the dream for racial equality with all of us. And when I was 25, I stood by the railroad tracks with my sister, Valerie, and openly wept with hundreds of other Delawareans as Robert Kennedy's funeral train passed by.

Many of you shared these and other experiences. In our youth, we changed America -- not by our votes, but by our ideas and our ideals. When we marched, we did not march for a 14-point program and a white paper. We marched to change attitudes.

Whether it was civil rights or womens rights, or the environment or our culture, or the ending of the war in Vietnam, we profoundly altered the face of this nation.

And now, in the season of our maturity, fate has delivered us to a special moment. For the second time, our generation will have a unique chance to refashion the character and future of America. For in 1988, our generation will comprise more than 50 percent of the national electorate.

And fate has not only cast 1988 as an election about the future; it has also woven into its fabric an important coincidence. For 1988 will not only be a year about the future; it will also be a year of anniversary and remembrance. In 1988, we mark the 25th anniversary of the assassination of President John F. Kennedy. And it stands exactly twenty years from "the year of the locust" -- 1968 -- Tet, Chicago, Nixon's election, and the assassinations of Martin Luther King and Robert Kennedy.

Twenty years of darkness and confusion separate that fateful year from 1988, and for many in our generation, the interval has seemed an almost Biblical wandering in the wilderness for America. And so, for us, 1988 will be a special year -- the closing of a circle, as our past meets our future.

You know, affixed to the balcony door of the Memphis motel, there is a plaque, and it reads: "They said one to another, 'Behold, here cometh the dreamer. Let us slay him, and we shall see what becomes of his dreams.'"

The cynics believe that my generation has forgotten. They believe that the ideals and compassion and conviction to change the world that marked our youth are now nothing but a long-faded wisp of adolescence. They believe that having reached the conservative age of mortgage payments, pediatricians' bills and concern for our children's education, that we have forgotten.

But I'm here to tell you ladies and gentlemen, they have misjudged us.

Just because our heroes were murdered, does not mean that the dream does not still live, buried deep in the broken hearts of tens of thousands of Americans. For I can still hear those dreamers, and so can you, speaking to us from across the wilderness divide.

Remember how you felt when you heard, "Let the word go forth, from this time and place, that the torch has been passed to a new generation of Americans."?

Remember how you felt when you heard "I have a dream that one day the son of a slave and the son of a slaveholder will sit down together at the table of brotherhood."?

And a man, whom I guess I admire more than anyone else in American politics, used to say, "Some men see things as they are and say 'why?'; I dream of things that never were and say 'why not?'"

It's time to mend the broken hearts of my generation with the same tonic that fired their activism two decades ago. It is time to end the political apathy and alienation which have characterized it much too long.

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I remember those dreamers, and so do you. They made me feel good about myself. They made me feel good about my party. And most of all, they made me feel proud of my country.

It was a soaring sensation. And I still feel it when I hear them in my heart. And I hear them every time I hear the Communion hymn in my church that is based on the 91st Psalm. Every time I hear it, I am reminded of how I used to feel. It goes like this:

"And he will raise you up on eagle's wings,

And bear you on the breath of the dawn,

And make the sun to shine on you."

Well, that's how I felt. And that's how I want to feel again, for I think that's the natural feeling for an American.

It's time to hear the sound of our country soaring and singing in the dawn of a new day.

It's time to restore America's soul.

It's time to be on the march again.

It's time to get America moving again.

And, quite simply, our time has come.

Thank you very much.

930840960959

June 24, 1987

Mr. & Mrs. Lou Stern  
320 Central Park West #11B  
New York, NY 10021

Dear Lou and Lisette:

For some time I've been sending you materials about Senator Joe Biden's Presidential campaign.

Now I'm writing to ask you to join me in supporting Joe Biden.

As the information I've been sending has detailed, the Biden campaign is off to a fantastic start.

As of first quarter finance reports submitted to the Federal Election Commission, Biden is leading all Democratic candidates in fundraising.

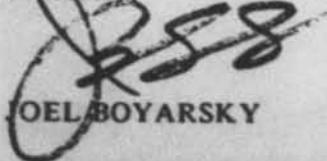
The next reporting deadline is on June 30th, only a few days away, and once again we hope to impress the national media and political "experts" with our fundraising efforts.

It is of great political importance that we maintain this momentum.

That's why I hope I can count on you to join me in making a \$1,000 contribution to the Biden for President campaign before the June 30th deadline.

Many thanks.

Sincerely,

  
JOEL BOYARSKY

JB:kac  
Encl.

93080960960

CITIZENS FOR BIDEN

PO. BOX 371, WILMINGTON, DELAWARE 19899

August 25, 1987

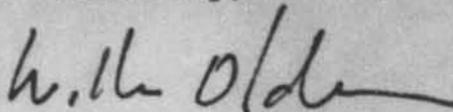
Mr. Lou Stern  
320 Central Park West  
Apartment 11-B  
New York, New York 10021

Dear Mr. Stern:

Thank you for your generous contribution to Citizens for Biden '90. Your support is greatly appreciated, however, we regret that we are unable to accept your contribution at this time.

Enclosed please find a refund check in the amount of your contribution. Should you have any questions, please feel free to call me at (202) 861-0900.

Sincerely,



William C. Oldaker  
Counsel to Citizens for Biden '90

Enclosure: Refund

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CITIZENS FOR BIDEN

P.O. BOX 371, WILMINGTON, DELAWARE 19899

August 25, 1987

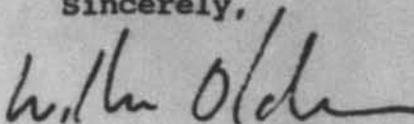
Mrs. Lisette Stern  
320 Central Park West  
Apartment 11-B  
New York, New York 10021

Dear Mrs. Stern:

Thank you for your generous contribution to Citizens for Biden '90. Your support is greatly appreciated, however, we regret that we are unable to accept your contribution at this time.

Enclosed please find a refund check in the amount of your contribution. Should you have any questions, please feel free to call me at (202) 861-0900.

Sincerely,



William C. Oldaker  
Counsel to Citizens for Biden '90

Enclosure: Refund

930840960962

# BIDEN FOR PRESIDENT

P.O. Box 720, LYNBROOK, NEW YORK 11563 • (212) 319-1489 • (516) 887-4433 • (800) 645-3670

JOEL BOYARSKY  
National Finance Chairman

October 7, 1987

Mr. & Mrs. Lou Stern  
320 Central Park West #11B  
New York, NY 10021

Dear Lou and Lisette:

I am writing to thank you for your support over the past several months.

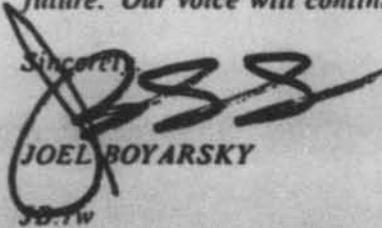
As National Finance Chairman of Senator Joseph Biden, Jr.'s Presidential campaign, I'm proud of what we accomplished together. The effort made by you and your friends complemented our highly successful fund raising program and made a national statement of which we can all be proud.

You and I know that a man's life cannot be judged on the basis of a few feet of videotape. The Joe Biden we know was a prodigious, middle-class kid from Wilmington who was elected to the U.S. Senate at the age of 29. During his 15 years of service, his political philosophy helped mold the Senate's positions on civil rights, military spending, the environment, the integrity of the American family, education, drug abuse, foreign policy, and a host of other issues that encompass the national agenda.

The positions he championed remain, and he will continue to speak on our behalf, both in his capacity as Chairman of the Senate Judiciary Committee and as the ranking member of the Senate Foreign Relations Committee.

It is said that those who live in the past have no vision of the future. Joe Biden, through his grace and eloquence, helped define that vision. For us, there will be other campaigns, other issues, other arenas. Together, we will confront that future. Our voice will continue to be heard.

Sincerely,

  
JOEL BOYARSKY

JB:FW

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AFFIDAVIT

STATE OF NEW YORK    )  
                          s.s.:  
COUNTY OF NASSAU    )

STANLEY Ogonowski, being duly sworn, deposes and says:

1. I reside with my wife, Fanny Ogonowski, at 171 Sycamore Circle, Stony Brook, New York 11790. I make this affidavit in response to the Interrogatories and Request for Documents contained in the letters of February 10, 1988, from the Federal Election Commission (FEC) to my wife and myself.

2. I have been employed by Mr. Levitt for approximately 20 years, during good times and bad. Over the years, during some of the good times, I received bonuses from Mr. Levitt in recognition of my efforts on his behalf and on behalf of his companies. Since Mr. Levitt's businesses had not done well for several years preceding 1986, I received no bonuses during that period.

3. In or about June 2, 1986, Mr. Levitt asked me to make a \$1,000 contribution to the "Citizens for Biden" Committee for myself and to have my wife make a similar contribution. For your information, I am enclosing a copy of each of those checks. He told me that, if I would make those contributions, he would give me a \$2,000 bonus.

4. To the best of my recollection, I did, in fact, receive a \$2,000 check from Mr. Levitt several days later.

5. To the best of my knowledge, I never had any discussions with anyone from the "Citizens for Biden" Committee.

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6. Approximately one year later, Mr. Levitt informed me that refund checks from the "Citizens for Biden" Committee would be forthcoming and that, when I received those checks, I should endorse them and turn them over to him. When I received the checks, Mrs. Ogonowski and I did endorse them and turn them over to Mr. Levitt. A copy of those checks is enclosed. I have no idea what Mr. Levitt did with those checks.

7. I can state unequivocally that I never had any intention to violate any of the election laws, either intentionally or unintentionally, including, but not limited to 2 U.S.C. §441(f).

8. I agree with William J. Levitt and the other contributors in requesting pre-probable cause conciliation, under 11 C.F.R. §111.18(d), as a means of resolving this matter.

*Stanley Ogonowski*  
STANLEY OOGNOWSKI

Sworn to before me this  
8<sup>th</sup> day of April, 1988

*Elizabeth T. Wingert*  
NOTARY PUBLIC

ELIZABETH T. WINGERT  
NOTARY PUBLIC, State of New York  
No. 4761533  
Qualified in Nassau County  
Term Expires March 30, 1990

93020960965

STANLEY OGONOWSKI  
FANNY OGONOWSKI

1215

JUNE 2, 19 86

1-7118-12  
2250

PAY TO THE  
ORDER OF

CITIZENS FOR BIDEN \$1,000.00

ONE THOUSAND <sup>AND</sup> <sup>NO</sup>/<sub>100</sub> DOLLARS



The SEAMEN'S BANK for SAVINGS  
10 SMITH HAVEN MALL  
LAKE GROVE, N.Y. 11735

MEMO CONTRIBUTION

Stanley Ogonowski

STANLEY OGONOWSKI  
FANNY OGONOWSKI

1214

JUNE 2, 19 86

1-7118-12  
2250

PAY TO THE  
ORDER OF

CITIZENS FOR BIDEN \$1,000.00

ONE THOUSAND <sup>AND</sup> <sup>NO</sup>/<sub>100</sub> DOLLARS



The SEAMEN'S BANK for SAVINGS  
10 SMITH HAVEN MALL  
LAKE GROVE, N.Y. 11735

MEMO CONTRIBUTION

Fanny Ogonowski

93080960966

JE '86 17

FID NY  
NEW YORK OFFICE  
PAY ANY BANK

1-794 SAVINGS BANKS TRUST CO 17-JUN-1986

JE '86 16

THE PROVIDENT  
NATL BK PHILA, PA  
PAY ANY BANK

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JE '86 17

FID NY  
NEW YORK OFFICE  
PAY ANY BANK

1-794 SAVINGS BANKS TRUST CO 17-JUN-1986

JE '86 16

THE PROVIDENT  
NATL BK PHILA, PA  
PAY ANY BANK

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CITIZENS FOR BIDEN - 1990  
 P.O. BOX 371  
 WILMINGTON, DELAWARE 19890

REMITTANCE ADVICE					

62-13  
 311  
 921

PAY *One Thousand and 00/100*

DOLLA

TO THE ORDER OF	DATE	CHECK NO.	ACCT. NO.		CHECK AMT.
			SUB	GEN	
<i>Stanly Ogrowski</i>	<i>8/9/87</i>	<i>921</i>			<i>1000</i>

DELAWARE  
 WILMINGTON  
 DELAWARE

*Cynthia K...  
 AUTHORIZED SIGNATURE*

⑈000921⑈ ⑆031100131⑆ 518⑈929 2⑈

CITIZENS FOR BIDEN - 1990  
 P.O. BOX 371  
 WILMINGTON, DELAWARE 19890

REMITTANCE ADVICE					

62-13  
 311  
 922

PAY *One Thousand and 00/100*

DOLLA

TO THE ORDER OF	DATE	CHECK NO.	ACCT. NO.		CHECK AMT.
			SUB	GEN	
<i>Fanny Ogrowski</i>	<i>8/9/87</i>	<i>922</i>			<i>1000</i>

DELAWARE  
 WILMINGTON  
 DELAWARE

*Cynthia K...  
 AUTHORIZED SIGNATURE*

⑈000922⑈ ⑆031100131⑆ 518⑈929 2⑈

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**SENSITIVE**

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of )  
 ) MUR 2576  
William J. Levitt, et al.)

**EXECUTIVE SESSION**

**MAY 17 1988**

88 MAY -9 PM 12:38

RECEIVED  
FEDERAL ELECTION COMMISSION

**GENERAL COUNSEL'S REPORT**

**I. BACKGROUND**

On February 1, 1988, the Commission found reason to believe that William J. Levitt knowingly and willfully violated 2 U.S.C. §§ 441b and 441f, that Rowenroy, Ltd. knowingly and willfully violated 2 U.S.C. §§ 441b, 441e and 441f, and that 22 other individuals violated 2 U.S.C. § 441f.<sup>1/</sup> It appeared that all but one of the 22 individuals had been reimbursed by Rowenroy, Ltd. for contributions made to the Biden for Senate Committee - 1990 ("Biden Committee"). It also appeared that William J. Levitt assisted in the reimbursements. Reason to believe was found against Robert S. Gersten because he informed the State of New York Department of Law that some of the funds that he contributed to the Biden Committee were not his.

To date each of the Respondents has submitted at least a letter to the Office of the General Counsel. On February 24,

1/ These individuals are:  
Jennifer D. Flynn  
Edward Cortese  
Frieda Cortese  
Ralph M. Della Ratta  
Joan Della Ratta  
Edward G. Donnelly  
Michelle Donnelly  
Lisette Stern  
Lou Stern  
Adrienne J. Walters  
Harold Kellman

Stephen J. Lampel  
Ava Lampel  
Gaby Levitt  
Nicole Levitt  
Simone Levitt  
Michael Newman  
Sherry Newman  
Stanley Ogonowski  
Fanny Ogonowski  
Robert S. Gersten  
Marilyn Kellman

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1988, this Office received a request for pre-probable cause conciliation from Robert S. Gersten. Attachment 1 at 1-3. On March 23, 1988, this Office received a request for pre-probable cause conciliation from Ava and Stephen Lampel. Attachment 1 at 4. On March 24, 1988, this Office received a request for pre-probable cause conciliation on behalf of William J. Levitt, Simone Levitt, Rowenroy, Ltd., Ralph Della Ratta, Joan Della Ratta, Harold Kellman, Marilyn Kellman, Edward Cortese, Frieda Cortese, Lou Stern, Lisette Stern, Stanley Ogonowski, Fanny Ogonowski, Nicole Levitt and Gaby Levitt. Attachment 1 at 5-9. An amendment to this request was received on April 18. Attachment 1 at 10-11. On April 1, 1988, this Office received a request for pre-probable cause conciliation on behalf of Sherry Newman and Michael Newman. Attachment 1 at 12-13. On April 5, 1988, this Office received a request for pre-probable cause conciliation on behalf of Edward and Michelle Donnelly. Attachment 1 at 14. On February 22, 1988, this Office received a partial response from Adrienne J. Walters, and on April 6, 1988, this Office received a response from Jennifer D. Flynn and an amendment to Ms. Walters' response. Neither Ms. Flynn nor Ms. Walters requested pre-probable cause conciliation. On April 12, 1988, this Office received a response from Joel Boyarsky, a non-respondent witness.

## II. ANALYSIS

### A. Robert S. Gersten

The response received from Mr. Gersten affects the factual and legal analysis which was presented in the First General

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Counsel's Report dated January 28, 1988. The Commission found reason to believe that Mr. Gersten violated 2 U.S.C. § 441f. This finding was based upon a letter written by Mr. Gersten to the New York State Department of Law in which he stated that the contribution he sent to the Biden Committee included funds he had received from others for the purpose of making the contribution. See First General Counsel's Report at 9-10. The response received from Mr. Gersten gives greater detail of the events that led up to the contribution.

In his response, Mr. Gersten states he was among a group of men who played tennis with Mr. Levitt. Mr. Levitt sent each member of the group a telegram inviting them to a Biden fundraiser which would cost \$1,000 to attend. The group decided to contribute and decided that Mr. Gersten would represent them at the fundraiser and would write a check for \$1,000 and that the other persons would give their checks to Mr. Gersten. When Mr. Gersten spoke to Mr. Levitt, he was instructed to "write one check, since that seemed to be the procedure of the Committee." Attachment 1 at 1. The Biden Committee refunded the \$1,000 contribution on August 9, 1987. When Mr. Gersten received the \$1,000 refund from the Biden Committee, he wrote checks to refund the people who had given funds to him. In a telephone conversation with a representative of this Office, Mr. Gersten stated that he never informed Mr. Levitt or the Biden Committee of the identity of the individuals who gave Mr. Gersten funds that were to go towards the contribution or the amount they gave. Based on these facts, it appears that Mr. Gersten was intended to act as a conduit or intermediary and did not make contributions in the name of another.

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Pursuant to 2 U.S.C. § 441a(a)(8), an intermediary or conduit shall report the original source and the intended recipient of an earmarked contribution to the Commission and to the intended recipient. When Mr. Gersten is viewed as a conduit or intermediary, it appears that he violated 2 U.S.C. § 441a(a)(8) by not notifying the Commission and the intended recipient of the original source of the funds.

Accordingly, this Office recommends that the Commission take no further action against Robert S. Gersten for violating 2 U.S.C. § 441f and that the Commission find reason to believe that Robert S. Gersten violated 2 U.S.C. § 441a(a)(8).<sup>2/</sup> This Office also recommends that the Commission enter into pre-probable cause conciliation with Mr. Gersten.

**B. Other Respondents**

As was noted above, the Commission has received requests for pre-probable cause conciliation from 21 other Respondents. However, Edward and Michelle Donnelly, who requested pre-probable cause conciliation, have failed to respond to the interrogatories and requests to produce documents. Since the investigation is still being conducted, all of the relevant facts with respect to these Respondents have not yet been determined. Accordingly, this Office recommends that the pre-probable cause conciliation requests be denied at this time pending the completion of the investigation.

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<sup>2/</sup> In a telephone conversation with a representative of this Office, Mr. Gersten indicated that his pre-probable cause request would also apply to any reason to believe violations the Commission may find instead of the original § 441f violation.

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As part of the investigation that is being conducted, this Office has been authorized to depose William J. Levitt. Two other Respondents, Stephen J. Lampel and Sherry Newman, have informed this Office through their counsel that they know information that may be relevant to the investigation. Attachment 1 at 4, 12 and 13. The information they have may be of use in the preparation for the deposition of William J. Levitt and in ascertaining the facts at issue in this MUR. Accordingly, this Office recommends that the Commission authorize the deposition of Sherry Newman and Stephen J. Lampel. Finally, this Office recommends that the Commission issue subpoenas to produce documents and orders to submit written answers to Edward and Michelle Donnelly.

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

Attached for the Commission's approval is a proposed conciliation agreement with Robert S. Gersten. Attachment 2.

**IV. RECOMMENDATIONS**

1. Find reason to believe that Robert S. Gersten violated 2 U.S.C. § 441a(a)(8).

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2. Take no further action against Robert S. Gersten as to 2 U.S.C. § 441f.
3. Enter into conciliation with Robert S. Gersten prior to a finding of probable cause to believe.
4. Decline at this time to enter into conciliation prior to a finding of probable cause to believe with William J. Levitt, Rowenroy, Ltd., Edward Cortese, Frieda Cortese, Ralph M. Della Ratta, Joan Della Ratta, Edward G. Donnelly, Michelle Donnelly, Lisette Stern, Lou Stern, Harold Kellman, Marilyn Kellman, Stephen J. Lampel, Ava Lampel, Gaby Levitt, Nicole Levitt, Simone Levitt, Michael Newman, Sherry Newman, Stanley Ogonowski, and Fanny Ogonowski.
5. Approve the subpoenas for the depositions of Sherry Newman and Stephen J. Lampel.
6. Approve the subpoenas to produce documents and orders to submit written answers to Edward and Michelle Donnelly.
7. Approve the attached conciliation agreement and letters.

Date

5/9/88

*Lawrence M. Noble (7/8)*  
Lawrence M. Noble  
General Counsel

Attachments

1. Responses and Requests for Pre-Probable Cause Conciliation
2. Letters (4), Subpoenas (2), Conciliation Agreement (1), and Subpoenas to Produce Documents and Orders to Submit Written Answers (2)

Staff Person: Susan Beard

93040960974

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of )  
 ) MUR 2576  
William J. Levitt, et al. )

CERTIFICATION

I, Marjorie W. Emmons, recording secretary for the Federal Election Commission executive session of May 17, 1988, do hereby certify that the Commission decided by a vote of 4-1 to take the following actions in MUR 2576:

1. Find reason to believe that Robert S. Gersten violated 2 U.S.C. § 441a(a)(8).
2. Take no further action against Robert S. Gersten as to 2 U.S.C. § 441f.
3. Enter into conciliation with Robert S. Gersten prior to a finding of probable cause to believe.
4. Decline at this time to enter into conciliation prior to a finding or probable cause to believe with William J. Levitt, Rowenroy, Ltd., Edward Cortese, Frieda Cortese, Ralph M. Della Ratta, Joan Della Ratta, Edward G. Donnelly, Michelle Donnelly, Lisette Stern, Lou Stern, Harold Kellman, Marilyn Kellman, Stephen J. Lampel, Ava Lampel, Gaby Levitt, Nicole Levitt, Simone Levitt, Michael Newman, Sherry Newman, Stanley Ogonowski, and Fanny Ogonowski.

(continued)

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5. Approve the subpoenas for the depositions of Sherry Newman and Stephen J. Lampel as recommended in the General Counsel's report dated May 9, 1988.
6. Approve the subpoenas to produce documents and orders to submit written answers to Edward and Michelle Donnelly as recommended in the General Counsel's report dated May 9, 1988.
7. Approve the conciliation agreement and letters attached to the General Counsel's report dated May 9, 1988.

Commissioners Aikens, Elliott, Josefiak, and McGarry voted affirmatively for the decision; Commissioner Thomas dissented. Commissioner McDonald was not present at the time this matter was under consideration.

Attest:

5/18/88

Date

Marjorie W. Emmons

Marjorie W. Emmons  
Secretary of the Commission

93040960976



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

May 20, 1988

**CERTIFIED MAIL  
RETURN RECEIPT REQUESTED**

James A. Pascarella, Esquire  
Pascarella, Capetola, Illmensee &  
Doddato  
377 Oak Street  
Garden City, NY 11530

RE: MUR 2576  
Edward Donnelly  
Michelle Donnelly

Dear Mr. Pascarella:

On February 1, 1988, your clients were notified that the Federal Election Commission found reason to believe that your clients, Edward and Michelle Donnelly, violated 2 U.S.C. § 441f. On April 5, 1988, you submitted a request to enter into conciliation negotiations prior to a finding of probable cause to believe.

The Commission has considered your request and determined to decline at this time to enter into conciliation prior to a finding of probable cause to believe because additional information is necessary. The additional information is sought in the attached subpoenas to produce documents and orders to submit written answers. Such information should be submitted to the Office of the General Counsel within 15 days of receipt of this letter.

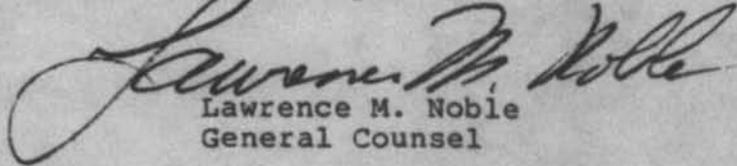
At such time when the investigation in this matter has been completed, the Commission will reconsider your request to enter into conciliation prior to a finding of probable cause to believe.

93040960977

James A. Pascarella, Esquire  
Page 2

If you have any questions, please contact Susan Beard, the attorney assigned to this matter, at (202) 376-9200.

Sincerely,



Lawrence M. Noble  
General Counsel

Enclosures  
Subpoenas to Produce Documents  
and Order to Submit Written Answers

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BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of

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MUR 2576

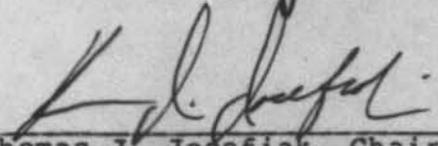
SUBPOENA TO PRODUCE DOCUMENTS  
ORDER TO SUBMIT WRITTEN ANSWERS

TO: Michelle Donnelly  
c/o James A. Pascarella, Esquire  
Pascarella, Capetola, Illmensee &  
Doddato  
377 Oak Street  
Garden City, NY 11530

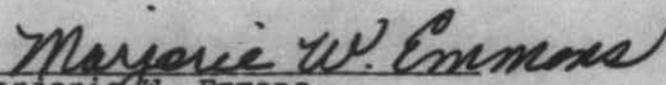
Pursuant to 2 U.S.C. § 437d(a) (1) and (3), and in furtherance of its investigation in the above-captioned matter, the Federal Election Commission hereby orders you to submit written answers to the questions attached to this Order and subpoenas you to produce the documents requested on the attachment to this Order. Legible copies which, where applicable, show both sides of the documents, may be substituted for originals.

Such answers must be submitted under oath and must be forwarded to the Commission along with the requested documents within 15 days of your receipt of this Order and Subpoena.

WHEREFORE, the Chairman of the Federal Election Commission has hereunto set his hand on this *19th*, day of *May*, 1988.

  
Thomas J. Josefiak, Chairman  
Federal Election Commission

ATTEST:

  
Marjorie W. Emmons  
Secretary to the Commission

Attachments  
Questions (1 page)

93040960979

INSTRUCTIONS

In answering these interrogatories and request for production of documents, furnish all documents and other information, however obtained, including hearsay, that is in possession of, known by or otherwise available to you, including documents and information appearing in your records.

Each answer is to be given separately and independently, and unless specifically stated in the particular discovery request, no answer shall be given solely by reference either to another answer or to an exhibit attached to your response.

The response to each interrogatory propounded herein shall set forth separately the identification of each person capable of furnishing testimony concerning the response given, denoting separately those individuals who provided informational, documentary or other input, and those who assisted in drafting the interrogatory response.

If you cannot answer the following interrogatories in full after exercising due diligence to secure the full information to do so, answer to the extent possible and indicate your inability to answer the remainder, stating whatever information or knowledge you have concerning the unanswered portion and detailing what you did in attempting to secure the unknown information.

Should you claim a privilege with respect to any documents, communications, or other items about which information is requested by any of the following interrogatories and requests for production of documents, describe such items in sufficient detail to provide justification for the claim. Each claim of privilege must specify in detail all the grounds on which it rests.

Unless otherwise indicated, the discovery requests shall refer to the time period from January 1, 1986, to present.

The following interrogatories and requests for production of documents are continuing in nature so as to require you to file supplementary responses or amendments during the course of this investigation if you obtain further or different information prior to or during the pendency of this matter. Include in any supplemental answers the date upon which and the manner in which such further or different information came to your attention.

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## DEFINITIONS

For the purpose of these discovery requests, including the instructions thereto, the terms listed below are defined as follows:

"You" shall mean the named respondent in this action to whom these discovery requests are addressed, including all officers, employees, agents or attorneys thereof.

"Persons" shall be deemed to include both singular and plural, and shall mean any natural person, partnership, committee, association, corporation, or any other type of organization or entity.

"Document" shall mean the original and all non-identical copies, including drafts, of all papers and records of every type in your possession, custody, or control, or known by you to exist. The term document includes, but is not limited to books, letters, contracts, notes, diaries, log sheets, records of telephone communications, transcripts, vouchers, accounting statements, ledgers, checks, money orders or other commercial paper, telegrams, telexes, pamphlets, circulars, leaflets, reports, memoranda, correspondence, surveys, tabulations, audio and video recordings, drawings, photographs, graphs, charts, diagrams, lists, computer print-outs, and all other writings and other data compilations from which information can be obtained.

"Identify" with respect to a document shall mean state the nature or type of document (e.g., letter, memorandum), the date, if any, appearing thereon, the date on which the document was prepared, the title of the document, the general subject matter of the document, the location of the document, the number of pages comprising the document.

"Identify" with respect to a person shall mean state the full name, the most recent business and residence addresses and telephone numbers, the present occupation or position of such person, the nature of the connection or association that person has to any party in this proceeding. If the person to be identified is not a natural person, provide the legal and trade names, the address and telephone number, and the full names of both the chief executive officer and the agent designated to receive service of process for such person.

"And" as well as "or" shall be construed disjunctively or conjunctively as necessary to bring within the scope of these interrogatories and requests for the production of documents any documents and materials which may otherwise be construed to be out of their scope.

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**INTERROGATORIES AND REQUESTS  
FOR DOCUMENTS**

1. With regard to your 1986 contribution to Citizens for Biden Committee - 1990, state the following:
  - a. whether you were reimbursed for your contribution;
  - b. identify the person or entity that reimbursed you; and
  - c. identify the person(s) who solicited the contribution from you.
2. Describe, in detail, each and every occasion on which the reimbursement of your contribution to Citizens for Biden Committee - 1990 was discussed orally or in writing. Include, the date, the individuals present, and the content of the discussion.
3. Describe, in detail, each and every communication or contact with Citizens for Biden Committee - 1990, which concerned your 1986 contribution, its reimbursement and/or its refund.
4. Produce true copies of all correspondence and other documents, including checks, which concern the making, reimbursement and/or refund of your 1986 contribution to Citizens for Biden Committee - 1990.

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*Plan*



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

May 20, 1988

Herbert J. Tamres, Esquire  
Shaw, Licitra, Eisenberg, Esernio  
& Schwartz, P.C.  
1010 Franklin Avenue  
Garden City, NY 11530

RE: MUR 2576  
William J. Levitt, et al.

Dear Mr. Tamres:

On February 1, 1988, your clients were notified that the Federal Election Commission found reason to believe that your client, William J. Levitt, knowingly and willfully violated 2 U.S.C. §§ 441b and 441f, that your client, Rowenroy, Ltd., knowingly and willfully violated 2 U.S.C. §§ 441b, 441e, and 441f, and that your clients, Edward Cortese, Frieda Cortese, Joan Della Ratta, Ralph Della Ratta, Harold Kellman, Marilyn Kellman, Gaby Levitt, Nicole Levitt, Simone Levitt, Fanny Ogonowski, Stanley Ogonowski, Lisette Stern and Lou Stern violated 2 U.S.C. § 441f. On March 24, 1988, you submitted a request to enter into conciliation negotiations prior to a finding of probable cause to believe.

The Commission has considered your request and determined, because of the need to complete the investigation, to decline at this time to enter into conciliation prior to a finding of probable cause to believe.

At such time when the investigation in this matter has been completed, the Commission will reconsider your request to enter into conciliation prior to a finding of probable cause to believe.

If you have any questions, please contact Susan Beard, the attorney assigned to this matter, at (202) 376-8200.

Sincerely,

*Lawrence M. Noble*  
Lawrence M. Noble  
General Counsel

93040960983



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

May 20, 1988

Robert S. Gersten  
84 Leamington Road  
Lido Beach, NY 11561

RE: MUR 2576  
Robert S. Gersten

Dear Mr. Gersten:

On February 1, 1988, the Federal Election Commission found reason to believe that you violated 2 U.S.C. § 441f. After considering the circumstances of the matter, the Commission determined on May 17, 1988, to take no further action against you for violations of 2 U.S.C. § 441f. However, on May 17, 1988, the Commission found that there is reason to believe you violated 2 U.S.C. § 441a(a)(8). The Factual and Legal Analysis, which formed a basis for the Commission's finding as to the alleged violation of 2 U.S.C. § 441a(a)(8), is attached for your information. At your request, on May 17, 1988, 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 you agree 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 Susan Beard, the attorney assigned to this matter, at (202) 376-8200.

Sincerely,

Lawrence M. Noble  
General Counsel

Enclosure  
Conciliation Agreement  
Factual and Legal Analysis

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FEDERAL ELECTION COMMISSION  
FACTUAL AND LEGAL ANALYSIS

RESPONDENT: Robert S. Gersten

MUR 2576

Pursuant to 2 U.S.C. § 441a(a) (8), an intermediary or conduit shall report the original source and the intended recipient of an earmarked contribution to the Commission and to the intended recipient.

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Mr. Gersten has stated that he was among a group of men who played tennis with William J. Levitt. Mr. Levitt sent each member of the group a telegram inviting them to a Biden fundraiser which would cost \$1,000 to attend. The group decided to contribute and decided that Mr. Gersten would represent them at the fundraiser and would write a check for \$1,000 and that the other persons would give their checks to Mr. Gersten. When Mr. Gersten spoke to Mr. Levitt, he was instructed to "write one check, since that seemed to be the procedure of the Committee." The Biden for Senate Committee - 1990 ("Biden Committee") refunded the \$1,000 contribution on August 9, 1987. When Mr. Gersten received the \$1,000 refund from the Biden Committee, he wrote checks to refund the people who had given funds to him. In a telephone conversation with a representative of this Office, Mr. Gersten stated that he never informed Mr. Levitt or the Biden Committee of the identity of the individuals who gave Mr. Gersten funds that were to go towards the contribution or the amount they gave. Based on these facts, it appears that Mr. Gersten was intended to act as a conduit or intermediary.

Accordingly, there is reason to believe that Robert S. Gersten violated 2 U.S.C. § 441a(a) (8).

*Jhm*



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

May 26, 1988

Robert L. Folks, Esquire  
Rivkin, Radler, Dunne & Bayh  
EAB Plaza  
Uniondale, NY 11556-0111

RE: MUR 2576  
Stephen Lampel  
Ava Lampel  
Sherry Newman  
Michael Newman

Dear Mr. Folks:

On February 1, 1988, your clients were notified that the Federal Election Commission found reason to believe that your clients, Stephen Lampel, Ava Lampel, Sherry Newman, and Michael Newman violated 2 U.S.C. § 441f. On March 23 and April 1, 1988, you submitted requests to enter into conciliation negotiations prior to a finding of probable cause to believe.

The Commission has reviewed your requests and determined to decline at this time to enter into conciliation prior to a finding of probable cause to believe because additional information is necessary.

Pursuant to its investigation of this matter, the Commission has issued the attached subpoenas requiring Sherry Newman and Stephen Lampel to appear and give sworn testimony on June 15, 1988, which will assist the Commission in carrying out its statutory duty of supervising compliance with the Federal Election Campaign Act of 1971, as amended.

Pursuant to 11 C.F.R. § 111.14, a witness summoned by the Commission shall be paid \$30.00 plus mileage at the rate of 21 cents per mile. Your client will be given a check for the witness fee and mileage at the time of the deposition. Please confirm the scheduled appearance with Susan Beard within two days of your receipt of this notification.

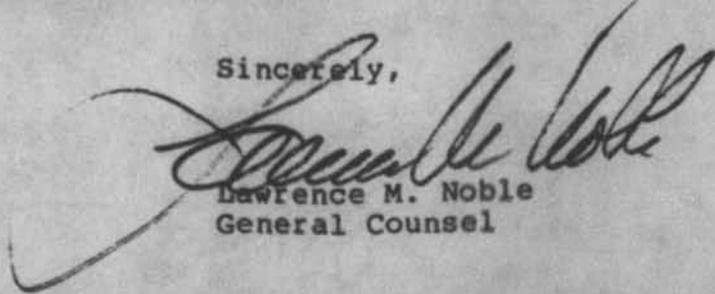
At such time when the investigation in this matter has been completed, the Commission will reconsider your request to enter into conciliation prior to a finding of probable cause to believe.

93040960986

Robert L. Folks  
Page 2

If you have any questions, please contact Susan Beard, the attorney assigned to this matter, at (202) 376-8200.

Sincerely,



Lawrence M. Noble  
General Counsel

Enclosures  
Subpoenas

93040960987

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of

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MUR 2576

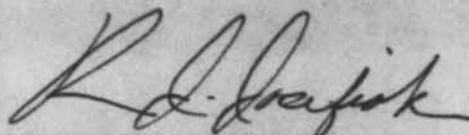
SUBPOENA

To: Sherry Newman  
c/o Robert L. Folks, Esquire  
Rivkin, Radler, Dunne & Bayh  
EAB Plaza  
Uniondale, NY 11556-0111

Pursuant to 2 U.S.C. § 437d(a)(3), and in furtherance of its investigation in the above-captioned matter, the Federal Election Commission hereby subpoenas you to appear for deposition with regard to the above-captioned matter. Notice is hereby given that the deposition is to be taken on June 15, 1988, in Room 1434 at the Jacob K. Javitz Building, 26 Federal Plaza, New York City, New York, beginning at 2:00 p.m. and continuing each day thereafter as necessary.

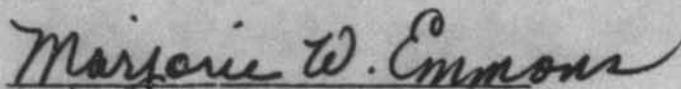
WHEREFORE, the Chairman of the Federal Election Commission has hereunto set his hand at Washington, D.C., this 26<sup>th</sup> day of

May, 1988.



Thomas J. Josefiak, Chairman  
Federal Election Commission

ATTEST:



Marjorie W. Emmons  
Secretary to the Commission

93040960988

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of

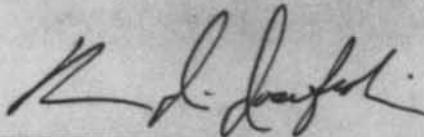
)  
) MUR 2576  
)

SUBPOENA

To: Stephen Lampel  
c/o Robert L. Folks, Esquire  
Rivkin, Radler, Dunne & Bayh  
EAB Plaza  
Uniondale, NY 11556-0111

Pursuant to 2 U.S.C. § 437d(a)(3), and in furtherance of its investigation in the above-captioned matter, the Federal Election Commission hereby subpoenas you to appear for deposition with regard to the above-captioned matter. Notice is hereby given that the deposition is to be taken on June 15, 1988, in Room 1434 at the Jacob K. Javitz Building, 26 Federal Plaza, New York City, New York, beginning at 10:00 a.m. and continuing each day thereafter as necessary.

WHEREFORE, the Chairman of the Federal Election Commission has hereunto set his hand at Washington, D.C., this *26th* day of *May*, 1988.



Thomas J. Josefiak, Chairman  
Federal Election Commission

ATTEST:

*Marjorie W. Emmons*  
Marjorie W. Emmons  
Secretary to the Commission

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# TRANSCRIPT OF PROCEEDINGS

UNITED STATES OF AMERICA  
FEDERAL ELECTION COMMISSION

RECEIVED  
FEDERAL ELECTION COMMISSION  
88 JUN 23 AM 9:57

-----X  
IN RE: :  
MATTER UNDER REVIEW :  
NUMBER 2576 :  
-----X

DEPOSITION OF SHERRY NEUMAN

New York, New York

Wednesday, June 15, 1988

ACE-FEDERAL REPORTERS, INC.

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444 North Capitol Street  
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C O N F I D E N T I A L

UNITED STATES OF AMERICA

FEDERAL ELECTION COMMISSION

----- X

IN RE: :

MATTER UNDER REVIEW :

NO. 2576 :

----- X

New York, New York

Wednesday, June 15, 1988

Deposition of

SHERRY NEUMAN

the deponent, called for examination by counsel for the Federal Election Commission in Conference Room 1434 of the Jacob Javitz Building, 26 Federal Plaza, New York City beginning at 2:05 o'clock p.m., before, by stipulation of counsel, Mary C. Simons, a Notary Public in and for the District of Columbia, when were present on behalf of the respective parties:

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On Behalf of the Federal Election Commission:

SUSAN F. BEARD, ESQ.

MICHAEL MARINELLI, ESQ.

Federal Election Commission

999 E Street, N.W.

Washington, D.C. 20463

(202) 376-8200

On Behalf of the Sherry Neuman:

ROBERT L. FOLKS, ESQ.

Rivkin, Radler, Dunne & Bayh

EAB Plaza

Uniondale, New York 11556-0111

(516) 357-3000

\* \* \* \* \*

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C O N T E N T S

2	WITNESS	EXAMINATION BY:	PAGE
3	Sherry Neuman	By Ms. Beard	5
4		By Mr. Folks	59
5		By Ms. Beard	63

E X H I B I T S

7	NEUMAN DEPOSITION EXHIBITS	IDENTIFIED
8	Exhibit No. 1	23
9	Exhibit No. 2	27
10	Exhibit No. 3	39
11	Exhibit No. 4	51

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P R O C E E D I N G S

2 Whereupon,

3 SHERRY NEUMAN

4 was called for examination by counsel for the Federal  
5 Election Commission and, having been first duly sworn by  
6 the Notary Public, was examined and testified as follows:

7 MS. BEARD: This deposition is being taken  
8 pursuant to a Federal Election Commission subpoena issued  
9 in connection with an investigation under Section 437G of  
10 Title II of the United States Code.

11 The statute provides that the confidentiality  
12 of this investigation must be maintained until the  
13 Commission closes its file.

14 The Commission has civil jurisdiction over the  
15 Federal Election Campaign Act of 1971 as amended.

16 This investigation is designated as Matter  
17 Under Review, 2576.

18 My name is Susan Beard, and I am representing  
19 the Commission here today along with Michael Marinelli.

20  
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22

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EXAMINATION

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BY MS. BEARD:

Q Would you please state your full name.

A Sherry Neuman.

Q And are you being represented by counsel today?

A Yes, I am.

MR. FOLKS: Yes. Robert L. Folks with Rivkin, Radler, Dunne & Bayh appearing on behalf of Sherry Neuman, the deponent.

MS. BEARD: Have you ever had your deposition taken before?

THE WITNESS: Yes, I have.

MS. BEARD: Well, even though you have, I'm still going to explain to you a little bit about what is going to be going on.

We are going to be asking you a series of questions designed to elicit information involved in this investigation. The questions will not be limited to your involvement only, but will also include information involving other persons as well.

The court reporter will be taking down everything we say and will be typing up a transcript. You

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should treat this as if you were testifying in a court of law and remember that you are under oath.

2

3

Since the court reporter can't take down things like nodding of the head, it is important that you answer in words.

4

5

6

If you don't understand or don't hear a question, let me know and I will repeat it or rephrase it. If you want to qualify an answer, you can do so. If during the course of the deposition you realize you gave an inaccurate or incomplete answer, let me know, and you can go back and amplify or correct it.

7

8

9

10

11

12

If you need to take a break for any reason, let me know and we can take a break.

13

14

THE WITNESS: Thank you.

15

BY MS. BEARD:

16

Q Can you tell me your address.

17

A My address is 10 The Poplars in Roslyn Estates,

18

New York.

19

Q Is that your home address?

20

A Yes, it is.

21

Q Can you tell me your telephone number.

22

A

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marysimons 1

Q Is that your home phone number?

2 A Yes, it is.

3 Q Do you have any children?

4 A Yes, I do.

5 Q What are their names?

6 A My son Michael, and I have two daughters, Jody  
7 and Lisa.

8 Q To your knowledge, are any of your children  
9 respondents in this action? Did they get a letter like  
10 the letter you got?

11 A Yes, my son Michael did.

12 Q How old is Michael?

13 A Michael is 19.

14 Q He is 19 now?

15 A Yes.

16 Q When is his birthday?

17 A July.

18 Q What is your highest level of education you  
19 have completed?

20 A Two years of college.

21 Q Was that like a junior college?

22 A Yes, that's correct.

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marysimons 1

Q Are you currently employed?

2 A Yes, I am.

3 Q Who is your employer?

4 A I work for Matrix General, M-a-t-r-i-x.

5 Q And that is here in New York?

6 A We now have a New York office. It's a Florida  
7 company. Our office is at 16310 Northern Boulevard in  
8 Flushing.

9 Q What do you do for Matrix General?

10 A My title is General Manager, Sales Manager.

11 Q Is it sales work?

12 A It's sales. Mostly it's the directing of sales  
13 and controlling the operation that we have in New York.

14 Q Are you a supervisor of other people as well?

15 A Yes.

16 Q When did you start working there?

17 A In October of this year -- I'm sorry, this is  
18 '88, October of '87.

19 Q Who did you work for prior to that?

20 A Prior to that I was with AVATAR Communities  
21 which is another Florida corporation, and they also have  
22 offices in New York.

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marysimons 1

Q When did you start working for them?

2

A In August of '86.

3

Q What did you do for that company?

4

A Sales.

5

Q Were you supervising people again there?

6

A No. At that time I was strictly in sales.

7

Q Prior to that was AVATAR, did you say?

8

A Yes.

9

Q Prior to AVATAR who did you work for?

10

A Prior to AVATAR I was with Capital Communities

11

Corporation.

12

Q When did you start working for Capital

13

Communities?

14

A February I think of 1985.

15

Q When did you leave Capital Communities?

16

A August of '86 I believe.

17

Q So right when you went to the next job?

18

A Yes.

19

Q You left Capital Communities and then went to

20

AVATAR?

21

A I left Capital Communities and went on to

22

AVATAR, yes.

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marysimons 1

Q Can you tell me who owns Capital Communities,  
2 Incorporated?

3 A It was owned by William J. Levitt.

4 Q Did you only have one position when you worked  
5 there?

6 A No. I started with Mr. Levitt as a  
7 receptionist.

8 Q How long were you a receptionist?

9 A About three weeks?

10 Q What happened after you were no longer a  
11 receptionist?

12 A At the time I took the position with Mr. Levitt  
13 I didn't know about the Poinciana Park project. He was  
14 involved with another project in Florida, which was  
15 Williamsburg in Orlando. Shortly after I started there,  
16 they were arranging a press conference to make the  
17 announcement about the Poinciana Park project, and being  
18 that I had had some background, they asked me to help with  
19 that, and by the time the press conference took off and  
20 the project was underway I was heading up the project for  
21 him.

22 Q This is the Poinciana project?

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marysimons 1

A Yes.

2 Q You mentioned that you worked for Capital  
3 Communities, Incorporated. Is that where your payroll  
4 checks came from?

5 A Well, when I started, my checks were coming  
6 from I think the William J. Levitt, Inc. account. Then  
7 after I started up with Poinciana we were involved with  
8 Jeffrey Levitt and the bank in Maryland, the Old Court  
9 Savings and Loan. So the account that was opened through  
10 that became Capital Communities, and I was the only New  
11 York employee being paid through that corporation.

12 Q But you were on the payroll?

13 A I was on the joint payroll from the two  
14 Levitt's from the Poinciana bank account.

15 Q The work you did, was it all for Capital  
16 Communities?

17 A Everything.

18 Q And nothing for any of the other corporations  
19 that were there?

20 A No.

21 Q And you worked out of the office in Greenvale?

22 A Yes, I did.

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marysimons 1

Q Did you ever receive any checks or money from  
2 any of the other corporations?

3 A Yes.

4 Q When was that?

5 A Well, after the situation occurred with Old  
6 Court, then my salary was reverted back to the regular  
7 payroll account, which I guess was the William J. Levitt  
8 account.

9 Q By the situation with Old Court, you mean the  
10 problems Old Court had?

11 A Yes, when the affiliation with them ceased.

12 Q When they had their financial problems?

13 A It's difficult to say because our payroll  
14 checks varied from account to account on numerous  
15 occasions.

16 Q You mentioned that you started off as  
17 receptionist and then you switched to the Poinciana  
18 project. What kind of things did you do on the Poinciana  
19 project?

20 A Basically from the advertisements through the  
21 signing of the receipt of the money and turning the money  
22 over to the bookkeeper for deposit to the account.

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marysimons 1

Q Who was your supervisor?

2 A Mr. Levitt.

3 Q So you would report to him?

4 A Yes.

5 Q Did you supervise anybody?

6 A Yes.

7 Q Who were they?

8 A I had a couple of clerical girls, part-timers.

9 They were very transient.

10 Q Can you tell me their names?

11 A Truthfully, no. I can think of some first  
12 names. There was a constant turnover.

13 Q So they could be there for a few weeks or a few  
14 months and that would be it?

15 A Yes.

16 Q When you left your employment with Mr. Levitt  
17 were you still in charge of the Poinciana project at that  
18 time?

19 A Yes, I was.

20 Q So there were only the two positions that you  
21 had then, one as a receptionist and one as in charge of  
22 the Poinciana project?

marysimons 1

A Yes.

2

Q Who made the management decisions that were involved in the Poinciana project?

3

4

A Mr. Levitt did.

5

Q So you would go to him and discuss ---

6

A No. I would go to him and discuss, but there was no really -- the discussion ended when I raised the question. He made all the decisions.

8

9

Q So he would say do whatever, and you would follow his instructions?

10

11

A Yes.

12

Q As part of your job did you have anything to do with checks or financial statements of any of the Levitt projects?

14

15

A Well, I was responsible for all the incoming checks. We advertised for \$500 deposits.

16

17

Q These were people who were buying homes?

18

A These were people who were asking for a priority number, and that priority number enabled them to have a number, and when we were ready to open the project, they would be called. It was like a bakery. When you number was called, you came in and you had the option of

19

20

21

22

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marysimons 1

buying a house, and we received 4,700 deposits.

2 Q But you didn't have anything to do with checks  
3 that were written for Capital Communities or any other of  
4 Mr. Levitt's other companies?

5 A Outgoing checks?

6 Q Yes.

7 A No.

8 Q Any of Mr. Levitt's other companies?

9 A No.

10 Q Have you ever heard of Rowenroy, Limited?

11 A Yes.

12 Q Can you tell me what that is?

13 A I assumed that that was a defunct corporation.

14 I had questioned who Rowenroy was, and that was supposedly  
15 a record company that Mr. Levitt had an interest in at one  
16 time. I don't know very much about it. I know that a lot  
17 of money was transferred in and out of that account.

18 Q But it was a company owned by Mr. Levitt, to  
19 your knowledge?

20 A Yes, it was.

21 Q Did you know Harold Kellman?

22 A Yes, I did.

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marysimons 1

Q How did you know him?

2

A Hal Kellman was the Sales Manager for the

3

Williamsburg project.

4

Q Did he work at all on Poinciana?

5

A There was a very brief period of time where Mr.

6

Levitt took away some of my signing ability from the

7

letters and the receipts going out with Poinciana and he

8

turned it over to Hal Kellman, but that didn't last too

9

long, and then I left shortly after that.

10

Q When you started working for Mr. Levitt in

11

February of 1985, was Mr. Kellman already an employee?

12

A Oh, yes.

13

Q Was he still there when you left?

14

A Yes, he was.

15

Q Do you know Edward Cortese?

16

A Yes.

17

Q What did he do?

18

A Ed did marketing promotion work and public

19

relation work.

20

Q This was on Poinciana as well as other things?

21

A Everything. Everything and anything he helped

22

Mr. Levitt. Even to the point where Mr. Levitt was

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marysimons 1

looking for financing, he would do the company profiles.

2 I mean he did everything that had to be put in writing.

3 Q He was there before you started?

4 A Yes, he was.

5 Q Was he there when you left?

6 A No.

7 Q He had left earlier?

8 A Yes, he had left several months before.

9 Q Do you know Ralph Della Ratta?

10 A Yes, I do.

11 Q Can you tell me how you know him?

12 A Ralph was also with Mr. Levitt for many, many  
13 years, I believe something like 25 years, and he was in  
14 charge of construction.

15 Q In actually constructing the projects, like he  
16 would go down and ---

17 A In pricing out and planning the supplies and  
18 the cost of supplies.

19 Q And he worked on the Poinciana as well?

20 A He priced out certain things for the Poinciana  
21 project, yes.

22 Q So would you have contact with him?

marysimons 1

A Not directly. There were conversations, but  
2 there was not anything directly.

3 Q So you would be on the sales end while he would  
4 be on the building end?

5 A Yes.

6 Q Was he still there when you left?

7 A Yes, she was.

8 Q Do you know Adrienne Walters?

9 A Yes.

10 Q How do you know her?

11 A Adrienne was a receptionist with us.

12 Q Did she ever work on the Poinciana project?

13 A She would type receipts for us.

14 Q Was she ever involved in sales?

15 A Yes. As a matter of fact, we had a sales  
16 office. The Williamsburg Sales Office in Jericho was  
17 converted over to the Poinciana Sales Office and Adrienne  
18 would work there on the weekends to supplement her income.

19 Q Was he working for Mr. Levitt before you  
20 started?

21 A No.

22 Q Do you remember what time she came?

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marysimons 1

A Not offhand. Maybe six or eight months before

2 I left.

3 Q And she was still there when you left?

4 A Yes, she was.

5 Q Do you know Edward Donnelly?

6 A Yes, I do.

7 Q Can you tell me how you know him?

8 A Ed Donnelly was the Chief Financial Officer.

9 He was there when I came and he was there when I left.

10 Q And the only contact you would have was again  
11 if you would go to him for checks, or did Mr. Levitt take  
12 care of that for Poinciana?

13 A I never reported to Ed Donnelly. Ed Donnelly  
14 and I did not get along very well, and I went directly to  
15 Mr. Levitt.

16 If you would like me to, there was a question  
17 you asked me a little before of why Hal Kellman came in to  
18 do certain things with Poinciana. There was a period of  
19 time where they stripped me of my responsibility to sign  
20 papers or anything. They felt that I knew too many things  
21 that were happening and they were trying to keep me off on  
22 the side.

9304091009

marysimons 1

Q Okay. We will probably come back to that a  
2 little bit later.

3 Do you know a Robert S. Gersten?

4 A Excuse me?

5 Q Do you know a Robert S. Gersten?

6 A No.

7 Q Do you know a Henry Fox?

8 A Yes.

9 Q Can you tell me who Henry Fox is?

10 A Henry Fox was a personal friend of Bill

11 Levitt's. I believe he subleased space from us in the  
12 Jericho office which was called Good Times. He sold  
13 weather insurance.

14 Q To your knowledge, was he ever employed by Mr.  
15 Levitt or as an independent contractor for Mr. Levitt?

16 A Not while I was there. I just assumed that  
17 they were good friends and tennis partners.

18 Q When you say Bill Levitt, you mean William J.  
19 Levitt?

20 A Yes.

21 Q Do you know Lou Stern?

22 A That is Mr. Levitt's brother-in-law.

9304091010

marysimons 1

Q Was he ever employed, to your knowledge, by Mr.

2 Levitt?

3 A No.

4 Q Do you know how he is related? Is his wife Mr.

5 Levitt's sister?

6 A Yes, that is Simone's sister's husband.

7 Q Simone's sister's husband, okay.

8 Do you know Stanley Ogonowski?

9 A Yes. Stanley was a bookkeeper. He was

10 employed when I came and he was employed when I left. His

11 duties changed. His responsibilities varied through the I

12 guess two years that I was employed there. He started out

13 being the bookkeeper doing basically payroll. Then he was

14 transferred. When Mr. Levitt's private bookkeeper

15 retired, then he was transferred over to that area.

16 Q While you were employed by Capital Communities

17 did Nicole Levitt, Simone Levitt or Gaby Levitt ever work

18 for any of these corporations?

19 A You left out Denise. Simone is the mother and

20 then the girls.

21 Q Oh, there is another daughter?

22 A Denise. No.

9304091011

marysimons 1

Q None of them did?

2 A No.

3 Q In or around June of 1986 did Mr. Levitt owe  
4 you any money?

5 A Yes.

6 Q In June?

7 A Well, let's see, I left in August, and payroll  
8 checks were either very late in coming or were bouncing.  
9 So I would say by June he owed me some money, but I  
10 couldn't tell you exactly how much at that particular time  
11 or for what pay period. I didn't know if it was current  
12 or back money.

13 Q When did the payroll problems first arise?

14 A I really don't know. I would say somewhere six  
15 months prior to my leaving.

16 Q So that would make it around March.

17 Were you eventually paid for your work?

18 A When I left he still owed me about \$2,400.

19 Q How many pay periods would that have been?

20 A That would have been approximately six -- well,  
21 let's see. He owed me about six pay periods -- or he  
22 owned me eight and then he gave me a check for two. So he

marysimons 1

still owned me six.

2 Q Six pay periods. What is a pay period?

3 A Well, \$325 a period. So about \$1,800 or  
4 \$1,900.

5 Q But what was a pay period? Was it a week or  
6 was it two weeks?

7 A Oh, no. He would always tell us that a check  
8 would be forthcoming this week, and then the check didn't  
9 come. It could go four weeks that we hadn't been paid.  
10 That was one of the main reasons I was the first to leave.

11 Q But when you were getting paid, were you paid  
12 weekly if it worked like it was supposed to?

13 A We were paid twice a month, on the 15th and the  
14 1st I believe.

15 MS. BEARD: Why don't we take a short break.

16 (Short recess taken.)

17 (Neuman Deposition Exhibit

18 No. 1 was marked for

19 identification.)

20 MS. BEARD: Back on the record.

21 While we were off the record I had the court  
22 reporter mark this as Exhibit No. 1. I only have one

9304091013

marysimons 1

extra copy. Here is one you can look at.

2

(A copy of Exhibit No. 1 was handed by Counsel

3

Beard to the witness and her counsel.)

4

Hopefully it should be familiar to you.

5

Why don't you take a look at it so you can see

6

what it is for a second and when you're ready let me know.

7

It's a copy of "Sherry Newman Response to

8

Interrogatories and Requests for Documents," which goes

9

for four pages, and the next set of pages is an affidavit

10

of Sherry Newman.

11

I'm going to be referring to page 3 of the

12

affidavit, which is four pages from the end. It's a

13

partial page and the first full paragraph is paragraph 8.

14

EXAMINATION (Resumed)

15

BY MR. BRODY:

16

Q It reads "In August of 1986 Mr. Levitt owed me

17

six weeks of back salary and it was then that I decided to

18

leave. Many of the other employees did the same. In

19

September I then went to work for AVATAR located at 91-31

20

Queens Boulevard, Queens, New York."

21

That's the end of the paragraph.

22

Have you seen this document before?

9304091014

marysimons 1

A Yes.

2

Q This is your affidavit?

3

A Yes.

4

Q The six weeks of back salary you're talking

5

about, what six weeks would that be? Did you leave at the

6

end of August or at the beginning of August, do you

7

remember?

8

A I think I left September 1st. There was a

9

holiday, Labor Day weekend.

10

Q So it would be the very end of August?

11

A Yes.

12

Q So the six weeks you're talking about then

13

would be the full month of August and then part of July?

14

A Well, there was a pay check that had been

15

submitted in the interim during that period of time, but

16

of course that check bounced.

17

So it wasn't that we allowed it to go so long.

18

He did give us a check, but the check was no good. It was

19

sometime after Labor Day though that he made good that

20

check.

21

Q In the beginning of June were you still being

22

paid regularly or were the checks bouncing?

9304091015

marysimons 1

A I don't remember. It was very erratic. What happened was the pay schedule became very erratic. It would be a week late or two weeks late.

2  
3  
4 Q You mentioned before that you left partially because of the problems of getting paid.

5  
6 A Yes.

7 Q And was that the main reason why you decided to leave?  
8

9 A That was my main reason for leaving because I wasn't being paid. I really felt the need to stay there, but the reasons I wanted to stay there didn't justify my not being paid for my being there.  
10  
11  
12

13 Q Can you say why you felt the need to stay there? Did you like the work you were doing or was it something else?  
14  
15

16 A I felt that I had accepted these deposits from these people and I had a responsibility to see that their money was refunded to them. I just felt that I owned that to them and that I had accepted their money under false pretenses bothered me. I didn't know at the time it was false pretenses and it didn't start out to be false pretenses. It was just the Old Court situation.  
17  
18  
19  
20  
21  
22

9304091016

marysimons 1

2 Q Do you consider yourself to be politically  
active?

3 A No.

4 Q Have you ever contributed to a Federal  
5 candidate or a political committee?

6 A No.

7 Q Have you ever made a contribution to the  
8 Citizens For Biden Committee - 1990?

9 A Have I ever?

10 Q Yes.

11 A Yes.

12 MS. BEARD: May I have this marked, please, as  
13 Exhibit No. 2.

14 (Neuman Deposition Exhibit  
15 No. 2 was marked for  
16 identification.)

17 (A copy of Exhibit No. 2 was handed by Counsel  
18 Beard to the witness and her counsel.)

19 MS. BEARD: This is a document you are not  
20 familiar with. It's three pages, and I'll give you a  
21 second to look at it. When you're ready let me know.

22 (Pause while the witness reviews the document

marysimons 1

referred to.)

2 MS. BEARD: Are you ready?

3 MR. FOLKS: Yes.

4 BY MS. BEARD:

5 Q This is a copy of part of a document that  
6 political committees are required to file with the Federal  
7 Election Commission. It's for Citizens For Biden  
8 Committee - 1990 from the period of January 1st, 1986 to  
9 June 30th, 1986.

10 On the third page in the middle of the page  
11 there are two contributions listed, one for Newman,  
12 Michael, Mr. for \$1,000 on June 2nd, 1986 and one for  
13 Newman, Sherry, Mrs. for \$1,000 on June 2nd, 1986.

14 Is that your contribution, to your knowledge?

15 A Yes.

16 Q Do the dates seem right to you?

17 A I couldn't verify that.

18 Q But do you think it was around the beginning of  
19 June that you made the contribution?

20 A I don't know. I would tend to think it wasn't  
21 in June.

22 Q When would you think it was?

9304091018

marysimons 1

2 A You're a woman and you can understand this. It  
3 was after this check was written that there was a meet the  
4 candidate party that Mr. Levitt was having. He insisted  
5 that I be there and I wore a wool dress.

6 Q A what?

7 A A wool dress. So it couldn't have been. I  
8 don't know. The date doesn't seem right to me.

9 Q So you think it might have been earlier if it  
10 was anything?

11 A Is this the date I wrote the check or is this  
12 the date it was received?

13 Q This is the point the committee received it.

14 A Oh, because the checks sat on Mr. Levitt's desk  
15 for a very long time. They were not issued immediately.

16 Q Sometimes the committees report the date that  
17 was actually on the check and sometimes they do it a  
18 little bit differently, not the way they are supposed to  
19 do it, but they don't always follow the way they are  
20 supposed to do it.

21 But it was sometime in 1986?

22 A Yes.

Q Do you remember why you wrote this check?

9304091019

marysimons 1

A Because Mr. Levitt asked me to.

2 Q How many times did he ask you to?

3 A Once.

4 Q Can you tell me what he said?

5 A Yes. He came over to my desk and he had a  
6 piece of paper and on it it said Citizens For Biden. He  
7 said I need a check, your personal check for this amount,  
8 \$1,000 made payable to. I remember looking at him and  
9 laughing, and he said don't worry about it, that I'll give  
10 you the money back, but I just need your personal check,  
11 and I wrote the check.

12 Q Did he also ask you to have your son write a  
13 check?

14 A The next day. See, he had gone around, and I  
15 found out later on that he had asked everybody for a check  
16 for Mr. and Mrs. I didn't have a Mr. So he came back the  
17 next day and he knew my son, and he said give me a check  
18 for Michael. In fact, he instructed me how to do it. The  
19 check was made payable to Michael from me and then  
20 endorsed by Michael, which wasn't Michael's signature,  
21 made payable to Biden.

22 Q So you signed Michael's name on the back?

9304091020

marysimons 1

A Yes.

2

Q Did Mr. Levitt tell you to do that?

3

A Yes.

4

Q When he talked to you the first time about

5

having you write the \$1,000 check, you said he came to

6

your office.

7

A He came to my desk.

8

Q Were other people in the same room with you?

9

A No.

10

Q So it was just you and him in the room and that

11

was it?

12

A Yes.

13

Q And then the next day he came to you again?

14

A Yes.

15

Q Did he come to your desk again?

16

A Yes.

17

Q Were there other people present that day?

18

A I don't know, but I had already known at that

19

point that he had asked everybody for two checks. So it

20

wasn't a big surprise to me.

21

Q It was talk around the office?

22

A Oh, yes. There was a lot of concern about it

9304091021

marysimons 1

around the office.

2 Q What was the concern?

3 A We didn't have the funds to cover that check.

4 Q So the concern would be will you get paid back?

5 A No, the concern was that we knew that we were  
6 writing checks that we didn't have the funds to cover. He  
7 had promised to exchange that money to us. That's how we  
8 knew the checks were sitting on his desk for a long time  
9 because every day we went in looking for the money and at  
10 least the checks were still there.

11 Q Why did you decide to write the check or  
12 actually the two checks?

13 A Because he asked me to.

14 Q Were you concerned that you would lose your job  
15 if you didn't write the checks?

16 A I never questioned Mr. Levitt. Mr. Levitt is a  
17 very strong figure and always made it clear that he was  
18 the boss and decisions to be made were his final say, and  
19 when he asked that something be done, we did it. It was  
20 just never questioned.

21 Q Would you have made a political contribution if  
22 he had not asked you?

9304091022

marysimons 1

A Absolutely not.

2

Q Do you know why Mr. Levitt was interested in

3

making contributions to the Biden campaign?

4

A At the time he asked me for the check?

5

Q Yes.

6

A At the time he asked me for the check, no.

7

Q Do you know why now?

8

A Yes.

9

Q Can you tell me why?

10

A Well, I had asked Mr. Levitt about Joe Biden.

11

It was a name that was totally unfamiliar to me, and he

12

had told me he had met this man through Stanley Shaw, who

13

was one of his attorneys, Joel Boyarsky. I knew the name

14

Boyarsky from around the office, and I also knew Boyarsky

15

was a client of Stanley Shaw's.

16

He described him as a new Kennedy with a lot of

17

charm and charisma, and he made his very exciting and made

18

me feel very good about the situation with Biden at the

19

time.

20

It came to light some time later though that

21

Mr. Levitt had run into some very bad financial situations

22

and he was in desperate need of money, not only for the

marysimons 1

Poinciana project, but for his own personal needs.

2

Boyarsky was a very powerful and very

3

influential man, and it came to light that Stanley Shaw

4

felt that if Mr. Levitt became involved and made a

5

contribution to this fund and showed some support for Joe

6

Biden that that would ingratiate Mr. Levitt in the eyes of

7

Boyarsky. Boyarsky was in a position and he alluded to

8

the aspect that he would be able to help Mr. Levitt out of

9

his financial problems, and Mr. Levitt took the ball and

10

ran with it.

11

He asked for political contributions. I know

12

he had to make about a \$25,000 contribution, and he was

13

asked to make a cocktail party and bring out his friends

14

to show support, and at that time he tried to get more

15

funds. He sent out mailgrams. He took a suite at one of

16

the hotels on 57th and Park and asked everybody to RSVP

17

and nobody RSVP'd and he was in a very bad situation.

18

That's when he came over to me, Steve Lampel

19

and Ed Donnelly and demanded that we go to the cocktail

20

party, which is where we met Joe Biden.

21

Q So you did go to the cocktail party?

22

A Yes.

9304091024

marysimons 1

Q Did you see your check at the cocktail party?

2 A No.

3 Q So once again the two checks to Mr. Levitt, you  
4 never saw them again?

5 A Yes. They were sitting on his desk for a very  
6 long time.

7 Q But after that I mean you never handled them  
8 again as far as that goes?

9 A Oh, no.

10 Q He never gave them back to you?

11 A Oh, no, no, no.

12 Q And you did not personally hand them to Biden  
13 or anything like that?

14 A No.

15 Q You mentioned that when you first talked to Mr.  
16 Levitt about Senator Biden he basically told you he was a  
17 charismatic person like another Kennedy.

18 A Yes.

19 Q When was that?

20 A The day I wrote the check, and when I had an  
21 opportunity to be in his office I asked him about him.

22 Q So it was a little bit later in the day?

9304091025

marysimons 1

A Yes.

2 Q And it was after you had already written the  
3 check and given it to him?

4 A Oh, yes.

5 Q That was the first check?

6 A That was the first check.

7 Q Then later you mentioned that you had an  
8 opportunity to learn about Mr. Shaw and Mr. Boyarsky.

9 A Yes.

10 Q When did that happen?

11 A I don't know. It's so hard for me to go back  
12 and try to pinpoint something. I know at the cocktail  
13 party Boyarsky was present as were his bodyguards and  
14 Biden, Shaw and myself. We had a little opportunity to  
15 speak, but it was strictly political and it had nothing to  
16 do with business. But by that time already I knew what  
17 the story was. So it might have been a matter of four  
18 weeks later.

19 Q How did you learn about that? Did someone in  
20 the office tell you?

21 A I had many sources. You know, in an office  
22 like that and you're so involved you do get to hear things

marysimons 1 that are going on. I might have heard in Mr. Levitt's  
2 office indirectly on a conversation he was having on the  
3 phone.

4 I had a very close relationship with Stanley  
5 Shaw's office. I had an extremely close relationship with  
6 his secretary who never had any secrets.

7 Q By "his secretary," do you mean Mr. Levitt's  
8 secretary?

9 A No, Mr. Shaw's secretary, Stanley Shaw's  
10 secretary.

11 Q What was her name?

12 A Meryl Shaw, no relation.

13 Q Her first name was Meryl?

14 A Meryl, yes.

15 Q So that is the person you may have learned it  
16 from?

17 A Yes, and I might have gotten it from Mr. Levitt  
18 directly in a conversation about financing the project. I  
19 really couldn't say, but I'm sure I picked up pieces  
20 everywhere.

21 Q Did other employees that you worked with also  
22 make contributions?

marysimons 1

A Everybody, with the exception of one.

2 Q Who was that?

3 A Lucile Lamberti. That was his secretary, Mr.  
4 Levitt's secretary. She absolutely refused to do it.

5 Q Do you know why?

6 A No, I don't, but I remember her saying she was  
7 a single woman who lived with her mother, and she said I'm  
8 in the best position that I can say no.

9 Q Did Susan Gerber work there then?

10 A Susan was there, yes.

11 Q Did she make a contribution, to your knowledge?

12 A I believe she did.

13 Q I'm going to run down the list.

14 Stanley Ogonowski?

15 A Yes, I know Stanley definitely did.

16 Q Harold Kellman?

17 A Yes.

18 Q Stephen Lampel?

19 A Yes.

20 Q Edward Cortese?

21 A Yes.

22 Q Ralph Della Ratta?

marysimons 1

A Yes.

2

Q Edward Donnelly?

3

A Yes.

4

Q Adrienne Walters?

5

A Yes.

6

Q Did Jennifer Flynn work for Mr. Levitt?

7

A Who?

8

Q Jennifer Flynn.

9

A I don't know that name.

10

Q Are those all the other employees of Mr. Levitt

11

at that time that you can think of?

12

A I think that was all that was there.

13

Q Did you receive a check back from Mr. Levitt?

14

A Yes.

15

Q Do you remember on which account that was from?

16

A I think it was the Rowenroy account, but I'm

17

not sure.

18

MS. BEARD: I would like to have this marked as

19

Exhibit No. 3.

20

(Neuman Deposition Exhibit

21

No. 3 was marked for

22

identification.)

9308091029

marysimons 1

(A copy of Exhibit No. 3 was handed by Counsel  
2 Beard to the witness and her counsel.)

3 MS. BEARD: This is a four-page document which  
4 reads "Transactions Activity Summary For: Rowenroy, Ltd.  
5 Account."

6 The page I want you to look at is page 3.

7 BY MS. BEARD:

8 Q On page 3 there is a check No. 1158 dated June  
9 4th, 1986 to "M & S Neuman," and it says "Personal" and  
10 the amount next to it is \$2,000.

11 Do you know what that check was for?

12 A That was apparently the check that reimbursed  
13 me for the two checks I gave for Biden's campaign.

14 Q "M & S Neuman" would be you and your son?

15 A That's correct.

16 Q To your knowledge, were the other employees who  
17 made contributions also reimbursed?

18 A I couldn't answer that question about  
19 everybody. I know some were.

20 Q Can you tell me who you know?

21 A I know that Adrienne Walters was reimbursed her  
22 money, I know that Ed Cortese was reimbursed his, and I

marysimons 1

know that Steve Lampel received his.

2 Q How did you get the reimbursement check? Did  
3 Mr. Levitt hand it to you or did someone else hand it to  
4 you or was it mailed to you? Do you remember?

5 A I don't remember.

6 Q Did you ever attend any meetings where  
7 contributions to the Biden campaign were discussed aside  
8 from just talking about it at work?

9 A Have I ever attended a meeting?

10 Q Any kind of a meeting or at any time at work or  
11 did you ever hear about the contributions being discussed?

12 A No.

13 Q Just talk about it around the office and that  
14 was it?

15 A Yes.

16 Q Did you ever hear any talk about the  
17 reimbursements aside from talk among the employees about  
18 when they were going to get reimbursed?

19 A When I had that conversation, I had it directly  
20 with Mr. Levitt.

21 Q And what would he say?

22 A He would say as long as they are still sitting

930 091031

marysimons 1 here, don't worry about it.

2 As a matter of fact, you know, those checks  
3 were not given to him until after the cocktail party. I  
4 just remembered that, for whatever reason. He held them  
5 until the cocktail party. Now I don't know whether he  
6 presented them to him at the cocktail party. Certainly,  
7 if it was then, it was not done in front of me, but he did  
8 hold those checks for quite some time.

9 Q So you are saying that the checks that you  
10 wrote were held you think until around the time of the  
11 cocktail party?

12 A I believe so.

13 Q And then once they were gone you got a check  
14 back from Mr. Levitt so that the check was able to clear  
15 across your account without having to have it bounce or  
16 anything?

17 A Yes.

18 Q Do you recall every hearing of contributions or  
19 the reimbursement of the contributions ever being  
20 mentioned outside of office talk?

21 A No.

22 Q Did you ever tell your son that you wrote the

marysimons 1

check?

2 A No.

3 Q How old was your son at the time?

4 A I guess he was 17. He must have been 17. He  
5 was still at home and he was still in high school.

6 Q Was he on your checking account?

7 A No.

8 Q So he never new anything about this until he  
9 got the letter, or he wasn't at home?

10 A No, and he didn't know about that.

11 Q So he still doesn't know anything about this?

12 A Now he knows because I told him what's  
13 happening here.

14 Q Aside from the people you have worked with who  
15 got reimbursed, do you know if anyone else knew about the  
16 reimbursements?

17 A Which reimbursements?

18 Q When Mr. Levitt gave you the \$2,000 check, that  
19 reimbursement when Mr. Levitt said I will give you the  
20 money back.

21 Q Well, I know I discussed it freely with Stanley  
22 Shaw and his partners, his associates.

9308091033

marysimons 1

Q You discussed it personally with Stanley Shaw?

2

A Well, I used to tease him. I said you make

3

sure I get my money.

4

Q When was this?

5

A Just in a conversation, and I might have been

6

at their office or I might have been on the telephone.

7

Q Was this around the time of the fundraiser?

8

A Yes, it must have been.

9

Q Do you recall discussing it with anyone else?

10

A No.

11

Q When you discussed it with Mr. Shaw, did he

12

seem surprised?

13

A No.

14

Q So you're saying you think he knew about it?

15

A Oh, absolutely.

16

Q Did he indicate to you that he knew that you

17

were going to get reimbursed?

18

A He told me, don't worry, it's all being taken

19

care of. That's was always Stanley's answer.

20

Q Were you ever approached by Mr. Levitt on any

21

other occasion to make any political contributions?

22

A No.

marysimons 1

2 Q Did anyone else ever approach you to make a  
3 political contribution?

4 A No.

5 Q Did you receive a refund check from the Biden  
6 Committee?

7 A Yes, I did.

8 Q Did it come with a letter that you recall?

9 A Yes, it did.

10 Q And what did you do with the checks?

11 A I threw the checks away unopened in the garbage  
12 because I thought I was more advertisement, and Stephen  
13 Lampel called me, and it took me three hours to go through  
14 the garbage outside to find the checks. As soon as I got  
15 the checks, I deposited them to my checking account.

16 Q Did you ever get a letter from Mr. Levitt after  
17 that?

18 A Yes, I did. I received a letter requesting the  
19 return of the money to him because it was his.

20 Q Did you return the money to him?

21 A No.

22 Q Why didn't you?

A I felt that he had owed me back salary, and I

9308091035

marysimons 1

felt that this kind of squared the deal.

2 Q Had he ever paid you your back salary that he  
3 still owed you?

4 A No.

5 Q Were you ever contacted by the State of New  
6 York about these checks?

7 A The State of New York?

8 Q The State of New York, the New York Department  
9 of Law.

10 A No.

11 Q Did Mr. Levitt ever call you about these checks  
12 or anything like that?

13 A No, not after that letter. I saw him once or  
14 twice after that and he never asked for the money.

15 Q So it was just once in that letter?

16 A Yes.

17 Q You've mentioned Joel Boyarsky's name a couple  
18 of times and you said that his name had been mentioned  
19 around the office. How did his name come up around the  
20 office?

21 A He was our savior. He was going to be the  
22 person that was going to save the Poinciana deal and save

marysimons 1

Mr. Levitt's company.

2 Q And how was he going to do that?

3 A Financing.

4 Q And how did you hear about that?

5 A Stanley Shaw.

6 Q Do you remember what time frame this was in?

7 A No.

8 Q Was this around the time you got these checks?

9 A I don't know. Sometimes I would just sit down  
10 with Stanley and say what's happening, and I needed to  
11 know personally for myself, too, if I had a future there  
12 or not because Mr. Levitt kept saying everything will be  
13 fine. And it seemed that they really did believe that  
14 Joel Boyarsky and a Mr. Feinberg were going to be the two  
15 people responsible for doing this deal of bailing  
16 everybody out of the problem we were in.

17 Q Do you know Mr. Feinberg's first name?

18 A Feinberg was another client of Stanley Shaw's  
19 that he was making a merger. I know Feinberg had lent us  
20 money prior to that to bail Mr. Levitt out of some very  
21 bad situations. In fact, Steven Lampel could probably  
22 tell you about that because he used to run to Staten

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marysimons 1

Island to pick up the checks.

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22

I don't know that he had a direct relationship with Boyarsky. I think what was happening was that Stanley Shaw was bringing the two clients together with himself to try to resurrect the project.

Q By the "two clients" who do you mean?

A Feinberg and Boyarsky.

Q To help Mr. Levitt?

A Yes.

Q Why did you have so much contact with Mr. Shaw's office?

A Because I had a lot of legal agencies and a lot of newspapers calling and complaints and Action Line and radio stations calling because the people were looking for the refund of their \$500 deposit and we could not make restitution.

Q Let me see if I understand this right. People would send in \$500 to get a number so they could stand in line or whatever to get a house?

A Yes.

Q And the idea would be that the \$500 would be returned after ---

marysimons 1

A It would be fully refundable upon request.

2 Q And what happened?

3 A We didn't have the money.

4 Q So people were requesting refunds and ---

5 A And they were taking all kinds of action. I  
6 had the Boston Globe down on my neck with a whole bunch of  
7 Boston complaints, I had a Consumer Affairs here in New  
8 York and I had Action Line and Daily News. I mean almost  
9 every agency, and they had my name because my name was on  
10 the receipt.

11 Q How often, like in a week, would you be in  
12 contact with Mr. Shaw's office?

13 Let me rephrase that question.

14 How often would you speak to him?

15 A I would speak to that office a minimum of three  
16 times a day.

17 Q And what time period are we talking about?

18 A Pretty much after May 15th, and I remember the  
19 date. That I remember, May 15th, they day that we had the  
20 problems with Jeffrey Levitt and Old Court.

21 Q That would be 1985?

22 A It was my husband's 50th birthday. That's how

marysimons 1

I remember it. Yes, '85.

2 Q So from 1985 on through 1986 you were  
3 contacted?

4 A Constantly.

5 Q Through the time that you left Mr. Levitt's  
6 employ?

7 A Yes.

8 Q So you talked to Mr. Shaw?

9 A Or Jesse Levine or with Sid Weinberg. There  
10 were several other partners there, but mostly with Stanley  
11 Shaw or Jesse Levine.

12 Q You mentioned earlier that you talked to Mr.  
13 Shaw about the check that you had written for \$2,000.

14 A Yes.

15 Q Do you know if he ever talked to Mr. Levitt  
16 about that?

17 A No.

18 Q Have you ever met Joel Boyarsky?

19 A Yes.

20 Q When did you meet him?

21 A At the cocktail party.

22 Q Have you ever met him since then?

marysimons 1

A No.

2 Q Have you ever talked to him since then?

3 A No.

4 Q So it was just that one time?

5 A Yes.

6 Q But you had heard of his name before that?

7 A Oh, yes.

8 Q So at the time of the cocktail party you knew  
9 that he potentially might be able to save the company?

10 A Yes.

11 MS. BEARD: I would like to have this  
12 introduced as Exhibit 4, please.

13 (Neuman Deposition Exhibit  
14 No. 4 was marked for  
15 identification.)

16 (A copy of Exhibit No. 4 was handed by Counsel  
17 Beard to the witness and her counsel.)

18 (Pause while the witness reviews the document  
19 referred to.)

20 MS. BEARD: When you are ready let me know.

21 (The witness continues to review Exhibit 4.)

22 MS. BEARD: Are you ready?

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marysimons 1

THE WITNESS: Yes.

2 MS. BEARD: This is a two-page document. The  
3 first page is a draft of a letter and the second page is a  
4 typed up list of names and addresses.

5 BY MS. BEARD:

6 Q Have you ever seen this document before?

7 A No.

8 Q Have you ever seen the letter that was typed up  
9 before?

10 A No.

11 Q Do you recognize the handwriting on this  
12 document?

13 A This?

14 Q Yes, the handwriting on the top.

15 A It very well may be Mr. Levitt's, but I  
16 couldn't swear to it.

17 Q Do you know about any of the facts or any of  
18 the things that are said in this letter?

19 A Yes.

20 Q Can you tell me what you know? Did you know if  
21 there was a meeting between the Boyarsky's and the Shaw's  
22 at Mr. Levitt's home?

marysimons 1

2 A I knew there was a meeting, but I didn't know  
3 where it had been.

4 Q How did you know there was a meeting?

5 A Well, Mr. Levitt had told me he had met Biden  
6 through Shaw, that they had been together and that is how  
7 he was introduced to him.

8 Q Did he tell you anything else about the  
9 meeting?

10 A No.

11 Q Did you hear anything about a million dollar  
12 loan?

13 A I knew there was going to be some sort of  
14 financial support, but I didn't have an idea of the dollar  
15 amount.

16 Q Again, how did you learn about that?

17 A I don't know.

18 Q Did you know if Mr. Levitt decided to hold a  
19 fundraiser because of this loan?

20 A Yes. He was holding the fundraiser supposedly  
21 to introduce Joe Biden to his friends in the New York  
22 area, and in that he was a State Senator from Delaware, we  
were all very unfamiliar with him, and it was also a means

marysimons 1

to ask for additional campaign funds or for donations.

2 Q Senator Biden asking for additional donations?

3 A Yes. Stanley felt that at the cocktail party,  
4 and these people were invited without a request for a  
5 donation, and he felt that at the party if they were  
6 solicited face to face that they would write a check.

7 Q Were there a lot of people at the party who  
8 were not employees of Mr. Levitt?

9 A There was nobody at the party. Nobody showed  
10 up. The only people at the party were Mr. and Mrs.  
11 Levitt, Mr. and Mrs. Stern, Lisette and Lou, Stanley and  
12 Doris Shaw, Henry Fox, Ed Donnelly, Steven Lampel, myself,  
13 Boyarsky and his two bodyguards. And in this we had no  
14 choice. I mean Levitt demanded that we go to that party.  
15 He told us he had to save face, and that he needed to have  
16 as many -- he even told us, he said, if you want to bring  
17 your children, I've got to have as many people there as  
18 possible.

19 Q Were there any other reasons why Mr. Levitt  
20 decided to have this fundraiser, aside from having Biden  
21 meet you and other people?

22 A It was to have us meet Biden.

marysimons 1

Q To have you meet Biden, and any other reasons?

2

A Well, apparently it was to solicit additional

3

contributions, not from us, but from the new people that

4

were invited to the party.

5

Q And no new people showed up?

6

A No.

7

Q Did Mr. Levitt ever tell you that one of the

8

reasons he may have decided to have this fundraiser was

9

with the hope of getting the loan?

10

A No.

11

Q You already mentioned that you talked to Mr.

12

Shaw about the \$2,000 check you wrote.

13

A Yes.

14

Q Did he understand that you had written that as

15

a contribution to Senator Biden?

16

A Yes.

17

Q And he understood also that you were going to

18

be reimbursed by Mr. Levitt?

19

A He knew it was an exchange of money.

20

Q Do you know if Joel Boyarsky new about that?

21

A That I don't know.

22

Q At any time during the evening did you talk to

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marysimons 1

Joel Boyarsky?

2 A No.

3 Q To the best of your recollection did Mr. Levitt  
4 ever talk to Joel Boyarsky that you heard about?

5 A At the party?

6 Q No, at any time.

7 A Oh, yes.

8 Q And did you know if contributions to Senator  
9 Biden were ever discussed?

10 A That I couldn't tell you.

11 Q Did Mr. Boyarsky make a loan to Mr. Levitt?

12 A I don't know.

13 Q At the time that Mr. Levitt asked you to make a  
14 check out for \$1,000, I think you said before that he said  
15 he needed the check and that you would get a check back in  
16 exchange.

17 A Yes.

18 Q Did he ever tell you that this check that he  
19 was going to give you back was to go against his  
20 indebtedness to you?

21 A No.

22 Q He never discussed any money that he might have

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marysimons 1

owed you?

2 A No.

3 Q How about when you wrote the check for your  
4 son, did he ever discuss any money he owed you then?

5 A No.

6 MS. BEARD: Why don't we take a short break.

7 (Brief recess taken.)

8 MS. BEARD: Back on the record.

9 EXAMINATION (Resumed)

10 BY MS. BEARD:

11 Q Going back to the last exhibit, Exhibit No. 4,  
12 which is the two-page exhibit, have you ever seen any  
13 draft letters that were typed by Mr. Levitt's secretary?

14 A No. I wouldn't see any of his confidential  
15 correspondence. He secretary would handle that.

16 Q Do you didn't know what a draft letter would  
17 look like that was prepared for Mr. Levitt?

18 A No.

19 Oh, I know who Jennifer Flynn is. I'm sorry, I  
20 just realized who Jennifer Flynn is. You asked me before  
21 if she was employed. Jennifer is a daughter of Adrienne.

22 Q Did Jennifer ever work for Mr. Levitt?

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marysimons 1

A No.

2 Q Do you know if Mr. Shaw was in any way  
3 connected to the Biden Committee or any campaign of  
4 Senator Biden's?

5 A No, I don't.

6 Q Did you ever discuss your contribution with  
7 anyone outside of the people you worked with and Mr. Shaw  
8 and his secretary?

9 A No.

10 Q Did you ever discuss it with anyone from the  
11 Biden campaign or any Biden committee?

12 A No.

13 Q Do you remember any discussions with anybody  
14 who was a representative of Senator Biden or anyone from  
15 one of Senator Biden's committees?

16 A No.

17 MS. BEARD: I want to remind you that this  
18 deposition is confidential and will remain confidential  
19 until the Commission closes its file on this matter.

20 You have the right to read your deposition or  
21 you can waive that right, and your attorney can decide if  
22 you want to read it or waive it.

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MR. FOLKS: I think we ought to read it.

2

MS. BEARD: Let me hand you now a mileage and

3

witness fee check for \$42.60.

4

(The check was handed by Counsel Beard to the

5

witness.)

6

I guesstimated the mileage based on an atlas.

7

So hopefully I'm right on that.

8

I am going to continue the deposition instead

9

of closing it. What that means is there is a possibility

10

that we may want to talk to you again, and maybe we can

11

work something out with your attorney so it would be

12

without having to do another deposition. I don't think

13

that will be really likely, but I am doing it just in

14

case.

15

MR. FOLKS: May I clear up just one issue?

16

MS. BEARD: Sure.

17

MR. FOLKS: I will be very brief.

18

EXAMINATION

19

BY MR. FOLKS:

20

Q During the course of the time that the deposits

21

were being taken for the priority numbers for Poinciana

22

you were taking \$500 deposits; is that right?

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marysimons 1

A Yes.

2 Q Do you know where that money was being  
3 deposited?

4 A I was told that the money was individually --  
5 as the ads say, our ads specify that the money would be  
6 individually escrowed in the customer's name, and they  
7 money was being sent to Jeffrey Levitt to be deposited in  
8 the Old Court Savings and Loan.

9 Q Was it your understanding that these monies  
10 which were received as a result of the solicitation were  
11 in fact individually solicited?

12 A That was my understanding.

13 Q Did there come a time when you found out that  
14 these monies were not being escrowed in that manner?

15 A Yes.

16 Q About when did that take place?

17 A About three months after we had opened accounts  
18 originally.

19 Q And how did you find that out?

20 A Jeffrey Levitt called me to find out what the  
21 rate of interest was that we were paying, and I laughed,  
22 and I said, Jeffrey, you own the bank and you don't know

marysimons 1 what you're paying? He said, well, I know that I'm paying  
2 Bill Levitt 18 percent on the money, and we were giving  
3 five and a quarter percent. And at that time that's how I  
4 found out that the money was being escrowed in the William  
5 J. Levitt account, strictly in Bill Levitt's name. It  
6 upset me because I knew it was illegal, and I went in and  
7 I confronted Mr. Levitt with it.

8 Q Was it shortly after that that some authority  
9 which you had to sign for these deposits was taken away  
10 from you?

11 A That was the contributing factor, yes.

12 Q Did there come a time also when after you left  
13 the employment of Mr. Levitt when you were either  
14 approached or approached yourself some Government agency  
15 in connection with this?

16 A I contacted Elizabeth Bradford from the  
17 Attorney General's Office. I knew that she had started an  
18 investigation, and just prior to my leaving the  
19 investigation had begun and I was under strict  
20 instructions that I was not to speak to anybody from any  
21 of the agencies.

22 And when they called me and wanted to speak to

marysimons 1

2 me, I was not permitted any more phone calls. Adrienne  
3 Walters was on the switchboard and Mr. Levitt had given  
4 her instructions that no calls, no incoming calls, unless  
5 they were personal, which is kind of ironic because most  
6 places tell you that you can't get personal phone calls, I  
7 was not allowed to speak to anybody.

8 And when I left I went directly to Elizabeth  
9 Bradford and ---

10 Q Excuse me, if I may. Who was it who gave you  
11 the direction not to speak to anybody from any of the  
12 agencies?

13 A Bill Levitt?

14 Q And after you left you did speak to Elizabeth  
15 Bradford?

16 A Yes, I spoke to Elizabeth Bradford. I spent  
17 days and hours up in her office working. In fact, I took  
18 with me the mailing list. I had the only other computer  
19 printout outside of Mr. Levitt. He refused to turn over  
20 the list of priority holders and addresses at the time.  
21 He said it was lost in the computer and they just couldn't  
22 pull it out. So I gave her the list. I also cooperated  
with the District Attorney's Office.

marysimons 1

Q And that was during the course of their investigation of Mr. Levitt and his financial deals; is that right?

2

3

4

A That's correct.

5

Q At all times have you been available to cooperate with any of the agencies that have contacted you or that you have contacted?

6

7

A Yes.

8

MS. BEARD: Let me ask a couple more questions.

9

EXAMINATION

10

BY MS. BEARD:

11

Q Elizabeth Bradford is with the State?

12

A She is an Assistant Attorney General.

13

Q For the State of New York?

14

A Yes.

15

Q How is Jeffrey Levitt related to William Levitt?

16

17

A It's supposed to be a coincidence. They claimed that there was absolutely no relationship, but they thought for the sake of public relations it would look good to say that they were distant cousins. Ironically the spelling is the same, but there was no

18

19

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marysimons 1

blood relationship there.

2 Q This conflict that you were talking about was  
3 right before you left? Is that when your signing  
4 authority was taken away on these accounts?

5 A That was just one of my rebellious periods.

6 Q So this was earlier?

7 A That was earlier. Mr. Levitt kind of convinced  
8 me. What had happened was people started calling and they  
9 wanted 1099's for their tax returns, and Mr. Levitt  
10 convinced me that everything that he was doing was totally  
11 and completely honest and within the jurisdiction of the  
12 law and it was the way the attorneys had set it up and the  
13 money was being sent to him, which was true -- well, no,  
14 it was sent to Capital Communities. The checks were  
15 payable to Capital Communities. He convinced me that we  
16 weren't doing anything illegal by doing that.

17 What happened was had those accounts been  
18 individually escrowed at the time the bank froze the  
19 accounts, the people would have been entitled to a refund  
20 because their release was a thousand dollars or less.  
21 Here he had this all built together in a hundred to three  
22 or four hundred thousand dollar accounts.

marysimons 1

Q So this was back in 1985 when Old Court had its  
2 problems that all this arose?

3 A Yes.

4 Q And when you left Mr. Levitt's employ in 1986  
5 then you went to talk to Elizabeth Bradford?

6 A Yes.

7 MR. FOLKS: I have nothing further at this  
8 time.

9 MS. BEARD: And I have nothing further.

10 We will continue the deposition.

11 (Whereupon, at 3:20 o'clock p.m., the  
12 deposition of Sherry Neuman recessed, to be continued at  
13 the request of the Federal Election Commission if  
14 requested.)

15 \* \* \* \* \*

16  
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\* \* \* \* \*

2

I have read the foregoing pages

3

through , inclusive, which

4

contain a correct transcript of

5

the answers made by me to the

6

questions therein recorded.

7

Signature is subject to

8

corrections.

9

SHERRY NEUMAN

10

\* \* \* \* \*

11

I, , Notary Public

12

in and for the State of New York, do hereby certify that I

13

am notarizing and witnessing signature for the Deposition

14

of SHERRY NEUMAN on this day of , 1988.

15

Notary Public in and for the

16

State of New York

17

My Commission expires

18

\* \* \* \* \*

19

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21

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CERTIFICATE OF NOTARY PUBLIC

I, Mary C. Simons, the officer before whom the foregoing deposition was taken, do hereby certify that the witness whose testimony appears in the foregoing deposition was duly sworn by me; that the testimony of said witness was taken by me in stenomask to the best of my ability and thereafter reduced to word processing by me or under my direction; that said deposition is a true record of the testimony given by said witness; that I am neither counsel for, related to, nor employed by any of the parties to the action in which this deposition was taken; and further that I am not a relative or employee of the parties thereto, nor financially or otherwise interested in the outcome of the action.

*Mary C. Simons*

Mary C. Simons

Notary Public in and for  
the District of Columbia

My Commission expires  
August 15, 1989

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CCC #9589

# TRANSCRIPT OF PROCEEDINGS

UNITED STATES OF AMERICA  
FEDERAL ELECTION COMMISSION

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 IN RE: .  
 MATTER UNDER REVIEW .  
 NUMBER 2576 .  
 -----X

DEPOSITION OF STEPHEN JAY LAMPEL

New York, New York

Wednesday, June 15, 1988

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C O N F I D E N T I A L

UNITED STATES OF AMERICA

FEDERAL ELECTION COMMISSION

----- X

IN RE: :

MATTER UNDER REVIEW :

NO. 2576 :

----- X

New York, New York

Wednesday, June 15, 1988

Deposition of

STEPHEN JAY LAMPEL

the deponent, called for examination by counsel for the Federal Election Commission in Conference Room 1434 of the Jacob Javitz Building, 26 Federal Plaza, New York City beginning at 10:05 o'clock a.m., before, by stipulation of counsel, Mary C. Simons, a Notary Public in and for the District of Columbia, when were present on behalf of the respective parties:

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On Behalf of the Federal Election Commission:

2

SUSAN F. BEARD, ESQ.

3

MICHAEL MARINELLI, ESQ.

4

Federal Election Commission

5

999 E Street, N.W.

6

Washington, D.C. 20463

7

(202) 376-8200)

8

On Behalf of the Stephen J. Lampel:

9

ROBERT L. FOLKS, ESQ.

10

Rivkin, Radier, Dunne & Bayh

11

EAB Plaza

12

Uniondale, New York 11556-0111

13

(516) 357-3000

14

\* \* \* \* \*

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C O N T E N T S

2	WITNESS	EXAMINATION BY:	PAGE
3	Stephen J. Lampel	By Ms. Beard	4

E X H I B I T S

5	LAMPEL DEPOSITION EXHIBITS	IDENTIFIED
6	Exhibit No. 1	20
7	Exhibit No. 2	28
8	Exhibit No. 3	44
9	Exhibit No. 4	52
10	Exhibit No. 5	67

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P R O C E E D I N G S

2 Whereupon,

3 STEPHEN JAY LAMPEL

4 the deponent, called for examination by counsel for the  
5 Federal Election Commission and, having been first duly  
6 sworn by the Notary Public, was examined and testified as  
7 follows:

8 MS. BEARD: This deposition is being taken  
9 pursuant to a Federal Election Commission subpoena issued  
10 in connection with an investigation under Section 437G of  
11 Title II of the United States Code.

12 The statute provides that the confidentiality  
13 of this investigation must be maintained until the  
14 Commission closes its file.

15 The Commission has civil jurisdiction over the  
16 Federal Election Campaign Act of 1971 as amended.

17 This investigation is designated as Matter  
18 Under Review, 2576.

19 My name is Susan Beard. I am representing the  
20 Commission here today along with Michael Marinelli.

21

22

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EXAMINATION

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22

BY MS. BEARD:

Q Can you please state your full name.

A Stephen J. Lampel.

Q Are you being represented by counsel today?

A Yes, I am.

MS. BEARD: Can you state your counsel's name.

MR. FOLKS: For the record, I am Robert L.

Folks from the firm of Rivkin, Radler, Dunne & Bayh and appear with this witness and on his behalf.

MS. BEARD: Have you ever had your deposition taken before?

THE WITNESS: No.

MS. BEARD: Let me explain to you a little bit about what is going to happen.

We are going to be asking you a series of questions which are designed to elicit information involved in this investigation. The questions will not be limited to your involvement only, but will also include a request for information involving other persons as well.

The court reporter will be taking down everything that is said and it will be typed up and turned

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into a transcript.

2

Please treat this as if you were testifying in a court of law and remember that you are under oath.

3

4

Since the court reporter is taking things down, it's hard for her to take down nods of the head and sounds. So you need to answer in complete words.

5

6

7

And if you don't understand or don't hear me, please let me know and I will repeat it or rephrase it.

8

9

If you want to qualify an answer you can do so. If during the course of the deposition you realize that you gave an inaccurate or incomplete answer, please let me know and you can go back and amplify or correct it.

10

11

12

13

And if you need to take a break for any reason, you can also let me know.

14

15

BY MS. BEARD:

16

Q Can you give me your home address.

17

A It's 51 Intervale, Rockville Center, New York.

18

Q And your telephone number.

19

A

20

Q That is your home number?

21

A Yes.

22

Q Are you married?

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rysimons 1

A Yes, I am.

2

Q Can you give me your wife's name?

3

A Ava Lampel.

4

Q To your knowledge, is she a respondent in this

5

matter?

6

A Excuse me?

7

Q Is she a respondent in this matter? Did she

8

get a letter like the letter you got?

9

A Yes.

10

Q What is your highest educational ---

11

A I have an MBA.

12

Q Is that in accounting?

13

A It's in accounting, yes.

14

Q Who is your current employer?

15

A The name of the company is Marketing Equities,

16

Incorporated.

17

Q What is your title there?

18

A I am a comptroller.

19

Q When did you start working there?

20

A In September of 1986.

21

Q And as comptroller, that involves the financial

22

end of the company?

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A Right.

2 Q So you would be looking at financial reports?

3 A Financial reports, budgeting, cash flow,

4 keeping the books for the company, doing financial

5 statements, projections, sales projections and all sorts

6 of financial ---

7 Q Who was your employer prior to Marketing

8 Equities, Incorporated?

9 A William Levitt.

10 Q When did you start working for Mr. Levitt?

11 A In October of 1985.

12 Q And you worked there until when?

13 A Until September of '86.

14 Q You said that William Levitt was your  
15 employer. Were you employed personally by him or by one  
16 of his companies?

17 A By one of his companies. William J. Levitt,  
18 Incorporated was the name of the company that I was  
19 employed by.

20 Q What was your title there?

21 A I was really an accountant.

22 Q Were you an accountant the whole time you were

9303091066

rysims 1 there?

2 A Yes.

3 Q You said that you were employed by William J.  
4 Levitt, Incorporated. Did you do only for that company or  
5 were there other companies as well?

6 A To a large degree I did work for that company,  
7 but there were other companies as well and I did work for  
8 the other companies.

9 Q So then your payroll check came from William J.  
10 Levitt?

11 A William J. Levitt.

12 Q What other companies did you do work for?

13 A He had another company called Capital  
14 Communities. He about 13 different corporations and maybe  
15 half of them were active and the other half were just  
16 there. Capital Communities, there was another company  
17 called La Belle Simone, there was another company called  
18 Rowenroy and there was another one called Levitt, Inc.

19 Q This is all you can remember?

20 A Yes, that's really about it now.

21 Q When you say that these were Mr. Levitt's  
22 companies, these companies were all run out of the same

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place or ---

2           A       Basically, yes, they were run out of the same  
3 place. Like I said, there were about 13 different  
4 companies or corporations which he had formed for various  
5 reasons, and maybe out of the 13 maybe 5 or 6 were really  
6 active at the time.

7           Q       And these were companies that were all owned by  
8 Mr. Levitt?

9           A       Yes.

10          Q       At any time did you ever get paid by any of the  
11 other companies?

12          A       No.

13          Q       Did you ever receive any kind of money from any  
14 of the other companies?

15          A       No. Besides the check, no.

16          Q       We'll come to that a little bit later.

17                    You mentioned Rowenroy as one of the  
18 companies. What did that company do?

19          A       Okay, Rowenroy -- can I clarify something also?

20          Q       Sure.

21          A       Rowenroy and La Belle Simone were really -- a  
22 lot of Mr. Levitt's personal affairs came out of Rowenroy

arysimons 1 and La Belle Simone. La Belle Simone was named after his  
2 wife whose name is Simone. Like the William J. Levitt,  
3 Incorporated was really, a lot of the office, things that  
4 happened in the office would come out of William J.  
5 Levitt, Incorporated.

6 The Capital Communities was really basically --  
7 he was at the time building a project in Florida called  
8 Poinciana, and everything concerning the homes in Florida  
9 came out of Capital Communities.

10 La Belle Simone and Rowenroy were really more  
11 personal where if he had a personal expense he would write  
12 it out of La Belle Simone or Rowenroy.

13 There was also a Levitt Foundation which was a  
14 charitable trust.

15 Now I really mostly worked on William J. Levitt  
16 and Capital Communities. There was another person in the  
17 office who was the bookkeeper who really did do most of  
18 Mr. Levitt's personal work, and he really worked out of La  
19 Belle Simone and Rowenroy. At times I have worked on  
20 them, but I really was more responsible for the office.

21 Q Who was the person?

22 A His name is Stanley Ogonowski,

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arysimons 1

O-g-o-n-o-w-s-k-i.

2 Q So basically then Rowenroy was personal?

3 A Personal and La Belle Simone was personal also.

4 Q I know that you said you didn't do that much  
5 with Rowenroy, but did you know if Rowenroy had any  
6 employees?

7 A No. To the best of my knowledge, it didn't.

8 Q And the business then was located in the same  
9 place where you were working?

10 A Yes.

11 Q Where was that at the time?

12 A It was on Northern Boulevard in Greenvale.

13 Q In Greenvale, and that is on Long Island?

14 A Long Island, yes.

15 Q I don't know if you know this, but do you know  
16 if Mr. Levitt was involved in what was going on with  
17 Rowenroy?

18 A Sure he was. He was involved, sure.

19 Q So expenses that were made on Rowenroy's  
20 account, he would know about expenses and that type of  
21 thing?

22 A Basically the expenses out of Rowenroy were his

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arysimons 1 personal. When I was there they were his personal  
2 expenses, and he would kind of segregate his personal  
3 expenses basically into either Rowenroy or La Belle  
4 Simone. So he did know what was going on for those  
5 accounts.

6 Q Who was your supervisor?

7 A Someone named Donnelly, and all of the sudden  
8 his first name -- Edward.

9 Q Was Mr. Donnelly also employed by Mr. Levitt?

10 A I believe he was not in the sense that he was  
11 like -- I mean he did come into work there every day and  
12 he was employed by Mr. Levitt, but he wasn't on the  
13 payroll. He would get like say a fee every month.

14 Q So he was like an independent contractor or  
15 something like that?

16 A Right, he was like an independent contractor.

17 Q So you would report to Mr. Donnelly on a daily  
18 basis?

19 A Basically, yes, I would speak to him on a daily  
20 basis.

21 Q And who did he report to?

22 A Mr. Levitt.

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arysimons 1

Q Was Mr. Levitt active in the day-to-day

2 operations?

3 A To a large degree, yes. Yes, he was active.

4 Q We are talking about then on Capital

5 Communities and ---

6 A He was active, yes.

7 Q --- and the one that you worked for I think for

8 was William J. Levitt, Incorporated.

9 A Right. He was active, yes. He was really the

10 one who made the decisions at the end.

11 Q So Mr. Levitt was making the management

12 decisions?

13 A Yes, to a large, large degree. Sometimes

14 something that wasn't too important Mr. Donnelly would

15 make a decision, but ultimately it did lie with Mr.

16 Levitt.

17 Q Did you ever handle any of the checks or

18 checking accounts for any of these companies?

19 A Yes. I never had the power to sign the checks,

20 but I did handle the checks for basically the William J.

21 Levitt and the Capital Communities.

22 Q Who would sign the checks?

arysimons 1

A Stanley Ogonowski was the one who -- him and Mr. Levitt were the ones who were able to sign the checks.

2  
3 Q Do you know if that was also true on the other  
4 accounts as well?

5 A I think it was true on all the accounts, except  
6 for possibly the Levitt Foundation. I think only Mr.  
7 Levitt was able to sign those checks. And there was  
8 someone else who was Roslyn Zeidman who worked for Mr.  
9 Levitt for about 25 years.

10 Q What was that name?

11 A Her name was Roslyn Zeidman. She worked for  
12 Mr. Levitt for about 25 years, and she left just when I  
13 was there. I know she was very involved with the  
14 Foundation and I think she was able to sign the checks  
15 also and Mr. Levitt, her and Mr. Levitt.

16 Q So she left when you came?

17 A Just about a month after I got there, and I  
18 really wasn't too familiar with the Foundation, but I'm  
19 pretty sure she was able to sign her name of the Levitt  
20 Foundation checks and Mr. Levitt.

21 Q That was like in late 1985 then?

22 A Yes. She left about Thanksgiving, in November

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arysimons 1 of '85, about a month after I got there.

2 Q The Levitt Foundation, was that the charity  
3 that Mr. Levitt runs?

4 A That's the charitable trust, right.

5 Q While you were employed by Mr. Levitt you've  
6 mentioned that you were an accountant and you handled the  
7 two companies.

8 A Right.

9 Q Did you handle anything else while you were  
10 there, or the whole time was that the only thing you did?

11 A Basically I did work for the two companies that  
12 I had mentioned. I mean I probably did other  
13 miscellaneous odds and ends.

14 Q Like what kind of things would that be, the  
15 miscellaneous?

16 A You know, basically thinking back I really did  
17 work the two companies, and I don't know, you know, I  
18 can't really right now say -- I think that was 95 percent  
19 of my work because there was a lot of work involved with  
20 the two companies. I mean I did a little work with the  
21 other companies that I mentioned, too, La Belle Simone and  
22 Rowenroy. I did do some work as far as they were

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rysimons 1

concerned, too.

2 Q What kind of work would that be?

3 A Basically to a degree keeping the books -- I  
4 didn't really keep the books, but I did like intercompany  
5 reconciliations where I tried to reconcile what happened  
6 between -- there was a lot of like intercompany  
7 transactions and I tried to always keep records of that.  
8 In fact, at that time I was the one who was working on the  
9 computer and a lot of times I would, if Stanley would do  
10 something manually, I would always like to put it on the  
11 computer and keep computer records for it.

12 Q You mentioned before that you dealt with some  
13 of the checking accounts. Would you prepare the checks?

14 A I would prepare the checks basically for  
15 William J. Levitt and Capital Communities.

16 Q And then you would bring them either to Stanley  
17 Ogonowski or Mr. Levitt to sign?

18 A Right. And now that I think about it, on the  
19 Capital Communities checks I believe there was someone  
20 else in the office who would also -- Mr. Levitt's  
21 secretary at the time who also was able to sign just on  
22 the Capital Communities.

arysimons 1

Q And who was that?

2

A Her name was Lucile Lamberti.

3

Q During this time period do you know about how

4

many employees there were in the office?

5

A Yes. In the office there was about maybe 12 or

6

10.

7

Q When you would prepare a check would it have to

8

be authorized by someone first before you could prepare

9

it, or did it work?

10

A It depended on really what the check was. A

11

lot of times if it was like the payroll I would just write

12

it and have someone sign it. At one time we were

13

refunding money for people who had sent in deposits for

14

homes and I would get like the list of refunds and I would

15

just prepare the check and someone would sign it.

16

If it was an expense usually Mr. Levitt would

17

have to -- we always had a problem with money. So I would

18

go in to him and say, all right, here is what we have to

19

pay and he would really give me the okay to prepare the

20

checks. I mean I wouldn't prepare checks -- I knew there

21

was "X" amount of money. So I wouldn't prepare 20 checks

22

and know that three of them are going to be signed. So I

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arysimons 1 usually would say to him what are you going to pay. So I  
2 would really prepare the checks.

3 Q Were there financial problems the whole time  
4 you were working ---

5 A Yes, there was, yes, the whole time, yes.

6 Q Were all of these companies, Capital  
7 Communities and William J. Levitt, Incorporated involved  
8 in real estate?

9 A No. William J. Levitt was really used just  
10 basically to run the office. It was used to pay office  
11 expenses and overhead expenses the payroll and anything  
12 that really was involved in the Greenvale office.

13 The Capital Communities, which had three  
14 accounts -- that's right, three accounts, it was three  
15 bank accounts for Capital Communities -- it was involved  
16 in running the Poinciana Park project.

17 Q And that is in Florida?

18 A That was in Florida. That was the project he  
19 was building in Florida at the time.

20 MS. BEARD: Let me have the court reporter mark  
21 this as Exhibit No. 1.

22

arysimons 1

(Lampel Deposition Exhibit

2

No. 1 was marked for

3

identification.)

4

(A copy of Exhibit No. 1 was handed by Counsel

5

Beard to the witness and his counsel.)

6

MS. BEARD: Why don't you take a moment to look

7

at it and when you are done looking at it you can let me

8

know.

9

(Pause while the witness reviews the document

10

referred to.)

11

MS. BEARD: Are you ready?

12

THE WITNESS: Yes, I'm ready.

13

MS. BEARD: This is a one-page copy of a

14

document that reads across the top "Account YTD -- which I

15

assume stands for year to date ---

16

THE WITNESS: Year to date, right.

17

MS. BEARD: --- "Summary For: Rowenroy Ltd.,

18

Date Last Entry: 11/27/86," and that is crossed out, but

19

in handwriting there is written 7/16/86 next to it.

20

BY MS. BEARD:

21

Q Have you ever seen this document before?

22

A I have seen similar documents. I mean I'm

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arysimons 1

2 familiar with the computer program and this is a document  
3 that did come out of the computer program they were  
4 using. I can't say to you that I have seen this specific,  
5 you know, balance sheet.

6 Q But it is possible that you have seen it  
7 before?

8 A It is possible, but I'm not ---

9 Q But you're familiar with documents like this  
10 one?

11 A Yes.

12 Q Do you recognize the writing on the document by  
13 any chance?

14 A It looks like Edward Donnelly. Again, I'm 90  
15 percent sure. I don't want to ---

16 Q Was Mr. Donnelly also an accountant?

17 A Yes.

18 Q In the first column over one one side it starts  
19 off with "NUM" and there are a series of numbers  
20 underneath that.

21 A Right.

22 Q Do you know what those numbers stand for?

A Yes. Those numbers stand for basically -- they

rysims 1

are called a general ledger chart of accounts. They are  
2 just numbers that are basically assigned to every account  
3 just to -- when you write a check or whatever you do, you  
4 would assign, you know, on the computer you would give it  
5 that number.

6 Q So then all the assets and expenses and  
7 liability and income for Rowenroy would have a general  
8 ledger account number?

9 A Right.

10 Q I'm assuming this is Rowenroy because it says  
11 Rowenroy across the top.

12 A Right. They would all have -- well, with any  
13 standard accounting everything usually has general ledger  
14 numbers. The assets are usually 100's, the liabilities  
15 are usually 200's and so forth and so on.

16 Q It looks like that is the way this is set up  
17 because they have a "Type" column and in it the 200's are  
18 liabilities and for the 100's it lists assets next to it.

19 A Right, and like the 400's are expenses.

20 Q Then the second column over is a series of  
21 names.

22 A Right.

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arysimons 1

Q And then there is "Type" next to that.

2 A Right.

3 Q The first two say Cash-Chase Manhattan and then  
4 Citibank Checking and next to it for "Type" they have  
5 "Check" next to both of those.

6 A Yes.

7 Q Do you know what those would be?

8 A They would be two checking accounts for  
9 Rowenroy. They were the two checking accounts that  
10 Rowenroy used.

11 Q Then there is a series of accounts that list  
12 "Asset," Internat Comm Corp, WJL, Inc., Capital Comm  
13 Corp., Greenvale Advert, Williams Realty and La Belle  
14 Simone, Lt.

15 Do you know what those are?

16 A Yes. Those are all different corporations that  
17 Mr. Levitt had. These are all different corporations that  
18 were, you know, run by Mr. Levitt, so to speak. I did  
19 mention a couple of them, and I do see like International  
20 Community Corporation, which I didn't mention, and  
21 Greenvale Advertising, which I didn't mention and Williams  
22 Realty, which I didn't mention.

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arysimons 1

Q These were all companies then that were owned  
2 by Mr. Levitt?

3 A They were all owned by Mr. Levitt and really  
4 used for different purposes. Like the International  
5 Community Corporation, which I didn't mention, was we had  
6 an office in Florida that year and it close like toward  
7 the end of -- it did close in about July of '86, but that  
8 was really run for again the project. They did certain  
9 things for the project down in Florida, like the overhead  
10 expenses and everything were run out the International  
11 Community Corporation in Florida.

12 Q When you say "the project," you are talking  
13 about Poinciana?

14 A Poinciana, but like, you know, there was  
15 another project preceding Poinciana. There were a couple  
16 of projects I believe and they really weren't successful  
17 and there were a whole lot of problems, and a lot of that  
18 was run out of International Community Corporation.

19 Q Then after that there is the Levitt Foundation  
20 and Retained Earnings which were liability accounts.

21 A Right.

22 Q Then there is Royalties and Check Interest as

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rysimons 1

income and there are a series of expenses.

2 A Right.

3 Q Which ones are personal and what kind of things  
4 would be in the personal account, if you know?

5 A Personal was personal, whatever Mr. Levitt  
6 decided he needed for personal expenses, like if his wife  
7 wanted something from Tiffany's, that was in personal,  
8 shopping from Food Town was run out of personal and to get  
9 the animals groomed was run out of personal.

10 Q Do you know if anything was run out of the  
11 personal account that Mr. Levitt did not okay?

12 A No. He would have okayed everything because he  
13 is really the one who -- the personal account, he would  
14 have to generate it. He would say I need a personal check  
15 for this and I need a personal check for that. I mean  
16 nobody really -- except that Stanley Ogonowski handled  
17 certainly personal things, maybe like utility bills or  
18 stuff like that. Maybe Stanley would get the bill and say  
19 all right, here I'm paying a lighting bill or here I'm  
20 paying the water bill.

21 Q But was there anything out of the ordinary?

22 A The other stuff like Tiffany's and Cardiere,

arysimons 1

2 which a lot of this is, was just Mr. Levitt said I need a  
3 check made out to Tiffany's for \$4,000. He would generate  
4 that, and he was aware of every check that went through  
5 that.

6 Q And the rest of these like Medical, Taxes and  
7 Salaries, is "Medical" medical expenses?

8 A Right. I guess ---

9 Q Medical, \$46 it looks like here.

10 A I don't know why they didn't put that in  
11 "Personal." I guess if there were medical expenses it  
12 went in there.

13 Q I'm going to move over to the next column, or  
14 actually two columns over where it says "Last Update."  
15 What would that be?

16 A That would be -- I'm just thinking a minute --  
17 it would be the last time an entry was actually made in  
18 that account, because Rowenroy, if I recall again, and  
19 this is going back two years, I think Mr. Levitt did stop  
20 using the Rowenroy account to a large degree in about  
21 March of '86, and then he started using La Belle Simone  
22 because -- he did stop using Rowenroy to a large, large  
degree, and from like March of '86 until, you know, I was

arysimons 1

there until September of '86, he would use La Belle Simone  
2 for his personal.

3           So I see the last entry here was -- there was  
4 one in 3 of '86 and there was one in 6 of '86.

5           Q       I see for "Personal" he has 7/16/86.

6           A       There might have been one or two checks  
7 written, but I think basically he stopped using it in  
8 about March or April.

9           Q       Next to that there is a column that has a  
10 series of numbers.

11          A       You know, that looks like the number of  
12 entries, how many entries were actually ---

13          Q       The number of checks written in the category if  
14 it was an expense account?

15          A       Right.

16          Q       Then I assume the next column for "Actuals" ---

17          A       That would be the actual balance in the account  
18 on 7/86.

19          Q       And then "Budgets" were all zero?

20          A       That was just something on the program that we  
21 didn't use.

22          Q       How about the "Current Tax Balance" on the far

arysimons 1 side?

2 A "Current Tax Balance" would be -- under "Total  
3 For Year" the "Actuals" should be the actual balance that  
4 was in the account, and I really don't recall what the  
5 "Current Tax Balance" is.

6 Q That's okay. A document like this one, would  
7 this have been prepared in-house?

8 A Yes, it would have been prepared in-house. It  
9 would have been run right of the system like as of, you  
10 know, that date. The program they used was called Dollars  
11 and Cents. It was an IBM program. It really was kind of -  
12 -it really was a little unsophisticated, too.

13 MS. BEARD: I'm going to have the court  
14 reporter mark this as Exhibit No. 2.

15 (Lampel Deposition Exhibit  
16 No. 2 was marked for  
17 identification.)

18 (A copy of Exhibit No. 2 was handed by Counsel  
19 Beard to the witness and his counsel.)

20 MS. BEARD: Take a few seconds to look at that.  
21 (Pause while the witness reviews the document  
22 referred to.)

arysimons 1

THE WITNESS: Okay.

2

MS. BEARD: The title across the top reads

3

"Transactions Activity Summary for: Rowenroy Ltd Account:

4

Cash-Chase Manh" -- Manhattan I assume is what that stands

5

for -- "Date Last Entry: 11/27/86."

6

BY MS. BEARD:

7

Q Have you seen a document like this before?

8

A Yes.

9

Q Do you know if you have seen this particular

10

document?

11

A Again, I can't really say I saw this particular

12

document, but I have seen a document like this one before.

13

Q Is this similarly prepared again in-house on

14

the computer system?

15

A Yes.

16

Q Can you tell me what this kind of document

17

would be used for?

18

A Okay, and I could also answer your question

19

about the "Current Tax Balance," too.

20

Q Okay.

21

A I assume that "Cash - Chase Manhattan" is one

22

of the checking accounts, and I believe it was one the

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arysimons 1 being used at this period. In the period I was there I  
2 believe this was the one being used almost exclusively for  
3 the checks. I think there was another checking account  
4 called Citibank which she might have used in prior times,  
5 but it wasn't really being used now.

6 So if you went into the computer and said all  
7 right, on 11/86 -- I'm not sure that date is right. I  
8 think that for some reason the computer had a bug in it  
9 and it kept on bringing up 11/86, and this might have been  
10 at a later date. But if you say, all right, give me a  
11 summary of Chase Manhattan Bank, what actually went  
12 through, you know, the checking account, this was a  
13 summary of the checking account.

14 Q Let me take a couple of examples. For  
15 International Comm Corp ---

16 A There must have been 16 checks or 16  
17 transactions written for International Community  
18 Corporation during that time.

19 Q And then the total of checks would be the  
20 column next over?

21 A Right, and you know what, the balance at the  
22 end looks like a cumulative -- what it is is the balance

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arysimons 1

2 at the end, the "Current Tax Balance," it must have been --  
3 the 424,087.71 represents the actual checks written I  
4 think for that period of time, but the "Current Tax  
5 Balance" must be the balance from the beginning of the  
6 year just carried, because when you open the books at the  
7 beginning of year you always carry -- you carry your  
8 assets and liability balances forward to the next year.

9 Q What was the fiscal year they operated on?

10 A On Rowenroy?

11 Q Yes. Do you know?

12 A I think it was September 30th.

13 Q Was that the same for the other companies as  
14 well?

15 A No, no.

16 Q They all varied or ---

17 A They all varied. I think Rowenroy, and again  
18 I'm not positive, but I think it was September 30th. I  
19 know Capital Communities was September 30th, and William  
20 J. Levitt was the end of the calendar year.

21 So you would have to carry over certain  
22 balances from year to year, but not on the Income and  
Expenses. That is always -- you always just it out and

arysimons 1 the profit or loss goes into retained earnings. So  
2 actually in this period of time the total amount in  
3 "Actual," that was actually the checks written I guess in  
4 that period time, and the "Current Tax Balance" would be  
5 the balance carried forward.

6 Q And that would be like some kind of asset or  
7 liability that would be carried forward?

8 A Right.

9 Q You have already mentioned a couple of people's  
10 names who you have worked with.

11 A Yes.

12 Q You mentioned Stanley Ogonowski and that he  
13 worked for Mr. Levitt.

14 A Right.

15 Q He was an accountant as well or ---

16 A He was really a bookkeeper. He worked for Mr.  
17 Levitt for a long time and he really was a bookkeeper.

18 Q When you left was he still in Mr. Levitt's  
19 employ?

20 A Yes, he was still in Mr. Levitt's employ, and  
21 for some reason I think he -- if Mr. Levitt is still --  
22 from what I last heard I think he might still be the only

arysimons 1

one there.

2 Q And he was there before you came?

3 A Yes. He was there for quite a number of years.

4 Q And he did most of his work you said with  
5 Rowenroy and with La Belle Simone?

6 A He did most of his work with Rowenroy and La  
7 Belle Simone. Before I came abroad -- that's a corny  
8 expression -- before I was there he did a lot of the work  
9 that I had been doing with Capital Communities and with  
10 William J. Levitt, and this person, Roslyn Zeidman, who  
11 was there for 25 years, did a lot of Mr. Levitt's -- she  
12 did all of Mr. Levitt's personal. She did the Levitt  
13 Foundation. And when she left Stanley took over Mr.  
14 Levitt's personal affairs and I was really involved more  
15 in the running of the office.

16 Q Do you know Harold Kellman?

17 A Hal Kellman, yes. Yes, I know him.

18 Q Was he an employee of Mr. Levitt?

19 A He was more, you know, he was a free-lance  
20 person again. He was in charge of the sales and he wasn't  
21 on the payroll. First of all, he wasn't even paid the  
22 year I was there. I mean Mr. Levitt really didn't pay

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rysimons 1

2 those people. If he ever got paid, he would be paid like  
3 say -- he was supposed to get a monthly check. I think he  
4 had some sort of contract with Mr. Levitt where he would  
5 get so much every month.

6 Q But he did work out of the same office you  
7 worked out of?

8 A He worked out of our office, yes. He did, yes.

9 Q You said he was a sales person. What was he  
10 selling?

11 A He was really in charge of at that time the  
12 Poinciana Park project. We also did have a sales model.  
13 We had set up a model in Jericho and people would come and  
14 look at the model. For a period of time he spent all of  
15 his time at the model and he would show the people around  
16 and try to sell them, you know, the homes.

17 Q So he was in charge of the sales end for  
18 Poinciana there?

19 A Right.

20 Q Do you know an Edward Cortese?

21 A Edward Cortese, yes. He was really Mr.  
22 Levitt's public relations person.

Q And he was employed by Mr. Levitt?

arysimons 1

2 A You know what, again he wasn't on the payroll  
3 either. I think he was on the payroll and then like when  
4 I had gotten there they took him off the payroll and again  
5 he had some sort of contractual agreement with Mr. Levitt.

6 Q But he did work out of the same office you  
7 worked out of?

8 A Yes, he did. Yes.

9 Q Was he still working there when you left?

10 A No. He had left a couple of months before I  
11 had left.

12 Q I'm trying to remember. You said you had left  
13 in September?

14 A September. He must have left around June or  
15 July, and when he left -- well, he left because he wasn't  
16 getting paid and he kind of like tried to leave on good  
17 terms and if Mr. Levitt needed him Mr. Levitt would call  
18 him.

19 Q Was Harold Kellman still working there?

20 A Yes, he was.

21 Q Were both of these people working out of this  
22 office before you started?

A Yes.

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arysimons 1

Q Do you know a Ralph M. Della Ratta?

2

A Yes.

3

Q Who was he?

4

A He also -- and he's a strange character -- he

5

also worked out of the office. He was also paid by

6

contract, and he wasn't paid either I think for the whole

7

year that I was there. He did a lot of Mr. Levitt's

8

engineering work and more like he was involved in -- for

9

the project like say in Florida he was involved in buying

10

refrigerators and he did a lot of his own personal work

11

there, too. So he was really not always, you know,

12

working per se for Mr. Levitt, but he seemed to be

13

involved in buying refrigerators and doing sort of like

14

engineering type work for Mr. Levitt.

15

Q Was he working out of this office when you

16

started working here?

17

A Yes.

18

Q Do you know if he was still there when you

19

left?

20

A Yes, definitely. Yes.

21

Q You had mentioned Edward Donnelly as being your

22

supervisor.

9303091094

Marysimons 1

A Right.

2

Q Was he your supervisor the entire time?

3

A Yes.

4

Q Was he still there when you left?

5

A Yes, and I think he is still there now, too.

6

Q Do you know Sherry Neuman?

7

A Yes.

8

Q Can you tell me what Sherry Neuman did?

9

A Basically she was in charge of the Capital

10 Communities project and the Poinciana project. She was

11 really in charge of keeping to some degree the records of

12 who sent in money and who refunded the money. Basically

13 that was her job.

14

Q When you say sent in money or refunded money,

15 these people were purchasing homes?

16

A Purchasing homes in Poinciana, and she also was

17 not really involved in sales, but she was good and people

18 would call her up all the time and ask about the homes and

19 she did, you know, more than actually just keep records.

20 I mean she had a good personality and she was involved a

21 lot in actual selling of the homes.

22

Q Was she employed by Mr. Levitt when you started

arysimons 1

working there?

2 A Yes.

3 Q Was she still there when you left?

4 A No.

5 Q So she left before you sometime?

6 A About a month before I left.

7 Q Do you know an Adrienne Walters?

8 A Yes, I do.

9 Q Can you tell me how you know Adrienne Walters?

10 A Well, she was a receptionist.

11 Q And she was on the payroll?

12 A Yes.

13 Q Was she employed when you started working

14 there?

15 A No. She started about two months after me in

16 about November of '86.

17 Q Was she still there when you left?

18 A Yes.

19 Q Do you know a Jennifer D. Flynn?

20 A No.

21 Q Do you know Lou Stern?

22 A I know who he is.

9308091096

arysimons 1

Q Was he an employee of Mr. Levitt?

2

A No.

3

Q Can you tell me how you know who he is?

4

A I know he was Mr. Levitt's brother-in-law. I

5

don't know him personally. I just know the name.

6

Q Do you know a Henry Fox?

7

A Yes. He was a personal friend of Mr. Levitt's.

8

Q So he was not employed by Mr. Levitt?

9

A No.

10

Q How about Robert Gersten?

11

A The name I don't remember. I don't know the

12

name.

13

Q Did you know Nicole Levitt?

14

A That was Mr. Levitt's daughter.

15

Q You mentioned before Simone. That was his

16

wife?

17

A That was his wife, right.

18

Q How about Gaby Levitt?

19

A That was his daughter.

20

Q Were they at all involved in ---

21

A No.

22

Q All three of them never had anything to do with

arysimons 1 any of the companies?

2 A No.

3 Q You mentioned earlier that the companies had  
4 financial difficulty for the entire time that you were  
5 working there and that some of these people who were  
6 independent contractors did not get paid?

7 A Right.

8 Q Did Mr. Levitt owe you any money for back pay  
9 in or around June of 1986?

10 A No, not in June of '86. No.

11 Q Did he ever owe you any back pay?

12 A Yes.

13 Q And when did he start?

14 A Well, probably in about August of '86.

15 Q The money he owed you was for back pay?

16 A It was just salary that he didn't pay me.

17 Q Do you know if he had problems with anybody  
18 else not being able to meet the payroll?

19 A He had problems with everybody not being able  
20 to meet the payroll.

21 Q Do you know when these problems started with  
22 the payroll?

arysimons 1

A Well, the payroll was always the one thing that  
2 did get done, and then I think in about the middle of  
3 August he did have problems meeting the payroll.

4 Part of the problem was that even if he did  
5 have money, if he wife needed the money he gave the money  
6 to his wife. As far as the contractual people, a lot of  
7 them hadn't been paid for months and months and months.

8 Q So they would be going back before August?

9 A Oh, yes. A lot of them would go back to  
10 January or at the beginning of the year.

11 Q Was there anyone that you can think of who I  
12 haven't named who was also employed by Mr. Levitt?

13 A There was someone named Susan Gerber, who was  
14 Mr. Donnelly's secretary.

15 Q And she worked out of the same office you did?

16 A Yes.

17 Q Anybody else that you can think of?

18 A There was a Lucile Lamberti.

19 Q And what did she do again?

20 A She was Mr. Levitt's secretary.

21 Q Anybody else that you can think of?

22 A Not out of that office, no.

9308091099

arysimons 1

Q Were there other offices in the New York area?

2

A No. That was the only office in the -- we also

3

had -- the only other office, we had a sales office and we

4

had the model. We had a model in Jericho and there was a

5

couple of employees. That was Capital Communities, that

6

wasn't William J. Levitt, and these people did get paid

7

out of Capital Communities. They were people who really

8

tried to sell the houses when people came in besides Hal

9

Kellman.

10

Q Do you know any of their names?

11

A Adrienne Walters was one of them. She worked

12

for both.

13

Q So she would be a receptionist and she would

14

also sell?

15

A On the weekends she would work there. There

16

was someone, oh gee -- besides Adrienne there were two or

17

three other people in the sales office in New York and I

18

can't think of their names right now. I probably will

19

though.

20

Q Did the payroll problems when you stopped

21

getting paid in August of 1986, did it hit everybody who

22

was on payroll?

arysimons 1

A Did everybody not get paid?

2

Q Right.

3

A Yes, everybody did not paid.

4

Q And that was the first time it had happened

5

while you were there?

6

A Right.

7

Q You said that you left in September of 1986.

8

A Right.

9

Q Why did you leave?

10

A Because I wasn't getting paid.

11

Q Do you consider yourself to be politically

12

active?

13

A No.

14

Q Have you ever made a political contribution?

15

A Besides ---

16

Q Any at all ever?

17

A Not to my knowledge. No, not to my knowledge.

18

Q Did you ever make a contribution to Senator

19

Joseph Biden?

20

A Besides ---

21

Q Senator Joseph Biden, did you ever make a

22

contribution to him?

arysimons 1

A I did make the contribution to ---

2 Q To Citizens For Biden Committee - 1990?

3 A Yes, I did.

4 Q So you did make a contribution?

5 MS. BEARD: I would like to have this marked as

6 Exhibit No. 3.

7 (Lampel Deposition Exhibit

8 No. 3 was marked for

9 identification.)

10 (A copy of Exhibit No. 3 was handed by Counsel

11 Beard to the witness and his counsel.)

12 MS. BEARD: It's a little bit hard to read.

13 I'm sorry about that.

14 (Pause while the witness reviews the document

15 referred to.)

16 MS. BEARD: When you're ready let me know.

17 MR. FOLKS: We're ready.

18 MS. BEARD: This is a three-page document and  
19 it's selected pages from a report that is required to be  
20 filed by all Federal political committees with the Federal  
21 Election Commission. The top page is the cover sheet and  
22 it is for the Citizens For Biden Committee - 1990, and it

9303091102

arysimons 1 covers the period from January 1st, 1986 to June 30th,  
2 1986. The second page is called a "Detailed Summary Page"  
3 and the third page is a selected page from one of the  
4 accounts and it's from line No. 11(a) which if you go back  
5 to the second page means contributions from individuals  
6 other than political committees.

7 If you look on the third page at the last two  
8 entries listed as Lampel, Ava, Mrs. and Lampel, Stephen  
9 J., Mr., they are each in the amount of \$1,000 on June  
10 2nd, 1986.

11 BY MS. BEARD:

12 Q Did you make that contribution?

13 A Yes.

14 Q Aside from this contribution to the Citizens  
15 For Biden Committee - 1990, have you ever made any other  
16 political contributions to any Federal candidate  
17 committee?

18 A Not to my knowledge, I don't think I did.

19 Q Can you tell me a little bit about the  
20 circumstances that led up to making this \$1,000  
21 contribution on your behalf and then also \$1,000 by your  
22 wife?

9308091103

arysimons 1

2 A Okay. Well, basically what had happened was  
3 Mr. Levitt had gone around to everybody in the office and  
4 said I want you to give, you know, \$1,000, and write out a  
5 check for \$1,000 to Citizens For Biden, one for you and  
6 one for your wife and I'm going to reimburse you.

7 I think at first everybody, you know, ignored  
8 him and he did do it again. He did it a couple of times  
9 and he was a very intimidating person and I know there was  
10 a lot of talk and a lot of pressure in the office as to  
11 should they do it or shouldn't do it. Nobody was  
12 concerned about what they were making the contribution  
13 for. They were just concerned if they are going to get  
14 the money back. There was a lot of pressure and he put a  
15 lot of pressure on everybody to give the money. So we did  
16 give, you know, most of the people in the office did give  
17 a check to him for \$1,000.

18 Q Did Mr. Levitt come up to you personally?

19 A Yes, more than once.

20 Q Was that in your office or in his office?

21 A In my office. He came into my office.

22 Q Was there anyone else present?

A When he came up to me, no.

930091104

arysimons 1

Q Did he often come into your office?

2 A Yes.

3 Q Do you remember what he said to you more  
4 specifically?

5 A I believe he said I want you to make out a  
6 check to the Citizens For Biden for a thousand dollars,  
7 one for you and one for your wife and I'll give you back  
8 the money.

9 Q You said he had talked to you more than once.

10 A Right, because I think he did ask me on a  
11 Friday -- maybe it was a Friday, and then I think the  
12 following Monday. I think at first everybody just didn't  
13 want to do it. I think everybody wasn't concerned about  
14 what the check was for or what, but it was just everybody  
15 said well if I'm going to lay out a thousand dollars, with  
16 his reputation they were afraid they weren't going to get  
17 the money back. That was the concern. Nobody was  
18 concerned about where the check was going or what it was  
19 being used for. Then I think the following Monday he did  
20 come in once or twice after and he was very intimidating  
21 and most people were afraid of him, and he did ask people  
22 again for the checks.

9305091105

arysimons 1

2 You know, there was a lot of pressure because  
3 people thought they would lose their jobs and he was very  
4 intimidating and there was a lot of talk in the office,  
5 but most people did give him the checks.

6 Q So the times when he asked you for checks was  
7 within a couple day period or did it last for a couple of  
8 weeks?

9 A I think it was in a two-day period, and I think  
10 it was either two or three times he did ask for the  
11 checks.

12 Q Why did you decide to give him the check?

13 A Why did I decide to give him the check?

14 Q Yes, or the checks. I guess there were two of  
15 them.

16 A Yes, it was two checks. I guess I felt at that  
17 time my job would be in jeopardy and I was intimidated by  
18 him and I felt that if I didn't give him the checks I  
19 would be, you know, I would be, you know, harassed at the  
20 job.

21 Q Do you know why Mr. Levitt was interested in  
22 people making contributions to the Biden campaign?

A I could speculate. What I know is that someone

arysimons 1 probably had asked him for a favor, this being the favor,  
2 and I think that might have been his only -- plus he  
3 himself was to some degree politically -- he did seem to  
4 like Biden and he was politically active. But I think he  
5 must have -- someone just needed a favor from him and he  
6 was doing a favor for someone.

7 Q You mentioned that he asked other people in the  
8 office as well.

9 A He asked everybody.

10 Q Other people gave?

11 A Yes.

12 Q If I name some names, would you know if some  
13 people gave?

14 A I know everybody who gave and who didn't give.

15 Q Can you tell me who gave?

16 A I think everybody gave except Lucile Lamberti  
17 and Susan Gerber. I know Adrienne Walters -- because  
18 there was a big discussion in the office. Everybody was  
19 very nervous about it and very uptight about it. I know  
20 Adrienne Walters gave and I think she gave -- Jennifer  
21 Flynn is her daughter and she wasn't an employee there.  
22 He asked, you know, to give two checks.

arysimons 1

Q So this was something that was discussed among  
2 the employees?

3 A Oh, yes, yes, because everybody was concerned,  
4 and thinking back the concern was more am I going to get  
5 my money back. It wasn't what does he want the money for  
6 or what is it going for. Nobody even brought that up and  
7 nobody even knew who Biden was, you know, at the time, and  
8 there was a lot of discussion because he was very  
9 intimidating and putting a lot of pressure on people to  
10 give, you know, the checks, and people felt they probably  
11 would be harassed if they give them.

12 Adrienne Walters and Jennifer Flynn, myself and  
13 my wife, I'm sure Ed Donnelly and his wife, I think his  
14 wife's name was Michelle, Sherry Neuman and then her son I  
15 believe, Michael, Ed Cortese and his wife, I think Frieda,  
16 probably Ralph Della Ratta and his wife Joan, Susan Gerber  
17 did not give because she didn't have a checking account  
18 and Lucile Lamberti did not give, Stanley Ogonowski and  
19 his wife, and that was really the employees in the  
20 office. The rest of the people were friends or relatives.

21 Q Do you know if Harold Kellman did?

22 A Harold Kellman, he did give.

9304091108

arysimons 1

Q You mentioned Susan Gerber didn't give because she didn't have a checking account.

2  
3 A I don't believe she had a checking account.

4 Q How about Lucile Lamberti?

5 A She I believe had a checking account, but she just didn't want to do it.

7 Q Did Mr. Levitt threaten to fire anybody?

8 A I don't think he came out and said I'm going to fire you. He didn't use those words, but you know he is very cunning and a very debonaire person and he usually gets what he wants, and he probably did insinuate to people that, you know, there would be a problem if he didn't get the checks.

14 Q Was some of the talk in the office then centered around whether you would be fired if you didn't contribute?

17 A Oh, yes, oh, yes, yes, and everybody was a little scared of him, too, because he was very intimidating and everybody was a little afraid of him. So I think that was a large part of the problem.

21 Q Did anything happen to Susan Gerber or Lucile Lamberti?

9302091110

arysimons 1

A No.

2

Q And they were both still there when you left?

3

A Yes.

4

Q When Mr. Levitt asked you to contribute and he

5

told you that you would get reimbursed, did he ever tell

6

you that the money was going to go to decrease any kind of

7

indebtedness he owed to you?

8

A No, because at that time he didn't owe me any

9

money.

10

Q So in June of 1986 he didn't owe you money?

11

A No.

12

Q To your knowledge, were the other employees and

13

their spouses or family members who gave, were they

14

reimbursed as well?

15

A Yes. I believe everybody was reimbursed.

16

MS. BEARD: Let me have this marked as Exhibit

17

No. 4.

18

(Lampel Deposition Exhibit

19

No. 4 was marked for

20

identification.)

21

(A copy of Exhibit No. 4 was handed by Counsel

22

Beard to the witness and his counsel.)

arysimons 1

MS. BEARD: This is a four-page document and

2 let me know when you're ready.

3 (Pause while the witness reviews the document  
4 referred to.)

5 MR. FOLKS: Okay, we're ready.

6 BY MS. BEARD:

7 Q The top page reads "Transactions Activity

8 Summary For Rowenroy Ltd Account: Cash-Chase Manhattan,

9 Date Last Entry: 11/27/86."

10 Have you seen a document like this one before?

11 A Yes.

12 Q Do you know if you have seen this document  
13 before?

14 A Again, this one I'm pretty sure I have seen.

15 Q Can you tell me what this document would have  
16 in it?17 A Basically it's whatever activity happened in  
18 the Chase Manhattan checking account. It looks like for  
19 the period from 1/86 to 7/86. It's all the checks that  
20 were written out of the account and all the deposits that  
21 were put in the account.

22 Q So under the column that says "Check Num," that

9302091111

arysimons 1

would be the check number?

2 A 1072 would be the check number.

3 Q The "Date" would be the date of the check?

4 A The date of the check, right.

5 Q The "Title" would be?

6 A That would be who the check was made out to.

7 Q So it would be the payee on the check?

8 A Right, the payee.

9 Q Then it says "Distribution Account."

10 A The Distribution Account would be really what  
11 they would the change the account to. If it was Personal,  
12 it would be charged to Personal, or if it was Bank  
13 Charges. If it was an intercompany account, they would  
14 charge it like to the Levitt Foundation.

15 Q So this would be the general ledger account?

16 A Right.

17 Q Then the last two columns, "Amounts," one for  
18 Check and one for Deposit, and that would be the amount of  
19 the check or the amount of the deposit?

20 A Yes.

21 Q Let me have you go to the third page.

22 (Witness complies.)

9307091112

9302091113  
rysimons 1

2 There is a series of checks and let's start  
with No. 1150 on June 4th, '86.

3 Check No. 1154 dated June 4th, 1986, and then  
4 it says S & A Lampel, personal and the amount if \$2,000.

5 Can you tell me what that check was for?

6 A That was a reimbursement for the money -- for  
7 the check I wrote to Biden. That's the reimbursement.

8 Q Is this the only check you ever received from  
9 Rowenroy, Limited?

10 A Yes.

11 Q And you didn't receive any other checks from  
12 like La Belle Simone or anything?

13 A No.

14 Q Do you know what these other checks were for,  
15 like Check No. 1150 E & F Cortese?

16 A That would be the reimbursement for Edward and  
17 Frieda Cortese for their contribution.

18 Q How do you know that, just because they appear  
19 together or is some other reason?

20 A Because I remember seeing this. I didn't  
21 prepare these checks. Stanley Ogonowski prepared these  
22 checks, but I remember seeing this printout. I had seen

arysimons 1

this before. So I know these were all reimbursements.

2 Q Did someone tell you they were reimbursements?

3 A Well, we all knew we were being reimbursed for  
4 the check.

5 Q You mentioned that Stanley Ogonowski prepared  
6 the checks.

7 A Right.

8 Q Do you know if he was told to do so by someone?

9 A I'm sure he was told to do so by Mr. Levitt.  
10 He had to be told by Mr. Levitt to prepare the checks.

11 Q I'm just going to go down, like check No. 1150  
12 for E & F Cortese you think is a reimbursement?

13 A Definitely, yes.

14 Q How about check No. 1151 to R & J Delle Ratta?

15 A Yes.

16 Q 1152 to the Donnelly's?

17 A Yes.

18 Q 1153 to the Kellman's?

19 A Yes.

20 Q We have already talked about yours.

21 A Right.

22 Q 1155 to Gaby Levitt?

9304091114

93091115

arysimons 1

A Yes.

2

Q 1156 to Nicole Levitt?

3

A Yes.

4

Q 1158 to M S Neuman?

5

A Yes.

6

Q 1159 to S & F Ogonowski?

7

A Yes.

8

Q 1160 to L & L Stern?

9

A Yes.

10

Q 1161 to Adrienne Walters?

11

A Yes.

12

Q 1162 to Jennifer Flynn?

13

A Yes.

14

Q So all of those would have been reimbursements

15

for contributions?

16

A Yes, they were.

17

Q Did you attend the fundraiser that Mr. Levitt

18

had?

19

A Yes, I did.

20

Q Who else was there?

21

A Myself, Sherry Neuman, Ed Donnelly, Mr. Levitt,

22

Mrs. Levitt, his I believe two daughters, Gaby and Nicole,

arysimons 1

Stanley Shaw who was his lawyer ---

2 Q Stanley Shaw?

3 A Stanley Shaw who was one of Mr. Levitt's

4 lawyers at the time, the Stern's and that was about it.

5 Q Was Senator Biden there?

6 A Yes, he was and Joel Boyarsky.

7 Q Did you personally hand your check to ---

8 A No. Oh, no. Nothing was ever said about ---

9 Q The money was never discussed at the  
10 fundraiser?

11 A No.

12 Q So when you wrote your check or the two checks  
13 who did you give them to?

14 A To Mr. Levitt.

15 Q And that was during work hours?

16 A It was during work hours. In fact, I don't  
17 think we knew about the fundraiser until after the checks  
18 were even written. He did ask us after if we wanted to go  
19 to the fundraiser.

20 Q Did your wife go?

21 A No.

22 Q After you gave the check to Mr. Levitt you

arysimons 1 never saw it again and it never came up at the fundraiser?

2 A No.

3 Q What happened at the fundraiser? There was no  
4 comment you said about money at all?

5 A No comment about money at all. Basically Mr.  
6 Biden came in for about 15 minutes and was very charming  
7 and he left.

8 Q Where was this at?

9 A It was in New York in a hotel. Mr. Levitt had  
10 rented out a suite and I think it might have been the  
11 Hotel Pierre, but again I'm not a hundred percent  
12 positive.

13 Q Aside from the names that we have gone over of  
14 people who are listed on page 3 of Exhibit No. 4, was  
15 there anyone else that you know of that made a  
16 contribution?

17 A No -- well, yes. I know Stanley Shaw had made  
18 a contribution, who was Mr. Levitt's lawyer.

19 Q Do you know if he was reimbursed by Mr. Levitt?

20 A I don't know if he was reimbursed.

21 Q Anybody else that you know of?

22 A Nobody else that I know of, no.

arysimons 1

2 Q Do you know if Mr. Levitt asked everyone that  
you worked with personally to make a contribution?

3 A Yes, I'm pretty sure he did. I'm sure he did,  
4 yes.

5 Q And that was the talk around the office?

6 A Oh, yes, because a lot of people he wasn't so  
7 personal with because he was, you know, very demanding and  
8 I'm sure he tried to corner people individually and ask  
9 them to write the checks.

10 Q Did you ever attend any kind of meeting where  
11 the contributions were discussed?

12 A No.

13 Q Just informal things around the office?

14 A Just informal things around the office where we  
15 were all deciding whether, you know, to do it or not.

16 Q But nothing where Mr. Levitt was there?

17 A No. Oh, no.

18 Q Aside from the people who worked for Mr.  
19 Levitt, do you know if anyone else knew of the  
20 reimbursements that he was giving?

21 A If anybody else?

22 Q Knew that Mr. Levitt was going to reimburse?

arysimons 1

A I'm sure it must have told, you know, his daughters and the Stern's. I'm sure he must have told them that they were being reimbursed for their checks.

2  
3  
4 Q Do you know if Stanley Shaw knew?

5 A I don't know.

6 Q You mentioned Joel Boyarsky. Can you tell me  
7 who he is?

8 A Well, I know at the time he was, because there  
9 weren't too many people at this fundraiser, and he did  
10 come in with Mr. Biden, and I knew he was a fundraiser for  
11 Biden. I don't know if I knew it at the time, but I found  
12 out subsequently that he was raising money for Biden. I  
13 know that, and some of this I found out after the fact, I  
14 know he was the one who was pressuring either Levitt for  
15 the money or -- somehow there is a connection with Stanley  
16 Shaw, too, and I don't know the connection. Either  
17 Stanley Shaw was pressuring Levitt for this money or  
18 Boyarsky was pressuring Levitt for the money, and I assume  
19 that Levitt owed someone a favor and he was trying, you  
20 know, to pay the favor back.

21 Q Had you ever met Joel Boyarsky before?

22 A No.

9308091119

Marysimons 1

Q Have you ever seen him since?

2

A No.

3

Q Stanley Shaw, did you ever meet him before?

4

A I had met him a couple of times in the office,

5

yes.

6

Q When he was seeing Mr. Levitt?

7

A Yes, when he was in to see Mr. Levitt or

8

something.

9

Q Did you see him after this as well?

10

A Possibly he might have been in the office once

11

or twice after this.

12

Q To make sure I understand this, do you know if

13

either of these individuals knew that Mr. Levitt was going

14

to be reimbursing you?

15

A I'm sure they did, but I can't -- I think it

16

would have been their idea to.

17

Q Do you think that they knew this when it

18

happened? Are you saying that Stanley Shaw may have told

19

Mr. Levitt to do this?

20

A I don't know for a fact, but I think that

21

either Stanley Shaw or Joel Boyarsky did approach Mr.

22

Levitt and say you owe us a favor and we want you to do

arysimons 1

2 this and this is how it's done and you reimburse the  
3 employees like a couple of days later. I don't know for a  
4 fact because I wasn't there and I didn't really hear  
5 anybody say it, but just from the goings-on and thinking  
6 about it after, I'm sure that's what happened.

7 Q By "the goings-on" what do you mean?

8 A By the goings-on I mean just the whole -- just  
9 goings-on in the office about should we write the check or  
10 shouldn't we write the check and at this fundraiser just  
11 seeing Boyarsky and Stanley Shaw and just seeing the  
12 interaction with Mr. Levitt. You know, I'm not saying for  
13 a fact that they did say this to him, but I would just  
14 surmise it.

15 Q I'm just trying to get a feeling for ---

16 A I know what you're trying to say, and I really  
17 can't give you anything concrete about that, but I would  
18 have a strong feeling.

19 Q Were you ever approached by Mr. Levitt to make  
20 any other political contributions?

21 A No.

22 Q Have you ever been approached by anyone else to  
do this?

9308091121

arysimons 1

A No.

2

Q Did you receive a refund check from the Biden

3

Committee?

4

A Yes, I did.

5

Q About when did that happen?

6

A It was August 29th of 1987.

7

Q Do you know why you received the check?

8

A Well, there was a letter with the check and it

9

just said that -- they really were very unclear. They

10

just said we are sending you the check back and I did call

11

them and I asked them why the check was coming back. They

12

wouldn't give me an answer. They just said certain

13

contributions they felt weren't -- they didn't want to get

14

in trouble for. So they were just returning them. You

15

know, I did ask them and they wouldn't give me anything

16

specific, and the letter didn't say anything specific

17

either.

18

Q Were you contacted by Mr. Levitt around that

19

time?

20

A Yes, I was, about a week later.

21

Q Was it a letter or a phone call?

22

A No, it was a letter.

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arysimons 1

Q And what did he say in the letter?

2

A He just said you will be getting a refund check from Biden and please endorse it and send it back to me.

4

Q Did you?

5

A No.

6

Q Why didn't you?

7

A Because I felt that he owed me money. I felt that this was his own personal -- I really didn't feel it was Biden's money, I thought it was Levitt's money that I would be using, and he did owe me, you know, money, and I felt that it was one way to get it.

12

Q The money that you're talking about that he owned you, what was that for?

13

14

A It was salary for, you know, for working and not getting paid.

15

16

Q That would have been starting in August of 1986 that you're talking about?

17

18

A Right, yes.

19

Q Were you ever contacted by the State of New York, the New York Department of Law about this?

20

21

A I did get a letter from the Attorney General.

22

The Attorney General felt that the money was coming out of

arysimons 1

2 the Levitt Foundation and it wasn't. It came out of the --  
3 Capital Communities was part of the money that people were  
4 making deposits, but the Levitt Foundation, they thought  
5 that the money was coming out of the Levitt Foundation.  
6 They said the money was coming out of the Levitt  
7 Foundation and, you know, we should give it back.

8 Q Did you give the money back to the State?

9 A No.

10 Q And why not?

11 A Because again I felt that Mr. Levitt owed me  
12 money and it was a way of getting it.

13 Q You mentioned that the State thought the money  
14 was coming from the Levitt Foundation?

15 A I think that's what their letter had stated,  
16 yes.

17 Q The money you received as a check from  
18 Rowenroy; is that correct?

19 A Right.

20 Q You just mentioned Capital Communities.

21 A It was a check from Rowenroy, but the money --  
22 at the time the check was written I'm sure there was no  
money left in the Levitt Foundation because Mr. Levitt had

arysimons 1

2 me using that money for whatever and it was depleted in  
3 about March of '86. So when he ran out of money for the  
4 Foundation he used money from the deposits from the  
5 homeowners to pay for everything. So he probably  
6 deposited money from Capital Communities, which was the  
7 deposits, into Rowenroy to write the checks. The money  
8 didn't come out of the Levitt Foundation.

9 Q Okay, but the check you received was from  
10 Rowenroy?

11 A It was from Rowenroy, yes.

12 Q Did you ever attend any kind of meetings where  
13 this fundraiser or reimbursement were discussed?

14 A No.

15 Q Do you know if anyone ever attended any kind of  
16 meeting like that?

17 A To my knowledge, no.

18 MS. BEARD: I'm going to introduce this as  
19 Exhibit No. 5.

20 (Lampel Deposition Exhibit  
21 No. 5 was marked for  
22 identification.)

(A copy of Exhibit No. 1 was handed by Counsel

Boysimons 1

Beard to the witness and his counsel.)

2

(Pause while the witness reviews the document

3

referred to.)

4

MS. BEARD: When you're ready let me know.

5

THE WITNESS: Okay.

6

BY MS. BEARD:

7

Q Have you ever seen this letter before?

8

A No.

9

Q By any chance do you recognize the handwriting

10

on this?

11

A It looks like it might be Mr. Levitt's. Again,

12

I'm not -- a good chance.

13

Q Did you ever hear anything about a million

14

dollar loan between Mr. Boyarsky and Mr. Levitt?

15

A No, but I knew there was something, you know,

16

there. I knew he had some dealings with him in the past.

17

MS. BEARD: Just for the record, the

18

handwriting I was referring to is on the first page of

19

Exhibit 5.

20

BY MS. BEARD:

21

Q But for these underlying circumstances

22

concerning the million dollars you never ---

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arysimons 1

A I really don't know. I really don't know  
2 anything about it.

3 MS. BEARD: Why don't we take a short break.

4 (Brief recess taken.)

5 MS. BEARD: Back on the record.

6 EXAMINATION (Resumed)

7 BY MS. BEARD:

8 Q Going back to when Mr. Levitt first approached  
9 you to make a thousand dollar contribution to the Citizens  
10 For Biden Committee - 1990 do you remember what he said  
11 exactly?

12 A To my best recollection, he did say I want you  
13 to write two checks, one from you and from from your wife  
14 to the Citizens For Biden Committee for a thousand dollars  
15 and I will return the money to you in a couple of days.

16 Q So he used a word like "return" or something?

17 A Return or reimbursed. I don't remember the  
18 exact terminology.

19 Q But you definitely held the opinion that he  
20 would be giving you money back in exchange for this?

21 A Oh, yes, yes.

22 Q Did you have your wife write a \$1,000 check as

arysimons 1

well?

2           A       No. I had thought originally -- I know I  
3 discussed it with my wife or told her, and I thought I had  
4 asked her to sign a check, but I had gotten the checks --  
5 I had originally sent these checks to -- the newspaper,  
6 Newsday did a story on this whole thing. I had been  
7 friendly with a reporter. So she interviewed me and she  
8 asked me if I could send her the checks. I did send her  
9 the checks and I had asked her to send them back to me,  
10 which she did, and I only got them a couple of weeks ago.  
11 I had written the checks and I signed them both myself.  
12 There were two \$1,000 checks both with my signature on  
13 them.

14           Q       So your wife never wrote a check then?

15           A       No, my wife never wrote a check.

16           Q       Did she know you would be writing the check?

17           A       I'm sure I told her.

18           Q       Do you remember what you told her about it?

19           A       I probably just told her that Levitt came in  
20 and he wanted a check for \$1,000 and he was going to give  
21 it back to me in a couple of days.

22           Q       Did you tell her who the checks were going to

arysimons 1 be for?

2 A I might have and I might not have. I don't  
3 know if she really even cared or even asked. It's hard  
4 for me to really ---

5 Q Do you remember if you wrote the checks the  
6 first time Levitt ask you?

7 A No, I didn't.

8 Q So it was after a couple, either two or three  
9 times?

10 A Either two or three times, yes, because we were  
11 all very concerned again that we weren't going to get the  
12 money back.

13 Q So you wrote the check and a couple of days  
14 later you got the check from Rowenroy?

15 A I think I wrote it on a Monday and I think I  
16 got it back on a Thursday.

17 Q Did you write the checks in front of Mr.  
18 Levitt?

19 A You know, I don't remember.

20 Q But you do remember that you gave them to him?

21 A I'm sure I gave it to him, but I'm not sure if  
22 I wrote it in front of him.

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Q How did you get the check back from Rowenroy?

2 Did someone give it to you?

3 A Yes. Stanley Ogonowski gave it back to me.

4 Q And he walked around the office giving out  
5 checks?

6 A Giving back the checks, right.

7 Q And this was all done at the same time?

8 A Yes, I believe it was all done at the same  
9 time.

10 MS. BEARD: You mentioned that you now have  
11 copies of those checks. I was wondering if we could get  
12 copies of them sent to our office.

13 THE WITNESS: I have those at home.

14 MR. FOLKS: For the record, I will supply you  
15 with a copy of the checks such as they are.

16 MS. BEARD: Okay.

17 MR. FOLKS: But I think it should be clear that  
18 there was a point in time as part of an investigation that  
19 was being conducted by Newsday and other newspapers that  
20 Mr. Lampel voluntarily gave that information and those  
21 checks to the journalist and it was only recently that  
22 they were returned. So we will be happy to supply them.

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MS. BEARD: That's fine. Thank you.

2 I would like to remind you that all proceedings  
3 of the Federal Election Commission are confidential while  
4 an investigation is occurring and until the file is closed  
5 in this matter.

6 I'm going to be giving you a check for witness  
7 fees and mileage in a second here, and it's a check in the  
8 amount of \$42.60.

9 (The check referred to was handed by Counsel  
10 Beard to the witness.)

11 I am going to continue this deposition, but I  
12 don't think in all likelihood that we will be talking to  
13 again. Maybe if we have any questions I can work it out  
14 informally with your attorney, but just in case I will  
15 continue it instead of closing it.

16 (Whereupon, at 11:25 o'clock a.m., the  
17 deposition of Stephen Jay Lampel recessed, to be continued  
18 at the request of the Federal Election Commission if  
19 requested.)

20 \* \* \* \* \*

21

22

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\* \* \* \* \*

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21  
22

I have read the foregoing pages  
through , inclusive, which  
contain a correct transcript of  
the answers made by me to the  
questions therein recorded.  
Signature is subject to  
corrections.

STEPHEN JAY LAMPEL

\* \* \* \* \*

I, , Notary Public  
in and for the State of New York, do hereby certify that I  
am notarizing and witnessing signature for the Deposition  
of STEPHEN JAY LAMPEL on this day of ,  
1988.

Notary Public in and for the  
State of New York

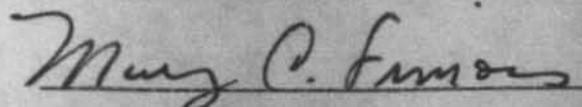
My Commission expires

\* \* \* \* \*

9303091132

## CERTIFICATE OF NOTARY PUBLIC

I, Mary C. Simons, the officer before whom the foregoing deposition was taken, do hereby certify that the witness whose testimony appears in the foregoing deposition was duly sworn by me; that the testimony of said witness was taken by me in stenomask to the best of my ability and thereafter reduced to word processing by me or under my direction; that said deposition is a true record of the testimony given by said witness; that I am neither counsel for, related to, nor employed by any of the parties to the action in which this deposition was taken; and further that I am not a relative or employee of the parties thereto, nor financially or otherwise interested in the outcome of the action.



Mary C. Simons

Notary Public in and for  
the District of Columbia

My Commission expires

August 15, 1989

88 JUN 20 PM 2:35

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of )  
 ) MUR 2576  
Robert S. Gersten )

GENERAL COUNSEL'S REPORT

**SENSITIVE**

I. BACKGROUND

Attached is a conciliation agreement which has been signed by Robert S. Gersten.

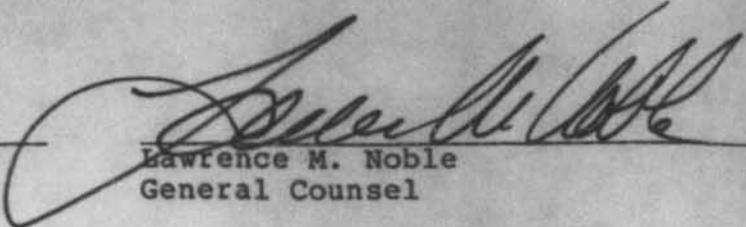
The attached agreement contains no changes from the agreement approved by the Commission on May 17, 1988. A check for \$150, the amount of the civil penalty has been received.

II. RECOMMENDATIONS

1. Accept the attached conciliation agreement with Robert S. Gersten.
2. Close the file as to Robert S. Gersten.
3. Approve the attached letter.

Date

6/20/88

  
Lawrence M. Noble  
General Counsel

Attachments

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

Staff Assigned: Susan Beard

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BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of )  
 ) MUR 2576  
Robert S. Gersten )

CERTIFICATION

I, Marjorie W. Emmons, Secretary of the Federal Election Commission, do hereby certify that on June 23, 1988, the Commission decided by a vote of 6-0 to take the following actions in MUR 2576:

1. Accept the conciliation agreement with Robert S. Gersten, as recommended in the General Counsel's Report signed June 20, 1988.
2. Close the file as to Robert S. Gersten.
3. Approve the letter, as recommended in the General Counsel's Report signed June 20, 1988.

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

Attest:

6/24/88

Date

Marjorie W. Emmons

Marjorie W. Emmons  
Secretary of the Commission

Received in the Office of the Commission Secretary: Mon., 6-20-88, 2:35  
Circulated on a 48-hour tally basis: Tues., 6-21-88, 11:00  
Deadline for vote: Thurs., 6-23-88, 11:00

93080961135



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

June 29, 1988

Robert S. Gersten  
84 Leamington St.  
Lido Beach, NY 11561

RE: MUR 2576  
Robert S. Gersten

Dear Mr. Gersten:

On June 23, 1988, the Federal Election Commission accepted the signed conciliation agreement and civil penalty submitted on your behalf in settlement of a violation of 2 U.S.C. § 441a(a)(8), a provision of the Federal Election Campaign Act of 1971, as amended. Accordingly, the file has been closed in this matter as it pertains to you. This matter will become a part of the public record within 30 days after it has been closed with respect to all other respondents involved. If you wish to submit any factual and 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 Susan Beard, the attorney assigned to this matter, at (202) 376-8200.

Sincerely,

Lawrence M. Noble  
General Counsel

Enclosure  
Conciliation Agreement

93080961136

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of )  
 ) MUR 2576  
Robert S. Gersten )

CONCILIATION AGREEMENT

This matter was initiated by the Federal Election Commission ("the Commission"), pursuant to information ascertained in the normal course of carrying out its supervisory responsibilities. The Commission found reason to believe that Robert S. Gersten ("Respondent") violated 2 U.S.C. § 441a(a)(8).

NOW, THEREFORE, the Commission and the Respondent, having participated in informal methods of conciliation, prior to a finding of probable cause to believe, do hereby agree as follows:

I. The Commission has jurisdiction over the Respondent and the subject matter of this proceeding, and this agreement has the effect of an agreement entered pursuant to 2 U.S.C. § 437g(a)(4)(A)(i).

II. Respondent has had a reasonable opportunity to demonstrate that no action should be taken in this matter.

III. Respondent enters voluntarily into this agreement with the Commission.

IV. The pertinent facts in this matter are as follows:

1. Respondent, Robert S. Gersten, is an individual.
2. Mr. Gersten and eight other individuals decided to make a \$1,000 contribution to Citizens for Biden Committee - 1990. Mr. Gersten collected the checks from the other individuals and paid Citizens for Biden Committee - 1990 with a check of his own. Mr. Gersten failed to notify Citizens for Biden Committee - 1990 and the Commission of the original source

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and the intended recipient of the contribution.

3. Pursuant to 2 U.S.C. § 441a(a)(8), an intermediary or conduit shall report the original source and the intended recipient of an earmarked contribution to the Commission and to the intended recipient.

V. Respondent failed to report the original source and the intended recipient of earmarked contributions to the Commission and to the intended recipient in violation of 2 U.S.C. § 441a(a)(8).

VI. Respondent will pay a civil penalty to the Federal Election Commission in the amount of One Hundred and Fifty Dollars (\$150.00), 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

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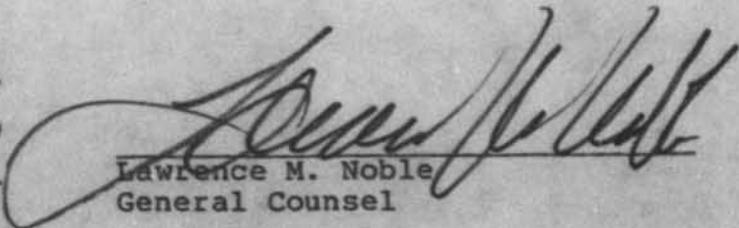
CCA 9471

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 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:

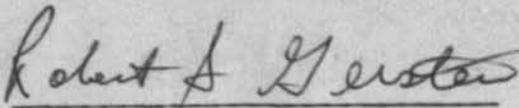
93030961139



Lawrence M. Noble  
General Counsel

Date 6/27/88

FOR THE RESPONDENTS:

  
Robert S. Gersten

Date May 31, 1988

RECEIVED  
FEDERAL ELECTION COMMISSION  
MAIL ROOM  
88 JUN -8 AM 10:40

93080961140

ROBERT S. GERSTEN  
LIBBIE GERSTEN  
84 LEAMINGTON ST.  
LIDO BEACH, NY 11561

1152

1-32/280

May 31 1984

Pay to the  
Order of

Federal Election Commission

\$ 150 <sup>00</sup>/<sub>100</sub>

One hundred fifty and <sup>00</sup>/<sub>100</sub>

Dollars



National  
Westminster  
Bank USA

Long Beach Office  
52 East Park Avenue  
Long Beach, N.Y. 11561

For

love

Robert S. Gersten

RECEIVED  
FEDERAL ELECTION COMMISSION  
88 JUN -8 PM 2:47

600#9665

RECEIVED  
FEDERAL ELECTION COMMISSION

88 JUL -1 AM 10:31

**RIVKIN, RADLER, DUNNE & BAYH**

EAB PLAZA

UNIONDALE, NEW YORK 11556-0111

(516) 357-3000

TELEX: 645-074 • TELECOPIER: (516) 357-3333 • CABLE: AT LAW

275 MADISON AVENUE  
NEW YORK, N.Y. 10016  
(212) 696-9050

1575 EYE STREET, N.W.  
WASHINGTON, D.C. 20005  
(202) 289-8660

30 NORTH LA SALLE STREET  
CHICAGO, ILLINOIS 60602  
(312) 782-5660

2049 CENTURY PARK EAST  
LOS ANGELES, CA 90067  
(213) 201-0510

**ROBERT L. FOLKS**  
PARTNER  
DIRECT DIAL  
(516) 357-3117

June 28, 1988

RECEIVED  
FEDERAL ELECTION COMMISSION  
OFFICE OF GENERAL COUNSEL  
88 JUL -1 AM 11:51

Ms. Susan Beard, Esq.  
Federal Election Commission  
Office of General Counsel  
999 "E" Street, N.W.  
Washington, D.C. 20463

Re: Stephen Lampel and Ava Lampel - MUR 2576

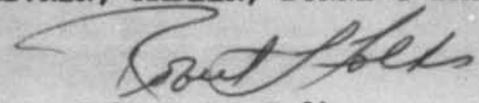
Dear Ms. Beard:

Enclosed please find a photocopy of the checks which Mr. Lampel referred to in his testimony on June 15, 1988.

I have received his deposition and will review it with him at the earliest possible opportunity.

Very truly yours,

RIVKIN, RADLER, DUNNE & BAYH



By: Robert L. Folks

RLF:en  
Enclosure

930A0961141

STEPHEN J. LAMPAL  
AVA LAMPAL  
51 INTERVALE  
ROCKVILLE CENTRE, NY 11570

484

6/2 1986

PAY TO THE ORDER OF CITIZENS FOR BIDEN \$ 1,000.00  
one thousand & 00/100 DOLLARS

**EAS European American Bank**

200 Route Highway  
Rockville Centre, N.Y. 11570

MEMO

*Stephen J. Lampal*

STEPHEN J. LAMPAL  
AVA LAMPAL  
51 INTERVALE  
ROCKVILLE CENTRE, NY 11570

496

6/2 1986

PAY TO THE ORDER OF CITIZENS FOR BIDEN \$ 1,000.00  
one thousand & 00/100 DOLLARS

**EAS European American Bank**

200 Route Highway  
Rockville Centre, N.Y. 11570

MEMO

*Stephen J. Lampal*

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93080961143

JE '86 16  
THE PROGRESSIVE  
BANK, INC. PHILA., PA.  
PAY ANY BANK

5-6-85

By 1114  
FOR DEPOSIT  
BIDEN FOR SENATE  
CITIZENS FOR BIDEN  
J. R. BIDEN  
1-148  
JOE BIDEN

JE '86 16  
THE PROGRESSIVE  
BANK, INC. PHILA., PA.  
PAY ANY BANK

5-6-85

By 1114  
FOR DEPOSIT  
BIDEN FOR SENATE  
CITIZENS FOR BIDEN  
J. R. BIDEN  
1-148  
JOE BIDEN



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

August 29, 1988

CERTIFIED MAIL  
RETURN RECEIPT REQUESTED

James A. Pascarella, Esq.  
Pascarella, Capetola, Illmensee  
& Doddato  
377 Oak Street  
Garden City, NY 11530

RE: MUR 2576  
Edward Donnelly  
Michelle Donnelly

Dear Mr. Pascarella:

It has come to our attention that a subpoena and order for your client, Edward Donnelly, may have been sent to you without Chairman Josefiak's signature. Enclosed is a corrected subpoena and order for Mr. Donnelly. Please note that the answers and the requested documents were to be submitted to the Commission within 15 days of your receipt of the order and subpoena. To date, no response has been received on behalf of Mr. or Mrs. Donnelly. Unless a response is received within 5 days, this Office will request the Commission to authorize the enforcement of the orders and subpoenas in United States District Court.

Should you have any questions, please contact Susan Beard, the attorney assigned to this matter, at (202) 376-8200.

Sincerely,

*Lawrence M. Noble (LR)*  
Lawrence M. Noble  
General Counsel

Enclosure  
Subpoena and Order

93080961144

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BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of

)  
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)

MUR 2576

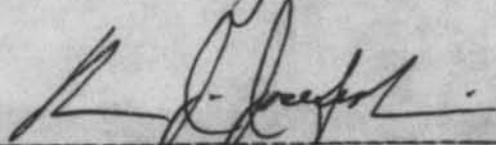
SUBPOENA TO PRODUCE DOCUMENTS  
ORDER TO SUBMIT WRITTEN ANSWERS

TO: Edward Donnelly  
c/o James A. Pascarella, Esquire  
Pascarella, Capetola, Illmensee &  
Doddato  
377 Oak Street  
Garden City, NY 11530

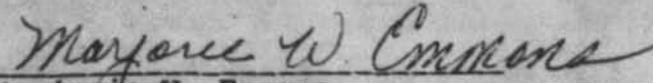
Pursuant to 2 U.S.C. § 437d(a)(1) and (3), and in furtherance of its investigation in the above-captioned matter, the Federal Election Commission hereby orders you to submit written answers to the questions attached to this Order and subpoenas you to produce the documents requested on the attachment to this Order. Legible copies which, where applicable, show both sides of the documents, may be substituted for originals.

Such answers must be submitted under oath and must be forwarded to the Commission along with the requested documents within 15 days of your receipt of this Order and Subpoena.

WHEREFORE, the Chairman of the Federal Election Commission has hereunto set his hand on this *29th* day of *August*, 1988.

  
Thomas J. Josefiak, Chairman  
Federal Election Commission

ATTEST:

  
Marjorie W. Emmons  
Secretary to the Commission

Attachments  
Questions (1 page)

93040961145

**INTERROGATORIES AND REQUESTS  
FOR DOCUMENTS**

1. With regard to your 1986 contribution to Citizens for Biden Committee - 1990, state the following:
  - a. whether you were reimbursed for your contribution;
  - b. identify the person or entity that reimbursed you; and
  - c. identify the person(s) who solicited the contribution from you.
2. Describe, in detail, each and every occasion on which the reimbursement of your contribution to Citizens for Biden Committee - 1990 was discussed orally or in writing. Include, the date, the individuals present, and the content of the discussion.
3. Describe, in detail, each and every communication or contact with Citizens for Biden Committee - 1990, which concerned your 1986 contribution, its reimbursement and/or its refund.
4. Produce true copies of all correspondence and other documents, including checks, which concern the making, reimbursement and/or refund of your 1986 contribution to Citizens for Biden Committee - 1990.

93080961146

plm



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

August 30, 1988

CERTIFIED MAIL  
RETURN RECEIPT REQUESTED

Herbert J. Tamres, Esquire  
Shaw, Licitra, Eisenberg,  
Esernio & Schwartz, P.C.  
1010 Franklin Avenue  
Garden City, NY 11530

RE: MUR 2576  
William J. Levitt

Dear Mr. Tamres:

On February 10, 1988, your client, William J. Levitt, was notified that the Federal Election Commission had found reason to believe your client knowingly and willfully violated 2 U.S.C. §§ 441b and 441f, provisions of the Federal Election Campaign Act of 1971, as amended.

Pursuant to its investigation of this matter, the Commission has issued the attached subpoena requiring Mr. Levitt to appear and give sworn testimony on September 16, 1988, which will assist the Commission in carrying out its statutory duty of supervising compliance with the Federal Election Campaign Act of 1971, as amended, and Chapters 95 and 96 of Title 26, U.S. Code.

Pursuant to 11 C.F.R. § 111.14, a witness summoned by the Commission shall be paid \$30.00 plus mileage at the rate of 21 cents per mile. Your client will be given a check for the witness fee and mileage at the time of the deposition.

Within two days of your receipt of this notification, please confirm the scheduled appearance with Susan Beard, the attorney

93080961147

Herbert J. Tamres, Esquire  
Page 2

assigned to this matter, at (202) 376-8200. If you have any  
questions, please contact Ms. Beard.

Sincerely,

*Lawrence M Noble (LMA)*

Lawrence M. Noble  
General Counsel

Enclosure  
Subpoena

9308<sup>d</sup>0961148

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of

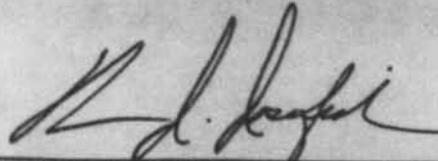
)  
) MUR 2576  
)

SUBPOENA

TO: William J. Levitt  
c/o Herbert J. Tamres, Esquire  
Shaw, Licitra, Eisenberg,  
Esernio & Schwartz, P.C.  
1010 Franklin Avenue  
Garden City, NY 11530

Pursuant to 2 U.S.C. § 437d(a)(3), and in furtherance of its investigation in the above-captioned matter, the Federal Election Commission hereby subpoenas you to appear for deposition with regard to the above-captioned matter. Notice is hereby given that the deposition is to be taken on September 16, 1988, in Room 1400 at the Jacob K. Javitz Building, 26 Federal Plaza, New York, NY, beginning at 10:00 a.m. and continuing each day thereafter as necessary.

WHEREFORE, the Chairman of the Federal Election Commission has hereunto set his hand at Washington, D.C., this *29th* day of *August*, 1988.



Thomas J. Josefiak  
Chairman  
Federal Election Commission

ATTEST:

*Marjorie W. Emmons*  
Marjorie W. Emmons  
Secretary to the Commission

93040961149

06C #504

RECEIVED  
FEDERAL ELECTION COMMISSION  
MAIL ROOM

LAW OFFICES OF  
**SHAW, LICITRA, EISENBERG, ESERNIO & SCHWARTZ, P.C.**  
1010 FRANKLIN AVENUE, GARDEN CITY, NEW YORK 11530

88 SEP 27 AM 10:52

(516) 742-0610 - (718) 895-3525

CABLE LAWBANC  
TELEX No. 143227  
TELECOPY (516) 742-2670

J. STANLEY SHAW  
JOSEPH LICITRA (1930-1987)  
DOROTHY EISENBERG  
GEORGE P. ESERNIO  
JEFFREY L. SCHWARTZ  
VICTOR G. BEAUDET  
KAREN CARTER CASO  
DONNALYNN DARLING  
HERBERT J. TAMRES  
WILLIAM V. ALESIT<sup>o</sup>  
EDWARD P. FREY

KATHLEEN J. CAHILL\*  
FERN T. GOLD  
ANDREW D. GREENE  
SHARON E. GRUER  
SARAH M. KEENAN  
PETER T. NEILL  
JOSEPH SPERRAZZA  
JEFFREY M. ZALKIN<sup>o</sup>

OF COUNSEL  
HERBERT NEW\*  
RICHARD EISENBERG  
MICHAEL M. PLATZMAN

\*ALSO ADMITTED IN NEW JERSEY  
\*ALSO ADMITTED IN CALIFORNIA  
\*ALSO ADMITTED IN WASHINGTON, D.C.

COUNSEL TO THE FIRM  
C. ALBERT PARENTE  
ALFRED WEINTRAUB

September 15, 1988

Susan Beard, Esq.  
Federal Election Commission  
999 E Street, N.W.  
Washington, D.C. 20643

Re: William J. Levitt  
Simone Levitt  
Rowenroy, Ltd.  
Nicole Levitt  
Gaby Levitt  
(MUR 2576)

RECEIVED  
FEDERAL ELECTION COMMISSION  
OFFICE OF COUNSEL  
88 SEP 27 AM 11:32

Dear Ms. Beard:

This will confirm our recent telephone conversation regarding the subpoena to William J. Levitt received by us as an attachment to Mr. Noble's letter of August 30, 1988, in this matter.

As I informed you when you called, William J. Levitt, Simone Levitt, Rowenroy, Ltd., Nicole Levitt and Gaby Levitt are now being represented by Ron DeVito, Esq., 170 Old Country Road, Suite 303, Mineola, New York 11530. He may be reached at (516) 248-2202.

I understand that you have made contact with him and that you will direct any additional inquiries concerning the Levitts in this matter to him.

Thank you.

Very truly yours,  
*Herbert J. Tamres*  
HERBERT J. TAMRES

HJT/etw  
cc: Ron DeVito, Esq.

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88 OCT 21 PM 2:34

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of )  
 ) MUR 2576  
William J. Levitt, et al. )

**SENSITIVE**

COMPREHENSIVE INVESTIGATIVE REPORT #2

On February 1, 1988, the Commission found reason to believe that William J. Levitt knowingly and willfully violated 2 U.S.C. §§ 441b and 441f and that Rowenroy, Ltd. knowingly and willfully violated 2 U.S.C. §§ 441b, 441e and 441f. On that date, the Commission also found reason to believe that 22 other individuals violated 2 U.S.C. § 441f. All of these findings, with one exception, were based on what appeared to be a scheme to reimburse employees of Mr. Levitt and their family members for contributions that were made to Citizens for Biden Committee - 1990.<sup>1</sup> Pre-probable cause conciliation was requested by 21 of the 23 remaining Respondents; however, on May 17, 1988, the Commission declined to enter into pre-probable cause conciliation pending further investigation. This Office took the deposition of Stephen Lampel and Sherry Newman on June 15, 1988.<sup>2</sup> The deposition of William Levitt is currently scheduled for

1. Reason to believe was found against Robert S. Gersten because it appeared that others gave him funds that were to go towards the contribution, but Mr. Gersten made the contribution in his name alone. The Commission entered into pre-probable cause conciliation with Mr. Gersten on May 17, 1988. Mr. Gersten signed a conciliation agreement and the file was closed with respect to him on June 23, 1988.

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November 4, 1988.<sup>3</sup>

Mr. Lampel testified that he was employed by William J. Levitt, Inc. as an accountant from October of 1985, to September of 1986. Lampel Depo. at 8. He also stated that Mr. Levitt approached him and told him that Mr. Levitt wanted him and his wife to each contribute \$1,000 to the Citizens for Biden Committee - 1990, and Mr. Levitt would give him back the money. Mr. Levitt approached all of the other individuals who worked in the office as well. Mr. Lampel testified that Mr. Levitt asked him about the contribution two or three times within a couple of days. Mr. Lampel stated that everyone in the office discussed whether or not they should make the contributions. Mr. Lampel stated that he felt that his job was in jeopardy if he did not do as Mr. Levitt asked. His main concern was not who the contribution was going to, but rather whether Mr. Levitt would actually reimburse him since he knew that Mr. Levitt was having financial difficulties. Mr. Lampel gave Mr. Levitt two checks, each for \$1,000, made payable to Citizens for Biden Committee - 1990. Lampel Depo. at 45-52, 58-59, 69 and 71. Mr. Lampel signed both of these checks. He testified that he told his wife about writing the checks, but he does not recall if he told her who the checks were payable to. Lampel Depo. at 70-71, and Attachment 1 at 1. Mr. Lampel testified that he and his wife were reimbursed by a check drawn on the account of Rowenroy, Ltd.

3. Mr. Levitt's deposition was originally noticed for September 16, 1988. However, Mr. Levitt's counsel is unavailable due to a trial. The first date that Mr. Levitt's counsel, Mr. Levitt, and representatives of this Office are all available is November 4, 1988.

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He also stated that Mr. Levitt used the Rowenroy, Ltd. account to pay for his personal expenses and that the reimbursement checks would not have been drawn on that account without Mr. Levitt's knowledge and consent. The reimbursement checks were prepared by Stanley Ogonowski. Mr. Lampel received his reimbursement check from Mr. Ogonowski. Lampel Depo. at 55-57, and 72.

Mr. Lampel also testified that he received a refund for the contributions made in the names of him and his wife from the Citizens for Biden Committee - 1990 on August 29, 1987. He also testified that Mr. Levitt contacted him about one week later by letter, and requested that the refund checks from Citizens for Biden Committee - 1990 be endorsed over to Mr. Levitt.

Mr. Lampel refused to do so because Mr. Levitt owed him money for his salary from August of 1986. Mr. Lampel also testified that he was contacted by the Attorney General of New York requesting that he send the refund to the State since the money used to reimburse Mr. Lampel had come originally from the Levitt Foundation. Mr. Lampel stated that he refused to comply with the Attorney General's request because the funds Mr. Levitt used to reimburse him came from Capital Communities Corporation, another of Mr. Levitt's corporations, and not from the Levitt Foundation and because Mr. Levitt owed him the money. Lampel Depo. at 64-67.

Sherry Newman testified that she worked for Capital Communities Corporation from February of 1985 to August of 1986. Newman Depo. 9-10. She was in charge of advertisements and deposits for a housing project Mr. Levitt was building in

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Florida. She stated that Mr. Levitt came to her desk and told her that he needed her to write a \$1,000 check made payable to Citizens for Biden Committee - 1990 and that she would be reimbursed for it. She wrote the check and gave it to Mr. Levitt. The following day Mr. Levitt came to her desk again and told her that he needed another check for \$1,000 from her son, Michael. He instructed Ms. Newman to make the check payable to her son and then to sign her son's name on the back of the check and then to make the check payable to Citizens for Biden Committee - 1990. Ms. Newman followed Mr. Levitt's instructions. Ms. Newman wrote the checks because Mr. Levitt asked her to do so; she stated that she would not have made a political contribution if Mr. Levitt had not requested it. Ms. Newman received a \$2,000 check from Rowenroy, Ltd. to reimburse her for the two checks she wrote. She also testified that other individuals wrote checks and were reimbursed by Mr. Levitt. Newman Depo. at 28-35, and 37-42.

Ms. Newman also testified that she was concerned that she would not be reimbursed because Mr. Levitt was having financial problems. She stated that she spoke to Stanley Shaw, Mr. Levitt's attorney, about her fears. She testified that it appeared that Mr. Shaw knew of the reimbursement plan and that he told her that she should not be concerned since it was all taken care of. Newman Depo. at 36-37, 43-44, 48-50, and 55. Mr. Shaw was identified as a fundraiser for Senator Biden on Long Island in an article that appeared in Newsday. Attachment 1 at 2-3. Mr. Shaw is a partner in the law firm which was representing

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Mr. Levitt and 16 of the other Respondents in this matter. Mr. Shaw's firm is no longer representing Mr. Levitt, his wife and daughters, and Rowenroy, Ltd.<sup>4</sup> Ms. Newman also testified that she did not know if Joel Boyarsky, a non-respondent witness in this matter and the national finance chairman for Senator Biden's Presidential campaign, was aware of the reimbursement scheme. Newman Depo. at 46-48, and 55.<sup>5</sup>

Ms. Newman testified that her son was 17 at the time that she wrote the two checks. She also testified that she did not tell him about it until she received the reason to believe notice from the Commission. Newman Depo. at 7, and 42-43.

Ms. Newman also testified that she received refund checks from the Citizens for Biden Committee - 1990 for the contributions made in her and her son's names. She testified that she received a letter from Mr. Levitt requesting that she return the money to him. She stated that she refused to do so since he owed her back salary. She testified that she was not contacted by the State of New York about the reimbursement she received from the Citizens for Biden Committee - 1990.

Newman Depo. at 45-46.

Based on the responses that have been received it appears that one other minor was also named in this matter as a Respondent, Jennifer Flynn. Ms. Flynn is currently 18 years old,

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4. Mr. Shaw's law firm is still representing 14 Respondents in this matter. Mr. Levitt, his family, and Rowenroy, Ltd. are now being represented by James Pascarella of Pascarella, DeVito, Clarey & Plutzer.

5. Mr. Lampel stated during his deposition that he had the impression that Mr. Shaw and Mr. Boyarsky knew of the reimbursement scheme. Lampel Depo. at 60-63.

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her mother, Adrienne Walters, was Mr. Levitt's receptionist. Attachment 1 at 9. At Mr. Levitt's request, Ms. Walters wrote two checks for \$1,000 each made payable to Citizens for Biden Committee - 1990. At Mr. Levitt's instruction Ms. Walters signed her daughter's name as the maker of one of the checks. Ms. Walters has informed this Office that she wrote the checks because she was afraid she would lose her job if she did not comply with Mr. Levitt's request. Ms. Walters and her daughter also received a refund from the Citizens for Biden Committee - 1990 for the contributions made in her and her daughter's names. She has informed this Office that she wrote a check to the State of New York for \$2,000 when she was contacted by the State Attorney General's Office. Attachment 1 at 4-10. The State of New York provided the Commission with a copy of this check along with other documents when they referred this matter to the Commission. Attachment 1 at 10.

Based on all of the information available, it appears that Michael Newman and Jennifer Flynn had no knowledge that their names were used to make a contribution in the name of another. Neither Michael Newman nor Jennifer Flynn were ever in the employ of Mr. Levitt. Also, both were minors at the time the contributions were made. According to the testimony and the other information provided by the Respondents, both of their mothers had made the contribution in their name without telling them they had done so and without using their child's funds. Accordingly, this Office will be preparing General Counsel's Briefs with respect to these two Respondents.

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Once Mr. Levitt's deposition has been taken, this Office will further report to the Commission.

10/21/88  
Date

Lawrence M. Noble (JP)  
Lawrence M. Noble  
General Counsel

Attachment

1. Documents which relate to Respondents

Staff Person: Susan Beard

930840961157



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

September 30, 1988

*plm*

CERTIFIED MAIL  
RETURN RECEIPT REQUESTED

James A. Pascarella, Esq.  
Pascarella, DeVito, Clarey & Plutzer  
170 Old Country Road  
Mineola, NY 11501

RE: MUR 2576  
Edward Donnelly  
Michelle Donnelly

Dear Mr. Pascarella:

On August 29, 1988, a letter was sent to you notifying you that the Commission had not received a response to the subpoena and order for your clients, Edward and Michelle Donnelly. That letter also stated that if a response was not received within five days, this Office would request the Commission to authorize the enforcement of the orders and subpoenas in United States District Court. In response to that letter, you telephoned this Office and agreed that a response would be submitted by September 23, 1988. To date, this Office has not received the response on behalf of Mr. and Mrs. Donnelly. Unless a response to the orders and subpoenas is received within five days of your receipt of this letter, this Office will request the Commission to authorize the enforcement of the orders and subpoenas in United States District Court.

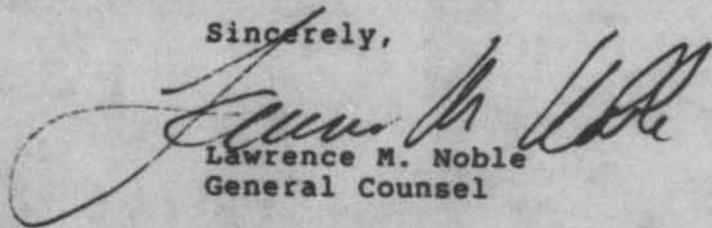
During the telephone conversation mentioned above, you indicated that you would be representing additional Respondents before the Commission. You were informed that your clients would have to designate you as their counsel in writing. Designation of Counsel Forms were sent to you by this Office. To date, none of the completed forms have been received. You will not be able to represent anyone before the Commission until the forms have been completed and returned.

93040961158

James A. Pascarella, Esq.  
Page 2

Should you have any questions, please contact Susan Beard,  
the attorney assigned to this matter, at (202) 376-8200.

Sincerely,

A handwritten signature in cursive script, appearing to read "Lawrence M. Noble".

Lawrence M. Noble  
General Counsel

93040961159



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

October 27, 1988

FEDERAL EXPRESS

James A. Pascarella, Esq.  
Pascarella, DeVito, Clarey & Plutzer  
170 Old Country Road  
Mineola, N.Y. 11501

RE: MUR 2576

Dear Mr. Pascarella:

As you know, a deposition in the above referenced matter has been scheduled on Friday, November 4, 1988, at 10:00 a.m. The deposition will be held at 26 Federal Plaza, Room 1400, New York, New York. To date, this Office has not received confirmation that you and your client will be attending this deposition, although we have made several attempts to accomplish this via telephone.

It is imperative that you contact this Office immediately, if you will not be able to attend the deposition as scheduled. You may contact Susan Beard or Sandra Robinson, the attorneys handling this matter, at (202) 376-8200. If you have not contacted this Office by Wednesday, November 2, 1988, at 4:00 p.m., staff from this Office will be present for the deposition in New York on November 4, 1988.

Sincerely,

*Lawrence M. Noble (L12)*

Lawrence M. Noble  
General Counsel

93040961160



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

November 4, 1988

**AIRBORNE EXPRESS**

James A. Pascarella, Esq.  
Pascarella, DeVito, Clarey & Plutzer  
170 Old Country Road  
Mineola, NY 11501

RE: MUR 2576  
William J. Levitt

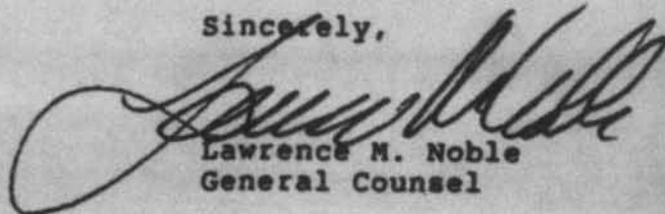
Dear Mr. Pascarella:

In September of this year, you verbally represented to the Office of General Counsel that you would be representing Mr. Levitt in the above-referenced matter. We informed you that Mr. Levitt would have to designate you as his counsel in writing, and the necessary forms were sent to you. On September 30, 1988, we sent you a letter reminding you that the signed Statement of Designation of Counsel had not been received.

As you know, a signed Designation of counsel must be received in order for you to represent an individual before the Commission. Enclosed is a Statement of Designation of Counsel and an envelope that is ready for mailing the signed Statement. If a Statement signed by Mr. Levitt is not received by this Office by November 14, 1988, this Office will contact Mr. Levitt directly.

Should you have any questions, please contact Susan Beard or Sandra Robinson, the attorneys handling this matter, at (202) 376-8200.

Sincerely,



Lawrence M. Noble  
General Counsel

Enclosures

Statement of Designation of Counsel  
Envelope

93080961161

DGC-1000

RECEIVED  
FEDERAL ELECTION COMMISSION  
PASCARELLA, DEVITO, CLAREY & PLUTZER

JAMES A. PASCARELLA  
RONALD J. DEVITO  
ROBERT L. CLAREY  
STEPHEN L. PLUTZER

88 NOV 10 AM 11:59

170 OLD COUNTRY ROAD  
MINEOLA, NEW YORK 11501  
(516) 742-1134  
(516) 248-2022  
TELECOPIER (516) 873-9714

GERARD J. FENTER  
BARBARA BAUM LEVINE

OF COUNSEL  
THOMAS A. ILLMENSEE  
ANGELO J. MANGIA

November 7, 1988

RECEIVED  
FEDERAL ELECTION COMMISSION  
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Lawrence M. Noble, Esq.  
General Counsel  
Federal Election Commission  
Washington, D.C. 20463

RE: MUR 2576  
William J. Levitt

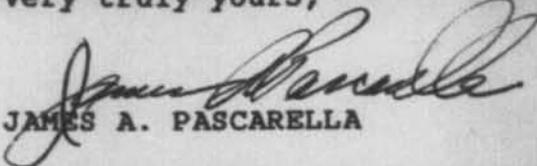
Dear Mr. Noble:

As I informed your office earlier, we now represent William J. Levitt in a number of matters in which is is involved, including the above-referenced matter. I am aware of the fact that to go forward, we must have Mr. Levitt designate us as counsel. I have endeavored to get the Designation of Counsel forms executed by Mr. Levitt and the several other persons who we will be representing before the Federal Election Commission.

Enclosed is a Designation executed by William J. Levitt. I apologize for any delay in providing you with the said Designation, but I just received the form from Mr. Levitt.

We are still awaiting Designations from the other individuals who we will be representing in this matter, including Mrs. Simone Levitt and two of Mr. Levitt's daughters.

Very truly yours,

  
JAMES A. PASCARELLA

JAP:ce  
Enclosure

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STATEMENT OF DESIGNATION OF COUNSEL

MUR 2576

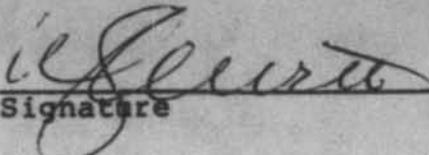
NAME OF COUNSEL: PASCARELLA, DeVITO & CLAREY

ADDRESS: 170 OLD COUNTRY ROAD  
MINEOLA, NEW YORK 11501

TELEPHONE: (516) 742-1134

The above-named individual is hereby designated as my  
counsel and is authorized to receive any notifications and other  
communications from the Commission and to act on my behalf before  
the Commission.

November 4, 1988  
Date

  
Signature

RESPONDENT'S NAME: WILLIAM J. LEVITT

ADDRESS: 50 Tiffany Circle  
North Hills, New York 10030

HOME PHONE: \_\_\_\_\_

BUSINESS PHONE: 516-624-8585

93030961163



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

November 21, 1988

VIA AIRBORNE

James A. Pascarella, Esquire  
Pascarella, DeVito, Clarey & Plutzer  
170 Old Country Road  
Mineola, NY 11501

RE: MUR 2576  
William J. Levitt

Dear Mr. Pascarella:

On February 10, 1988, your client, William J. Levitt, was notified that the Federal Election Commission had found reason to believe your client knowingly and willfully violated 2 U.S.C. §§ 441b and 441f, provisions of the Federal Election Campaign Act of 1971, as amended.

Pursuant to its investigation of this matter, the Commission has issued the attached subpoena requiring Mr. Levitt to appear and give sworn testimony on December 9, 1988, which will assist the Commission in carrying out its statutory duty of supervising compliance with the Federal Election Campaign Act of 1971, as amended, and Chapters 95 and 96 of Title 26, U.S. Code.

Pursuant to 11 C.F.R. § 111.14, a witness summoned by the Commission shall be paid \$30.00 plus mileage at the rate of 22.5 cents per mile. Your client will be given a check for the witness fee and mileage at the time of the deposition.

Within two days of your receipt of this notification, please confirm the scheduled appearance with Susan Beard or Sandra

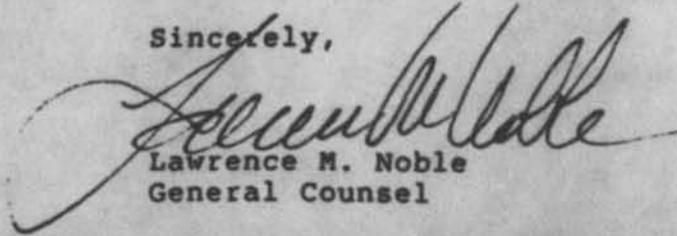
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James A. Pascarella, Esq.  
Page 2

Robinson, the attorneys assigned to this matter, at (202)  
376-8200. If you have any questions, please contact Ms. Beard or  
Ms. Robinson.

Sincerely,



Lawrence M. Noble  
General Counsel

Enclosure  
Subpoena

930 540961165

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of

)  
) MUR 2576  
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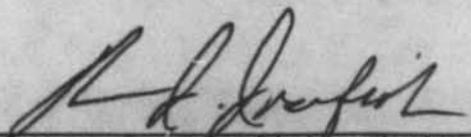
SUBPOENA

TO: William J. Levitt  
c/o James A. Pascarella  
Pascarella, DeVito & Clarey  
170 Old Country Road  
Mineola, New York 11501

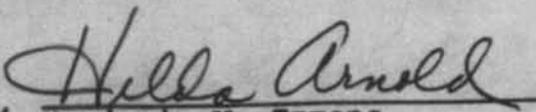
Pursuant to 2 U.S.C. § 437d(a)(3), and in furtherance of its investigation in the above-captioned matter, the Federal Election Commission hereby subpoenas you to appear for deposition with regard to the above-captioned matter. Notice is hereby given that the deposition is to be taken on December 9, 1988, in Room 1400 at the Jacob K. Javitz Building, 26 Federal Plaza, New York, NY, beginning at 10:00 a.m. and continuing each day thereafter as necessary.

WHEREFORE, the Chairman of the Federal Election Commission has hereunto set his hand at Washington, D.C., this 18<sup>th</sup> day of

*November*, 1988.

  
Thomas J. Josefiah, Chairman  
Federal Election Commission

ATTEST:

*for*   
Marjorie W. Emmons  
Secretary to the Commission

930 09161166

CaCC # 1454

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MAIL ROOM

ORIGINAL

# TRANSCRIPT OF PROCEEDINGS

88 DEC 27 AM 10: 27

UNITED STATES OF AMERICA  
FEDERAL ELECTION COMMISSION

----- -X  
IN RE: :  
MUR 2576 :  
----- -X

88 DEC 27 PH 2: 13

DEPOSITION OF WILLIAM J. LEVITT  
(NON-APPEARANCE)

88 DEC 27 PH 2: 13

New York, New York

Friday, December 9, 1988

ACE-FEDERAL REPORTERS, INC.  
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800-336-6646

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1  
2 UNITED STATES OF AMERICA  
3 FEDERAL ELECTION COMISSION

4 -----  
5 In Re:

6 MUR 2576  
7 -----

8  
9 DEPOSITION OF WILLIAM J. LEVITT, a  
10 Witness herein, pursuant to subpoena, taken at 26  
11 Federal Plaza, New York, New York, on Friday,  
12 December 9, 1988, at 10:22 a.m., before Linda Fisher,  
13 a Certified Shorthand Reporter and notary public,  
14 within and for the State of New York.  
15

16  
17  
18 TANKOOS REPORTING COMPANY, INC.  
19 150 Nassau Street 223 Jericho Turnpike  
20 New York, N.Y. 10038 Mineola, New York 11501  
(212)349-9692 (516)741-5235

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A P P E A R A N C E S :

On behalf of the Federal Election Commission:

SUSAN BEARD, ESQ.  
999 E Street, NW  
Washington, D.C. 20463

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MS. BEARD: For the record, my name is Susan Beard, I am the attorney representing the Federal Election Commission.

On November 18, 1988, the Federal Election Commission issued a subpoena in the matter under review, 2576, subpoenaeing Mr. William J. Levitt for deposition to be taken on December 9, 1988, at 10:00 a.m., in room 1400 of the Jacob K. Javits building, located at 26 Federal Plaza, New York, New York. The subpoena was sent to James Pascarella, Mr. Levitt's attorney, on November 21, 1988 by airborne overnight delivery.

This is the third time Mr. Levitt's deposition has been scheduled. The deposition was originally set for September, but was delayed at Mr. Levitt's request until November 4th. A few days prior to the November 4th deposition, Mr. Levitt again cancelled the deposition and it was rescheduled for today.

It is now 10:25. I have been in room 1400 of the Jacob K. Javits building at 26 Federal Plaza since approximately 9:15. Mr. Levitt has not appeared.

I have spoken to Mr. Pascarella, who has

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1 informed me that Mr. Levitt will not be appearing at  
2 today's scheduled deposition.  
3

4 (Time noted: 10:25 a.m.)  
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CERTIFICATION

I, LINDA FISHER, a Certified Shorthand Reporter and notary public, within and for the State of New York, do hereby certify:

That the within transcript is a true record of the proceedings in the above-captioned action.

I further certify that I am not related to any of the parties to this action by blood or marriage, and that I am in no way interested in the outcome of this matter.

IN WITNESS WHEREOF, I have hereunto set my hand this 13th day of December, 1988.

Linda Fisher

LINDA FISHER,  
Certified Shorthand Reporter

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BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of  
William J. Levitt  
Rowenroy, Ltd.  
Edward Donnelly  
Michelle Donnelly

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MUR 2576

**SENSITIVE**  
**EXECUTIVE SESSION**  
**JAN 24 1989**

GENERAL COUNSEL'S REPORT

I. BACKGROUND

A. William J. Levitt

On February 1, 1988, the Commission found reason to believe that William J. Levitt knowing and willfully violated 2 U.S.C. §§ 441b and 441f. This finding was based on an apparent scheme to reimburse Mr. Levitt's employees and their family members for contributions made to Citizens for Biden Committee-1990. On that same date, the Commission approved the issuance of a subpoena for the deposition of Mr. Levitt, however, the subpoena was not to be served until after receipt of the responses to the reason to believe findings from the various respondents. See MUR 2576 - First General Counsel's Report, signed January 27, 1988. On March 24, 1988, this Office received a request for pre-probable cause conciliation on behalf of Mr. Levitt and other respondents named in this matter. On May 17, 1988, the Commission denied Mr. Levitt's request at that time, pending completion of the investigation in this matter. On that same date, the Commission authorized the depositions of two other Respondents in this case. Those depositions were conducted on June 15, 1988. See MUR 2576 - General Counsel's Report, signed May 9, 1988.

By letter dated August 30, 1988, Mr. Levitt, through his

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designated counsel, was served the subpoena for his deposition scheduled on September 16, 1988. The deposition was to occur in New York City. After the subpoena was served, this Office was informed that Mr. Levitt had changed counsel and that his new counsel was James Pascarella. After several conversations with Mr. Pascarella, the deposition was rescheduled by mutual agreement for November 4, 1988. A few days before the deposition, this Office received a phone call from Mr. Pascarella's office informing us that the deposition would have to be rescheduled because Mr. Levitt would be unavailable on November 4. Mr. Pascarella's office suggested that the deposition be set for December 9, and this Office agreed. A new subpoena with the December 9, 1988, date was prepared and sent to Mr. Pascarella by Airborne Overnight Delivery on November 21, 1988.

On December 7, 1988, this Office received a telephone call from Mr. Pascarella. Once again he informed this Office that Mr. Levitt would be unavailable for the deposition. This Office informed him that the deposition had already been rescheduled twice before, and that staff was prepared to take the deposition on December 9 at 10:00 a.m., as indicated in the subpoena. Mr. Pascarella was further informed that this Office would recommend subpoena enforcement, if Mr. Levitt failed to appear for the deposition. After contacting his client, Mr. Pascarella confirmed that Mr. Levitt would not appear for his deposition. This Office restated its position and informed Mr. Pascarella that staff would be present at the scheduled time and place to

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take Mr. Levitt's deposition. On December 9, 1988, this Office had a representative in New York at the noticed location of the deposition. Mr. Levitt did not appear. This Office's representative was present in the deposition room from 9:15 a.m. to 10:25 a.m. on the date the deposition was scheduled and established a formal transcribed record to substantiate that Mr. Levitt was not present.

B. The Donnellys

On February 1, 1988, the Commission found reason to believe that Edward and Michelle Donnelly had violated 2 U.S.C. § 441f. The Commission finding was based on the allegation that Mr. and Mrs. Donnelly were reimbursed by Rowenroy, Ltd., for contributions they made to Citizens for Biden Committee-1990. Rowenroy Ltd. is a company owned by William J. Levitt. Mr. Donnelly is Mr. Levitt's accountant. On February 10, 1988, interrogatories and requests for production of documents were sent to the Donnellys. After no response was received by this Office, a follow-up letter was sent on March 10, 1988. On April 5, 1988, a designation of counsel and a request for pre-probable cause conciliation were received. The Donnellys designated James Pascarella as their counsel. However, no response was made to the interrogatories and requests for production of documents.

On May 17, 1988, the Commission declined at that time to enter into pre-probable cause conciliation with Mr. and Mrs. Donnelly. On that same date, the Commission approved subpoenas to produce documents and orders to submit written

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answers to the Donnellys. The subpoenas and orders were mailed on May 20, 1988, to Mr. Pascarella, the Donnellys' counsel. Mr. Pascarella's law firm did not sign the certified mail receipt until July 8, 1988. On August 29, 1988, a letter was sent to Mr. Pascarella which stated in part that, if a response to the subpoena was not received within five days, this Office would request that the Commission authorize the enforcement of the subpoenas and orders in the United States District Court. Mr. Pascarella telephoned this Office and indicated that a response would be received by September 23, 1988. When a response was not received, this Office sent a letter to Mr. Pascarella on September 30, 1988, which reiterated our intention to request that the Commission authorize enforcement of the subpoenas and orders to the Donnellys. To date, a response to the subpoenas and orders have not been received. During the course of the events related above, this Office attempted to contact Mr. Pascarella on numerous occasions. However, Mr. Pascarella has often been unavailable and has not returned many of the messages that were left for him.

**C. Request for Authorization of Subpoena Enforcement Actions**

The investigation in this matter cannot be concluded without the deposition of William Levitt or the receipt of responses from Mr. and Mrs. Donnelly. Mr. Levitt's deposition is necessary to resolve questions about the possible involvement of other persons in this matter, as well as to determine the facts regarding the scope and depth of his own involvement and that of the alleged conduits, in the circumstances of this matter. In

particular, information received to date raises questions regarding the knowledge and participation of Stanley Shaw in the reimbursement scheme at issue here. Mr. Shaw was a fundraiser for the Biden Committee and he is also a partner in the law firm that had previously represented Mr. Levitt in this matter. It is noted that some of the other respondents in this matter, including Mr. Levitt's employees and family members, are still represented by Mr. Shaw's law firm. Information available to this Office also raises questions about the possible involvement of Joel Boyarsky, another fundraiser for the Biden Committee, in the reimbursement scheme. Mr. Levitt's testimony can shed some light on this aspect of the matter. The deposition of Mr. Levitt is also necessary to discern the factual circumstances as they relate to a possible knowing and willful violation of the Act and to any involvement of Mr. Levitt's family members and other individuals who may have been reimbursed.

The receipt of responses to the discovery directed to the Donnellys is necessary to resolve questions about the circumstances surrounding their contributions to Citizens for Biden Committee-1990.

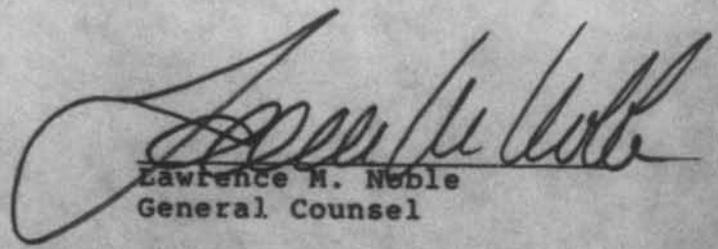
According to 2 U.S.C. § 437d(b), the Commission may petition the United States District Court in case of a refusal to obey a subpoena or order issued by the Commission. Based on the foregoing, the General Counsel recommends that the Commission authorize this Office to institute civil actions to enforce the Commission's respective subpoenas and orders to William Levitt, Edward Donnelly and Michelle Donnelly.

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II. RECOMMENDATIONS

1. Authorize the General Counsel to institute a civil action pursuant to 2 U.S.C. § 437d(b), to enforce the subpoenas and orders to Edward and Michelle Donnelly.
2. Authorize the General Counsel to institute a civil action pursuant to 2 U.S.C. § 437d(b), to enforce the subpoena to William J. Levitt.
3. Approve the attached letters.

1/17/89  
Date

  
Lawrence M. Noble  
General Counsel

Attachment  
Proposed Letters (2)

Staff Persons: Susan Beard  
Sandra H. Robinson

93080961178

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of )  
 )  
William J. Levitt )  
Rowenroy, Ltd. ) MUR 2576  
Edward Donnelly )  
Michelle Donnelly )

CERTIFICATION

I, Marjorie W. Emmons, recording secretary for the Federal Election Commission executive session of January 24, 1989, do hereby certify that the Commission decided by a vote of 5-0 to take the following actions in MUR 2576:

1. Authorize the General Counsel to institute a civil action pursuant to 2 U.S.C. § 437d(b) to enforce the subpoenas and order to Edward and Michelle Donnelly.
2. Authorize the General Counsel to institute a civil action pursuant to 2 U.S.C. § 437d(b) to enforce the subpoena to William J. Levitt.
3. Approve the letters attached to the General Counsel's report dated January 17, 1989.

Commissioners Aikens, Elliott, McDonald, McGarry, and Thomas voted affirmatively for the decision; Commissioner Josefiak was not present at the time of the vote.

Attest:

Jan 24, 1989  
Date

Marjorie W. Emmons  
Marjorie W. Emmons  
Secretary of the Commission

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FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

January 27, 1989

VIA AIRBORNE

James A. Pascarella, Esq.  
Pascarella, DeVito, Clarey & Plutzer  
170 Old Country Road  
Mineola, New York 11501

RE: MUR 2576  
Edward Donnelly  
Michelle Donnelly

Dear Mr. Pascarella:

Your clients, Edward Donnelly and Michelle Donnelly, were previously notified that on February 1, 1988, the Federal Election Commission found reason to believe that they violated 2 U.S.C. § 441f, a provision of the Federal Election Campaign Act of 1971, as amended, in connection with the above captioned matter. Pursuant to its investigation of this matter, the Commission issued subpoenas and orders to your clients to provide answers to interrogatories and to provide certain documents. The subpoenas and orders were received by your office on July 8, 1988.

To date your clients have not responded to the subpoenas and orders. As a result of your clients failure to respond to the discovery requests, the Commission has authorized the Office of the General Counsel to institute a civil action for relief in the United States District Court to enforce the subpoenas and orders.

Should you have any questions, or should you wish to settle this issue prior to suit, please contact Ivan Rivera, Assistant General Counsel, at (202) 376-8200, within five days of your receipt of this letter.

Sincerely,

Lawrence M. Noble  
General Counsel

930 2/0961180

*plm*



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

January 27, 1989

VIA AIRBORNE

James A. Pascarella, Esq.  
Pascarella, DeVito, Clarey & Plutzer  
170 Old Country Road  
Mineola, New York 11501

RE: MUR 2576  
William J. Levitt

Dear Mr. Pascarella:

As you are aware, on February 10, 1988, the Federal Election Commission found reason to believe that your client, William J. Levitt, knowing and willfully violated 2 U.S.C. §§ 441b and 441f, provisions of the Federal Election Campaign Act of 1971, as amended, in connection with the above captioned matter under review. Pursuant to its investigation of this matter, the Commission issued a subpoena requiring Mr. Levitt to appear and give sworn testimony on September 16, 1988. The deposition was to take place in New York City. After the subpoena was served, this Office was informed that Mr. Levitt had changed counsel and that you would be representing him. As a result of conversations with you, Mr. Levitt's deposition was rescheduled for November 4, 1988. A few days before the deposition, however, your office contacted this Office to state that Mr. Levitt would not be available for the deposition on November 4. At the suggestion of your office, it was agreed that the deposition would take place on December 9, 1988, again scheduled in New York City. A new subpoena with that date was prepared and mailed to your office via Airborne Overnight Delivery on November 21, 1988. On December 7, 1988, your office again contacted our staff to inform us that once again Mr. Levitt would not be available for the scheduled deposition. We informed you at that time that rescheduling would not be possible and that staff from this Office would be present to depose Mr. Levitt as scheduled. Staff from this Office was present in New York on December 9, 1988, for the deposition. However, Mr. Levitt failed to appear and be deposed.

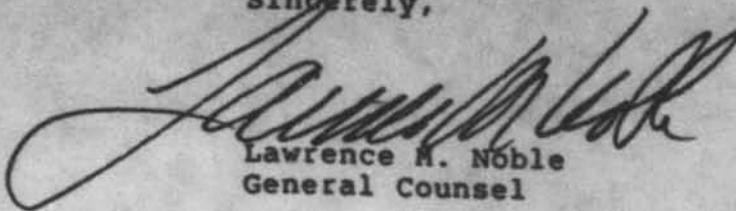
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James A. Pascarella, Esq.  
Page 2

As a result of your client's failure to comply with the subpoena issued by the Commission, the Commission has authorized the Office of the General Counsel to institute a civil action for relief in the United States District Court to enforce the subpoena. Should you have any questions, please contact Ivan Rivera, Assistant General Counsel, at (202) 376-8200.

It is also noted that at the time you assumed responsibility for Mr. Levitt's interest, it was indicated that you would be representing other respondents in this matter. These other respondents include Rowenroy, Ltd., Simone Levitt, Nicole Levitt, and Gaby Levitt. To date we have not received designations of counsel regarding your representation of these persons. Enclosed are designation of counsel forms to be completed and returned to this Office as soon as possible. If you have any questions, contact Sandra H. Robinson or Susan Beard, the attorneys handling this matter, at (202) 376-8200.

Sincerely,



Lawrence M. Noble  
General Counsel

Enclosures  
Designation of Counsel Forms (4)

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RIVKIN, RADLER, DUNNE & BAYH  
EAB PLAZA  
UNIONDALE, NEW YORK 11556-0111  
(516) 357-3000

TELEX: 645-074 • TELECOPIER: (516) 357-3333 • CABLE: AT LAW

275 MADISON AVENUE  
NEW YORK, N.Y. 10016  
(212) 686-9050

1575 EYE STREET, N.W.  
WASHINGTON, D.C. 20005  
(202) 289-8660

30 NORTH LA SALLE STREET  
CHICAGO, ILLINOIS 60602  
(312) 782-5680

2049 CENTURY PARK EAST  
LOS ANGELES, CA 90067  
(213) 201-0510

April 10, 1989

ROBERT L. FOLKS  
PARTNER  
DIRECT DIAL  
(516) 357-3117

Sondra Robinson, Esq.  
Federal Election Commission  
Office of General Counsel  
999 "E" Street, N.W.  
Washington, D.C. 20463

Re: Sherry Newman and Steven Lampel

Dear Ms. Robinson:

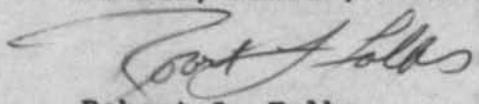
For your information, I am forwarding to you a copy of a solicitation on behalf of Joseph Biden. I note that Joel Boyarsky and J. Stanley Shaw are listed as supporters.

I also understand that Bill Levitt was scheduled for a deposition in Washington. I further understand that Mr. Levitt met with Mr. Shaw, had conversations with Mr. Levitt and that subsequently the matter was adjourned.

I am still concerned about Mr. Lampel and Ms. Newman. Would you kindly advise me as to the status of their matters at your convenience.

Very truly yours,

RIVKIN, RADLER, DUNNE & BAYH

  
Robert L. Folks

RLF/dp  
Enc.

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FEDERAL ELECTION COMMISSION

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**CITIZENS FOR BIDEN**

Post Office Box R

Lynbrook, New York 11563



Mrs. Sherry Newman  
10 The Poplars  
Roslyn Estates, NY 11576

9308/0961185

**Welcome Back, Joe**



**SENATOR JOSEPH R. BIDEN JR.  
DELAWARE**

Monday, April 17, 1989

Regency Hotel, Ballroom

Six o'clock in the evening

540 Park Avenue at 61st Street

New York, New York

PAID FOR BY CITIZENS FOR BIDEN CONTRIBUTIONS ARE NOT TAX DEDUCTIBLE

Contribution \$1,000

R.S.V.P. (212) 319-1489 Ext. 258

(516) 887-4433 Ext. 258

RUTH WALTING

**A TRIBUTE TO JOE BIDEN**

**In recognition of his renewed good health  
and return to full-time Senate duty  
and political activity.**

After his illness and extended recuperation in 1988, Joe has begun the new year — and the new session of Congress — at full-strength. He has already made a mark in 1989 with the appointment and confirmation of the nation's first national drug policy director, an office Joe was instrumental in creating. As Chairman of the Senate Judiciary Committee and as ranking member of the Foreign Relations Committee, Joe is in a position to exert his uniquely effective personal style and tremendous experience in an increasing leadership role.

Joe Biden has become a truly national figure, and with the strength of good health, there are few limits on what he can achieve in the years ahead. It is a pleasure to welcome him back to work, back to politics and back to New York.

Joel Boyarsky  
National Finance Chairman

**NEW YORK COMMITTEE  
CITIZENS FOR BIDEN**

- |                    |                  |                        |
|--------------------|------------------|------------------------|
| Philip Altheim     | Anthony Fisher   | Ira Riklis             |
| Marshall Bernstein | Samuel Herzfeld  | Gary Rodolitz          |
| Anthony Bruan      | Billy Joel       | Robert Schulman        |
| Peter Bruan        | Donald Kesselman | <u>J. Stanley Shaw</u> |
| Gideon Cashman     | Alan Parker      | Andrew Tisch           |



- |                        |                    |
|------------------------|--------------------|
| Mark Angelson          | Dr. Donald Feinsod |
| Marvin Bloom           | Marc Finkelstein   |
| Mark Boyar             | Charles Ramat      |
| The Hon. Jacob Bronner | Marvin Weinstein   |



- |                   |                 |
|-------------------|-----------------|
| David Geula       | Nick Ilasi      |
| Lawrence Goldberg | Richard Karp    |
| Nahum Gordon      | Marvin Meyerson |
| Irwin Hochberg    | Charles Vaccaro |

**CITIZENS FOR BIDEN**

Post Office Box R

Lynbrook, New York 11563

**R.S.V.P. Card  
Welcome Back Joe**

- Will attend, enclosed is \$ .....
- Will not attend, but enclosed is \$ ..... to help Joe.

Name .....

Organization .....

Occupation .....

Address .....

Phone Number .....

PAID FOR BY CITIZENS FOR BIDEN. CONTRIBUTIONS ARE NOT TAX DEDUCTIBLE.

9" 3080961187

= An individual may contribute a total of \$2,000 to Biden For Senate Campaign.

Individual contributions should be made by personal check including name, signature and home address of the contributor. If your name and address are not printed on the check, please hand print or type your name and address on the check.

Two or more persons may make a joint contribution through one check drawn on their joint checking account, however the check must include the signature, name and home address of each contributor.

Corporate checks are prohibited.

Checks are payable to "**Citizens For Biden**".

93080961188



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

July 26, 1989

James A. Pascarella, Esq.  
Pascarella, DeVito & Clarey  
170 Old Country Road  
Mineola, New York 11501

RE: MUR 2576  
William J. Levitt

Dear Mr. Pascarella:

This is to confirm the scheduling of the deposition of your client, William J. Levitt, with regard to the above referenced matter under review by the Federal Election Commission. This deposition is scheduled pursuant to a subpoena originally issued by the Commission on August 29, 1988, and a subsequent order issued by the U.S. District Court for the Eastern District of New York on July 13, 1989.

As was agreed between you and Sandra H. Robinson, the attorney from this Office assigned to this matter, the deposition of Mr. Levitt is scheduled on Monday, August 7, 1989, at 10:30 a.m. The deposition will take place at the Jacob K. Javitz Federal Building, Room 238, located at 26 Federal Plaza, New York City. You may contact Ms. Robinson at (202) 376-8200, if you need additional information.

Sincerely,

George F. Rishel  
Assistant General Counsel

93080961189

DGC 3695

RECEIVED  
FEDERAL ELECTION COMMISSION  
MAIL ROOM

89 AUG -7 AM 10:40

LAW OFFICES  
OF  
JAMES A. PASCARELLA

OF COUNSEL  
THOMAS A. ILLMENSEE

170 OLD COUNTRY ROAD  
FOURTH FLOOR  
MINEOLA, NEW YORK 11501  
(516) 748-1134  
TELECOPIER (516) 248-9313

August 3, 1989

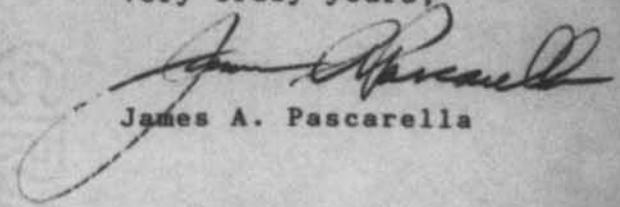
Lawrence Noble  
General Counsel  
Federal Election Commission  
Washington, D.C. 20463

Re: MUR 2576

Dear Sir:

Enclosed please find responses to Interrogatories and  
Requests for Documents made by the Federal Election Commission of  
Edward G. Donnelly and Michelle M. Donnelly.

Very truly yours,

  
James A. Pascarella

JAP:dh

enc.

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OFFICE OF GENERAL COUNSEL  
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BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of Edward G. Donnelly )  
  ) MUR 2576  
  )

RESPONSES TO INTERROGATORIES AND REQUEST FOR  
PRODUCTION OF DOCUMENTS

Interrogatory No. 1

1. With regard to your 1986 contribution to Citizens for Biden Committee - 1990, state the following:
  - a. whether you were reimbursed for your contribution;
  - b. the identity of the person or entity that reimbursed you;  
and
  - c. the identity of the person(s) who solicited the  
contribution from you.

Response to Interrogatory No. 1

- a. I do not believe that I was reimbursed for my contribution.
- b. Not applicable; see Response to Interrogatory No. 1(a),  
above.
- c. William J. Levitt, to the best of my recollection, asked  
if I could make a contribution and attend a fund-raising  
function.

Interrogatory No. 2

2. Describe, in detail, each and every occasion on which the  
reimbursement of your contribution to Citizens for Biden  
Committee - 1990 was discussed orally or in writing. Include,  
the date, the individuals present, and the content of the  
discussion.

Response to Interrogatory No. 2

Not applicable; see Response to Interrogatory No. 1(a) above.

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Interrogatory No. 3

Describe, in detail, each and every communication or contact with Citizens for Biden Committee - 1990, which concerned your 1986 contribution, its reimbursement and/or its refund.

Response to Interrogatory No. 3

The only communication or contact I had with anyone from the Citizens for Biden Committee - 1990, concerning my contribution, to the best of my recollection, was with J. Stanley Shaw. He informed me that various people who gave money for the Biden fund-raiser had been contacted by the Federal Election Commission, and he asked if I had been contacted also. At that time, I had not yet been contacted and informed him of that fact. I also informed him that I made a contribution, and further, had believed that the money paid to me via the Rowenroy, Ltd. check was not reimbursement for that contribution but partial pay-down of monies owed to me by William J. Levitt and his companies.

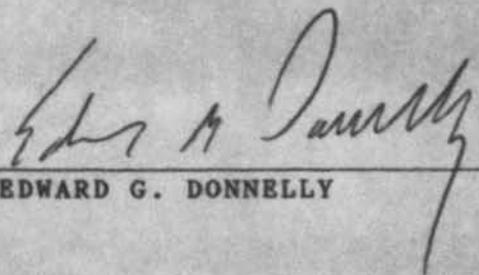
Request for Documents

Produce true copies of all correspondence and other documents, including checks, which concern the making, reimbursement and/or refund of your 1986 contribution to Citizens for Biden Committee - 1990.

Response to Request for Documents

As to this request for correspondence and other documents, the only such documents I have in my possession are the checks to the Biden Committee in behalf of myself and my wife, Michelle.

Dated: Mineola, New York  
August 2, 1989

  
EDWARD G. DONNELLY

93080961192

EDW. G. DONNELLY  
9 PRIORY COURT  
MELVILLE, NY 11747

June 3 1986 203

1-12/280

PAY TO THE ORDER OF CITIZENS FOR BIDEN

\$ 1000.<sup>00</sup>

One Thousand AND <sup>00</sup>/<sub>100</sub> DOLLARS

**CHEMICAL BANK**  
300 Wheatley Plaza  
Greenvale, N.Y. 11548 876

*EA Donnelly*

MEMO \_\_\_\_\_

EDW. G. DONNELLY  
9 PRIORY COURT  
MELVILLE, NY 11747

June 3 1986 204

1-12/280

PAY TO THE ORDER OF CITIZENS FOR BIDEN

\$ 1000.<sup>00</sup>

One Thousand AND <sup>00</sup>/<sub>100</sub> DOLLARS

**CHEMICAL BANK**  
300 Wheatley Plaza  
Greenvale, N.Y. 11548 876

*EA Donnelly*

MEMO \_\_\_\_\_

9300840961193



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JE '86 16  
THE PROVICENT  
N.Y. N.Y. N.Y. N.Y.  
PAY ANY BANK

JE '86 17  
CHEMICAL BANK  
NEW YORK  
PAY ANY BANK

By \_\_\_\_\_  
JOE BRUN  
1 R P  
JE '86 17  
PAID  
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JE '86 16  
THE PROVICENT  
N.Y. N.Y. N.Y. N.Y.  
PAY ANY BANK

JE '86 17  
CHEMICAL BANK  
NEW YORK  
PAY ANY BANK

By \_\_\_\_\_  
JOE BRUN  
1 R P  
JE '86 17  
PAID  
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BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of Michelle Donnelly )

) MUR 2576  
)

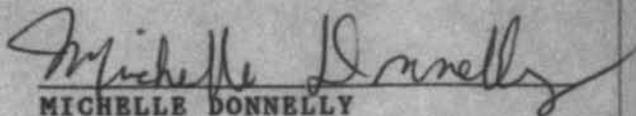
RESPONSE TO INTERROGATORIES AND REQUEST FOR  
PRODUCTION OF DOCUMENTS

In response to interrogatories propounded and request for documents made by the Federal Election Commission to me, I respond as follows:

I have no knowledge of any of the facts and circumstances or documents requested except that my husband, Edward G. Donnelly, told me that we would be attending a fund-raising affair on behalf of Senator Joseph Biden. Since I could not arrange for a babysitter I did not attend the fund-raiser but stayed home with my children.

I have no documents in response to the document request.

Dated: Mineola, New York  
August 2, 1989

  
MICHELLE DONNELLY

93080961195

06C-3831

# TRANSCRIPT OF PROCEEDINGS

UNITED STATES OF AMERICA  
BEFORE THE  
FEDERAL ELECTION COMMISSION

-----X  
In the Matter of: :  
M U R 2576 :  
-----X

DEPOSITION OF WILLIAM J. LEVITT

New York, New York

Monday, August 7, 1989

ACE-FEDERAL REPORTERS, INC.  
*Stenotype Reporters*  
444 North Capitol Street  
Washington, D.C. 20001  
(202) 347-3700  
Nationwide Coverage  
800-336-6646

FEDERAL ELECTION COMMISSION  
OFFICE OF GENERAL COUNSEL  
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FEDERAL ELECTION COMMISSION

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IN THE MATTER OF:  
MUR 2576  
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DEPOSITION OF WILLIAM J. LEVITT, the  
Witness herein, pursuant to Subpoena, at 26 Federal  
Plaza, New York, New York, on Monday, August 7, 1989,  
at 10:20 a.m., before Debra Stevens, a shorthand  
reporter and notary public, within and for the State  
of New York.

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A P P E A R A N C E S :

FOR THE FEDERAL ELECTION COMMISSION:

SANDRA H. ROBINSON, ESQ.  
DANIEL BLESSINGTON, ESQ.  
999 "E" Street, N.W.  
Washington, D.C. 20463

FOR THE WITNESS:

PASCARELLA, DEVITO & CLAREY  
170 Old Country Road, Ste. 303  
Mineola, New York 11501

BY: JAMES A. PASCARELLA, ESQ.

\* \* \*

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I N D E X

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COMMISSION  
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1           Whereupon,

2                           WILLIAM J. LEVITT,

3           having been first duly sworn, was examined and  
4           testified as follows:

5                           MS. ROBINSON: Good morning.

6                           THE WITNESS: Good morning.

7                           MS. ROBINSON: My name is Sandra Robinson,  
8           attorney with the Federal Election Commission. I am  
9           conducting this deposition in connection with an  
10          investigation the Commission is doing identified as a  
11          Matter Under Review 2576, pursuant to a subpoena that  
12          was issued in accordance with Section 437 DA3 of the  
13          Federal Election Campaign Act and a subsequent order  
14          of the U.S. District Court for the Eastern District  
15          of New York in Civil Action No. CV-89-1322 (ILG).

16                          Assisting me with this deposition is  
17          Daniel Blessington, also from the Federal Election  
18          Commission.

19                          THE WITNESS: Excuse me. Would you mind  
20          talking a little louder for me? My hearing is not  
21          the best in the world.

22                          MS. ROBINSON: Certainly, Mr. Levitt.

23                          Can you identify--

24                          MR. PASCARELLA: Before we go into  
25          questioning, I would like to make a statement for the

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1 record.

2 MS. ROBINSON: Excuse me one moment. I  
3 would like to establish--off the record.

4 (Discussion held off the record.)

5 EXAMINATION BY MS. ROBINSON:

6 Q. Would you state your name, please.

7 A. William J. Levitt.

8 Q. Your address?

9 A. My address is 50 Tiffany Circle,  
10 Manhasset, New York 11030.

11 Q. Are you being represented here today by  
12 counsel, Mr. Levitt?

13 A. Yes.

14 Q. Can you identify your counsel by name.

15 MR. PASCARELLA: Mr. James Pascarella.

16 Q. Can you spell the last name, please.

17 MR. PASCARELLA: P.A.S.C.A.R.E.L.L.A.

18 Q. I understand from conversations prior to  
19 the opening of this deposition that it is your  
20 intention to--

21 MR. PASCARELLA: That probably should be  
22 directed to me and not to Mr. Levitt.

23 When the questions are asked of him and if  
24 he is going to assert the Fifth Amendment privilege  
25 and that is what you are referring to, he will do so

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1 at that time.

2 I would like to make a statement on the  
3 record that we have sought to put off or delay having  
4 this deposition and, rather, sought to go into the  
5 conciliation conference, which I know is  
6 discretionary with the Election Commission. They  
7 have elected not to have such a conference previous  
8 to having a deposition.

9 Our position has been that at the  
10 conference we felt certain things could be  
11 established, perhaps even certain ground rules  
12 established which might obviate the need for the  
13 deposition or a deposition at which Mr. Levitt would  
14 have a viable choice other than to claim Fifth  
15 Amendment privilege.

16 Since we cannot have the conciliation  
17 conference and we are going forth with the  
18 deposition, as I have informed various of the  
19 representatives of the Federal Election Commission,  
20 Mr. Levitt and his counsel have given a good deal of  
21 consideration to this. A determination has been made  
22 that the Fifth Amendment privilege would be invoked.  
23 Of course, we have to see the questions that will be  
24 asked, but as appropriate.

25 I should say, too, that after the

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1 deposition we will be afforded the opportunity to  
2 have a conference within a short time, and I think a  
3 number of matters could be cleared up at that  
4 particular time.

5 MS. ROBINSON: It is possible, Mr.  
6 Pascarella, to discuss any ground rules prior to or  
7 without conciliation in terms of whatever information  
8 would be forthcoming.

9 MR. PASCARELLA: What I wanted to do was  
10 avoid having him be deposed first and go into a full  
11 conference. I was told that that would not happen  
12 until there was a deposition. I was told that in  
13 fact--in fact, that statement, I believe, was also  
14 made in front of Judge Glasser by counsel, that they  
15 wanted to have deposition first.

16 (Federal Election Commission counsel confer.)

17 MS. ROBINSON: I guess the concern is,  
18 does there seem to be some confusion about what the  
19 ground rules may be, as opposed to in connection with  
20 obtaining information from your client, which is  
21 separate from discussing conciliation--

22 MR. PASCARELLA: I am not concerned with  
23 what ground rules may be as they apply here. The  
24 ground rules I wanted to establish would include not  
25 holding a deposition but having discussion in

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1 conference, and I was told that that would not happen  
2 unless there were a deposition.

3 MS. ROBINSON: What would not happen is  
4 discussion in connection with a conciliation  
5 agreement, but certainly not any discussion in terms  
6 of information connected with the investigation of  
7 this matter.

8 MR. PASCARELLA: Part of this would not  
9 only deal with information we could provide, but it  
10 was give and take type of thing I wanted to discuss.  
11 Everybody said that sounds like conciliation and  
12 didn't want to do it. That is why we are here. I am  
13 willing, if you are, to put this off and have that  
14 kind of discussion.

15 MS. ROBINSON: I think we will proceed  
16 here with the deposition.

17 Q. Mr. Levitt, I am going to ask you a series  
18 of questions and we have the court reporter here  
19 taking down your words and mine, so that it is  
20 important that you speak verbally and not nod your  
21 head.

22 A. I appreciate that.

23 Q. I would remind you, you are under oath.

24 A. Right.

25 Q. And that if you need to take a break you

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1 can let me know.

2 A. Thank you.

3 Q. If you don't understand a question or  
4 don't hear me, you can let me know and I will repeat  
5 it.

6 I would like to know if you have reviewed  
7 any documents or talked with any other persons prior  
8 to your coming here for the deposition.

9 A. After consultation with counsel, I must  
10 respectfully refuse to answer the question on the  
11 ground that the answer may tend to incriminate me. I  
12 do so by invoking the privilege against  
13 self-incrimination in accordance with the Fifth  
14 Amendment of the Constitution of the United States.

15 Q. So that it is my understanding from your  
16 statement just made that you will not answer the  
17 questions I may pose to you. I cannot compel you to  
18 answer those questions; at the same time I cannot  
19 grant you any immunity from any agency that might  
20 proceed against you.

21 If, as I go through my questions, you do  
22 decide to answer, you understand that will be  
23 voluntary. Is that correct?

24 A. Yes.

25 Q. Would you give your address for the

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1 record, please?

2 A. 50--

3 MR. PASCARELLA: I think that was already  
4 provided.

5 Q. Sorry. Your telephone number.

6 A.

7 Q. Is that your home phone?

8 A. Home phone.

9 Q. Do you have a work number?

10 A. I beg your pardon?

11 Q. Do you have a work number?

12 A. I hereby invoke my Fifth Amendment  
13 privilege against self-incrimination.

14 Q. Are you married, Mr. Levitt?

15 A. Yes.

16 Q. And your wife's name?

17 A. Simone, S.I.M.O.N.E., Levitt.

18 Q. Do you have any children who are also  
19 respondents in this matter?

20 A. I hereby invoke my Fifth Amendment  
21 privilege against self-incrimination.

22 Q. Do you have a daughter named Gaby Levitt?

23 A. Yes.

24 Q. And another daughter named Nicole Levitt?

25 A. Yes.

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1 Q. To your knowledge, have they received  
2 letters similar to yours identifying them in this  
3 matter?

4 A. I hereby invoke my Fifth Amendment  
5 privilege against self-incrimination.

6 Q. To your knowledge, has your wife, Simone,  
7 received a letter identifying her as a respondent in  
8 this matter?

9 A. I hereby invoke my Fifth Amendment  
10 privilege against self-incrimination.

11 Q. Will you tell us your occupation, Mr.  
12 Levitt?

13 A. I am a builder.

14 Q. Are you self-employed?

15 A. Yes.

16 Q. Do you own several companies?

17 A. I hereby invoke my Fifth Amendment  
18 privilege against self-incrimination.

19 Q. How long have you been self-employed, Mr.  
20 Levitt?

21 A. I hereby invoke my Fifth Amendment  
22 privilege against self-incrimination.

23 Q. Are you connected in any way with a  
24 company called Rowenroy, Ltd., R.O.W.E.N.R.O.Y?

25 A. I hereby invoke my Fifth Amendment

930 09 01 207

1 privilege against self-incrimination.

2 Q. Can you identify the date and place of  
3 incorporation and registration of the company called  
4 Rowenroy?

5 A. I hereby invoke my Fifth Amendment  
6 privilege against self-incrimination.

7 Q. I am going to hand you a document, Mr.  
8 Levitt. I am also giving the court reporter a copy  
9 to be marked as Exhibit 1. I would like you and your  
10 attorney to review that document and when you have  
11 had a chance to look at it, let me know.

12 (Commission Exhibit No. 1 was so  
13 marked for identification.)

14 Q. The top of this document--are you ready,  
15 Mr. Levitt?

16 A. Yes.

17 Q. The top of this document is identified as  
18 a loan agreement. And the parties to the loan  
19 agreement appear to be Rowenroy, Ltd., a Bermuda  
20 corporation, and the Levitt Foundation. Is that  
21 correct?

22 MR. PASCARELLA: I would object. The  
23 document speaks for itself as to what parties are set  
24 forth in the document, and I direct him not to answer  
25 the question.

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1                   You are asking for his legal conclusion.  
2                   The documents speaks for itself.

3                   MS. ROBINSON: I am merely asking him to  
4                   identify or acknowledge the information in the first  
5                   paragraph of the document.

6                   MR. PASCARELLA: If you are asking him to  
7                   acknowledge the information--

8                   A. I hereby invoke my Fifth Amendment  
9                   privilege against self-incrimination.

10                  Q. If you will look at the bottom of the  
11                  agreement, Mr. Levitt, there are three signatures,  
12                  Rowenroy, Ltd. by president, and there is a signature  
13                  that appears to be William Levitt.

14                  Is that your signature, Mr. Levitt?

15                  A. I hereby invoke my Fifth Amendment  
16                  privilege against self-incrimination.

17                  Q. Following, there is a signature for the  
18                  Levitt Foundation, Inc., by president, which has the  
19                  same signature, William Levitt.

20                  Is that your signature, Mr. Levitt?

21                  A. I hereby invoke my Fifth Amendment  
22                  privilege against self-incrimination.

23                  Q. Finally, there is a third signature that  
24                  appears to be in the capacity of a witness, which  
25                  also says, "William Levitt."

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1 Is that your signature, Mr. Levitt?

2 A. I hereby invoke my Fifth Amendment  
3 privilege.

4 MR. PASCARELLA: May we go off the record  
5 a moment?

6 (Discussion held off the record.)

7 Q. Can you identify the principal place of  
8 business of Rowenroy, Ltd.?

9 A. I hereby invoke my Fifth Amendment  
10 privilege.

11 Q. Can you identify any agents and offices  
12 where Rowenroy, Ltd. is registered?

13 A. I hereby invoke my Fifth Amendment  
14 privilege.

15 Q. Who were the corporate officers of  
16 Rowenroy, Ltd. in 1986?

17 A. I hereby invoke my Fifth Amendment  
18 privilege.

19 Q. Are you, Mr. Levitt, the sole owner or  
20 major stockholder of Rowenroy, Ltd.?

21 A. I hereby invoke my Fifth Amendment  
22 privilege.

23 Q. Are there any other owners of stock in the  
24 company?

25 A. I hereby invoke my Fifth Amendment

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1 privilege.

2 Q. In 1986 were there any employees of  
3 Rowenroy, Ltd.?

4 A. I hereby invoke my Fifth Amendment  
5 privilege.

6 Q. Can you identify who had control over the  
7 finances of Rowenroy, Ltd. in 1986?

8 A. I hereby invoke my Fifth Amendment  
9 privilege.

10 Q. Can you identify who had the authority to  
11 sign checks or to approve the signing of checks for  
12 Rowenroy, Ltd.?

13 A. I hereby invoke my Fifth Amendment  
14 privilege.

15 Q. I am going to hand the court reporter  
16 another document, to be marked Exhibit 2. I will  
17 give a copy to you and your attorney to review. Once  
18 you have had a chance to look at it, if you will let  
19 me know.

20 (Commission Exhibit No. 2 was so  
21 marked for identification.)

22 MR. PASCARELLA: Mr. Levitt has reviewed  
23 it.

24 Q. This document has at the top the title,  
25 "Transactions Activity Summary for Rowenroy, Ltd.,

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1 Account, Cash Chase M.A.N.H."--what I assume is Chase  
2 Manhattan.

3 Have you ever seen this document or a  
4 document like it, Mr. Levitt?

5 A. I hereby invoke my Fifth Amendment  
6 privilege.

7 Q. Would the account identified at the  
8 heading be an account of Rowenroy, Ltd. held at Chase  
9 Manhattan?

10 A. I hereby invoke my Fifth Amendment  
11 privilege.

12 Q. Would this document be a summary of  
13 activity within that account and the date of last  
14 entry is 11/27/86, so that it would cover activity up  
15 to that period?

16 A. I hereby invoke my Fifth Amendment  
17 privilege.

18 Q. Were you primarily responsible for the  
19 financial activity of Rowenroy, Ltd. in 1986, Mr.  
20 Levitt?

21 A. I hereby invoke my Fifth Amendment  
22 privilege.

23 Q. Who had the authority to sign checks for  
24 Rowenroy, Ltd. in 1986, Mr. Levitt?

25 A. I hereby invoke my Fifth Amendment

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1 privilege.

2 Q. Would checks be drawn in 1986 on  
3 Rowenroy's account without your approval?

4 A. I hereby invoke my Fifth Amendment  
5 privilege.

6 Q. What was regularly paid out of the cash  
7 account held at Chase Manhattan for Rowenroy, Ltd.?

8 A. I hereby invoke my Fifth Amendment  
9 privilege.

10 MS. ROBINSON: Would you read the last  
11 question, please?

12 (Record Read.)

13 Q. Were any employees ever paid out of that  
14 account?

15 A. I hereby invoke my Fifth Amendment  
16 privilege.

17 Q. Was the cash Chase Manhattan account the  
18 only account held by Rowenroy in 1986?

19 A. I hereby invoke my Fifth Amendment  
20 privilege.

21 Q. Were there any other accounts held with  
22 Chase Manhattan or any other bank by Rowenroy?

23 A. I hereby invoke my Fifth Amendment  
24 privilege.

25 Q. Do you consider yourself a politically

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1 active person?

2 A. I hereby invoke my Fifth Amendment  
3 privilege.

4 Q. Have you ever been involved in federal  
5 political activity in recent years?

6 A. I hereby invoke my Fifth Amendment  
7 privilege.

8 Q. Have you ever made contributions to  
9 federal candidates or committees?

10 A. I hereby invoke my Fifth Amendment  
11 privilege.

12 Q. Have you ever hosted any political  
13 fund-raisers for any federal candidates?

14 A. I hereby invoke my Fifth Amendment  
15 privilege.

16 Q. If you have hosted any such fund-raisers  
17 or participated in any political activity, can you  
18 identify the candidates and the years of your  
19 involvement?

20 A. I hereby invoke my Fifth Amendment  
21 privilege.

22 Q. Did you host a fund-raiser for Senator  
23 Biden?

24 A. I hereby invoke my Fifth Amendment  
25 privilege.

9 3 0 9 0 1 2 1 4

1 Q. In 1986, did you host such a fund-raiser?

2 A. I hereby invoke my Fifth Amendment  
3 privilege.

4 Q. If you hosted such a fund-raiser, how did  
5 you get involved with it?

6 A. I hereby invoke my Fifth Amendment  
7 privilege.

8 Q. I am going to hand the court reporter a  
9 document I would like marked as Exhibit 3. I will  
10 give you and your attorney a copy to review. Once  
11 you have looked at it and if you are ready to discuss  
12 it, just let me know.

13 (Commission Exhibit No. 3 was so  
14 marked for identification.)

15 Q. This is a two-page document--Are you  
16 ready, Mr. Levitt?

17 A. Yes.

18 Q. This is a two-page document. It is a  
19 letter and attached to it is a list of people and  
20 addresses and their respective addresses. The letter  
21 appears to be a draft. It is typed but there is some  
22 handwriting at the top.

23 Have you ever seen this document before,  
24 Mr. Levitt?

25 A. I hereby invoke my Fifth Amendment

930 X 09 1215

1 privilege.

2 Q. Have you ever seen a document like this  
3 before, Mr. Levitt?

4 A. I hereby invoke my Fifth Amendment  
5 privilege.

6 Q. The handwriting at the top of the  
7 document, do you recognize that handwriting?

8 A. I hereby invoke my Fifth Amendment  
9 privilege.

10 Q. Is it your handwriting, Mr. Levitt?

11 A. I hereby invoke my Fifth Amendment  
12 privilege.

13 Q. The letter is addressed to "Dear Joel,"  
14 and the name, Joel, is scratched out and it is  
15 handwritten, "Mr. B."

16 Can you identify who that is, Mr. Levitt?

17 A. I hereby invoke my Fifth Amendment  
18 privilege.

19 Q. The first paragraph goes on to read, "On  
20 May 17, you," assuming Joel or Mr. B., "and Mr.  
21 Boyarsky, together with Mr. and Mrs. Shaw, invited me  
22 at your home."

23 Can you identify who Mr. Boyarsky is?

24 A. I hereby invoke my Fifth Amendment  
25 privilege.

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1 MR. PASCARELLA: Also, the exhibit and  
2 what it says will really stand as what is in it,  
3 rather than the summary of what has been put forth in  
4 the question.

5 Q. It actually says "visited me at my home."

6 Can you identify who Mrs. Shaw is?

7 A. I hereby invoke my Fifth Amendment  
8 privilege.

9 Q. The letter goes on to discuss the  
10 possibility of Mr. B. or Joel loaning you \$1 million  
11 under certain terms and conditions.

12 Can you explain the circumstances of that  
13 \$1 million loan?

14 A. I hereby invoke my Fifth Amendment  
15 privilege.

16 MR. PASCARELLA: Of course, by not  
17 objecting, it does not mean I accept your summary of  
18 what is in the exhibit. The exhibit speaks for  
19 itself.

20 MS. ROBINSON: Thank you.

21 Q. Further in the first paragraph, the letter  
22 goes on to state that Joel or Mr. B., "you were  
23 working on a campaign to have Senator Biden of  
24 Delaware gain recognition as a possible viable  
25 candidate for high federal office. You requested,

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1 and I agreed, to host a cocktail party to which  
2 guests would be asked to contribute \$1,000 apiece to  
3 Senator Biden's campaign."

4 Can you discuss the circumstances of that  
5 agreement between you and Joel or Mr. B.?

6 A. I hereby invoke my Fifth Amendment  
7 privileges.

8 Q. The letter goes on to state, in the second  
9 paragraph, that you made arrangements to hold a party  
10 on June 2nd of this year and at the same time you  
11 asked, evidently, Mr. B. to fund the \$1 million, as  
12 agreed.

13 Did you hold a fund-raiser on June 2nd of  
14 1986, Mr. Levitt?

15 A. I hereby invoke my Fifth Amendment  
16 privilege.

17 Q. I would like to move on to the third  
18 paragraph, which reads, "I could not muster  
19 sufficient people to hold the party that you wanted,  
20 and so I gathered office employees and a few others  
21 with the understanding that the \$1,000 contribution  
22 that each made would be refunded by me."

23 Is that a correct statement of your  
24 activity in regard to the fund-raiser?

25 A. I hereby invoke my Fifth Amendment

9304091218

1 privilege.

2 Q. The fourth paragraph continues on, "I paid  
3 out \$22,000 in refunds, you welched on your agreement  
4 and repeated requests for you to refund the \$22,000  
5 that I expended have been ignored."

6 Did you ask Mr. B. or Joel to refund you  
7 \$22,000 in connection with your reimbursements to  
8 employees?

9 A. I hereby invoke my Fifth Amendment  
10 privilege.

11 Q. And the final paragraph identifies within  
12 the text of it a Dennis Toner, T.O.N.E.R.

13 Can you identify who Mr. Toner is?

14 A. I hereby invoke my Fifth Amendment  
15 privilege.

16 Q. Is Mr. Toner connected with Mr. Biden's  
17 federal campaign?

18 A. I hereby invoke my Fifth Amendment  
19 privilege.

20 Q. Finally, at the bottom the letter is noted  
21 to be sent out by certified mail, return receipt  
22 requested. It is addressed to Mr. Joel Boyarsky,  
23 I.F.T.I., 211 Broadway, Suite 301, Lynbrook, New York  
24 11563.

25 Was this letter ever sent to Mr. Boyarsky?

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1           A.     I hereby invoke my Fifth Amendment  
2 privilege.

3           Q.     Was the letter ever hand-delivered to Mr.  
4 Boyarsky?

5           A.     I hereby invoke my Fifth Amendment  
6 privilege.

7           Q.     Was the letter given to anyone at any time  
8 in 1986 or thereafter?

9           A.     I hereby invoke my Fifth Amendment  
10 privilege.

11          Q.     Have you ever met Senator Biden, Joseph  
12 Biden?

13          A.     I hereby invoke my Fifth Amendment  
14 privilege.

15          Q.     Did you attend any meetings with a member  
16 of Mr. Biden's campaign staff?

17          A.     I hereby invoke my Fifth Amendment  
18 privilege.

19          Q.     Did you attend any such meetings in 1986?

20          A.     I hereby invoke my Fifth Amendment  
21 privilege.

22          Q.     Did you meet with any members of Mr.  
23 Biden's campaign staff at any time after 1986?

24          A.     I hereby invoke my Fifth Amendment  
25 privilege.

930 109 1220

1 Q. Do you know a Mr. Joel Boyarsky in  
2 connection with Mr. Biden's Campaign Committee?

3 A. I hereby invoke my Fifth Amendment  
4 privilege.

5 Q. Do you know if he is connected with the  
6 Citizens for Biden Committee?

7 A. I hereby invoke my Fifth Amendment  
8 privilege.

9 Q. Did you have any discussions with Mr.  
10 Boyarsky about a fund-raiser at any time, or any  
11 contributions to the Biden Committee in 1986 or at  
12 any time thereafter?

13 A. I hereby invoke my Fifth Amendment  
14 Privilege.

15 Q. How long have you known J. Stanley Shaw?

16 A. I hereby invoke my Fifth Amendment  
17 privilege.

18 Q. To your knowledge, is he connected to  
19 Citizens for Biden Committee 1990?

20 A. I hereby invoke my Fifth Amendment  
21 privilege.

22 Q. To your knowledge, does he know Senator  
23 Biden in any way?

24 A. I hereby invoke my Fifth Amendment  
25 privilege.

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1 Q. Have you discussed jointly with Mr.  
2 Boyarsky and Mrs. Shaw at any time any contributions  
3 or activities connected with Senator Biden's Campaign  
4 Committee?

5 A. I hereby invoke my Fifth Amendment  
6 privilege.

7 Q. Other than any meetings with Mrs. Shaw or  
8 Mr. Boyarsky or with members of Mr. Biden's Campaign  
9 Committee, did you meet with anyone else regarding a  
10 fund-raiser for Mr. Biden in 1986?

11 A. I hereby invoke my Fifth Amendment  
12 privilege.

13 Q. Did you organize a fund-raiser for Mr.  
14 Biden to be held on June 2, 1986?

15 A. I hereby invoke my Fifth Amendment  
16 privilege.

17 Q. Was that fund-raiser held in New York or,  
18 if not, where was it held?

19 A. I hereby invoke my Fifth Amendment  
20 privilege.

21 Q. How many people attended the fund-raiser?

22 A. I hereby invoke my Fifth Amendment  
23 privilege.

24 Q. How many people did you invite to the  
25 fund-raiser?

930 09 1222

1           A.    I hereby invoke my Fifth Amendment  
2 privilege.

3           Q.    By what means did you invite people to the  
4 fund-raiser?

5           A.    I hereby invoke my Fifth Amendment  
6 privilege.

7           Q.    Did you call people on the telephone? Did  
8 you solicit friends and family members to come to the  
9 fund-raiser and to contribute to the Biden campaign  
10 in 1986?

11          A.    I hereby invoke my Fifth Amendment  
12 privilege.

13          Q.    What was the response you received from  
14 individuals about attending the fund-raiser on June  
15 2, 1986?

16          A.    I hereby invoke my Fifth Amendment  
17 privilege.

18          Q.    Did everyone you invite say that they  
19 would come and contribute to the Biden Committee in  
20 1986?

21          A.    I hereby invoke my Fifth Amendment  
22 privilege.

23          Q.    Did you receive any advice from anyone  
24 with regard to how to set up a fund-raiser for Mr.  
25 Biden in 1986?

9308409 1223

1           A.     I hereby invoke my Fifth Amendment  
2 privilege.

3           Q.     Did you discuss with anyone the amounts  
4 that could be contributed to Mr. Biden's Campaign  
5 Committee in 1986 by individuals?

6           A.     I hereby invoke my Fifth Amendment  
7 privilege.

8           Q.     Did you have to guarantee a certain amount  
9 of money prior to arranging that Mr. Biden would  
10 appear at a fund-raiser that you organized?

11          A.     I hereby invoke my Fifth Amendment  
12 privilege.

13          Q.     Can you identify or state the amount that  
14 you had to guarantee in order to have Mr. Biden  
15 present at the fund-raiser of June 2, 1986?

16          A.     I hereby invoke my Fifth Amendment  
17 privilege.

18          Q.     Who discussed with you any amount that had  
19 to be guaranteed before Mr. Biden would attend?

20          A.     I hereby invoke my Fifth Amendment  
21 privilege.

22          Q.     Was the fund-raiser scheduled before you  
23 sent out the invitations and met the limit that had  
24 to be guaranteed?

25          A.     I hereby invoke my Fifth Amendment

93080901224

1 privilege.

2 Q. Who arranged the fund-raiser on June 2,  
3 1986?

4 A. I hereby invoke my Fifth Amendment  
5 privilege.

6 Q. Did you receive contributions directly  
7 from individuals that were intended for the Biden  
8 Campaign Committee in 1986?

9 A. I hereby invoke my Fifth Amendment  
10 privilege.

11 Q. Who were these individuals who gave you  
12 contributions intended for the Biden Campaign  
13 Committee in 1986?

14 A. I hereby invoke my Fifth Amendment  
15 privilege.

16 Q. Were any of these individuals employees of  
17 any of your companies?

18 A. I hereby invoke my Fifth Amendment  
19 privilege.

20 Q. If individuals gave you checks, when did  
21 they write the checks?

22 A. I hereby invoke my Fifth Amendment  
23 privilege.

24 Q. If individuals gave you checks, what did  
25 you do with the checks once they were in your hands?

9308091225

1           A.     I hereby invoke my Fifth Amendment  
2 privilege.

3           Q.     If you passed the checks along that you  
4 received from any individuals for the Biden Campaign  
5 Committee, who did you give the checks to?

6           A.     I hereby invoke my Fifth Amendment  
7 privilege.

8           Q.     And on what date did you pass the checks  
9 along?

10          A.     I hereby invoke my Fifth Amendment  
11 privilege.

12          Q.     What was your understanding about the  
13 amount that each individual could contribute to Mr.  
14 Biden's Campaign Committee?

15          A.     I hereby invoke my Fifth Amendment  
16 privilege.

17                   Can we stop just a moment?

18                   MS. ROBINSON: Off the record.

19                   (Discussion held off the record.)

20          Q.     Did you reimburse or refund any individual  
21 for the contributions they made in their names to the  
22 Citizens for Biden Committee, 1990?

23          A.     Fifth Amendment privilege.

24          Q.     Did Rowenroy, Ltd. reimburse any of these  
25 individuals?

9308091226

1 A. Fifth Amendment privilege.

2 Q Did any other entity in which you have a  
3 financial interest reimburse or refund contributions  
4 from individuals?

5 A. Fifth Amendment privilege.

6 Q. Why did you ask people to contribute to  
7 the Biden Committee in 1986?

8 A. Fifth Amendment privilege.

9 Q. Why didn't you contribute a certain amount  
10 of money to the Biden Committee instead of asking  
11 others to do so?

12 A. Fifth Amendment privilege.

13 Q. Why didn't you let Rowenroy or any other  
14 entity with which you have an interest contribute  
15 directly to the Biden Committee?

16 A. Fifth Amendment privilege.

17 Q. Did you discuss the reimbursements with  
18 anyone?

19 A. Fifth Amendment privilege.

20 Q. Did you discuss the reimbursements with J.  
21 Stanley Shaw?

22 A. Fifth Amendment privilege.

23 Q. Did you discuss the reimbursements with  
24 Joel Boyarsky?

25 A. Fifth Amendment privilege.

9308091227

1 Q. Do you know if Mr. Shaw or Mr. Boyarsky  
2 knew about the reimbursements?

3 A. Fifth Amendment privilege.

4 Q. If they did know about it, how did they  
5 find out?

6 A. Fifth Amendment privilege.

7 Q. Did you have discussions about the  
8 reimbursements with anyone, either of them or anyone  
9 else?

10 A. Fifth Amendment privilege.

11 Q. Did you have discussions with them about  
12 whether or not they had talked with anyone else about  
13 the reimbursements?

14 A. Fifth Amendment privilege.

15 Q. Do you know if they discussed the  
16 reimbursements with anyone else?

17 A. Fifth Amendment privilege.

18 Q. I am going to identify certain individuals  
19 and ask you a few questions about those individuals.

20 Do you know Steven J. Lampel,  
21 L.A.M.P.E.L., and Ava Lampel?

22 A. Fifth Amendment privilege.

23 Q. How do you know Steven Lampel and Ava  
24 Lampel?

25 A. Fifth Amendment privilege.

930 X/09 1228

1 Q. To your knowledge, is Ava Lampel Mr.  
2 Lampel's wife?

3 A. Fifth Amendment privilege.

4 Q. Did you ask them to attend the Biden  
5 fund-raiser on June 2, 1986?

6 A. Fifth Amendment privilege.

7 Q. Did you ask them to contribute to the  
8 Biden Committee in 1986?

9 A. Fifth Amendment privilege.

10 Q. Did you accept a check from Mr. Lampel in  
11 the amount of \$1,000 for himself and another check  
12 for Ava Lampel in the amount of \$1,000?

13 A. Fifth Amendment privilege.

14 Q. How did you tell them to attend or  
15 contribute to the Biden campaign or the fund-raiser?

16 A. Fifth Amendment privilege.

17 Q. Did you ask them?

18 A. Fifth Amendment privilege.

19 Q. Are they employees? Is Mr. Lampel an  
20 employee of one of your companies?

21 A. Fifth Amendment privilege.

22 Q. Was there a meeting that you attended  
23 where they were present and you discussed the  
24 fund-raiser?

25 A. Fifth Amendment privilege.

930 09 1229

1 Q. Did you tell them that they would be  
2 reimbursed for making a contribution in 1986 to the  
3 Biden Committee?

4 A. Fifth Amendment privilege.

5 Q. Did you reimburse them?

6 A. Fifth Amendment privilege.

7 Q. Did you authorize Rowenroy, Ltd. to  
8 reimburse them?

9 A. Fifth Amendment privilege.

10 Q. I have another document which I would like  
11 the reporter to mark as Exhibit 4. I will give you  
12 and your attorney a copy and ask you to review it.

13 Q. Are you ready, Mr. Levitt?

14 A. I beg your pardon?

15 Q. Are you ready?

16 A. Yes.

17 Q. This document is titled, "Transactions  
18 Activity Summary for Rowenroy, Ltd., Account, Cash  
19 Chase M.A.N.H.," date last entry, 11/27/86. Then it  
20 is handwritten at the top, "Cash Disbursement and  
21 Receipts." It is a four-page document.

22 (Commission Exhibit No. 4 was so  
23 marked for identification.)

24 Q. Have you ever seen a document like this,  
25 Mr. Levitt?

930 09 1230

1 A. Fifth Amendment privilege.

2 Q. Have you ever seen this particular  
3 document?

4 A. Fifth Amendment privilege.  
5 (Witness and counsel confer.)

6 Q. I would ask you to turn to page 3 of the  
7 document. At the top of page 3 there are some  
8 columns identified. One column is "Check Number,"  
9 which I assume is going down that, it says "DPST,"  
10 which would be a deposit. Then there are numbers  
11 listed, 1133, 1134, et cetera.

12 Do those identify the number on checks  
13 that were written on the Rowenroy account?

14 A. Fifth Amendment.

15 MR. PASCARELLA: I would like to add for  
16 the record, the fact that the Fifth Amendment  
17 privilege has been claimed in response to a question  
18 does not mean that we accept a question which  
19 purports to set forth in any way, shape or form what  
20 a document is, says, represents.

21 I guess it is also appropriate at this  
22 time to note that by not objecting to specific  
23 questions where the Fifth Amendment privilege is  
24 invoked that by no means indicates or should indicate  
25 that we waive any other objections there might be to

9308091231

1 the question or questions.

2 Q. The second column is "Date," which clearly  
3 identifies month, day and year. The next column over  
4 is "Transaction Title." Going down that column  
5 midway, there are certain names identified beginning  
6 with check number 1150, date June 4, 1986. The  
7 transaction title beginning there is E and F Cortese,  
8 C.O.R.T.E.S.E.

9 The next column identifies distribution  
10 account, personal. The check amount is \$2,000.  
11 There are actually, following E and F Cortese, the  
12 next 11 or 12 items following that are the ones that  
13 we are concerned about here. Each of those items is  
14 identified as personal and each has a check amount of  
15 \$2,000 or \$1,000 and then there is another for  
16 \$1,500.

17 Can you explain what is meant by  
18 "personal" on this form, Mr. Levitt?

19 A. Fifth Amendment.

20 Q. I am going to identify other persons who  
21 also coincide with names on this document, Exhibit  
22 Number 4. Sherry and Michael Newman.

23 A. Fifth--

24 MR. PASCARELLA: There is no question  
25 there.

9 3 0 9 1 2 3 2

1 Q. Can you identify who these individuals  
2 are, Mr. Levitt? Can you identify who Sherry and  
3 Michael Newman are?

4 A. Fifth Amendment.

5 Q. Did Sherry Newman or Michael Newman work  
6 for you in 1986?

7 A. Fifth Amendment.

8 Q. Is Michael Newman Sherry Newman's son?

9 A. Fifth Amendment.

10 Q. Adrienne J. Walters and Jennifer D.  
11 Flynn.

12 Can you identify these individuals?

13 A. Fifth Amendment.

14 Q. Did Adrienne Walters or Jennifer Flynn  
15 work for you in 1986?

16 A. Fifth Amendment.

17 Q. Is Jennifer Flynn Ms. Walters' daughter?

18 A. Fifth Amendment.

19 Q. Stanley and Fanny Ogenowski. Can you  
20 identify these individuals?

21 A. Fifth Amendment.

22 Q. Did Stanley or Fanny Ogenowski work for  
23 you in 1986?

24 A. Fifth Amendment.

25 Q. Are they husband and wife?

9304091233

1 A. Fifth Amendment.

2 Q. Harold and Marilyn Kellman. Can you  
3 identify these individuals?

4 A. Fifth Amendment.

5 Q. Did Harold or Marilyn Kellman work for you  
6 in 1986?

7 A. Fifth Amendment.

8 Q. Are they husband and wife?

9 A. Fifth Amendment.

10 Q. Edward and Frieda Cortese. Can you  
11 identify these individuals?

12 A. Fifth Amendment.

13 Q. Did either of them work for you in 1986?

14 A. Fifth Amendment.

15 Q. To your knowledge, are they husband and  
16 wife?

17 A. Fifth Amendment.

18 Q. Ralph M. and Joan Della Ratta. Can you  
19 identify these individuals?

20 A. Fifth Amendment.

21 Q. Did either of them work for you in 1986?

22 A. Fifth Amendment.

23 Q. To your knowledge, are they husband and  
24 wife?

25 A. Fifth Amendment.

9303091234

1 Q. Edward G. and Michelle Donnelly. Can you  
2 identify these individuals?

3 A. Fifth Amendment.

4 Q. Did they work for you in 1986?

5 A. Fifth Amendment.

6 Q. To your knowledge, are they husband and  
7 wife?

8 A. Fifth Amendment.

9 Q. Lou and Lisette Stern. Can you identify  
10 these individuals?

11 A. Fifth Amendment.

12 Q. Did they work for you in 1986?

13 A. Fifth Amendment.

14 Q. To your knowledge, are they husband and  
15 wife?

16 A. Fifth Amendment.

17 Q. Nicole Levitt, can you identify who  
18 she--you already identified her as your daughter. Is  
19 that correct?

20 MR. PASCARELLA: That question has been  
21 asked and answered. Are you asking it in regard to a  
22 different context with regard to this exhibit?

23 MS. ROBINSON: Yes.

24 A. Fifth Amendment.

25 Q. Did Nicole Levitt work for you in 1986?

9304091235

1 A. Fifth Amendment.

2 Q. Gaby Levitt, in connection with this  
3 exhibit, can you identify who she is?

4 A. Fifth Amendment.

5 Q. Did Gaby Levitt work for you in 1986?

6 A. Fifth Amendment.

7 Q. Simone Levitt. Did Simone Levitt work for  
8 you in 1986?

9 A. Fifth Amendment.

10 Q. With regard to all of the above-named  
11 individuals--and if I need to go back and name some  
12 specifically, I would like you to answer this series  
13 of questions.

14 Do you understand?

15 A. Yes.

16 Q. Did you tell or ask any of the above-named  
17 individuals to contribute to the Biden 1990 campaign?

18 A. Fifth Amendment.

19 Q. Did you ask any of the above-named  
20 individuals to attend the fund-raiser on June 2,  
21 1986?

22 A. Fifth Amendment.

23 Q. Did you ask either individual to  
24 contribute \$1,000 in their name and \$1,000 in the  
25 name of another family member to the Biden Committee

930 1236

1 in 1986?

2 A. Fifth Amendment.

3 Q. Did you receive such contributions from  
4 these individuals?

5 A. Fifth Amendment.

6 Q. Did these individuals give you a check  
7 made out to the Biden Committee in 1986 in response  
8 to your requests that they contribute?

9 A. Fifth Amendment.

10 Q. These individuals gave you such  
11 contribution; what did you do with it?

12 A. Fifth Amendment.

13 Q. Did you pass this money on to the Biden  
14 Campaign Committee?

15 A. Fifth Amendment.

16 Q. What date did you pass the funds on? To  
17 the Biden Campaign Committee?

18 A. Fifth Amendment.

19 Q. I have a document that I will have the  
20 court reporter mark as Exhibit 5. I will let you and  
21 your attorney look at it.

22 (Commission Exhibit No. 5 was so  
23 marked for identification.)

24 Q. Let me know when you are ready, Mr.  
25 Levitt.

930 09 1237

1 A. What?

2 Q. Let me know when you are ready.

3 A. I am ready.

4 MR. PASCARELLA: Look at the rest of  
5 this.

6 (Witness and counsel confer.)

7 Q. Have you ever seen a document like this  
8 before, Mr. Levitt?

9 A. Fifth Amendment.

10 Q. This is a financial disclosure report that  
11 has to be filed with the Federal Election Commission  
12 on a periodic basis by federal campaign committees.  
13 This particular report was filed by Citizens for  
14 Biden Committee 1990 on July--it is dated July 29,  
15 1986. It covers the period from January 1, 1986 to  
16 June 30, 1986.

17 Going forward to page--and I would note  
18 they are not numbered sequentially within the  
19 document itself. This is only a portion of the  
20 report that was filed.

21 MR. PASCARELLA: We will count from the  
22 first page of the exhibit.

23 MS. ROBINSON: Correct.

24 Q. Going forward to page 3, the Biden  
25 Committee reports receipt of a \$1,000 contribution on

930 909 1238

1 June 1, 1986 from a Edward Cortese and a \$1,000  
2 contribution received on June 2, 1986, from Frieda  
3 Cortese.

4 Are these contributions ones that were  
5 passed on from you to the Biden Committee?

6 A. Fifth Amendment.

7 Q. Were these contributions given to you in  
8 connection with your request that the Corteses  
9 contribute to the Biden Committee?

10 A. Fifth Amendment.

11 Q. Going forward to page 4 of the exhibit, we  
12 have a contribution reported as received from Joan  
13 Della Ratta. This is midway down the page. It is in  
14 the amount of \$1,000; and Ralph Della Ratta in the  
15 amount of \$1,000, both received on June 2, 1986.

16 Do you have any knowledge about those  
17 contributions, Mr. Levitt?

18 A. Fifth Amendment.

19 Q. Were these contributions made in  
20 connection with the fund-raiser and your request that  
21 certain people contribute to the Biden Committee in  
22 June of 1986?

23 A. Fifth Amendment.

24 Q. The following page identifies, midway,  
25 contributions of \$1,000 each from Edward Donnelly and

930 09 1239

1 Michelle Donnelly.

2 Do you have any knowledge about those  
3 contributions?

4 A. Fifth Amendment.

5 Q. Are these contributions at all connected  
6 with your request that certain individuals contribute  
7 to the Biden Campaign Committee?

8 A. Fifth Amendment.

9 Q. The following page identifies a  
10 contribution of \$1,000 from Jennifer Flynn at the  
11 top, received on June 2, 1986.

12 Is this contribution in connection with  
13 your request for receipt of a \$1,000 contribution to  
14 the Biden campaign in 1986?

15 A. Fifth Amendment.

16 Q. I would go forward to page 10 of the  
17 exhibit. The top heading is page 38 of 75.

18 MR. PASCARELLA: I was going to suggest,  
19 they do have a page, though not in sequence.

20 Q. At the bottom of that page there are two  
21 contributions identified, one from Ava Lampel for  
22 \$1,000, one from Steven Lampel for \$1,000, both  
23 received on June 2, 1986.

24 Do you have any knowledge about those two  
25 contributions, Mr. Levitt?

10

9308091240

1 A. Fifth Amendment.

2 Q. Are those two contributions, were they  
3 made in connection with your request that individuals  
4 contribute to the Biden campaign in 1986 and attend a  
5 fund-raiser held in June 1986?

6 A. Fifth Amendment.

7 Q. The following page, 40 of 75, there are  
8 three contributions, each identified separately,  
9 \$1,000 each from Gaby Levitt, Nicole Levitt and  
10 Simone Levitt.

11 Then there is--do you have any knowledge  
12 about those three contributions, Mr. Levitt?

13 A. Fifth Amendment.

14 Q. Were these contributions made in  
15 connection with your request that individuals  
16 contribute to the Biden Committee and attend the  
17 fund-raiser in 1986?

18 A. Fifth Amendment.

19 Q. Following that is a contribution, William  
20 J. Levitt. Is that you, Mr. Levitt?

21 A. Fifth Amendment.

22 Q. The address is identified as La Colline,  
23 C.O.L.L.I.N.E., Oyster Bay Road, Mill Neck, New York.

24 Does that identify your address, previous  
25 address, Mr. Levitt?

9308091241

1 A. Fifth Amendment.

2 Q. Did you make a \$1,000 contribution to the  
3 Biden campaign on June 2, 1986?

4 A. Fifth Amendment.

5 Q. The following page, 49 of 75, identifies a  
6 contribution received on June 2nd from Michael Newman  
7 and another contribution of \$1,000 received on June  
8 2nd from Sherry Newman.

9 Were those contributions made in  
10 connection with your request that individuals  
11 contribute to the Biden Committee in 1986?

12 A. Fifth Amendment.

13 Q. Were they made in connection with the  
14 fund-raiser held on June 2, 1986, for the Biden  
15 Committee?

16 A. Fifth Amendment.

17 Q. Following page, 50 of 75, identifies  
18 \$1,000 contributions each from Fanny Ogenowski and  
19 Stanley Ogenowski received on June 2, 1986.

20 Do you have any knowledge about those  
21 contributions?

22 A. Fifth Amendment.

23 Q. Were those contributions made in  
24 connection with your request that individuals  
25 contribute to the Biden Committee in 1986?

9308091242

1 A. Fifth Amendment.

2 Q. Were they made in connection with a  
3 fund-raiser held on June 23, 1986?

4 A. Fifth Amendment.

5 Q. Page 67 of 75 identifies \$1,000  
6 contributions each from Lisette Stern and Lou Stern  
7 received on June 2, 1986.

8 Were these contributions made in  
9 connection with your request that individuals  
10 contribute to the Biden Committee in 1986?

11 A. Fifth Amendment.

12 Q. Were they made in connection with the  
13 fund-raiser held on June 2, 1986?

14 A. Fifth Amendment.

15 Q. Page 70 of 75 identifies a contribution of  
16 \$1,000 from Adrienne Walters made on June 2, 1986.

17 Was this contribution made in connection  
18 with your request that individuals contribute to the  
19 Biden Committee in 1986?

20 A. Fifth Amendment.

21 Q. Was it made in connection with a  
22 fund-raiser held on June 2, 1986?

23 A. Fifth Amendment.

24 Q. I would refer you back to Exhibit 4, page  
25 3. The checks that were written to E. and F.

9308091243

1 Cortese, R. and J. Della Ratta, E. and M. Donnelly,  
2 H. and M. Kellman, S. and A. Lampel, Gaby Levitt,  
3 Nicole Levitt, M. and S. Newman, S. and F. Ogenowski,  
4 L. and L. Stern, Adrienne Walters, Jennifer D.  
5 Flynn; were these checks made on the Rowenroy account  
6 to these individuals as reimbursements for their  
7 contributions to the campaign of Mr. Biden--Mr.  
8 Biden's Campaign Committee in 1986?

9 A. Fifth Amendment.

10 Q. Did you authorize Rowenroy, Ltd. to issue  
11 these checks to these individuals in 1986?

12 A. Fifth Amendment.

13 Q. Who signed the checks identified here on  
14 the Rowenroy account?

15 A. Fifth Amendment.

16 Q. Did Mr. Ogenowski have authority to sign  
17 checks?

18 A. Fifth Amendment.

19 Q. Did you reimburse individuals for their  
20 contributions to the Biden Campaign Committee in  
21 1986?

22 A. Fifth Amendment.

23 Q. I would like to take a short break.

24 (Brief recess.)

25 Q. I would like to have the court reporter

9303091244

1 mark this next document Exhibit 6. Here is a copy  
2 for you and your attorney to review.

3 (Commission Exhibit No. 6 was so  
4 marked for identification.)

5 Q. Are you ready, Mr. Levitt?

6 A. Yes.

7 Q. Have you ever seen this? This document is  
8 two pages and the copy of the front and back of a  
9 check written on Rowenroy, Ltd. account at Chase  
10 Manhattan Bank. It is made payable to Gaby Levitt,  
11 dated June 4, 1986, in the amount of \$1,000, check  
12 number 1155. It is signed by Stanley Ogenowski.

13 Have you ever seen this check?

14 A. Fifth Amendment.

15 Q. Did you authorize the issuance of this  
16 check?

17 A. Fifth Amendment.

18 Q. Did you authorize or approve or instruct  
19 Stanley Ogenowski to write this check?

20 A. Fifth Amendment.

21 Q. Did you issue similar checks on the same  
22 account number? It appears to be Rowenroy,  
23 Ltd. account.

24 Did you issue or approve that other checks  
25 be issued to individuals discussed above from this

930810961245

1 account?

2 A. Fifth Amendment.

3 Q. Was this check intended as a reimbursement  
4 for the contribution of \$1,000 that Gaby Levitt made  
5 to the Biden Committee campaign?

6 A. Fifth Amendment.

7 Q. Were other, similar checks written on a  
8 Rowenroy account to individuals discussed previously,  
9 issued as reimbursements for contributions these  
10 individuals made to the Biden Campaign Committee of  
11 in 1986?

12 A. Fifth Amendment.

13 Q. To your knowledge, did Mr. Shaw or Mr.  
14 Boyarsky know any of the individuals we previously  
15 discussed?

16 A. Fifth Amendment.

17 Q. Do you know in what capacity Mr. Shaw or  
18 Mr. Boyarsky may have known any of these individuals?

19 A. Fifth Amendment.

20 Q. Do you know how long he may have known any  
21 of these individuals?

22 A. Fifth Amendment.

23 Q. Do you know Susan Gerber?

24 A. Fifth Amendment.

25 Q. Do you know Lucille Lamberti?

930 1246

1 A. Fifth Amendment.

2 Q. Did either of these individuals make a  
3 contribution to the Biden Committee in 1986?

4 A. Fifth Amendment.

5 Q. Did you ask either of those two to  
6 contribute to the Biden Committee in 1986?

7 A. Fifth Amendment.

8 Q. Did you reimburse them for any  
9 contribution they may have made to the Biden  
10 Committee in 1986?

11 A. Fifth Amendment.

12 Q. I will have the court reporter mark this  
13 next one-page document as Exhibit 7. Here is a copy  
14 for you and your attorney.

15 (Commission Exhibit No. 7 was so  
16 marked for identification.)

17 Q. This one-page document appears to be  
18 written on the stationery of William J. Levitt,  
19 address, Greenvale, New York 11548. It is dated,  
20 3/7, addressed to Edward Cortese, and it is signed by  
21 "Bill."

22 Have you seen this document before, Mr.  
23 Levitt?

24 A. Fifth Amendment.

25 Q. Is that your signature on the document?

9308091247

1 A. Fifth Amendment.

2 Q. The content of the letter is one  
3 paragraph, which briefly states that Ed, Mr. Cortese,  
4 would be receiving two checks refunding contributions  
5 from the Biden campaign. The final sentence says,  
6 "Please endorse them and send them back to me."

7 How did you learn that the Biden Committee  
8 would be reimbursing contributions to Mr. Cortese?

9 A. Fifth Amendment.

10 Q. Did Mr. Shaw or Mr. Boyarsky inform you  
11 that the Biden Committee would be refunding these  
12 contributions?

13 A. Fifth Amendment.

14 Q. To your knowledge, did other individuals  
15 discussed previously in this deposition receive  
16 reimbursements from the Biden Committee?

17 A. Fifth Amendment.

18 Q. Did you also request that those other  
19 individuals refund or endorse the checks and send  
20 them to you?

21 A. Fifth Amendment.

22 Q. Did you ask these other individuals,  
23 through a letter such as the one on Exhibit 7, or did  
24 you ask individuals, by telephone or personally, to  
25 endorse checks of refunds from the Biden Committee

9304091248

1 over to you?

2 A. Fifth Amendment.

3 Q. Did you receive any such checks from any  
4 of the individuals discussed previously?

5 A. Fifth Amendment.

6 Q. If you received such checks, did you then  
7 deposit them in your own account, or what did you do  
8 with them?

9 A. Fifth Amendment.

10 Q. Did you receive a letter from the  
11 Department of Law, New York Department of Law, asking  
12 that any refunds received from the Biden Committee be  
13 forwarded to their office?

14 A. Fifth Amendment.

15 MR. PASCARELLA: When you say Department  
16 of Law of New York, do you mean the Attorney  
17 General's Office of the State of New York Department  
18 of Law?

19 MS. ROBINSON: Yes.

20 THE WITNESS: Fifth Amendment.

21 Q. Do you know if any of the above-named or  
22 previously discussed individuals received such a  
23 letter from the New York attorney?

24 A. Fifth Amendment.

25 Q. Did you return any of the refunds to the

9 3 0 X 059 1 2 4 9

1 New York Department of Law?

2 A. Fifth Amendment.

3 Q. Do you know if any of these other  
4 individuals returned any of the refunds from the  
5 Biden Committee to the Department of Law?

6 A. Fifth Amendment.

7 Q. Off the record.

8 (Discussion held off the record.)

9 Q. I would remind you, Mr. Levitt, that the  
10 confidentiality provisions of 2 USC Section 437 GA  
11 apply with regard to this investigation, and that it  
12 will be made public upon the closing of this matter,  
13 and until such time as that happens and you're  
14 notified, it is to be held confidential.

15 I would also remind you this is a civil  
16 proceeding and acknowledge once again for the record  
17 you have invoked your Fifth Amendment privilege. If  
18 you or your attorney would like an opportunity to  
19 state for the record why that privilege has been  
20 invoked here, that can be done at this time.

21 MR. PASCARELLA: Well, we are not going  
22 to go into the details as to why. We have had some  
23 discussions with regard to that, as I have with other  
24 members of the Federal Election Commission staff. I  
25 anticipate and hope that sometime in the near future

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1 we will be able to sit down in conference and work  
2 further in trying to resolve the matter. I would  
3 like to do that.

4 You may want to--or whosoever after this  
5 may want to reconsider the position and we can get  
6 together and hopefully do that. Again, I would like  
7 to emphasize on the record that with regard to a  
8 number of the questions, there would have been bases  
9 for objection, some of them technical. They are not  
10 waived but we retain all our bases for objections. I  
11 simply thought it was not necessary to go into the  
12 objections since the Fifth Amendment privilege was  
13 claimed in answer to various of those questions.

14 MS. ROBINSON: Are you going to waive  
15 signature of the transcript of the deposition or  
16 would you--

17 MR. PASCARELLA: We would like to review  
18 it.

19 MS. ROBINSON: All right.

20 I also have, pursuant to the Act, a  
21 witness fee in the amount of \$34.50. That was based  
22 on--

23 MR. PASCARELLA: \$30 plus 21 cents a  
24 mile?

25 MS. ROBINSON: That is based on Mr.

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1 Levitt's current address in New York; witness fee and  
2 mileage.

3 THE WITNESS: Thank you very much.

4 MS. ROBINSON: This is a continuing  
5 deposition. I will not adjourn it. I am not certain  
6 at this time if we will want to request Mr. Levitt  
7 again, so we will just adjourn and not terminate the  
8 deposition.

9 (TIME NOTED: 11:45 A.M.)

10 \_\_\_\_\_

11 Subscribed and sworn to  
12 before me this \_\_\_\_\_ day  
13 of \_\_\_\_\_, 1989

14 \_\_\_\_\_

15 Notary Public

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C E R T I F I C A T I O N

I, Debra Stevens, a Shorthand Reporter and notary public, within and for the State of New York, do hereby certify:

That WILLIAM J. LEVITT, the witness whose examination is hereinbefore set forth, was first duly sworn by me, and that transcript of said testimony is a true record of the testimony given by said witness.

I further certify that I am not related to any of the parties to this action by blood or marriage, and that I am in no way interested in the outcome of this matter.

IN WITNESS WHEREOF, I have hereunto set my hand this 12 day of August, 1989.

*Debra Stevens*

Debra Stevens,

Shorthand Reporter

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OGC 6558

EDWARD G DONNELLY  
9 PRIORY CT  
MELVILLE, NY 11747

RECEIVED  
FEDERAL ELECTION COMMISSION  
MAIL ROOM

90 MAR -1 AM 9:43

Feb 26, 1990

Ms Susan Beard, Esq  
Federal Election Commission  
Washington, DC 20463

Dear Ms Beard:

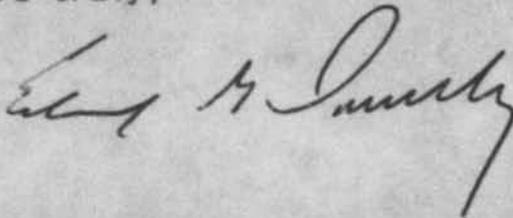
Re- MUR 2576/Edward G Donnelly

Please be advised that Mr & Mrs Edward G Donnelly have ceased being represented by James Pascarella, Esq since Aug 8, 1989. Therefore, kindly direct any correspondence directly to me at the above address.

In the event that there has been communication with Mr Pascarella regarding us since the above referenced date, please call me, since it was unauthorized. Please forward duplicates of any written material that might have gone between Mr Pascarella and your office since that date.

I will be represented by new counsel, to be appointed when appropriate.

Yours truly,



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RECEIVED  
FEDERAL ELECTION COMMISSION  
OFFICE OF THE CHIEF COUNSEL

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FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

January 10, 1991

**CERTIFIED MAIL  
RETURN RECEIPT REQUESTED**

Adrienne J. Walters  
51 Friends Lane  
Westbury, New York 11590

RE: MUR 2576  
Adrienne J. Walters

Dear Ms. Walters:

On February 1, 1988, the Federal Election Commission found that there is reason to believe you violated 2 U.S.C. § 441f, a provision of the Federal Election Campaign Act of 1971, as amended ("the Act"). This violation regards contributions which you made to Citizens for Biden - 1990 on June 2, 1986.

This Office received your response to the Commission's findings, dated February 16, 1988. Your answers to the Commission's interrogatories, dated April 3, 1988, have also been received.

In furtherance of the investigation into this matter, you are now requested to submit an answer in writing and under oath to the following question within 15 days of your receipt of this letter:

**QUESTION:** Identify the person or persons who endorsed the \$1,000 check from Rowenroy, Ltd., made payable to Jennifer Flynn, dated June 4, 1986.

If you are interested in pursuing pre-probable cause conciliation, you should so request in writing. See 11 C.F.R. § 111.18(d). Otherwise, the Commission may find probable cause to believe that a violation has occurred and proceed with conciliation. Upon receipt of a request for pre-probable cause conciliation, 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. Further, the Commission will not entertain requests for pre-probable cause conciliation after briefs on probable cause have been mailed to the respondent.

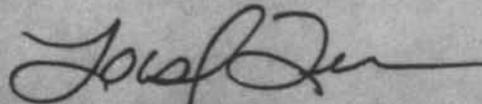
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MUR 2576  
Walters  
Page Two

If you have any questions, please contact John Canfield,  
the attorney assigned to this matter, at (202)376-8200 or  
(800)424-9530.

Sincerely,

Lawrence M. Noble  
General Counsel



BY: Lois G. Lerner  
Associate General Counsel

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91 JAN 25 PM 5:20

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of )  
 )  
 William J. Levitt )  
 Rowenroy, Ltd. )  
 Simone Levitt )  
 Nicole Levitt )  
 Gaby Levitt )  
 Stephen Lampel )  
 Ava Lampel )  
 Harold Kellman )  
 Marilyn Kellman )  
 Edward Cortese )  
 Frieda Cortese )  
 Stanley Ogonowski )  
 Fanny Ogonowski )  
 Lou Stern )  
 Lisette Stern )  
 Edward Donnelly )  
 Michelle Donnelly )  
 Ralph Della Ratta )  
 Joan Della Ratta )

**SENSITIVE**

MUR 2576

GENERAL COUNSEL'S REPORT

I. BACKGROUND

This matter was referred to the Commission by the State of New York Department of Law, Charities Bureau, on September 25, 1987. On February 1, 1988, the Commission found reason to believe that William J. Levitt knowingly and willfully violated 2 U.S.C. § 441b and § 441f of the Act. The Commission also found reason to believe that Rowenroy, Ltd., knowingly and willfully violated 2 U.S.C. § 441b, § 441f and § 441e. The Commission further found reason to believe that the following individuals violated 2 U.S.C. § 441f: Simone Levitt, Nicole Levitt, Gaby Levitt, Stephen Lampel, Ava Lampel, Harold Kellman, Marilyn Kellman, Edward Cortese, Frieda Cortese, Stanley Ogonowski, Fanny

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Ogonowski, Lou Stern, Lisette Stern, Edward Donnelly, Michelle Donnelly, Ralph Della Ratta, Joan Della Ratta, Sherry Newman, Michael Newman, Adrienne Walters and Jennifer Flynn.<sup>1</sup> The Commission also approved a subpoena for the deposition of William Levitt.

Twenty-one of the above-named respondents requested Pre-Probable Cause conciliation. On May 17, 1988, the Commission declined to enter into Pre-Probable Cause conciliation with the respondents, pending further investigation. The Commission also approved a Subpoena to Produce Documents and an Order to Answer for Edward and Michelle Donnelly.

The depositions of Respondents Sherry Newman and Stephen Lampel were taken on June 15, 1988. On August 29, 1988, the subpoena for William Levitt's deposition was issued. The deposition was rescheduled several times at Mr. Levitt's request. Finally, Levitt failed to appear for his deposition on December 9, 1988.

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1. Sherry Newman was an employee of William Levitt, and Michael Newman is her minor son. Mrs. Newman was deposed and has requested Pre-Probable Cause conciliation. However, a question still remains unanswered regarding her endorsement of a reimbursement check, and this issue is still being investigated by this Office.

Adrienne Walters was also an employee of William Levitt, and Jennifer Flynn is her minor daughter. Neither Mrs. Walters nor her daughter have requested Pre-Probable Cause conciliation. A question also remains unanswered about her endorsement of a reimbursement check, and this issue is still being investigated by this Office.

After these remaining issues have been resolved, this Office will forward to the Commission the appropriate Reports and/or Briefs for these remaining respondents.

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The Commission approved authorization to file suit on January 24, 1989 to enforce William Levitt's deposition subpoena and the subpoena to produce documents and order to answer for Edward and Michelle Donnelly. The United States District Court for the Eastern District of New York issued its ruling on July 13, 1989, ordering William Levitt to appear for deposition within thirty days, and ordering Edward and Michelle Donnelly to answer interrogatories and produce documents.

William Levitt appeared for his deposition on August 7, 1989. However, he invoked his Fifth Amendment right against self-incrimination and refused to testify. Answers to Interrogatories were received that same day from Edward and Michelle Donnelly.

II. ANALYSIS

The Federal Election Campaign Act of 1971, as amended ("the Act"), provides that no person shall make a contribution in the name of another person or knowingly permit his name to be used to effect such a contribution, and no person shall knowingly accept a contribution made by one person in the name of another person. 2 U.S.C. § 441f. No person shall make a contribution in the name of another; or knowingly permit his or her name to be used to effect that contribution. 11 C.F.R. § 110.4(b)(1)(i) and (ii). The regulations also prohibit individuals from assisting in making contributions in the name of another. 11 C.F.R. § 110.4(b)(1)(iii).

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Under the Commission's regulations, a contribution in the name of another includes giving money or anything of value, all or part of which is provided to the contributor by another person without disclosing the source of the money or the thing of value to the recipient candidate or committee at the time the contribution is made. 11 C.F.R. § 110.4(b)(2)(i).

The provisions of the Act also provide that no corporation whatever shall make any contribution or expenditure in connection with any election for Federal office and that no political committee shall knowingly accept such a contribution or expenditure. No officer or director of a corporation may consent to the making of a prohibited contribution or expenditure. 2 U.S.C. § 441b(a). The Act defines "contribution or expenditure" to include payments or gifts of money. 2 U.S.C. § 441b(b)(2).

The Act provides that no person shall make contributions to any candidate or his authorized committee with respect to any election for Federal office which exceed \$1,000. 2 U.S.C. § 441a(a)(1)(A). Commission regulations in effect in 1986 provided that, absent evidence to the contrary, any contribution made by check shall be reported as a contribution by the last person signing the instrument prior to delivery to the candidate or committee. A contribution which represents contributions by more than one person shall indicate on the written instrument, or on an accompanying written statement signed by all the contributors, the amount to be attributed to each contributor. See 11 C.F.R. § 104.8(c) and (d) (1986).

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Pursuant to 2 U.S.C. § 441e, it is unlawful for a foreign national directly or through any other person to make any contribution of money or other thing of value in connection with an election to any political office. The term "foreign national" means a foreign principal as defined by 22 U.S.C. § 611(b). 2 U.S.C. 441e(b)(1) and 11 C.F.R. § 110.4(a). A foreign principal includes a partnership, association, corporation, organization, or other combination of persons organized under the laws of or having its principal place of business in a foreign country. 22 U.S.C. § 611(b)(3). See also Advisory Opinion 1977-53.

The Act addresses violations of the law which are knowing and willful in nature. See 2 U.S.C. § 437g(a)(5)(C) and § 437g(d). During the House debates on the Conference Report for the 1976 Amendments, Congressman Hayes stated that the phrase "knowing and willful" referred "to actions taken with full knowledge of all the facts and a recognition that the action is prohibited by law." 122 Cong. Rec. H3778 (daily ed. May 3, 1976). The knowing and willful standard has also been addressed by the courts. In Federal Election Commission v. John A. Dramesi for Congress Committee, 640 F. Supp. 985 (D.N.J. 1986), the court noted that the knowing and willful standard requires knowledge that one is violating the law.

A. William J. Levitt

William Levitt hosted a fundraising cocktail party on June 2, 1986 for the benefit of Senator Joseph Biden. Contributions to the fundraiser were \$1,000 per person. Levitt states in his

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affidavit that he was asked to host this event by Mr. Joel Boyarsky, a Biden supporter and a business associate of Levitt's whom Mr. Levitt believed would provide financing to help alleviate his business problems. Mr. Boyarsky was a member of Biden's Finance Committee. Levitt states in his affidavit that he felt compelled to host the fundraiser because "I could not help but feel that to host the fundraiser would be beneficial to me in obtaining the financing."

After agreeing to host the Biden fundraiser, Levitt states in his affidavit that he could not get enough people to attend the event. As a consequence, he decided to invite his employees (both past and present), as well as his family members and their spouses. Levitt also states in his affidavit that many of these employees and family members were either unable or unwilling to make the required \$1,000 per person contribution. Thus, to accommodate the hesitant invitees and yet make the fundraiser a success, Levitt states in his affidavit that he "handled the contribution problem" in several different ways. Levitt owed salary to several past and current employees for services rendered. Levitt approached each of these people and told them that if they (and their spouse) would contribute to the Biden fundraiser, he (Levitt) would decrease the amount of his indebtedness to them by an equal amount. With regard to his family members and their spouses, Levitt states in his affidavit that he asked them each to contribute to the fundraiser "with the prospect of giving additional gifts to them".

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The Biden fundraiser was held on June 2, 1986 at a suite in the Regency Hotel in New York City. Mr. and Mrs. Levitt were in attendance, along with their daughters Nicole and Gaby Levitt. Stephen Lampel, one of Mr. Levitt's accountants, stated that he also attended the fundraiser, along with Edward Donnelly (another Levitt accountant) and Sherry Newman (one of Levitt's secretaries). Mr. Levitt's attorney, Stanley Shaw, also attended the event along with Joel Boyarsky.

Twenty-one individuals other than Mr. Levitt are listed on the 1986 Mid-Year Report of the Citizens for Biden Committee-90 as having made \$1,000 contributions to the committee between May 31st and June 4th, 1986, around the time of the Levitt fundraiser on June 2, 1986.<sup>2</sup> In his affidavit, William Levitt acknowledges that he approached each of these people, or their spouse or parent, for a contribution to the Biden fundraiser. He also acknowledges that he made either a monetary gift or reduced his indebtedness to each person by a like amount after they made their contribution to the fundraiser.

2. These individuals include:

Edward Donnelly  
Michelle Donnelly  
Edward Cortese  
Frieda Cortese  
Ralph Della Ratta  
Joan Della Ratta  
Harold Kellman  
Marilyn Kellman  
Stephen Lampel  
Ava Lampel  
Adrienne Walters

Simone Levitt  
Nicole Levitt  
Gaby Levitt  
Sherry Newman  
Michael Newman  
Stanley Ogonowski  
Fanny Ogonowski  
Lou Stern  
Lisette Stern  
Jennifer Flynn

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A computer printout submitted to the Commission by the New York Department of Law shows financial transactions by Rowenroy, Ltd. ("Rowenroy"), a Bermuda corporation solely owned by William Levitt. This printout shows that checks were issued by Rowenroy to 20 of the 21 individuals Levitt asked to contribute to the Biden fundraiser. The one person missing from this printout is Levitt's wife, Simone Levitt. The amount of each check issued was \$1,000 per person (\$2,000 checks to married couples or parent/child combinations). Each check on the printout is dated June 4, 1986, only two days after the Biden fundraiser. Mr. Levitt submitted a sworn affidavit on behalf of Rowenroy, Ltd., as President of that corporation. Levitt states in that affidavit that he is the sole officer and director of the corporation, and he authorized all substantial checks drawn on the Rowenroy account.

In addition to the computer printout of Rowenroy transactions, the New York Department of Law also submitted to the Commission a copy of a letter addressed to Joel Boyarsky. The letter, dated August 18, 1986, is unsigned, but was produced to the New York Department of Law in response to a subpoena for the documents and records of William Levitt.<sup>3</sup> It is not clear

3. Because the unsigned letter was produced in response to a subpoena for the documents and records of William Levitt, it can be inferred that the author of the letter was in fact Mr. Levitt. The context of the letter is also consistent with Mr. Levitt's affidavit in that he was in the process of trying to obtain financing from Mr. Boyarsky.

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whether or not this letter was ever actually sent to Boyarsky.<sup>4</sup> The author of the letter refers to agreeing to host a cocktail party fundraiser for the Biden campaign at Boyarsky's request. The letter states:

"I could not muster sufficient people to hold the party that you wanted, and so I gathered office employees and a few others with the understanding that the \$1,000 contribution that each made would be refunded by me....I paid out \$22,000 in refunds, you welched on your agreement, and repeated requests for you to refund the \$22,000 that I expended have been ignored."

This \$22,000 figure referred to in the letter is consistent with the number of people and the amounts contributed to the Biden fundraiser at William Levitt's request. Levitt himself made a \$1,000 contribution to the Biden fundraiser, bringing the total to \$22,000 for 22 contributions. It is also consistent with the total amount of the checks issued by Rowenroy to those individuals two days after the Biden fundraiser (not including any checks for William Levitt and his wife, Simone).

Sworn affidavits or answers to interrogatories have been received by the General Counsel on behalf of each of the 21 individuals named above who gave contributions to the Biden fundraiser at William Levitt's request. The responses are very consistent. All the responses state that William Levitt approached each respondent in late May or early June of 1986 and

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4. Mr. Boyarsky states in his response to interrogatories that he had no knowledge that Mr. Levitt was reimbursing people for their contributions to the Biden fundraiser, and that the Biden committee refunded those contributions once it learned of the alleged reimbursements.

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asked for a \$1,000 contribution (or \$2,000 in the cases of husband/wife or parent/child) to the Biden fundraiser. Each person also acknowledges that there was always some type of understanding or agreement that William Levitt would convey to that person or couple a like amount of money in the very near future. In the case of family members, the affidavits or responses state that William Levitt made clear his intention to give a monetary gift in the same amount as the requested contribution; however, these family members deny that these payments were "reimbursements". In the cases of certain employees to whom Levitt owed money, they state that Levitt asked for the contributions and then promised in return to reduce his amount of indebtedness to those people by the same amount. One employee, Stanley Ogonowski, stated that he was promised and paid a \$2,000 "bonus" after making a \$2,000 contribution on behalf of himself and his wife. As to certain employees to whom Levitt did not owe money, Adrienne Walters (and daughter Jennifer Flynn), Stephen Lampel (and wife Ava), and Sherry Newman (and son Michael Newman), their responses state that Levitt promised to reimburse them for their contributions. All of the 21 people who made contributions at Levitt's request, with the exception of his wife Simone, received checks from Rowenroy two days after the Biden fundraiser.

Stephen Lampel was employed as William Levitt's accountant from October of 1985 until September of 1986. Lampel states that Levitt approached him and told him that he wanted Lampel and his wife to each make a \$1,000 contribution to the Citizens for

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Biden Committee, and that Levitt would give him his money back. Lampel further states that Levitt approached everyone who worked in the office, and that the people in the office discussed whether or not they should give the requested contributions because Levitt was having financial problems and the employees questioned whether Levitt would actually be able to make the promised reimbursements. Lampel stated that he felt his job was in jeopardy if he did not make the contribution. Mr. Lampel gave Levitt two \$1,000 checks payable to the Biden Committee. Lampel then states that he and his wife were later reimbursed by a check drawn on the Rowenroy account.

Sherry Newman was employed by Levitt from February of 1985 until August of 1986. She states that Levitt came to her and said he needed her to write a \$1,000 check payable to the Biden Committee and that she would be reimbursed for it. She wrote the check and gave it to Levitt. The next day, she recalls, Levitt approached her again and asked for another \$1,000 contribution on behalf of her son, Michael.<sup>5</sup> Mrs. Newman followed Levitt's instructions, and she subsequently received a \$2,000 check from Rowenroy as reimbursement for her contributions.

Edward Donnelly was also employed as William Levitt's accountant. Edward Donnelly and his wife, Michelle, each made a \$1,000 contribution to the Biden Committee at William Levitt's request. In his response to the Commission's interrogatories, Donnelly states that he was not reimbursed for either his or his

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5. Michael Newman was under eighteen years of age in 1986.

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wife's contributions to the Biden fundraiser. His response states that the funds which were paid to him by Mr. Levitt on a Rowenroy check were actually a "partial pay-down" of monies owed to him by Levitt. However, Mr. Donnelly gave contradictory testimony in a 1987 deposition to the Attorney General of New York regarding Mr. Levitt. In that deposition, Donnelly said that Levitt had agreed to host the fundraiser for Biden but could not get enough people to attend. Donnelly also said that Levitt asked people in the office to give \$1,000, and he (Levitt) said he would reimburse them for it. Mr. Donnelly also identified the \$2,000 check listed on the Rowenroy printout as being the "reimbursement" for the contributions he and his wife made to the Biden fundraiser.

Upon learning that the contributions may have been in violation of the Act, the Biden committee returned the \$1,000 contributions to the 21 individuals in August, 1987. Meanwhile, the State of New York had obtained an eleven million dollar consent judgment against William Levitt whereby he agreed to repay funds which were allegedly diverted from the Levitt Foundation, the family's charitable trust, for personal use. The New York Department of Law is also involved in a lawsuit concerning a purported four million dollar loan from the Levitt Foundation to Rowenroy, Ltd. As a result of these suits, the New York Department of Law sent letters to each of the 21 contributors in this matter in September of 1987 advising each individual that the funds used by Levitt to reimburse their contributions had actually come from the Levitt charitable trust.

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The letter asked that the refund from the Biden committee be sent to the Department of Law so that it could be returned to the Levitt Foundation.

In response to this letter, Mr. Levitt himself sent letters to each of the contributors regarding the Biden refunds. In this letter, Levitt asks each individual to endorse the Biden refund check and return it to Levitt. While Levitt states in his affidavit that it was his intent to collect these funds and then return them to the New York Department of Law, there is no indication of this in the letters he sent to the individual contributors.

Even without his direct testimony, the evidence is clear that William Levitt solicited 21 contributions in the amount of \$1,000 each to the Biden Committee, and then issued reimbursements for those contributions through Rowenroy, Ltd. While Levitt and his family members and associates have characterized the payments as "gifts", "bonuses", or "reductions in indebtedness", the simple fact remains that William Levitt solicited contributions while at the same time agreeing to provide compensation in a like amount to each contributor. The contributions were then made in the names of the 21 individuals, and the reimbursement payments were made two days after the fundraiser on Rowenroy, Ltd. checks. As the sole corporate officer, Levitt approved the issuance of these corporate reimbursement checks. Mr. Levitt's own affidavit supports the finding that he solicited and made contributions in violation of the Act, and he refused in his deposition to produce any evidence

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to the contrary. After these contributions were refunded by the Biden committee to the individual contributors, Levitt attempted to retrieve these funds by sending letters asking that the refund checks be endorsed and sent back to him.

The totality of these circumstances indicates that these actions by William Levitt were conducted in a knowing and willful manner. William J. Levitt has knowingly and willfully violated 2 U.S.C. § 441f by making contributions in the names of other persons. William J. Levitt, as an officer of Rowenroy, Ltd., has also violated 2 U.S.C. § 441b by knowingly and willfully consenting to the use of corporate funds for contributions. Mr. Levitt has requested pre-probable cause conciliation.

B. Rowenroy, Ltd.

Rowenroy Ltd. is a foreign corporation organized under the laws of Bermuda. William J. Levitt is the owner and president of Rowenroy. Mr. Levitt, in an affidavit submitted to the Commission on behalf of Rowenroy, states that he is the sole officer and director of the corporation. Levitt also states that he authorizes the disbursement of all substantial corporate checks.

A computer printout submitted to the Commission by the New York Department of Law shows financial transactions by Rowenroy, Ltd. This printout shows that checks were issued by Rowenroy to 20 of the 21 individuals Levitt asked to contribute to the Biden fundraiser. The one person missing from this printout is Levitt's wife, Simone Levitt. The amount of each check issued

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was \$1,000 per person (\$2,000 checks to married couples and one parent/child combination). Each check on the printout is dated June 4, 1986, only two days after the Biden fundraiser.

The evidence is clear that William Levitt solicited 21 contributions in the amount of \$1,000 each to the Biden Committee, and then issued reimbursements for 20 of those contributions through Rowenroy, Ltd. While Levitt and his family members and associates have characterized the payments as "gifts", "bonuses", or "reductions in indebtedness", the simple fact remains that William Levitt solicited contributions while at the same time agreeing to provide compensation in a like amount to the contributor. The contributions were then made in the names of the 21 individuals, and the reimbursement payments were made two days after the fundraiser on Rowenroy, Ltd. checks. As the sole corporate officer, Levitt approved the issuance of these corporate reimbursement checks. Mr. Levitt's own affidavit supports the finding that he solicited and made contributions in violation of the Act, and he refused in his deposition to produce any evidence to the contrary. After these contributions were refunded by the Biden committee to the individual contributors, Levitt attempted to retrieve these funds by sending letters asking that the refund checks be endorsed and sent back to him.

William Levitt, as sole officer and director of Rowenroy, knowingly and willfully made contributions in the names of other persons in violation of 2 U.S.C. § 441f. By using funds from Rowenroy to make reimbursements for those contributions, corporate funds were used in violation of 2 U.S.C. § 441b.

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Because Rowenroy is a foreign corporation, the provisions of 2 U.S.C. § 441e have also been violated. The totality of these circumstances also indicate that these actions by William Levitt were conducted in a knowing and willful manner. As the sole officer and director of Rowenroy, the actions of William Levitt are properly attributed back to the corporation itself. The provisions of the Act specifically envision corporate liability for violations of the Act due to the actions of corporate officers or directors. Therefore, Rowenroy, Ltd., knowingly and willfully violated 2 U.S.C. § 441f, § 441b, and § 441e. Rowenroy, Ltd., has requested pre-probable cause conciliation.

C. Simone Levitt

Simone Levitt is the wife of William J. Levitt. In her affidavit, Simone Levitt states that she was approached by William Levitt on or about June 2, 1986, for a contribution to the Biden fundraiser. At that same time, Mrs. Levitt states, her husband "made clear his intention" to give her a monetary gift. Mrs. Levitt made the requested \$1,000 contribution to the Biden committee and attended the event with her husband.

Simone Levitt is listed on the 1986 Mid-Year Report of the Citizens for Biden Committee-90 as having made a \$1,000 contribution to the committee on June 2, 1986, the same date as the Biden fundraiser hosted by William Levitt. In his affidavit, William Levitt acknowledges that he approached his wife for a contribution to the Biden fundraiser. He also states that it was his intention to give her an additional monetary gift when he asked her to make the contribution.

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A computer printout submitted to the Commission by the New York Department of Law shows the financial transactions of Rowenroy, Ltd. ("Rowenroy"), a Bermuda corporation solely owned by William Levitt. This printout shows that checks in the amount of \$1,000 (or \$2,000 in the cases of husband/wife and one parent/child combination) were issued by Rowenroy to 20 individuals whom William J. Levitt solicited for contributions to the Biden fundraiser. These checks were issued on June 4, 1986, two days after the fundraising event. However, the Rowenroy records do not disclose any payment in the amount of \$1,000 to Simone Levitt. It appears that Mrs. Levitt was the only individual who was solicited for a contribution by William J. Levitt but was not subsequently reimbursed by Rowenroy, Ltd.

Simone Levitt has denied in her affidavit that she was reimbursed for her contribution to the Biden fundraiser. The records of Rowenroy, Ltd., do not indicate that any reimbursement was paid to her following the event. The evidence available to the Commission at this time does not demonstrate that any reimbursement was paid to Mrs. Levitt for her contribution. Therefore, the General Counsel recommends that the Commission take no further action against Simone Levitt and close the file as it pertains to her.

D. Nicole Levitt and Gaby Levitt

Nicole Levitt and Gaby Levitt are both daughters of William Levitt. In their affidavits, both women state that their father solicited them for \$1,000 contributions to the Biden fundraiser on or about June 2, 1986, and at the same time made clear his

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intention to give them "a monetary gift". Each woman made the requested contribution and attended the event with their father.

In his affidavit, William Levitt admits that he asked his daughters to make \$1,000 contributions to the fundraiser "with the prospect of giving additional gifts" to each of them.

The computer printout of transactions by Rowenroy, Ltd., indicates that \$1,000 checks were issued to Nicole and Gaby Levitt on June 4, 1986, two days after the Biden fundraiser. These funds represent reimbursement of the contributions made by Nicole and Gaby Levitt. Nicole and Gaby Levitt have each violated 2 U.S.C. § 441f by knowingly allowing their names to be used to effect contributions in the name of another person and by accepting reimbursement for those contributions. Both Nicole and Gaby Levitt have requested pre-probable cause conciliation.

E. Stephen and Ava Lampel

Stephen Lampel was employed by William Levitt in 1986. Ava Lampel is the wife of Stephen Lampel. In his deposition, as well as in his answers to interrogatories, Stephen Lampel states that William Levitt solicited him on June 2, 1986 for two \$1,000 contributions to the Biden fundraiser on behalf of himself and his wife, Ava Lampel. Stephen Lampel states that William Levitt promised he would reimburse the contributions. Lampel had his wife sign a check, and he gave Levitt the two contributions the following day. In her answers to interrogatories, Ava Lampel acknowledges that she signed a contribution check at her husband's request. Stephen Lampel attended the fundraising event.

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In his affidavit, William Levitt acknowledges that he solicited Stephen Lampel for contributions on behalf of himself and his wife to the Biden fundraiser. Levitt further states that he agreed to "reduce his indebtedness" to Lampel by the amount of his contribution.

Stephen Lampel states that he received a reimbursement check in the amount of \$2,000 from Rowenroy, Ltd., a few days after the fundraiser. The computer printout from Rowenroy, Ltd., indicates that \$2,000 was paid to Stephen and Ava Lampel on June 4, 1986, two days after the event. These funds represent reimbursement for the contributions made by Stephen and Ava Lampel. Stephen and Ava Lampel violated 2 U.S.C. § 441f by knowingly allowing their names to be used to effect contributions in the name of another person and accepting reimbursement for those contributions. Both Stephen and Ava Lampel have requested pre-probable cause conciliation.

F. Harold and Marilyn Kellman

Harold Kellman was employed by William Levitt in 1986. Marilyn Kellman is the wife of Harold Kellman. In his affidavit, Harold Kellman states that William Levitt solicited him for contributions to the Biden fundraiser on behalf of himself and his wife. Kellman states that he told Levitt he was not interested in making such a contribution because Levitt owed back salary to Kellman. At this point, Kellman states that Levitt promised to reduce the amount of his indebtedness by the amount of the contributions. With this understanding, Harold and Marilyn Kellman each made \$1,000 contributions to the Biden

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fundraiser. Two days later, on June 4, 1986, Harold Kellman received a \$2,000 check from William Levitt on the Rowenroy, Ltd., account.

In his affidavit, William Levitt acknowledges that he solicited Harold Kellman for contributions to the fundraiser on behalf of himself and his wife. Levitt states that he agreed to "reduce my indebtedness" to Mr. Kellman by the amount of the contributions.

The computer printout of Rowenroy, Ltd., indicates that \$2,000 was paid to Harold and Marilyn Kellman on June 4, 1986, two days after the fundraiser. These funds represent reimbursement for the contributions made by Harold and Marilyn Kellman. Harold and Marilyn Kellman violated 2 U.S.C. § 441f by knowingly allowing their names to be used to effect contributions in the name of another person and accepting reimbursement for those contributions. Both Harold and Marilyn Kellman have requested pre-probable cause conciliation.

G. Edward and Frieda Cortese

Edward Cortese was employed by William Levitt in 1986. Frieda Cortese is the wife of Edward Cortese. In his affidavit, Edward Cortese states that William Levitt solicited him on or about May 28, 1986 for contributions to the Biden fundraiser on behalf of himself and his wife, Frieda Cortese. Cortese states that he told Levitt he was unwilling to make the requested contribution because Levitt owed back salary to Cortese. At this point, Cortese states, Levitt promised to reduce the amount of his indebtedness to Cortese by the amount of the contributions to

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be made by Mr. and Mrs. Cortese. Edward and Frieda Cortese each made \$1,000 contributions to the Biden fundraiser as requested by William Levitt. Edward Cortese states that he received a \$2,000 check from William Levitt shortly after making the contributions.

In his affidavit, William Levitt acknowledges soliciting Edward Cortese for contributions to the event on behalf of himself and his wife. Levitt states that he agreed to "reduce my indebtedness" to Mr. Cortese by the amount of the contributions.

The computer printout from Rowenroy, Ltd., indicates that a \$2,000 check was issued to Edward and Frieda Cortese on June 4, 1986, two days after the Biden fundraiser. These funds represent reimbursement for the contributions made by Edward and Frieda Cortese. Edward and Frieda Cortese violated 2 U.S.C. § 441f by knowingly allowing their names to be used to effect contributions in the name of another person and accepting reimbursement for those contributions. Both Edward and Frieda Cortese have requested pre-probable cause conciliation.

H. Stanley and Fanny Ogonowski

Stanley Ogonowski was employed by William Levitt in 1986. Fanny Ogonowski is the wife of Stanley Ogonowski. In his affidavit, Stanley Ogonowski states that William Levitt solicited him on or about June 2, 1986, for contributions to the Biden fundraiser on behalf of himself and his wife, Fanny Ogonowski. Mr. Ogonowski further states that William Levitt promised to give him a \$2,000 bonus if he and his wife would make the requested contributions. Stanley and Fanny Ogonowski each made \$1,000 contributions to the Biden fundraiser at William Levitt's

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request. Mr. Ogonowski states that he did receive a \$2,000 check from William Levitt several days after the event.

In his affidavit, William Levitt acknowledges that he solicited Stanley Ogonowski for contributions to the event on behalf of himself and his wife. Levitt also acknowledges that he agreed to give Stanley Ogonowski a \$2,000 "bonus" if he and Mrs. Ogonowski made the requested contributions.

The computer printout from Rowenroy, Ltd., indicates that a \$2,000 check was issued to Stanley and Fanny Ogonowski on June 4, 1986, two days after the Biden fundraiser. These funds represent reimbursement for the contributions made by Stanley and Fanny Ogonowski. Stanley and Fanny Ogonowski violated 2 U.S.C. § 441f by knowingly allowing their names to be used to effect contributions in the name of another person and accepting reimbursement for those contributions. Both Stanley and Fanny Ogonowski have requested pre-probable cause conciliation.

I. Lou and Lisette Stern

Lou and Lisette Stern are husband and wife, and are the brother-in-law and sister-in-law of William Levitt. In his affidavit, Lou Stern states that William Levitt solicited him in early June, 1986, for contributions on behalf of himself and his wife to the Biden fundraiser. Stern also states that Levitt "reiterated his intentions to utilize my services as an insurance broker" and also to give Mr. and Mrs. Stern a cash gift in the approximate amount of their contributions. Lou and Lisette Stern each made \$1,000 contributions to the Biden fundraiser as requested by William Levitt. Mr. Stern also admits that he

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received a \$1,500 check from William Levitt sometime near the time when he and Mrs. Stern made the requested contributions.

In his affidavit, William Levitt acknowledges that he solicited Lou Stern for contributions on behalf of himself and his wife to the Biden fundraiser. Levitt states that did so predicated on the fact that the Sterns were family and the hope that he might utilize Mr. Stern for his future insurance needs.

The computer printout from Rowenroy, Ltd., indicates that a \$1,500 check was issued to Lou and Lisette Stern on June 4, 1986, two days after the Biden fundraiser. These funds represent partial reimbursement for the contributions made by Lou and Lisette Stern. Lou and Lisette Stern violated 2 U.S.C. § 441f by knowingly allowing their names to be used to effect contributions in the name of another person and accepting reimbursement for those contributions. Both Lou and Lisette Stern have requested pre-probable cause conciliation.

J. Edward and Michelle Donnelly

Edward Donnelly was employed by William Levitt in 1986. Michelle Donnelly is the wife of Edward Donnelly. In his answers to interrogatories, Edward Donnelly states that William Levitt solicited him for a contribution to the Biden fundraiser. Edward Donnelly made a \$2,000 contribution to the Biden committee, using two personal checks of \$1,000 each, dated June 3, 1986. Edward Donnelly signed both checks. Edward Donnelly also acknowledged that he later received funds on a Rowenroy, Ltd., check as a "partial pay-down of monies owed to me by William J. Levitt."

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In his affidavit, William Levitt acknowledges that he solicited Edward Donnelly for contributions on behalf of himself and his wife to the Biden Fundraiser. Levitt states that he agreed to reduce the amount of indebtedness he owed to Edward Donnelly by the amount of the contributions.

The computer printout from Rowenroy, Ltd., indicates that a \$2,000 check was issued to Edward and Michelle Donnelly on June 4, 1986, two days after the Biden fundraiser. These funds represent reimbursement for the contributions made by Edward Donnelly. Thus, Edward Donnelly violated 2 U.S.C. § 441f by knowingly allowing his name to be used to effect contributions in the name of another person and accepting reimbursement for those contributions. Mr. Donnelly has requested pre-probable cause conciliation.

With regard to Michelle Donnelly, her affidavit, as well as that of her husband, indicates that she had no knowledge of the contributions to the Biden fundraiser or of the reimbursement by Rowenroy. Mrs. Donnelly states in her affidavit that the only direct knowledge she had of this event was that her husband told her they would be attending the Biden fundraising affair, but she was unable to attend. Michelle Donnelly did not sign any contribution check to the Biden committee. According to regulations in effect in 1986, a contribution made from a joint checking account is made by the person who signed the instrument, absent any evidence to the contrary. See 11 C.F.R. § 104.8(c) and (d) (1986). The reimbursement check made payable to both her and her husband was based on the two contributions made to the

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Biden committee by Edward Donnelly. Based on the evidence available, the General Counsel recommends that the Commission take no further action against Michelle Donnelly and close the file as it pertains to her.

K. Ralph and Joan Della Ratta

Ralph Della Ratta was employed by William Levitt in 1986. Joan Della Ratta is the wife of Ralph Della Ratta. In his answers to interrogatories, Ralph Della Ratta states that William Levitt solicited him for a contribution to the Biden fundraiser. Ralph Della Ratta made a \$2,000 contribution to the Biden committee, using a personal check dated June 2, 1986. Mr. Della Ratta signed the check, and there was no indication on the check that half of the contribution was to be attributed to his wife, Joan Della Ratta.

In his affidavit, William Levitt acknowledges that he solicited Ralph Della Ratta for contributions on behalf of himself and his wife to the Biden Fundraiser. Levitt states that he agreed to reduce the amount of indebtedness he owed to Ralph Della Ratta by the amount of the contributions.

The computer printout from Rowenroy, Ltd., indicates that a \$2,000 check was issued to Ralph and Joan Della Ratta on June 4, 1986, two days after the Biden fundraiser. These funds represent reimbursement for the contribution made by Ralph Della Ratta. Thus, Ralph Della Ratta violated 2 U.S.C. § 441f by knowingly allowing his name to be used to effect contributions in the name of another person and accepting reimbursement for those contributions. Mr. Della Ratta has requested pre-probable cause

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conciliation.

With regard to Joan Della Ratta, her husband's affidavit indicates that she had no knowledge of the contributions to the Biden fundraiser or of the reimbursement by Rowenroy. Mr. Della Ratta states in his affidavit that his wife had no dealings with William Levitt or anyone else in this matter, and she had no direct knowledge of the contribution transaction. Joan Della Ratta did not sign any contribution check to the Biden committee. According to regulations in effect in 1986, a contribution made from a joint checking account is made by the person who signed the instrument, absent any evidence to the contrary. See 11 C.F.R. § 104.8(c) and (d) (1986). The reimbursement check made payable to both her and her husband was based on the contribution made to the Biden committee by Ralph Della Ratta. Based on the evidence available, the General Counsel recommends that the Commission take no further action against Joan Della Ratta and close the file as it pertains to her.

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III. DISCUSSION OF CONCILIATION PROVISIONS AND CIVIL PENALTY

The General Counsel recommends entering into pre-probable cause conciliation with the following individuals: William J. Levitt, Rowenroy, Ltd., Nicole Levitt, Gaby Levitt, Stephen Lampel, Ava Lampel, Harold Kellman, Marilyn Kellman, Edward Cortese, Frieda Cortese, Stanley Ogonowski, Fanny Ogonowski, Lou Stern, Lisette Stern, Edward Donnelly and Ralph Della Ratta. The proposed pre-probable cause conciliation agreements are attached to this report. See Attachments 1 through 11.

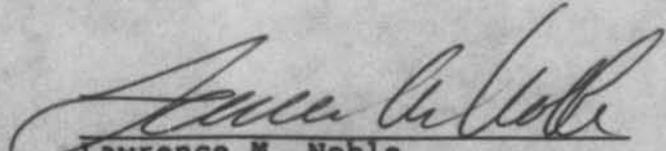
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IV. RECOMMENDATIONS

1. Enter into pre-probable cause conciliation with William J. Levitt, Rowenroy, Ltd., Nicole Levitt, Gaby Levitt, Stephen Lampel, Ava Lampel, Harold Kellman, Marilyn Kellman, Edward Cortese, Frieda Cortese, Stanley Ogonowski, Fanny Ogonowski, Lou Stern, Lisette Stern, Edward Donnelly and Ralph Della Ratta.
2. Approve the attached conciliation agreements and the appropriate letters.

3. Take no further action against Simone Levitt, Michelle Donnelly and Joan Della Ratta, and close the file as it pertains to each of them.

1/25/91  
Date

  
Lawrence M. Noble  
General Counsel

Attachments

1. Proposed Conciliation Agreements (11)

Staff assigned: John Canfield

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2. Approve the conciliation agreements and the appropriate letters, as recommended in the General Counsel's Report dated January 25, 1991.
3. Take no further action against Simone Levitt, Michelle Donnelly and Joan Della Ratta, and close the file as it pertains to each of them.

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

Attest:

Jan. 30, 1991  
Date

Marjorie W. Emmons  
Marjorie W. Emmons  
Secretary of the Commission

Received in the Secretariat: Friday, Jan. 25, 1991 5:20 p.m.  
Circulated to the Commission: Monday, Jan. 28, 1991 11:00 a.m.  
Deadline for vote: Wednesday, Jan. 30, 1991 11:00 a.m.

dh

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FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

February 5, 1991

**CERTIFIED MAIL**  
**RETURN RECEIPT REQUESTED**

James A. Pascarella, Esquire  
Pascarella, DeVito, Clarey & Plutzer  
170 Old Country Road  
Mineloa, New York 11501

RE: MUR 2576  
William J. Levitt

Dear Mr. Pascarella:

On February 1, 1988, the Federal Election Commission found reason to believe that William J. Levitt knowingly and willfully violated 2 U.S.C. § 441b and § 441f. At your client's request, the Commission determined on January 30, 1991, 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.

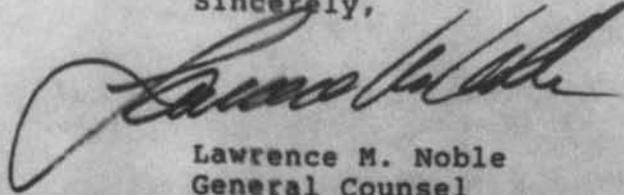
Additionally, we note that in your letter of November 7, 1988, you indicated your intention to represent several other individuals in this matter before the Commission. However, a Designation of Counsel was received only for William J. Levitt. This Office has not received any other Designations of Counsel appointing you as counsel for any other individuals in this matter. Therefore, correspondence regarding this matter is being sent to those individuals at either their home address or to the attorney previously designated by those persons. You should forward Designations of Counsel to this Office immediately if you plan to represent any persons besides Mr. Levitt before the Commission in this matter.

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MUR 2576  
Page Two

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 John Canfield, the attorney assigned to this matter, at (202) 376-8200.

Sincerely,



Lawrence M. Noble  
General Counsel

Enclosure  
Conciliation Agreement  
Designation of Counsel form

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FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

February 5, 1991

**CERTIFIED MAIL  
RETURN RECEIPT REQUESTED**

Gaby Levitt  
280 First Avenue  
New York, NY 10009

RE: MUR 2576  
Gaby Levitt

Dear Ms. Levitt:

On February 1, 1988, the Federal Election Commission found reason to believe that you violated 2 U.S.C. § 441f. At your request, the Commission determined on January 30, 1991, 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 you agree 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.

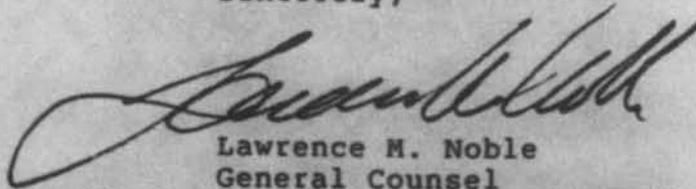
Additionally, this Office notes a letter to the Commission dated September 15, 1988, from your former counsel, Herbert J. Tamres, stating that he no longer represents you in this matter. However, this Office has not received any new Designation of Counsel stating that you are represented by new counsel in this matter. If you are currently represented by counsel, please execute the enclosed Designation of Counsel form and submit it to this Office immediately.

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MUR 2576  
Page Two

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 John Canfield, the attorney assigned to this matter, at (202) 376-8200.

Sincerely,



Lawrence M. Noble  
General Counsel

Enclosure  
Conciliation Agreement  
Designation of Counsel form

9308/0961290



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

February 5, 1991

**CERTIFIED MAIL  
RETURN RECEIPT REQUESTED**

Nicole Levitt  
225 East 36th Street  
New York, NY 10016

RE: MUR 2576  
Nicole Levitt

Dear Ms. Levitt:

On February 1, 1988, the Federal Election Commission found reason to believe that you violated 2 U.S.C. § 441f. At your request, the Commission determined on January 30, 1991, 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 you agree 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.

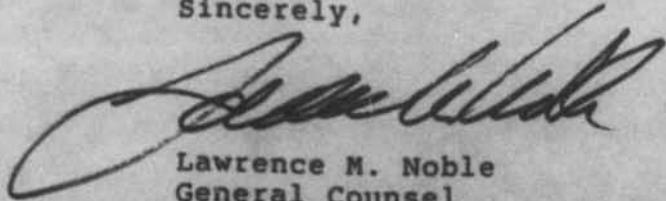
Additionally, this Office notes a letter to the Commission dated September 15, 1988, from your former counsel, Herbert J. Tamres, stating that he no longer represents you in this matter. However, this Office has not received any new Designation of Counsel stating that you are represented by new counsel in this matter. If you are currently represented by counsel, please execute the enclosed Designation of Counsel form and submit it to this Office immediately.

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MUR 2576  
Page Two

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 John Canfield, the attorney assigned to this matter, at (202) 376-8200.

Sincerely,



Lawrence M. Noble  
General Counsel

Enclosure  
Conciliation Agreement  
Designation of Counsel form

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FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

February 5, 1991

**CERTIFIED MAIL**  
**RETURN RECEIPT REQUESTED**

Robert L. Folks, Esquire  
Rivkin, Radier, Dunne & Bayh  
EAB Plaza  
Uniondale, New York 11556-0111

RE: MUR 2576  
Stephen and Ava Lampel

Dear Mr. Folks:

On February 1, 1988, the Federal Election Commission found reason to believe that Stephen and Ava Lampel each violated 2 U.S.C. § 441b and § 441f. At your clients' request, on January 30, 1991, 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 joint conciliation agreement that the Commission has approved in settlement of this matter. If your clients agree 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.

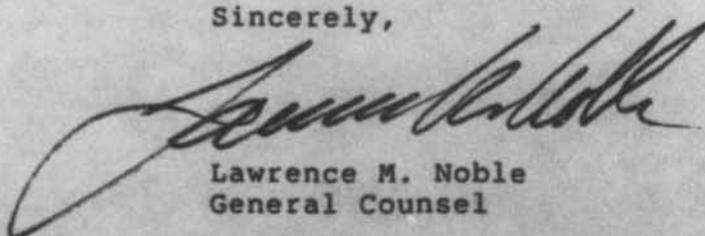
Our records still indicate that you are the counsel of record for Mr. and Mrs. Lampel. If you no longer represent them in this matter, please notify this Office immediately.

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MUR 2576  
Page Two

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 John Canfield, the attorney assigned to this matter, at (202) 376-8200.

Sincerely,



Lawrence M. Noble  
General Counsel

Enclosure  
Conciliation Agreement

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FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

February 5, 1991

**CERTIFIED MAIL  
RETURN RECEIPT REQUESTED**

Edward and Michelle Donnelly  
9 Priory Court  
Melville, New York 11747

RE: MUR 2576  
Edward and Michelle Donnelly

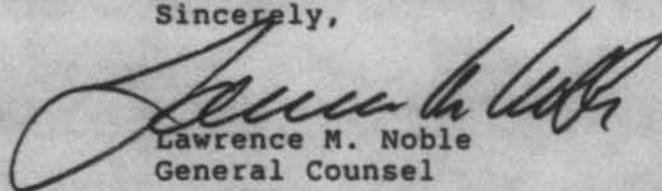
Dear Mr. and Mrs. Donnelly:

On February 1, 1988, the Federal Election Commission found reason to believe that Edward and Michelle Donnelly each violated 2 U.S.C. § 441f. At your request, on January 30, 1991, the Commission determined to enter into negotiations with Edward Donnelly directed towards reaching a conciliation agreement in settlement of this matter prior to a finding of probable cause to believe. The Commission also determined to take no further action against Michelle Donnelly, and closed the file as it pertains to her.

Enclosed is a conciliation agreement that the Commission has approved in settlement of this matter. If you agree 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 John Canfield, the attorney assigned to this matter, at (202) 376-8200.

Sincerely,



Lawrence M. Noble  
General Counsel

Enclosure  
Conciliation Agreement

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FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

February 5, 1991

**CERTIFIED MAIL**  
**RETURN RECEIPT REQUESTED**

Herbert J. Tamres, Esquire  
Shaw, Licitra, Eisenberg, Esernio & Schwartz  
1010 Franklin Avenue  
Garden City, New York 11530

RE: MUR 2576

Dear Mr. Tamres:

On February 1, 1988, the Federal Election Commission found reason to believe that your clients Harold Kellman, Marilyn Kellman, Edward Cortese, Frieda Cortese, Stanley Ogonowski, Fanny Ogonowski, Lou Stern, Lisette Stern, Ralph Della Ratta and Joan Della Ratta each violated 2 U.S.C. § 441b and § 441f. At your clients' request, on January 30, 1991, 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. The Commission also determined to take no further action against Joan Della Ratta, and closed the file as it pertains to her.

Enclosed are five (5) conciliation agreements which the Commission has approved in settlement of this matter. If your clients agree with the provisions of the enclosed agreements, please sign and return them, along with the civil penalties, 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.

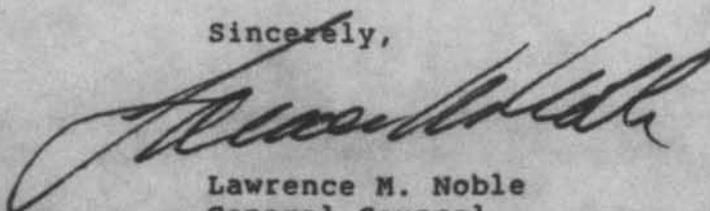
Additionally, we note your letter of September 15, 1988, in which you state you no longer represent William Levitt, Simone Levitt, Nicole Levitt, Gaby Levitt or Rowenroy, Ltd. in this matter. Our records still indicate, however, that you are the counsel of record for the other respondents named above in this matter.

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MUR 2576  
Page Two

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

Sincerely,



Lawrence M. Noble  
General Counsel

Enclosure  
Conciliation Agreements (5)

93080961297



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

February 5, 1991

**CERTIFIED MAIL  
RETURN RECEIPT REQUESTED**

Simone Levitt  
50 Tiffany Circle  
North Hills, New York 10030

RE: MUR 2576  
Simone Levitt

Dear Ms. Levitt:

On February 1, 1988, you were notified that the Federal Election Commission found reason to believe that you violated 2 U.S.C. § 441f.

After considering the circumstances of the matter, the Commission determined on January 30, 1991, to take no further action against you, and closed the file as it pertains to you. The file will be made part of the public record within 30 days after this matter has been closed with respect to all other respondents involved. Should you wish to submit any factual or legal materials to appear on the public record, please do so within ten days of your receipt of this letter. Such materials should be sent to the Office of the General Counsel.

The confidentiality provisions of 2 U.S.C. § 437g(a)(4)(B) and § 437g(a)(12)(A) remain in effect until the entire matter is closed. The Commission will notify you when the entire file has been closed. In the event you wish to waive confidentiality under 2 U.S.C. § 437g(a)(12)(A), written notice of the waiver must be submitted to the Commission. Receipt of the waiver will be acknowledged in writing by the Commission.

The Commission reminds you that accepting reimbursement for political contributions appears to be a violation of 2 U.S.C. § 441f. You should take immediate steps to insure that this activity does not occur in the future.

If you have any questions, please contact John Canfield, the attorney assigned to this matter, at (202) 376-8200.

Sincerely,

Lawrence M. Noble  
General Counsel

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MUR 2576

Jan 28, 1991

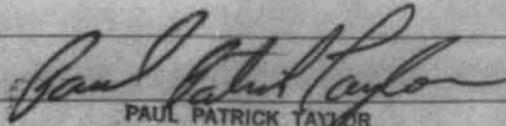
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OFFICE OF GENERAL COUNSEL  
91 FEB -4 PH 4:49

Dear Mr. Canfield

Please be advised that my daughter Jennifer Flynn has no knowledge of signing the check in question. Possible that I had signed the back of the check for I did not want her involved and the check was being deposited in the same acct that she and I had together.

I also would appreciate a copy of the Pre-Probable Cause Conciliators - (See 11 CFR 5 111.18 d)

Adrienne J. Stalters



PAUL PATRICK TAYLOR  
Notary Public, State of New York  
No. 41-4862540  
Qualified in Queens County  
Commission Expires 6/29/92

93020961299



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

February 11, 1991

**CERTIFIED MAIL**  
**RETURN RECEIPT REQUESTED**

Robert L. Folks, Esquire  
Rivkin, Radler, Dunne & Bayh  
EAB Plaza  
Uniondale, New York 11556-0111

RE: MUR 2576  
Sherry Newman

Dear Mr. Folks:

This letter is in regard to your phone conversation with John Canfield of this Office on January 9, 1991 concerning the above captioned matter. Our records indicate that Ms. Newman designated you as her counsel in this matter on March 8, 1988. Enclosed is a copy of the letter and designation of counsel which you sent to this Office at that time.

On February 1, 1988, the Federal Election Commission found that there is reason to believe that your client, Sherry Newman, violated 2 U.S.C. § 441f, a provision of the Federal Election Campaign Act of 1971, as amended ("the Act"). This violation regards contributions which Ms. Newman made to the Citizens for Biden - 1990 Committee on June 2, 1986.

This Office received your client's affidavit, request for Pre-Probable Cause conciliation, and answers to the Commission's interrogatories on April 1, 1988. Furthermore, your client's deposition was taken on June 15, 1988.

In furtherance of the investigation into this matter, your client is now requested to submit an answer in writing and under oath to the following question within 15 days of your receipt of this letter:

**QUESTION:** Identify the person or persons who endorsed the \$2,000 check from Rowenroy, Ltd., made payable to Sherry and Michael Newman, dated June 4, 1986.

93020961300

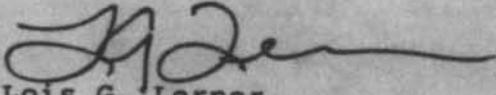
MUR 2576  
Sherry Newman  
Page Two

The Commission will further consider your client's request for Pre-Probable Cause conciliation once a response to this question has been received.

If you have any questions, please contact John Canfield, the attorney assigned to this matter, at (202)376-8200 or (800)424-9530.

Sincerely,

Lawrence M. Noble  
General Counsel

  
BY: Lois G. Lerner  
Associate General Counsel

Enclosure  
Newman letter and Designation of Counsel

93000961301

06C 0247

RECEIVED  
FEDERAL ELECTION COMMISSION  
MAIL ROOM

91 MAR -5 AM 11:31

EDWARD G DONNELLY  
9 Priory Ct.  
Melville, NY 11747

91 MAR -5 PM 12:40

RECEIVED  
FEDERAL ELECTION COMMISSION  
OFFICE OF GENERAL COUNSEL

Feb. 25, 1991

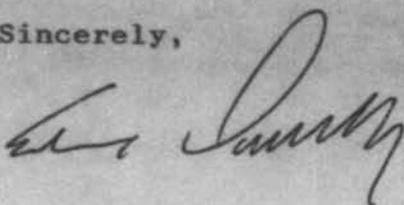
John Canfield, Esq.  
Federal Election Commission  
Washington, DC 20463

Dear Sir:

Re: Our Telephone Conversation on 2/22, 1991 /MUR 2576

Since I am in process of appointing a replacement attorney I request an additional month regarding the proposed conciliation agreement.

Sincerely,



93080961302



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

March 11, 1991

Edward Donnelly  
9 Priory Court  
Melville, New York 11747

RE: MUR 2576  
Edward Donnelly

Dear Mr. Donnelly:

This is in response to your letter dated February 25, 1991, which we received on March 5, 1991, requesting an extension of 30 days to respond to the Commission's Pre-Probable Cause conciliation agreement. After considering the circumstances presented in your letter, I have granted the requested extension. Accordingly, your response is due by the close of business on April 6, 1991.

If you have any questions, please contact John Canfield, the attorney assigned to this matter, at (202) 376-8200.

Sincerely,

Lawrence M. Noble  
General Counsel

BY: Lois G. Lerner  
Associate General Counsel

93040961303

91 MAR 11 PM 12:29

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of  
Edward Donnelly

)  
) MUR 2576  
)  
)

**SENSITIVE**

GENERAL COUNSEL'S REPORT

On January 30, 1991, the Commission determined to enter into Pre-Probable Cause conciliation negotiations with Edward Donnelly in the above-referenced matter. A proposed conciliation agreement was mailed to Mr. Donnelly on February 5, 1991. Mr. Donnelly has informed this Office that he is in the process of obtaining new counsel to represent him in this matter, and has requested a 30-day time extension in which to continue negotiations.

Because of the respondent's interest in obtaining new counsel, and because of the likelihood that this matter can be resolved as to this respondent through Pre-Probable Cause conciliation, the General Counsel will grant Mr. Donnelly the requested 30-day time extension. The period for negotiations with this respondent will now expire on April 6, 1991.

*Lawrence M. Noble (H2)*  
Lawrence M. Noble  
General Counsel

Attachment  
Letter from Edward Donnelly

Staff assigned: John Canfield

93080961304



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

March 20, 1991

**CERTIFIED MAIL**  
**RETURN RECEIPT REQUESTED**

Robert L. Folks, Esquire  
Rivkin, Radier, Dunne & Bayh  
EAB Plaza  
Uniondale, New York 11556-0111

RE: MUR 2576  
Stephen & Ava Lampel  
Sherry Newman

Dear Mr. Folks:

On February 5, 1991, you were notified that, at your clients' request, the Federal Election Commission determined to enter into negotiations with Stephen and Ava Lampel directed toward reaching a conciliation agreement in settlement of this matter prior to a finding of probable cause to believe. On that same date you were sent a conciliation agreement offered by the Commission in settlement of this matter.

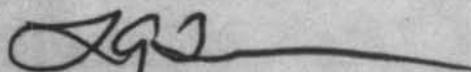
Please note that conciliation negotiations entered into prior to a finding of probable cause to believe are limited to a maximum of 30 days. To date, you have not responded to the proposed agreement. The 30 day period for negotiations has expired. Unless we receive a response from you within five days, this Office will consider these negotiations terminated and will proceed to the next stage of the enforcement process.

Additionally, this Office submitted to you on February 11, 1991, an interrogatory directed to your client Sherry Newman in this matter. Answers to Commission interrogatories are to be submitted within 15 days of receipt. To date, you have not responded to the interrogatory.

Should you have any questions, please contact John Canfield, the attorney assigned to this matter, at (202) 376-8200.

Sincerely,

Lawrence M. Noble  
General Counsel

  
BY: Lois G. Lerner  
Associate General Counsel

93080961305

91 MAR 26 PM 4:09

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of )

Harold Kellman )  
Marilyn Kellman )  
Edward Cortese )  
Frieda Cortese )  
Stanley Ogonowski )  
Fanny Ogonowski )  
Lou Stern )  
Lisette Stern )  
Ralph Della Ratta )

MUR 2576

**SENSITIVE**

GENERAL COUNSEL'S REPORT

I. BACKGROUND

Attached are five conciliation agreements which have been signed by Harold and Marilyn Kellman, Edward and Frieda Cortese, Stanley and Fanny Ogonowski, Lou and Lisette Stern, and Ralph Della Ratta.

The attached agreements contain no changes from the agreements approved by the Commission on January 30, 1991. Checks for the full amount of the proposed civil penalties have been received with each agreement.

II. RECOMMENDATIONS

1. Accept the attached conciliation agreements with Harold and Marilyn Kellman, Edward and Frieda Cortese, Stanley and Fanny Cortese, Lou and Lisette Stern, and Ralph Della Ratta.
2. Close the file as to these respondents.

930 40961306

3. Approve the appropriate letters.

3/25/91  
Date

Lawrence M. Noble (792)  
Lawrence M. Noble  
General Counsel

Attachments

1. Letter from counsel (3/12/91)
2. Letter from Associate General Counsel (3/22/91)
3. Kellman conciliation agreement and check
4. Cortese conciliation agreement and check
5. Ogonowski conciliation agreement and check
6. Stern conciliation agreement and check
7. Della Ratta conciliation agreement and check

Staff Assigned: John Canfield

93040961307

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of )  
 )  
Harold Kellman; Marilyn Kellman; )  
Edward Cortese; Frieda Cortese; ) MUR 2576  
Stanley Ogonowski; Fanny Ogonowski; )  
Lou Stern; Lisette Stern; )  
Ralph Della Ratta. )

CORRECTED CERTIFICATION

I, Marjorie W. Emmons, Secretary of the Federal Election Commission, do hereby certify that on March 29, 1991, the Commission decided by a vote of 6-0 to take the following actions in MUR 2576:

1. Accept the conciliation agreements with Harold and Marilyn Kellman, Edward and Frieda Cortese, Stanley and Fanny Ogonowski, Lou and Lisette Stern and Ralph Della Ratta, as recommended in the General Counsel's Report dated March 25, 1991.
2. Close the file as to these respondents.

(Continued)

930 20961308

3. Approve the appropriate letter, as recommended in the General Counsel's Report dated March 25, 1991.

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

Attest:

April 1, 1991  
Date

Delores Harris  
for Marjorie W. Emmons  
Secretary of the Commission

Received in the Secretariat: Tues., Mar. 26, 1991 4:09 p.m.  
Circulated to the Commission: Wed., Mar. 27, 1991 11:00 a.m.  
Deadline for vote: Fri., Mar. 29, 1991 11:00 a.m.

dr

930840961309



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

April 3, 1991

Herbert J. Tamres, Esquire  
Shaw, Licitra, Esernio & Schwartz  
1010 Franklin Avenue  
Garden City, New York 11530

RE: MUR 2576  
Harold and Marilyn Kellman -  
Edward and Frieda Cortese -  
Stanley and Fanny Ogonowski -  
Lou and Lisette Stern -  
Ralph Della Ratta -

Dear Mr. Tamres:

On March 29, 1991, the Federal Election Commission accepted the signed conciliation agreements and civil penalties submitted on your clients' behalf in settlement of violations of 2 U.S.C. § 441f, a provision of the Federal Election Campaign Act of 1971, as amended. Accordingly, the file has been closed in this matter as it pertains to the above-referenced persons.

This matter will become a part of the public record within 30 days after it has been closed with respect to all other respondents involved. 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 agreements, however, will become a part of the public record.

The Commission reminds you that the confidentiality provisions of 2 U.S.C. §§ 437g(a)(4)(B) and 437g(a)(12)(A) remain in effect until the entire matter has been closed. The Commission will notify you when the entire file has been closed. In the event you wish to waive confidentiality under 2 U.S.C. § 437g(a)(12)(A), written notice of the waiver must be submitted to the Commission. Receipt of the waiver will be acknowledged in writing by the Commission.

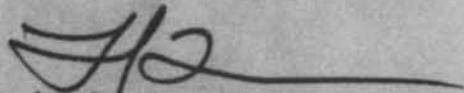
930 240961310

MUR 2576  
Page Two

Enclosed you will find copies of the fully executed conciliation agreements for your files. If you have any questions, please contact John Canfield, the attorney assigned to this matter, at (202) 376-8200.

Sincerely,

Lawrence M. Noble  
General Counsel



BY: Lois G. Lerner  
Associate General Counsel

Enclosures

Kellman conciliation agreement  
Cortese conciliation agreement  
Ogonowski conciliation agreement  
Stern conciliation agreement  
Della Ratta conciliation agreement

930 10961311

0420

RECEIVED  
FEDERAL ELECTION COMMISSION  
MAIL ROOM

91 MAR 18 AM 10:00

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of

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)  
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)  
)

MUR 2576

Lou Stern and  
Lisette Stern

RECEIVED  
FEDERAL ELECTION COMMISSION  
OFFICE OF GENERAL COUNSEL  
91 MAR 19 PH 3:09

CONCILIATION AGREEMENT

This matter was initiated by the Federal Election Commission ("Commission"), pursuant to information ascertained in the normal course of carrying out its supervisory responsibilities. The Commission found reason to believe that Lou and Lisette Stern ("Respondents") each violated 2 U.S.C. § 441f.

NOW, THEREFORE, the Commission and the Respondents, having participated in informal methods of conciliation, prior to a finding of probable cause to believe, do hereby agree as follows:

I. The Commission has jurisdiction over the Respondents and the subject matter of this proceeding, and this agreement has the effect of an agreement entered pursuant to 2 U.S.C. § 437g(a)(4)(A)(i).

II. Respondents have had a reasonable opportunity to demonstrate that no action should be taken in this matter.

III. Respondents enter voluntarily into this agreement with the Commission.

930 90961312

IV. The pertinent facts in this matter are as follows:

1. Lou and Lisette Stern are persons within the meaning of 2 U.S.C. § 431(11).

2. The Federal Election Campaign Act of 1971, as amended ("the Act"), provides that no person shall make a contribution in the name of another person or knowingly permit his name to be used to effect such a contribution, and no person shall knowingly accept a contribution made by one person in the name of another person. 2 U.S.C. § 441f. No person shall make a contribution in the name of another; or knowingly permit his or her name to be used to effect that contribution. 11 C.F.R. § 110.4(b)(1)(i) and (ii). The regulations also prohibit individuals from assisting in making contributions in the name of another. 11 C.F.R. § 110.4(b)(1)(iii).

3. The Commission's regulations provide that a contribution in the name of another includes giving money or anything of value, all or part of which is provided to the contributor by another person without disclosing the source of the money or the thing of value to the recipient candidate or committee at the time the contribution is made. 11 C.F.R. § 110.4(b)(2)(i).

4. William J. Levitt hosted a fundraising cocktail party on June 2, 1986, for the benefit of Citizens for Biden - 1990. Contributions to the event were \$1,000 per person.

930 0961313

5. William J. Levitt solicited his family members and employees for contributions to the fundraiser, resulting in \$21,000 in contributions.

6. William J. Levitt, at the time he solicited each contribution, agreed to either make a monetary gift or bonus, or to reduce his indebtedness, to each contributor by a like amount after each person made their contribution to the fundraiser.

7. Lou and Lisette Stern, at the request of William J. Levitt, each made a \$1,000 contribution to Citizens for Biden - 1990 on June 2, 1986.

8. On June 4, 1986, Rowenroy, Ltd., issued a \$1,500 check to Lou and Lisette Stern. William J. Levitt is the President and sole officer of Rowenroy, Ltd.

V. Respondents knowingly permitted their names to be used to effect a contribution to Citizens for Biden - 1990 by accepting partial reimbursement for their contributions, in violation of 2 U.S.C. § 441f.

VI. Respondents will pay a civil penalty to the Federal Election Commission in the amount of seven hundred fifty dollars (\$750), 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.

930840961314

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. Respondents shall have no more than 30 days from the date this agreement becomes effective to comply with and implement the requirements 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 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*  
Lawrence M. Noble  
General Counsel

4/2/91  
Date

FOR THE RESPONDENTS:

*Lou Stern*  
Lou Stern

February 28, 1991  
Date

*Lisette Stern*  
Lisette Stern

Feb. 28, 1991  
Date

930810961315

LOUIS STERN  
LISETTE STERN  
320 CENTRAL PARK, W.  
NEW YORK, NY 10025

568

Feb. 28 1991

1-3126  
210

PAY TO THE  
ORDER OF

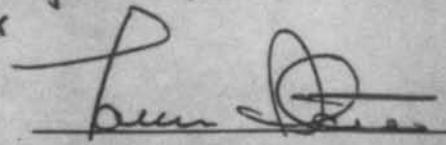
Federal Election Commission

\$ 750<sup>00</sup>/<sub>100</sub>

Seven Hundred Fifty and <sup>00</sup>/<sub>100</sub>

DOLLARS

Citibank, N.A. Br. #126 CITICORP CITIBANK  
700 Columbus Avenue  
New York, N.Y.  
10025



MEMO \_\_\_\_\_

930840961316

86C 8419

RECEIVED  
ELECTION COMMISSION  
MAIL ROOM

MAR 18 AM 10:00

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of	)	
	)	
Stanley Ogonowski and	)	MUR 2576
Fanny Ogonowski	)	
	)	

RECEIVED  
 FEDERAL ELECTION COMMISSION  
 OFFICE OF GENERAL COUNSEL  
 91 MAR 19 PM 3:09

CONCILIATION AGREEMENT

This matter was initiated by the Federal Election Commission ("Commission"), pursuant to information ascertained in the normal course of carrying out its supervisory responsibilities. The Commission found reason to believe that Stanley and Fanny Ogonowski ("Respondents") each violated 2 U.S.C. § 441f.

NOW, THEREFORE, the Commission and the Respondents, having participated in informal methods of conciliation, prior to a finding of probable cause to believe, do hereby agree as follows:

I. The Commission has jurisdiction over the Respondents and the subject matter of this proceeding, and this agreement has the effect of an agreement entered pursuant to 2 U.S.C. § 437g(a)(4)(A)(i).

II. Respondents have had a reasonable opportunity to demonstrate that no action should be taken in this matter.

III. Respondents enter voluntarily into this agreement with the Commission.

930840961317

IV. The pertinent facts in this matter are as follows:

1. Stanley and Fanny Ogonowski are persons within the meaning of 2 U.S.C. § 431(11).

2. The Federal Election Campaign Act of 1971, as amended ("the Act"), provides that no person shall make a contribution in the name of another person or knowingly permit his name to be used to effect such a contribution, and no person shall knowingly accept a contribution made by one person in the name of another person. 2 U.S.C. § 441f. No person shall make a contribution in the name of another; or knowingly permit his or her name to be used to effect that contribution. 11 C.F.R. § 110.4(b)(1)(i) and (ii). The regulations also prohibit individuals from assisting in making contributions in the name of another. 11 C.F.R. § 110.4(b)(1)(iii).

3. The Commission's regulations provide that a contribution in the name of another includes giving money or anything of value, all or part of which is provided to the contributor by another person without disclosing the source of the money or the thing of value to the recipient candidate or committee at the time the contribution is made. 11 C.F.R. § 110.4(b)(2)(i).

4. In June of 1986, Stanley Ogonowski was employed by William J. Levitt. Levitt hosted a fundraising cocktail party on June 2, 1986, for the benefit of Citizens for Biden - 1990. Contributions to the event were \$1,000 per person.

930810961318

5. William J. Levitt solicited his family members and employees for contributions to the fundraiser, resulting in \$21,000 in contributions.

6. William J. Levitt, at the time he solicited each contribution, agreed to either make a monetary gift or bonus, or to reduce his indebtedness, to each contributor by a like amount after each person made their contribution to the fundraiser.

7. Stanley and Fanny Ogonowski, at the request of William J. Levitt, each made a \$1,000 contribution to Citizens for Biden - 1990 on June 2, 1986.

8. On June 4, 1986, Rowenroy, Ltd., issued a \$2,000 check to Stanley and Fanny Ogonowski. William J. Levitt is the President and sole officer of Rowenroy, Ltd.

V. Respondents knowingly permitted their names to be used to effect a contribution to Citizens for Biden - 1990 by accepting reimbursement for their contributions, in violation of 2 U.S.C. § 441f.

VI. Respondents will pay a civil penalty to the Federal Election Commission in the amount of one thousand dollars (\$1,000), 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

930840961319

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. Respondents shall have no more than 30 days from the date this agreement becomes effective to comply with and implement the requirements 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 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 (7/2)  
Lawrence M. Noble  
General Counsel

4/2/91  
Date

FOR THE RESPONDENTS:

Stanley Ogonowski  
Stanley Ogonowski

2/25/91  
Date

Fanny Ogonowski  
Fanny Ogonowski

2/25/91  
Date

930840961320

STANLEY OGONOWSKI  
FANNY OGONOWSKI  
171 SYCAMORE CIRCLE  
STONY BROOK, NY 11790

2/25 19 91

612

PAY TO THE ORDER OF FEDERAL ELECTION COMMISSION \$ 1000<sup>00</sup>  
ONE THOUSAND <sup>NO</sup>/<sub>100</sub> AND                      DOLLARS

**DIME.** THE DIME SAVINGS BANK OF NEW YORK, FSB  
2003 SMITH HAVEN PLAZA  
LAKE GROVE, N.Y. 11758

*Stanley Ogonowski*

MEMO

93080961321

06-0418

RECEIVED  
FEDERAL ELECTION COMMISSION  
MAIL ROOM

91 MAR 18 AM 10:00

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of	)	
	)	
	)	MUR 2576
Edward Cortese and	)	
Frieda Cortese	)	
	)	

RECEIVED  
 FEDERAL ELECTION COMMISSION  
 OFFICE OF GENERAL COUNSEL  
 91 MAR 19 PM 3:08

CONCILIATION AGREEMENT

This matter was initiated by the Federal Election Commission ("Commission"), pursuant to information ascertained in the normal course of carrying out its supervisory responsibilities. The Commission found reason to believe that Edward and Frieda Cortese ("Respondents") each violated 2 U.S.C. § 441f.

NOW, THEREFORE, the Commission and the Respondents, having participated in informal methods of conciliation, prior to a finding of probable cause to believe, do hereby agree as follows:

I. The Commission has jurisdiction over the Respondents and the subject matter of this proceeding, and this agreement has the effect of an agreement entered pursuant to 2 U.S.C. § 437g(a)(4)(A)(i).

II. Respondents have had a reasonable opportunity to demonstrate that no action should be taken in this matter.

III. Respondents enter voluntarily into this agreement with the Commission.

930 0961322

IV. The pertinent facts in this matter are as follows:

1. Edward and Frieda Cortese are persons within the meaning of 2 U.S.C. § 431(11).

2. The Federal Election Campaign Act of 1971, as amended ("the Act"), provides that no person shall make a contribution in the name of another person or knowingly permit his name to be used to effect such a contribution, and no person shall knowingly accept a contribution made by one person in the name of another person. 2 U.S.C. § 441f. No person shall make a contribution in the name of another; or knowingly permit his or her name to be used to effect that contribution. 11 C.F.R. § 110.4(b)(1)(i) and (ii). The regulations also prohibit individuals from assisting in making contributions in the name of another. 11 C.F.R. § 110.4(b)(1)(iii).

3. The Commission's regulations provide that a contribution in the name of another includes giving money or anything of value, all or part of which is provided to the contributor by another person without disclosing the source of the money or the thing of value to the recipient candidate or committee at the time the contribution is made. 11 C.F.R. § 110.4(b)(2)(i).

4. In June of 1986, Edward Cortese was employed by William J. Levitt. Levitt hosted a fundraising cocktail party on June 2, 1986, for the benefit of Citizens for Biden - 1990. Contributions to the event were \$1,000 per person.

93080961323

5. William J. Levitt solicited his family members and employees for contributions to the fundraiser, resulting in \$21,000 in contributions.

6. William J. Levitt, at the time he solicited each contribution, agreed to either make a monetary gift or bonus, or to reduce his indebtedness, to each contributor by a like amount after each person made their contribution to the fundraiser.

7. Edward and Frieda Cortese, at the request of William J. Levitt, each made a \$1,000 contribution to Citizens for Biden - 1990 on June 1, 1986 and June 2, 1986, respectively.

8. On June 4, 1986, Rowenroy, Ltd., issued a \$2,000 check to Edward and Frieda Cortese. William J. Levitt is the President and sole officer of Rowenroy, Ltd.

V. Respondents knowingly permitted their names to be used to effect a contribution to Citizens for Biden - 1990 by accepting reimbursement for their contributions, in violation of 2 U.S.C. § 441f.

VI. Respondents will pay a civil penalty to the Federal Election Commission in the amount of one thousand dollars (\$1,000), 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

930810961324

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. Respondents shall have no more than 30 days from the date this agreement becomes effective to comply with and implement the requirements 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 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*  
Lawrence M. Noble  
General Counsel

4/2/91  
Date

FOR THE RESPONDENTS:

*Edward Cortese*  
Edward Cortese

26 Feb 1991  
Date

*Frieda Cortese*  
Frieda Cortese

2-26-91  
Date

9308/0961325

EDWARD CORTESE  
24 WESTBOURNE LANE  
MELVILLE, NY 11747

26 Feb 19 91 339

PAY TO THE  
ORDER OF

Federal Election Commission \$ 1000.00  
One thousand dollars and <sup>no</sup>/<sub>100</sub> DOLLARS

**DIME**

THE DIME SAVINGS BANK OF NEW YORK, FSB  
WALT WHITMAN RD.  
HUNTINGTON STATION, N.Y. 11746

MEMO

Cancellation agreement

Edward Cortese

93080961326

ABC 8417

RECEIVED  
FEDERAL ELECTION COMMISSION  
MAIL ROOM  
91 HAR 18 AM 10:00

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of )  
 )  
 ) MUR 2576  
Harold Kellman and )  
Marilyn Kellman )  
 )

CONCILIATION AGREEMENT

This matter was initiated by the Federal Election Commission ("Commission"), pursuant to information ascertained the normal course of carrying out its supervisory responsibilities. The Commission found reason to believe that Harold and Marilyn Kellman ("Respondents") each violated 2 U.S.C. § 441f.

RECEIVED  
FEDERAL ELECTION COMMISSION  
OFFICE OF GENERAL COUNSEL  
91 HAR 19 PH 3:08

NOW, THEREFORE, the Commission and the Respondents, having participated in informal methods of conciliation, prior to a finding of probable cause to believe, do hereby agree as follows:

I. The Commission has jurisdiction over the Respondents and the subject matter of this proceeding, and this agreement has the effect of an agreement entered pursuant to 2 U.S.C.

§ 437g(a)(4)(A)(1).

II. Respondents have had a reasonable opportunity to demonstrate that no action should be taken in this matter.

III. Respondents enter voluntarily into this agreement with the Commission.

93080961327

IV. The pertinent facts in this matter are as follows:

1. Harold and Marilyn Kellman are persons within the meaning of 2 U.S.C. § 431(11).

2. The Federal Election Campaign Act of 1971, as amended ("the Act"), provides that no person shall make a contribution in the name of another person or knowingly permit his name to be used to effect such a contribution, and no person shall knowingly accept a contribution made by one person in the name of another person. 2 U.S.C. § 441f. No person shall make a contribution in the name of another; or knowingly permit his or her name to be used to effect that contribution. 11 C.F.R. § 110.4(b)(1)(i) and (ii). The regulations also prohibit individuals from assisting in making contributions in the name of another. 11 C.F.R. § 110.4(b)(1)(iii).

3. The Commission's regulations provide that a contribution in the name of another includes giving money or anything of value, all or part of which is provided to the contributor by another person without disclosing the source of the money or the thing of value to the recipient candidate or committee at the time the contribution is made. 11 C.F.R. § 110.4(b)(2)(i).

4. In June of 1986, Harold Kellman was employed by William J. Levitt. Levitt hosted a fundraising cocktail party on June 2, 1986, for the benefit of Citizens for Biden - 1990. Contributions to the event were \$1,000 per person.

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5. William J. Levitt solicited his family members and employees for contributions to the fundraiser, resulting in \$21,000 in contributions.

6. William J. Levitt, at the time he solicited each contribution, agreed to either make a monetary gift or bonus, or to reduce his indebtedness, to each contributor by a like amount after each person made their contribution to the fundraiser.

7. Harold and Marilyn Kellman, at the request of William J. Levitt, each made a \$1,000 contribution to Citizens for Biden - 1990 on June 2, 1986.

8. On June 4, 1986, Rowenroy, Ltd., issued a \$2,000 check to Harold and Marilyn Kellman. William J. Levitt is the President and sole officer of Rowenroy, Ltd.

V. Respondents knowingly permitted their names to be used to effect a contribution to Citizens for Biden - 1990 by accepting reimbursement for their contributions, in violation of 2 U.S.C. § 441f.

VI. Respondents will pay a civil penalty to the Federal Election Commission in the amount of one thousand dollars (\$1,000), 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

930810961329

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. Respondents shall have no more than 30 days from the date this agreement becomes effective to comply with and implement the requirements 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 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 (LM)  
Lawrence M. Noble  
General Counsel

4/2/91  
Date

FOR THE RESPONDENTS:

Harold Kellman  
Harold Kellman

Feb. 25, 1991  
Date

Marilyn Kellman  
Marilyn Kellman

Feb. 25, 1991  
Date

930810961330

HAROLD KELLMAN  
MARILYN KELLMAN  
114 MAYTIME DR.  
JERICO, NY 11753

1297

Feb. 25 19 91

1-32/280

PAY TO THE  
ORDER OF

Federal Election Commission

\$ 1,000.00

One Thousand & <sup>00</sup>/<sub>100</sub>

DOLLARS



National  
Westminster  
Bank USA

Jerico Office  
479 Jericho-Hicksville Road  
Jerico, N.Y. 11753

MEMO \_\_\_\_\_

Harold Kellman

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Doc 0421

RECEIVED  
FEDERAL ELECTION COMMISSION  
MAIL ROOM

91 MAR 18 AM 10:00

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of	)	
	)	
Ralph Della Ratta	)	MUR 2576
	)	
	)	

CONCILIATION AGREEMENT

This matter was initiated by the Federal Election Commission ("Commission"), pursuant to information ascertained in the normal course of carrying out its supervisory responsibilities. The Commission found reason to believe that Ralph Della Ratta ("Respondent") violated 2 U.S.C. § 441f.

NOW, THEREFORE, the Commission and the Respondent, having participated in informal methods of conciliation, prior to a finding of probable cause to believe, do hereby agree as follows:

I. The Commission has jurisdiction over the Respondent and the subject matter of this proceeding, and this agreement has the effect of an agreement entered pursuant to 2 U.S.C.

§ 437g(a)(4)(A)(i).

II. Respondent has had a reasonable opportunity to demonstrate that no action should be taken in this matter.

III. Respondent enters voluntarily into this agreement with the Commission.

RECEIVED  
 FEDERAL ELECTION COMMISSION  
 OFFICE OF GENERAL COUNSEL  
 91 MAR 19 PM 3:09

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IV. The pertinent facts in this matter are as follows:

1. Ralph Della Ratta is a person within the meaning of 2 U.S.C. § 431(11).

2. The Federal Election Campaign Act of 1971, as amended ("the Act"), provides that no person shall make a contribution in the name of another person or knowingly permit his name to be used to effect such a contribution, and no person shall knowingly accept a contribution made by one person in the name of another person. 2 U.S.C. § 441f. No person shall make a contribution in the name of another; or knowingly permit his or her name to be used to effect that contribution. 11 C.F.R. § 110.4(b)(1)(i) and (ii). The regulations also prohibit individuals from assisting in making contributions in the name of another. 11 C.F.R. § 110.4(b)(1)(iii).

3. The Commission's regulations provide that a contribution in the name of another includes giving money or anything of value, all or part of which is provided to the contributor by another person without disclosing the source of the money or the thing of value to the recipient candidate or committee at the time the contribution is made. 11 C.F.R. § 110.4(b)(2)(i).

4. William J. Levitt hosted a fundraising cocktail party on June 2, 1986, for the benefit of Citizens for Biden - 1990. Contributions to the event were \$1,000 per person.

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5. William J. Levitt solicited his family members and employees for contributions to the fundraiser, resulting in \$21,000 in contributions.

6. William J. Levitt, at the time he solicited each contribution, agreed to either make a monetary gift or bonus, or to reduce his indebtedness, to each contributor by a like amount after each person made their contribution to the fundraiser.

7. Ralph Della Ratta, at the request of William J. Levitt, made a \$2,000 contribution to Citizens for Biden - 1990 on June 2, 1986.

8. On June 4, 1986, Rowenroy, Ltd., issued a \$2,000 check payable to Ralph and Joan Della Ratta. William J. Levitt is the President and sole officer of Rowenroy, Ltd.

V. Respondent knowingly permitted his name to be used to effect a contribution to Citizens for Biden - 1990 by accepting reimbursement for his contribution, in violation of 2 U.S.C. § 441f.

VI. Respondent will pay a civil penalty to the Federal Election Commission in the amount of one thousand dollars (\$1,000), 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

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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 30 days from the date this agreement becomes effective to comply with and implement the requirements 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 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*  
Lawrence M. Noble  
General Counsel

4/2/91  
Date

FOR THE RESPONDENT:

*Ralph Della Ratta*  
Ralph Della Ratta

Feb. 25. 1991  
Date

930810961335

RALPH M. DELLA RATTA  
JOAN DELLA RATTA  
RIDGE LN.  
M.G.L. NECK, NY 11765

Feb 25 19 91

112

1-32/280

PAY TO THE  
ORDER OF

Federal Election Commission \$ 1000.00

One thousand DOLLARS



National  
Westminster  
Bank USA

Oyster Bay Office  
South Street & Audrey Avenue  
Oyster Bay, N.Y. 11771

MONEY MARKET SAVINGS

FOR Conciliation Agreement

Ralph M. Della Ratta

930840961338



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

April 4, 1991

Gaby Levitt  
280 First Avenue  
New York, NY 10009

RE: MUR 2576  
Gaby Levitt

Dear Ms. Levitt:

On February 1, 1988, the Federal Election Commission found reason to believe that you violated 2 U.S.C. § 441f. At your request, the Commission determined on January 30, 1991, to enter into negotiations directed towards reaching a conciliation agreement in settlement of this matter prior to a finding of probable cause to believe. The enclosed documents were initially mailed to you on February 5, 1991, via certified mail. However, they were returned to this Office when you failed to sign for the delivery at your local post office.

Enclosed is a conciliation agreement that the Commission has approved in settlement of this matter. If you agree 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.

Additionally, this Office notes a letter to the Commission dated September 15, 1988, from your former counsel, Herbert J. Tamres, stating that he no longer represents you in this matter. However, this Office has not received any new Designation of Counsel stating that you are represented by new counsel in this matter. If you are currently represented by counsel, please execute the enclosed Designation of Counsel form and submit it to this Office immediately.

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MUR 2576  
Page Two

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 John Canfield, the attorney assigned to this matter, at (202) 376-8200.

Sincerely,

Lawrence M. Noble  
General Counsel

*Lois G. Lerner* <sup>pk</sup>

BY: Lois G. Lerner  
Associate General Counsel

Enclosure  
Conciliation Agreement  
Designation of Counsel form

930810961338

91 APR 15 PM 4:20

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of  
Nicole Levitt  
Adrienne Walters  
Jennifer Flynn

)  
)  
)  
)  
)  
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MUR 2576

**SENSITIVE**

GENERAL COUNSEL'S REPORT

I. BACKGROUND

A. Nicole Levitt

Attached is a conciliation agreement which has been signed by respondent Nicole Levitt. See Attachment 1.

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Therefore, the General Counsel recommends that the Commission accept this agreement and civil penalty, and close the file as it pertains to this respondent.

**B. Adrienne Walters and Jennifer Flynn**

Adrienne Walters was employed as a receptionist for William Levitt in 1986. Jennifer Flynn is the daughter of Adrienne Walters, and was seventeen (17) years old at the time of the contributions in question. The Commission found reason to believe on February 1, 1988, that Adrienne Walters and Jennifer Flynn each violated 2 U.S.C. § 441f by making contributions to the Biden for President campaign and then accepting reimbursement for those contributions from Rowenroy, Ltd. ("Rowenroy"), a corporation owned by William Levitt. See General Counsel's Report, dated January 28, 1991, for further factual details.

Adrienne Walters submitted a response to the Commission's findings on February 22, 1988. See Attachment 2. Jennifer Flynn submitted a response on April 6, 1988. See Attachment 3. Walters and Flynn submitted joint answers to interrogatories on April 6, 1988. See Attachment 4. Ms. Walters answered an interrogatory and requested pre-Probable Cause conciliation on February 4, 1991. See Attachment 5.

In her response and answers to interrogatories, Adrienne Walters states that William Levitt solicited her for two \$1,000 contributions to a Biden for President fundraiser, one in her own name and the other in the name of her minor daughter, Jennifer Flynn. Ms. Walters states that she signed her daughter's name on the check allegedly from Jennifer Flynn, using a joint checking account shared by the two women. Walters says that she made the

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contributions because she was afraid she would lose her job, and she did not know the contributions were illegal.

According to Walters, William Levitt told her that he would reimburse her for the contributions. The computer records of Rowenroy show that \$1,000 checks were issued to Walters and Flynn on June 4, 1986, two days after the Biden fundraiser. Ms. Walters states that she believes she endorsed the checks, including the one payable to her daughter, and deposited them into their joint checking account.

Walters maintains that her minor daughter had no knowledge or involvement in the making of these contributions. Walters acknowledges that she wrote the contributions checks and endorsed the reimbursement checks. Jennifer Flynn stated that she had no involvement with the contributions. When the Biden Committee returned the contributions in 1987, Adrienne Walters cooperated with the New York State Attorney General and returned the funds to the Levitt Foundation through the Attorney General's Office.

Adrienne Walters has acknowledged making two \$1,000 contributions to the Biden fundraiser, and then accepting reimbursement for those contributions from Rowenroy, in violation of 2 U.S.C. § 441f. Walters has requested pre-Probable Cause conciliation. The General Counsel recommends entering into pre-Probable Cause conciliation with Adrienne Walters, and the proposed conciliation agreement is attached to this report. See Attachment 6.

9308/0961341

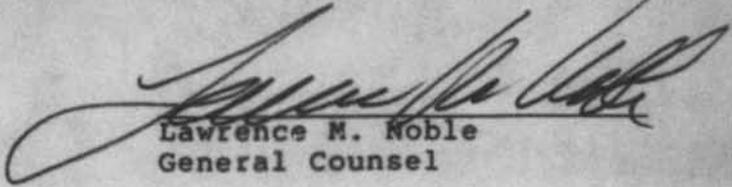
With regard to Jennifer Flynn, the evidence available indicates that she did not participate in or have knowledge of the contribution made in her name by her mother. Therefore, the General Counsel recommends that the Commission take no further action against Jennifer Flynn and close the file as it pertains to her.

II. RECOMMENDATIONS

1. Accept the attached conciliation agreement with Nicole Levitt, and close the file as it pertains to this respondent.
2. Enter into pre-probable cause conciliation with Adrienne Walters prior to a finding of probable cause to believe.
3. Take no further action with respect to Jennifer Flynn and close the file as it pertains to this respondent.
4. Approve the attached conciliation agreement and the appropriate letters.

Date

4/15/91

  
Lawrence M. Noble  
General Counsel

Attachments

1. Nicole Levitt Conciliation Agreement
2. Walters response (2/22/88)
3. Flynn response (4/6/88)
4. Joint answers to interrogatories (4/6/88)
5. Interrogatory answer and conciliation request (2/4/91)
6. Proposed Walters conciliation agreement

Staff Assigned: John Canfield

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BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of )  
Nicole Levitt; ) MUR 2576  
Adrienne Walters; )  
Jennifer Flynn. )

CERTIFICATION

I, Marjorie W. Emmons, Secretary of the Federal Election Commission, do hereby certify that on April 18, 1991, the Commission decided by a vote of 5-0 to take the following actions in MUR 2576:

1. Accept the conciliation agreement with Nicole Levitt, and close the file as it pertains to this respondent.
2. Enter into pre-probable cause conciliation with Adrienne Walters prior to a finding of probable cause to believe.
3. Take no further action with respect to Jennifer Flynn and close the file as it pertains to this respondent.

(Continued)

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4. Approve the conciliation agreement and the appropriate letter, as recommended in the General Counsel's Report dated April 15, 1991.

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

Attest:

4-19-91  
Date

Marjorie W. Emmons  
Marjorie W. Emmons  
Secretary of the Commission

Received in the Secretariat: Mon., April 15, 1991 4:28 p.m.  
Circulated to the Commission: Tues., April 16, 1991 11:00 a.m.  
Deadline for vote: Thurs., April 18, 1991 11:00 a.m.

dr

9308109961344



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

April 25, 1991

Adrienne J. Walters  
51 Friends Lane  
Westbury, NY 11590

RE: MUR 2576  
Adrienne J. Walters

Dear Ms. Walters:

On February 1, 1988, the Federal Election Commission found reason to believe that you violated 2 U.S.C. § 441f. At your request, on April 18, 1991, 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 you agree 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 John Canfield, the attorney assigned to this matter, at (202) 376-8200.

Sincerely,

Lawrence M. Noble  
General Counsel

BY: Lois G. Lerner  
Associate General Counsel

Enclosure  
Conciliation Agreement

930 X 0961345



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

April 25, 1991

Jennifer D. Flynn  
51 Friends Lane  
Westbury, NY 11590

RE: MUR 2576  
Jennifer D. Flynn

Dear Ms. Flynn:

On February 10, 1988, you were notified that the Federal Election Commission found reason to believe that you violated 2 U.S.C. § 441f. On April 3, 1988, you submitted a response to the Commission's reason to believe finding.

After considering the circumstances of the matter, the Commission determined on April 18, 1991, to take no further action against you, and closed the file as it pertains to you. The file will be made part of the public record within 30 days after this matter has been closed with respect to all other respondents involved. Should you wish to submit any factual or legal materials to appear on the public record, please do so within ten days of your receipt of this letter. Such materials should be sent to the Office of the General Counsel.

The confidentiality provisions of 2 U.S.C. § 437g(a)(4)(B) and § 437g(a)(12)(A) remain in effect until the entire matter is closed. The Commission will notify you when the entire file has been closed. In the event you wish to waive confidentiality under 2 U.S.C. § 437g(a)(12)(A), written notice of the waiver must be submitted to the Commission. Receipt of the waiver will be acknowledged in writing by the Commission.

If you have any questions, please contact John Canfield, the attorney assigned to this matter, at (202) 376-8200.

Sincerely,

Lawrence M. Noble  
General Counsel

BY: Lois G. Lerner  
Associate General Counsel

930 0961346



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

April 25, 1991

Nicole Levitt  
239 East 81st Street, Apt. 1A  
New York, NY 10028

RE: MUR 2576  
Nicole Levitt

Dear Ms. Levitt:

On April 18, 1991, the Federal Election Commission accepted the signed conciliation agreement and civil penalty submitted on your behalf in settlement of a violation of 2 U.S.C. § 441f, a provisions of the Federal Election Campaign Act of 1971, as amended. Accordingly, the file has been closed in this matter as it pertains to you.

The conciliation agreement calls for four (4) monthly payments of one hundred dollars (\$100), due on the first of each month beginning on May 1, 1991. These payments, in addition to the initial \$100 you submitted with the conciliation agreement, will constitute the \$500 civil penalty.

This matter will become a part of the public record within 30 days after it has been closed with respect to all other respondents involved. 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.

The Commission reminds you that the confidentiality provisions of 2 U.S.C. §§ 437g(a)(4)(B) and 437g(a)(12)(A) remain in effect until the entire matter has been closed. The Commission will notify you when the entire file has been closed. In the event you wish to waive confidentiality under 2 U.S.C. § 437g(a)(12)(A), written notice of the waiver must be submitted to the Commission. Receipt of the waiver will be acknowledged in writing by the Commission.

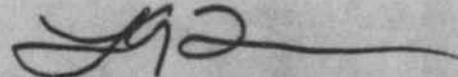
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MUR 2576  
Nicole Levitt  
Page Two

Enclosed you will find a copy of the fully executed conciliation agreement for your files. If you have any questions, please contact John Canfield, the attorney assigned to this matter, at (202) 376-8200.

Sincerely,

Lawrence M. Noble  
General Counsel



BY: Lois G. Lerner  
Associate General Counsel

Enclosure  
Conciliation Agreement

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RECEIVED  
FEDERAL ELECTION COMMISSION  
MAIL ROOM

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BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of

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)  
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)  
)

Nicole Levitt

MUR 2576

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RECEIVED  
FEDERAL ELECTION COMMISSION  
OFFICE OF GENERAL COUNSEL

CONCILIATION AGREEMENT

This matter was initiated by the Federal Election Commission ("Commission"), pursuant to information ascertained in the normal course of carrying out its supervisory responsibilities. The Commission found reason to believe that Nicole Levitt ("Respondent") violated 2 U.S.C. § 441f.

NOW, THEREFORE, the Commission and the Respondent, having participated in informal methods of conciliation, prior to a finding of probable cause to believe, do hereby agree as follows:

I. The Commission has jurisdiction over the Respondent and the subject matter of this proceeding, and this agreement has the effect of an agreement entered pursuant to 2 U.S.C. § 437g(a)(4)(A)(i).

II. Respondent has had a reasonable opportunity to demonstrate that no action should be taken in this matter.

III. Respondent enters voluntarily into this agreement with the Commission.

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IV. The pertinent facts in this matter are as follows:

1. Nicole Levitt is a person within the meaning of 2 U.S.C. § 431(11).

2. The Federal Election Campaign Act of 1971, as amended ("the Act"), provides that no person shall make a contribution in the name of another person or knowingly permit his name to be used to effect such a contribution, and no person shall knowingly accept a contribution made by one person in the name of another person. 2 U.S.C. § 441f. No person shall make a contribution in the name of another; or knowingly permit his or her name to be used to effect that contribution. 11 C.F.R. § 110.4(b)(1)(i) and (ii). The regulations also prohibit individuals from assisting in making contributions in the name of another. 11 C.F.R. § 110.4(b)(1)(iii).

3. The Commission's regulations provide that a contribution in the name of another includes giving money or anything of value, all or part of which is provided to the contributor by another person without disclosing the source of the money or the thing of value to the recipient candidate or committee at the time the contribution is made. 11 C.F.R. § 110.4(b)(2)(i).

4. William J. Levitt hosted a fundraising cocktail party on June 2, 1986, for the benefit of Citizens for Biden - 1990. Contributions to the event were \$1,000 per person.

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5. William J. Levitt solicited his family members and employees for contributions to the fundraiser, resulting in \$21,000 in contributions.

6. William J. Levitt, at the time he solicited each contribution, agreed to either make a monetary gift or bonus, or to reduce his indebtedness, to each contributor by a like amount after each person made their contribution to the fundraiser.

7. Nicole Levitt, at the request of William J. Levitt, made a \$1,000 contribution to Citizens for Biden - 1990 on June 4, 1986.

8. On June 4, 1986, Rowenroy, Ltd., issued a \$1,000 check to Nicole Levitt. William J. Levitt is the President and sole officer of Rowenroy, Ltd.

V. Respondent knowingly permitted her name to be used to effect a contribution to Citizens for Biden - 1990 by accepting reimbursement for her contribution, in violation of 2 U.S.C. § 441f.

VI. Respondent will pay a civil penalty to the Federal Election Commission in the amount of five hundred dollars (\$500), pursuant to 2 U.S.C. § 437g(a)(5)(A), such penalty to be paid as follows:

1. One initial payment of \$100 having already been submitted to the Commission by the respondent on March 15, 1991;
2. Thereafter, beginning on May 1, 1991, 4 consecutive monthly installment payments of \$100 each;

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3. Each such installment shall be paid on the first day of the month in which it becomes due;

4. In the event that any installment payment is not received by the Commission by the fifth day of the month in which it becomes due, the Commission may, at its discretion, accelerate the remaining payments and cause the entire amount to become due upon ten days written notice to the respondent. Failure by the Commission to accelerate the payments with regard to any overdue installment shall not be construed as a waiver of its right to do so with regard to future overdue installments.

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 30 days from the date this agreement becomes effective to comply with and implement the requirements contained in this agreement and to so notify the Commission.

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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 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 (GP)  
Lawrence M. Noble  
General Counsel

4/23/91  
Date

FOR THE RESPONDENT:

Nicole Levitt  
Nicole Levitt

3/26/91  
Date

93080961353

NICOLE LEVITT  
225 E. 90TH ST., 2J  
NEW YORK, NY 10016

801

PAY TO THE  
ORDER OF

*the Federal Election Commission* \$ 100.00 <sup>11</sup>/<sub>19</sub> <sup>77</sup>

1-46  
30

DOLLARS

Citibank, N.A. Br. #46 CITICORP CITIBANK  
640 Fifth Avenue at 51st Street  
New York, N.Y. 10016

*Nicole Levitt*

45219608036



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

May 2, 1991

Selig A. Rosenzweig, Esquire  
P.O. Box 1610  
Huntington Station, NY 11746-0915

RE: MUR 2576  
Edward Donnelly

Dear Mr. Rosenzweig:

This is to confirm our telephone conversation earlier today in which we scheduled the deposition of your client, Edward Donnelly, in the above-referenced matter. The deposition will be taken on Monday, May 13, 1991 at 1:00 p.m., in Room 18 of the United States Federal Courthouse for the Southern District of New York. The Courthouse is located at 40 Centre Street, Foley Square, in Manhattan. Please note that this is a different room number than the one we discussed earlier on the telephone.

If you have any questions, please contact me at (202)376-8200.

Very truly yours,

John M. Canfield  
Staff Attorney

93080961355



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

May 8, 1991

Gaby Levitt  
280 First Street  
New York, NY 10009

RE: MUR 2576  
Gaby Levitt

Dear Ms. Levitt:

On April 4, 1991, you were notified that, at your request, the Federal Election Commission determined to enter into negotiations directed toward reaching a conciliation agreement in settlement of this matter prior to a finding of probable cause to believe. On that same date you were sent a conciliation agreement offered by the Commission in settlement of this matter.

Please note that conciliation negotiations entered into prior to a finding of probable cause to believe are limited to a maximum of 30 days. To date, you have not responded to the proposed agreement. The 30 day period for negotiations has expired. Unless we receive a response from you within five days, this Office will consider these negotiations terminated and will proceed to the next stage of the enforcement process.

Should you have any questions, please contact John Canfield, the attorney assigned to this matter, at (202) 376-8200.

Sincerely,

Lawrence M. Noble  
General Counsel

BY: George F. Rishel  
Assistant General Counsel

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RECEIVED  
FEDERAL ELECTION COMMISSION  
MAY 10 1991

91 MAY 10 AM 10:36

18 10 23

**NICOLE LEVITT**  
225 E. 96TH ST., 2J  
NEW YORK, NY 10016

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*Michael J. ...*

5/6 19 91

MEMO to Mrs. ...

*Hub ...*

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New York, N.Y. 10019

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STATEMENT OF DESIGNATION OF COUNSEL

MUR 2576

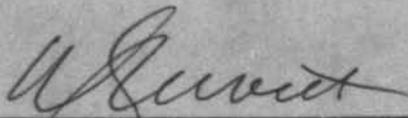
NAME OF COUNSEL: JAMES A. PASCARELLA, Esq.

ADDRESS: 170 Old Country Road, Fourth Floor  
Mineola, New York 11501

TELEPHONE: 516-742-1134

The above-named individual is hereby designated as my counsel and is authorized to receive any notifications and other communications from the Commission and to act on my behalf before the Commission.

May 20, 1991.  
Date

  
\_\_\_\_\_  
Signature  
WILLIAM J. LEVITT, President

RESPONDENT'S NAME: ROWENROY, LTD.

ADDRESS: c/o William J. Levitt  
600 Old Country Road  
Garden City, New York 11530

HOME PHONE: Not applicable.

BUSINESS PHONE: 516-222-8800

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# TRANSCRIPT OF PROCEEDINGS

UNITED STATES OF AMERICA  
BEFORE THE  
FEDERAL ELECTION COMMISSION

RECEIVED  
FEDERAL ELECTION COMMISSION  
OFFICE OF GENERAL COUNSEL  
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-----X  
IN THE MATTER OF: :  
EDWARD G. DONNELLY : MUR 2576  
-----X

DEPOSITION OF EDWARD G. DONNELLY

New York, New York

Monday, May 13, 1991

ACE-FEDERAL REPORTERS, INC.

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UNITED STATES OF AMERICA  
BEFORE THE  
FEDERAL ELECTION COMMISSION

-----X  
: IN THE MATTER OF: :  
: EDWARD G. DONNELLY : MUR 2576  
: :  
: :  
-----X

DEPOSITION OF EDWARD G. DONNELLY

New York, New York  
Monday, May 13, 1991

Deposition of EDWARD G. DONNELLY, called for  
examination pursuant to notice of deposition, at the United  
States Courthouse, Foley Square, 40 Centre Street, at 1:10  
p.m. before CINDY L. SEBO, a Notary Public within and for  
the District of Columbia, when were present on behalf of  
the respective parties:

JOHN M. CANFIELD, ESQ.  
ELIZABETH CAMPBELL, ESQ.  
Office of the General Counsel  
Federal Election Commission  
999 E Street, N.W.  
Room 621  
Washington, D. C. 20463  
On behalf of the Federal  
Election Commission.

93081091360

C O N T E N T S

WITNESS

EXAMINATION

Edward G. Donnelly  
by Mr. Canfield

3

E X H I B I T S

DONNELLY DEPOSITION NUMBER

IDENTIFIED

Exhibit 1 - Transaction activity summaries	13
Exhibit 2 - 3/3/88 letter and attachments	21
Exhibit 3 - 6/7/88 letter and attachments	21

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P R O C E E D I N G S

Whereupon,

EDWARD G. DONNELLY

was called as a witness and, having first been duly sworn,  
was examined and testified as follows:

EXAMINATION

BY MR. CANFIELD:

Q Would you please state your full name.

A Edward G. Donnelly.

Q Mr. Donnelly, my name is John Canfield. I'm an  
attorney with the Federal Election Commission, and also  
with me today is he Elizabeth Campbell, an attorney with  
the Commission.

Before we begin today's deposition, I will ask  
you, have you ever given a deposition before?

A Yes.

Q Okay. Just to maybe refresh your memory on how  
we are going to do this, I will be asking you a series of  
question today relating to contributions to the Biden for  
President campaign in 1986 and events which are related to  
those contributions.

I will remind you that you are under oath today

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1 and you should treat this testimony as if in a court of  
2 law before a judge and jury. If at any time you don't  
3 understand my question, ask me and I will rephrase it. If  
4 you need to take a break, get a drink of water, let me  
5 know, and we will take a break at that point.

6 Mr. Donnelly, are you represented by counsel  
7 here today?

8 A No.

9 Q For the record, I spoke with Mr. Donnelly's  
10 attorney, Mr. Rosenzweig, this past Thursday. He  
11 indicated that he might not attend today's deposition, but  
12 it would be okay for him to take your deposition today; is  
13 that your understanding?

14 A Yes.

15 Q Okay. Mr. Donnelly, would you please give us  
16 your home address.

17 A 9 Priory Court, Melville, New York 11747.

18 Q Are you married, Mr. Donnelly?

19 A Yes.

20 Q What's your wife's name?

21 A Michelle.

22 Q What's your current occupation?

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1 A I'm a CPA.

2 Q Are you self-employed?

3 A Yes.

4 Q Do you have a business address?

5 A 200 Broadhollow Road, Melville, New York 11747.

6 Q Were you employed as a CPA in 1986?

7 A In 1986 I was working for my CPA firm called  
8 Edward Donnelly, CPA, P.C.

9 Q That was your own firm?

10 A Yes.

11 Q During 1986, did you or your firm do any work  
12 for William J. Levitt?

13 A Yes.

14 Q Could you briefly explain the capacity of your  
15 work for Mr. Levitt in 1986.

16 A The scope of my engagement was one of general  
17 management financial management, tax preparation and  
18 strategy development, liasion with banking institutions.

19 Q Was this work for Mr. Levitt personal or was it  
20 also for his companies or corporations?

21 A It was under a -- the form of a written contract  
22 which was engaged between my corporation and Mr. Levitt

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1 personally and several of his companies.

2 Q So you did work for him personally as well as  
3 his corporate entities?

4 A Yes.

5 Q Does your firm currently do any work for  
6 Mr. Levitt --

7 A No.

8 Q -- either personally or in corporate capacity?

9 A No.

10 Q Can you recall when the last time you did any  
11 work for Mr. Levitt or any of his corporate entities was?

12 A June 1989, when the contract expired.

13 Q Mr. Donnelly, I would like to turn your  
14 attention now to June of 1986.

15 Do you recall making a contribution to the  
16 Joseph Biden for President campaign?

17 A Yes.

18 Q Could you tell me about the contribution you  
19 made and how that came about.

20 A Well, it was a contribution of \$1000 from  
21 myself, \$1000 on behalf of Michelle.

22 Q That's your wife?

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1 A Yes. At the request of William Levitt.

2 Q How did he request that you make these  
3 contributions?

4 A Called me into his office or I was in there on  
5 some other matter -- we were in constant touch every day  
6 -- and he told me he was sponsoring this party,  
7 fundraising party for Biden, and would I make a  
8 contribution and he would expect that it would be \$2000;  
9 \$1000 each, I said I agreed.

10 Q Do you know who Joseph Biden was?

11 A Yes.

12 Q Do you believe you would have made these  
13 contributions had Mr. Levitt not asked you to do so?

14 A No. I did a lot of work and earned a lot of  
15 money through Mr. Levitt, for a matter of \$2000 it's not  
16 going to be a material consideration.

17 Q Basically?

18 A But otherwise I was not a Biden supporter, but  
19 out of respect for Mr. Levitt and to help him, I did, I  
20 agreed.

21 Q Did Mr. Levitt say anything to you during this  
22 conversation about issuing you any type of refund or

1 reimbursement for the contributions you would make for you  
2 and your wife?

3 A No.

4 Q Did you ask him about a refund or a  
5 reimbursement?

6 A No.

7 Q Did the subject come up during that  
8 conversation?

9 A No.

10 Q Okay. Did Mr. Levitt discuss with you at that  
11 time making refunds or reimbursements to any other people  
12 who he had -- let me back up.

13 Were you aware that Mr. Levitt had asked other  
14 people to make similar contributions?

15 A I was aware that Mr. Levitt had asked a lot of  
16 his employees, probably all of them in the office on  
17 northern boulevard to make contribution, and I understood  
18 he probably told them that they would be refunded.

19 Q How is it that you understood that?

20 A From conversations with these various  
21 individuals who I knew might be hard-pressed to write a  
22 \$2000 check.

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1 Q You had conversations with various employees of  
2 his who indicated to you that Mr. Levitt had agreed to  
3 make refunds to them if they would make contributions to  
4 the Biden campaign?

5 A Right.

6 Q Can you recall any of the names of employees?

7 A Ralph Della Ratta.

8 THE WITNESS: Off the record.

9 MR. CANFIELD: Okay.

10 (Discussion off the record.)

11 THE WITNESS: A gal -- things get fuzzy after a  
12 couple of years -- there's one gal in particular, Neuman,  
13 her name was Sherry Neuman.

14 BY MR. CANFIELD:

15 Q Anyone else you can recall?

16 A Stanley Ogonowski. The others, I probably spoke  
17 to them, but I don't remember the specific instance.

18 Q At least as far as Mr. Della Ratta, Ms. Neuman,  
19 Mr. Ogonowski are concerned, you recall having some type  
20 of conversation with them where they indicated to you  
21 Mr. Levitt had asked them to make a contribution and they  
22 would be refunded for that?

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1 A Yes.

2 Q Did you attend the fundraiser?

3 A Yes.

4 Q Did you go by yourself or did your wife go with  
5 you?

6 A She had to stay home, I went.

7 Q Briefly can you describe what the fundraiser  
8 consisted of?

9 A Drinks, hors d'oeuvres. Nice hotel.

10 Q Where was it?

11 A It was on Park and 64th, the festivities were  
12 opened by a short biographical description of Joe Biden by  
13 Mr. Boyarsky.

14 Q Joel Boyarsky?

15 A Yes, it was followed by a another short  
16 introduction to Biden by Stanley Shaw and then Biden spoke  
17 and entertained questions that any of the people might  
18 have.

19 Q Was Mr. Levitt there?

20 A Oh, yes, he was in attendance as was  
21 Mrs. Levitt.

22 Q After the Biden fundraiser, do you recall

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1 receiving a check or checks from Rowenroy, Limited?

2 A Yes.

3 Q Do you recall the amounts of those checks?

4 A \$1000 each.

5 Q How many checks were there?

6 A Two.

7 Q Who were they payable to?

8 A I think -- it might have been one check payable  
9 to myself and my wife or it might have been two checks, I  
10 sort of remember one check probably payable to the both of  
11 us.

12 Q What was your understanding as to the purpose of  
13 this check or checks?

14 A Well, having been familiar with what was going  
15 through the books of the companies, I knew that it was one  
16 of several checks written to other people in his office,  
17 the employees who had made contributions and I was well  
18 aware any check that would include my wife's name would  
19 have the same relevancy.

20 Q In your capacity as a CPA during work for  
21 Mr. Levitt and his corporations, you had occasion to view  
22 the company books?

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1 A Yes, frequently.

2 Q Books for Rowenroy, Limited?

3 A Yes.

4 Q Can you tell me, was Rowenroy a corporation?

5 A Yes.

6 Q Do you know if it was a foreign corporation?

7 A It was an offshore corporation, to the best of  
8 my recollection.

9 Q Do you remember what company it was chartered in  
10 or headquartered in -- when you say "offshore," do you  
11 know --

12 A What country?

13 Q Right.

14 A Well, he had a couple of them. The Bahamas were  
15 involved. There may have been one in the Cayman Islands.

16 Q Do you recall specifically?

17 A I don't remember which one this was.

18 Q But it was a foreign corporation?

19 A Yes.

20 MR. CANFIELD: At this time, I'm going to hand  
21 you a document which has been marked as Deposition Exhibit  
22 Number 1.

9308091371

1 (Deposition Exhibit 1 identified.)

2 BY MR. CANFIELD:

3 Q Mr. Donnelly, this is four pages of photocopied  
4 ledger entities, the first page, the title says  
5 "Transactions Activity Summary for: Rowenroy, Limited,  
6 Date Last Entry 11/27/86."

7 Mr. Donnelly, I turn your attention to page 3 of  
8 this printout. About midway down the page, there are  
9 series of names with the entity personnel listed under the  
10 account in 1- and \$2000 increments.

11 Have you ever seen this document before?

12 A Yes.

13 Q Can you explain to me what it is.

14 A It's a cash disbursements journal for Rowenroy  
15 covering the period beginning in January of '86 and going  
16 on through July 16th of 1986.

17 Q When you said earlier that you had seen entries  
18 on the books of checks, are these people that you  
19 recognized as people who made contributions to the Biden  
20 fundraisers at Mr. Levitt's request?

21 A Well, of the --

22 Q I should point out I'm beginning with check

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1 number 1150, Cortese, and I'm looking down as far as check  
2 number 1162, Flynn.

3 A Starting with Cortese and going down to Stern,  
4 1160, there are a number of individuals there who are his  
5 employees with the exception of the two Levitt names and  
6 Stern.

7 Q Those are family members of Mr. Levitt's aren't  
8 they?

9 A Yes; right.

10 Q When we see an entity for check 1152 E and M  
11 Donnelly, personal, \$2000, is that you and your wife?

12 A Yes.

13 Q This is the \$2000 check you were referring to  
14 earlier that you received from Rowenroy?

15 A Yes, that's right.

16 Q What was your understanding that this check  
17 represented?

18 A Payment of a large -- a large outstanding  
19 balance that Levitt owed me. At the time, Levitt and his  
20 companies, and as the creditor, I chose to reduce  
21 receiveables by that amount, \$2000.

22 Q Okay. Let's back up.

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1           You're saying Mr. Levitt either personally or in  
2 some corporate capacity owed you a large sum of money?

3           A     Yes, yes.

4           Q     For what reason?

5           A     Fees, unpaid fees.

6           Q     Okay. And was it your understanding at the time  
7 you received this \$2000 check that this money represented  
8 a partial payment of those fees?

9           A     It was my understanding that I was slipped in  
10 with these individuals and having gotten \$2000, I said,  
11 oh, fine, and then it's up to me how I would decide to  
12 apply it. And what I did was apply it to unpaid fees and  
13 recorded it as income in my corporate books.

14          Q     Did you ever have reason to believe it  
15 represented a refund of the contributions you made on  
16 behalf of yourself and your wife?

17          A     I'm sure that it was probably intended to be  
18 such.

19          Q     But that's how you treated it?

20          A     That's how -- my choice would be either to give  
21 it back or to have and to hold this \$2000 better -- having  
22 it in tow then, than to look for it.

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1 Q Were you anticipating that check when you  
2 received it?

3 A No, no.

4 Q It was a surprise when you got it?

5 A Yes.

6 Q To the best of your knowledge, did Mr. Levitt  
7 owe fees or funds to any of those other people in that  
8 group?

9 A He owed money to Della Ratta?

10 A He owed money to Cortese. He might have owed  
11 something to Kellman, Lampel, who was the bookkeeper  
12 and/or accountant who actually prepared the checks and  
13 entered them into the system. He did not owe them  
14 anything. He did not owe Neuman anything. He did not owe  
15 Ogonowski anything. Stern is a relative. Gaby and Nicole  
16 Levitt were relatives, adopted daughters.

17 Q How did you get the check? Was it personally  
18 delivered to you or mailed to you?

19 A I believe it was put in my in-box in the office.

20 Q You don't recall anybody --

21 A It was hand-delivered, you might say. I don't  
22 know who put it there. I'm sure it was probably -- it was

1 either one of the secretaries or Lampel.

2 Q Did you discuss receiving this check with anyone  
3 at the time you got it?

4 A No.

5 Q You just took the check?

6 A And went to the bank.

7 Q Did you discuss it with Mr. Levitt at the time  
8 you received this check?

9 A No.

10 Q When you say "went to the bank," you deposited  
11 it into your personal account or your business account?

12 A I believe I deposited it into my personal  
13 account. I owed money to my corporation, so it went into  
14 the intercompany transactions and wound up being a  
15 reduction in my company's receivable from me and income in  
16 the company PNL.

17 Q Did you discuss receiving this check with any of  
18 the other people listed on that printout when they  
19 received their checks?

20 A No.

21 Q You didn't discuss it with anyone in the  
22 corporation, as to why you were getting these checks?

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1 A No.

2 Q Let me turn your attention now to the summer of  
3 1987.

4 Do you recall getting any type of refund check  
5 directly from the Biden campaign?

6 A Yes.

7 Q What can you tell me about that?

8 A I received a \$2000 check from the Biden campaign  
9 refunding the contribution, I think there might have been  
10 a short letter to that effect, by investors, I don't even  
11 know if I kept it.

12 Q Do you recall what the reason was for those  
13 funds being returned to you?

14 A It didn't say.

15 Q What did you do with that refund check?

16 A Put it in the bank.

17 Q Did you ever ask anyone or call anyone to try to  
18 find out why the contributions had been returned to you by  
19 the Biden campaign?

20 A No, no. I had drawn my own conclusions by that  
21 time.

22 Q What was your conclusion?

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1           A     My conclusion was that it was a fundraiser that  
2 they probably wished had not happened. One wanted to  
3 divest themselves --

4           Q     Why would they wish it hadn't happened?

5           A     Because apparently with the correspondence that  
6 you see there from Mr. Levitt, that it had reached  
7 proportions that would perhaps raise criticism of the way  
8 funds were handled for the Biden campaign inasmuch as one  
9 might allege that there was a conflict of interest  
10 between, let's say, Stanley Shaw, who was an attorney  
11 representing Levitt at that time, and his companies, and  
12 suggested to Mr. Levitt that he get involved in this  
13 fundraising activity because it would be pleasing to  
14 Mr. Boyarsky.

15                     At that time Mr. Levitt was in need of some  
16 large funds. And Shaw was well aware of this, and  
17 suggested this as a manner of raising the money that he  
18 needed.

19           Q     What do you mean, he "suggested this"?

20           A     He suggested that Boyarsky could be the source  
21 of a loan to solve the orient cash needed that Levitt had  
22 and in order to get on the good side or stay on the good

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1 side of Boyarsky, this would please him if it were done  
2 because he was in some capacity supporting Joe Biden for  
3 president.

4 At that time Shaw did not disclose that he had  
5 any official capacity on that committee for Biden. Some  
6 time later, several months later, in fact, one day,  
7 walking into Shaw's office, I noticed a certificate on the  
8 wall, a new certificate indicating that he had been a  
9 member of the Biden for President Campaign Committee.

10 Q This was after the fundraiser?

11 A Yes, several months afterwards.

12 Q At the time of the fundraiser, you were unaware  
13 of the -- that Stanley Shaw had any active role in the  
14 Biden campaign?

15 A That's right.

16 Q It was your understanding that Mr. Shaw had  
17 suggested to Mr. Levitt that posting a fundraiser for Joe  
18 Biden would be a good way to win favor with Mr. Boyarsky?

19 A That's what Mr. Levitt told me.

20 Q Mr. Levitt told you that?

21 A Yes.

22 Q That Mr. Shaw had suggested the fundraiser?

1 A Yes.

2 Q Turning back to the refund check which you  
3 received from the Biden campaign, did you ever discuss  
4 that with Mr. Levitt?

5 A I think I might have mentioned in passing that I  
6 got a check, but it was no important conversation  
7 surrounding it.

8 Q Do you recall what he said?

9 A No, I don't.

10 Q Earlier you referred to some correspondence.  
11 And at this time, for the record, I will state that  
12 Mr. Donnelly has brought some photocopied documents with  
13 him here today which he's indicated we can use as exhibits  
14 to this deposition.

15 Are these copies we can keep, Mr. Donnelly?

16 A Yes.

17 MR. CANFIELD: Mark this as Number 2.

18 (Deposition Exhibit 2 identified.)

19 MR. CANFIELD: This one as Number 3.

20 (Deposition Exhibit 3 identified.)

21 BY MR. CANFIELD:

22 Q Mr. Donnelly, I'm going to hand you now what's

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1 been marked as Deposition Exhibit Number 2 which you  
2 brought with you today. Can you tell me what this is?

3 A This is a correspondence dated March 3rd, 1988  
4 from William J. Levitt to Herb Tamres.

5 Q Who is Mr. Tamres?

6 A Mr. Tamres was a partner in the law firm of  
7 Shaw, Lacitra, Eisenberg, Esernio & Schwartz.

8 Q Mr. Tamres was Stanley Shaw's law partner?

9 A Yes.

10 Q Basically, what does this letter say?

11 A The letter appears to be in response to a  
12 request by Tamres for any documents in Levitt's possession  
13 associated with the Biden campaign fundraising party.

14 Q Does that letter make any reference to the draft  
15 of another letter?

16 A Yes, it does.

17 Q Is the draft the second page of the exhibit?

18 A Yes, it is.

19 Q Have you seen that document before?

20 A Well, I brought it.

21 Q Where did you obtain these documents?

22 A They were in the files in the Levitt office and

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1 in files of my own that were developed in order to give  
2 Bill Levitt's attorneys, who superseded or succeeded the  
3 Shaw firm, a clear picture of relationship between Levitt  
4 and Shaw in regards to the tropic loan, which is the loan  
5 that was supposed to be funded by Boyarsky but in fact  
6 never materialized.

7 Q Based on your knowledge of these documents, are  
8 you saying that the letter on the first page of Exhibit 2  
9 and the letter on the second page of Exhibit 2 were  
10 written by Mr. William Levitt?

11 A Yes, it's my recollection that the actual  
12 finished version, a copy of the finished version was in  
13 the Levitt files, but one day when the Attorney General  
14 representatives were in Mr. Levitt's office looking  
15 through the files, she selected certain things.

16 And my guess is they probably suggested the  
17 original, leaving the file empty except for this stuff  
18 (indicating) when they either did make copies of or missed  
19 -- I had seen the original of this -- not the original but  
20 the finished version.

21 Q You do recall seeing a finished version of this  
22 letter of page 2?

9308091382

1 A That's what I'm talking about.

2 Q These other documents which are attached to  
3 Exhibit 2 appear to be some type of invoices or bills.  
4 Do you know what these are bills for?

5 A These bills by the hotel, the Regency Hotel, to  
6 Mr. Levitt, who was redirecting them to Mr. Boyarsky.

7 Q Bills for the fundraisers?

8 A Yes.

9 Q Now at this time I will hand you Deposition  
10 Exhibit Number 3 which consists of several documents you  
11 brought with you today and ask you if you can tell me what  
12 these documents are.

13 A The first is a letter from myself to Stanley  
14 Shaw, summarizing that portion of a meeting that had taken  
15 place in his office between he and I on May 23rd, 1988  
16 concerning his billings, and in particular, billings  
17 associated with the matter involving the Federal Election  
18 Commission and behind it are detailed matter billings from  
19 the Shaw firm.

20 Q These are the bills which Mr. Shaw's law firm  
21 sent to Mr. Levitt?

22 A Yes, which went immediately from him to me in

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1 all cases.

2 Q Okay.

3 A And of course one of my functions was to review  
4 these things, along with all bills, and in particular,  
5 legal bills for services. And in this case Levitt had  
6 already noticed that the Federal Election Commission 3was  
7 was being billed and commented to me that he had had a  
8 conversation with Herb Tamres and with Stanley Shaw when  
9 individuals, to his knowledge, first received  
10 communication from the Federal Election Commission  
11 regarding the contribution. And in that -- those initial  
12 conversations with Shaw and Herb Tamres, Levitt said  
13 Stanley Shaw got him into this and that he expected him to  
14 get him out of it, and any fees, fines, would be Stanley's  
15 problem to either get rid of or pay and that Stanley Shaw  
16 agreed.

17 In my capacity as the exerciser of fiscal  
18 controls, I wanted to confirm this and understand clearly  
19 whether these were a financial obligation of Levitt or  
20 whether there was such an understanding between Shaw, the  
21 Shaw firm and Bill Levitt. Consequently, I brought it up  
22 at the meeting when I happened to be over at Shaw's office

9304091384

1 on May 23rd.

2 Q Mr. Levitt had noticed that in his legal  
3 billings from Mr. Shaw, entities were beginning to appear  
4 for legal work Mr. Shaw or his firm were doing for the  
5 Levitts regarding a Federal Election Commission  
6 investigation?

7 A Yes. Well they had set up a separate matter,  
8 they billed by matter, and there was a matter that  
9 suddenly appeared concerning the Federal Election  
10 Commission and the work that was being done on behalf of  
11 the Levitts and other individuals.

12 Shaw, in conversation on the phone with me one  
13 day right after this surfaced, asked if I had made  
14 arrangements for them to represent me, at which point I  
15 said no, you're not representing me. And I will get my  
16 representation elsewhere.

17 And he said, well, did you get one of those  
18 notices? And at the time I had not received it because  
19 Federal Election Commission was using the wrong address or  
20 zip code or something. And I said no, but I don't expect  
21 any problem on my behalf. I had a creditor apply that  
22 money to outstanding receivable, I made a contribution.

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1 It's perfectly legitimate. I took it as a credit on my  
2 1040 income tax return and I have nothing -- he said -- he  
3 stopped me and he said you handled it as a payment against  
4 money owed to you? I said that's right. And he said, oh,  
5 commented, words to the effect "that was a good idea and  
6 he was going to do it for the girls and the others."

7 I said but Stanley, you can only do it if  
8 there's money owed, and I don't believe that they have any  
9 money owed to them, at which point he cut the conversation  
10 short in saying said that's what he's going to do.

11 Q This was in a telephone conversation you had  
12 with Mr. Shaw?

13 A Yes.

14 Q Do you recall when this conversation was?

15 A When?

16 Q Generally.

17 A I would say it was probably in March of 1988.

18 Q It would have been before your personal meeting  
19 with Mr. Shaw on May 23rd of 1988?

20 A Yes, oh, yes.

21 Q I just want to clarify what you've told us  
22 because you've given us a lot of information at one time.

9304091386

1           You had a discussion with Mr. Levitt at some  
2 point in 1988 when he indicated to you that he had  
3 discussed the matter with Shaw and Boyarsky as to the law  
4 firm billing him for work relating to a Federal Election  
5 Commission investigation and that he expected Shaw and  
6 Boyarsky to get him out of this matter?

7           A     Yes, that's true. Furthermore, the day that it  
8 surfaced, I was sitting with Mr. Levitt and he was very  
9 angry and he wanted Shaw, tried to reach him on the  
10 phone. Shaw was -- I believe he was out of town,  
11 unreachable, and he got a hold of Tamres.

12           And in my presence, he said basically the same  
13 thing to Tamres, that this was something that was not his  
14 doing, it was at the suggestion of Stanley Shaw, whose  
15 advice he relied upon. And that he wanted Tamres to get  
16 busy on it immediately. And he wanted no part of the  
17 problem aspect of it, that they should handle it  
18 themselves.

19           Q     I believe you also said that it was your  
20 understanding that Mr. Levitt expected Mr. Shaw or  
21 Mr. Boyarsky or the both of them to pay any fines or  
22 penalties that might be levied in this matter?

9300901387

1           A     This was what Levitt told me. Levitt and I had  
2 many, many conversations about this and other matters  
3 pertaining to the Shaw relationship. He repeated his  
4 understanding of the agreement with Shaw a couple of times  
5 and inasmuch as I thought it could be at some future point  
6 an issue, I thought that the best thing to do would be to  
7 confirm it myself. So I had that conversation with  
8 Stanley Shaw.

9           Q     You've testified earlier that Mr. Shaw was the  
10 one who suggested to William Levitt that he host one of  
11 the fundraisers?

12          A     I testified that Shaw told me that -- I'm sorry  
13 -- that Levitt told me that Shaw suggested that he do  
14 that, yes.

15          Q     Did Mr. Levitt ever indicate to you that  
16 Mr. Shaw had told him he could make refunds or  
17 reimbursements for the political contributions for which  
18 Mr. Levitt solicited?

19          A     My recollection of that subject is that Levitt  
20 told me when it was apparent that the Boyarsky loan was  
21 not coming through, that he would be reimbursed.

22          Q     "He" meaning Mr. Levitt?

9300901388

1 A Mr. Levitt, which means Rowenroy and --

2 Q He would be reimbursed for what?

3 A For the contribution money he had reimbursed to  
4 individuals who had attended the party or made  
5 contributions. And I also recall that there was a point  
6 where Levitt and I were in Shaw's office, and Levitt was  
7 complaining about having laid that money out and that Shaw  
8 said simply you'll get it back.

9 There was no further discussion on that, except  
10 that Shaw made that statement, Levitt took it seriously,  
11 and I witnessed it. And getting it back would indicate,  
12 in the context in which it was said, was that there would  
13 be some sauce from the Shaw side of the fence, meaning one  
14 of his associates involved with that party or himself.

15 Q I want to be very clear on this point. Let's go  
16 back earlier to when Mr. Levitt agreed to host the  
17 fundraisers, as you've testified, was soliciting employees  
18 and family members to make contributions.

19 Do you have any knowledge that at that point in  
20 time, Mr. Shaw had told Mr. Levitt he could reimburse  
21 people for contributions?

22 A What happened was that the first party, original

9303091389

1 party that was supposed to be attended -- first of all, it  
2 was supposed to be held at Levitt's very elaborate  
3 estate. And Levitt had a reputation for being quite a  
4 party-giver; he could throw a nice party.

5 And he was the -- the plan was he would invite  
6 some friends who probably attended parties all the time at  
7 his estate and they would contribute \$1000 a head. But  
8 when it came time for the individuals to make their  
9 commitment to the party, they were not forthcoming.

10 And I understand from conversation with  
11 Mr. Levitt that he told Stanley Shaw that he can't seem to  
12 be able to get his old friends to show up. And Stanley  
13 Shaw suggested, according to Levitt, that he get people  
14 from the office, get the employees at the office and any  
15 other relatives he might be able to muster up, but  
16 basically people from the office and have them show up or  
17 make the contributions at the party.

18 And my recollection is that Levitt told me that  
19 Shaw told him that they would get the money back. I don't  
20 recall the manner in which they were going to get the  
21 money back, but --

22 Q Who is "they"?

9308091390

1 A The employees.

2 Q The employees who Mr. Levitt would solicit?

3 A Yes.

4 Q At some point Mr. Levitt told you that Shaw  
5 said --

6 A Used the employees -- give them the \$2000 -- now  
7 I recall he said give them the \$2000, \$1000 for the  
8 contribution.

9 Q Levitt told you that Shaw said this to him?

10 A Yes.

11 Q When you had this telephone conversation with  
12 Stanley Shaw in 1988, had you been contacted by the  
13 Federal Election Commission?

14 A Not yet, no, they had -- the letters, I was  
15 aware that letters had gone out and that some people had  
16 gotten them. I didn't have one and as it turns out later  
17 I didn't have one because they misaddressed my envelope.  
18 Subsequent to that, a week or two later, I got one.

19 Q Now you've testified a few minutes ago about the  
20 telephone conversation.

21 What can you tell us about the substance of your  
22 meeting with Stanley Shaw as referenced in the letter in

930X0901391

1 Exhibit 3 on May 23rd of 1988? What did you discuss  
2 during your personal meeting with him?

3 A In this aspect of the meeting, I said, Stanley,  
4 I have information from Mr. Levitt that the cost of legal  
5 expenses associated with the Federal Election Commission  
6 will be borne by you.

7 Q Meaning Mr. Shaw?

8 A Mr. Shaw. In which case, he said yes, that he  
9 agreed. And I said in addition to that, I'm told by  
10 Levitt that if there are any fines, that you will pay the  
11 fines. And he said, yes, within reason.

12 Q During this meeting, did Mr. Shaw make any  
13 reference to your earlier telephone conversation in which  
14 you discussed how you personally had treated the funds  
15 Mr. Levitt had paid you and that he thought that was a  
16 good idea for the other people?

17 A No, that didn't come up at the meeting.

18 Q That was only discussed during the prior  
19 telephone conversation?

20 A Only the telephone, yes.

21 Q He indicated to you during that telephone  
22 conversation that he thought that might be a good way to

9308091392

1 handle the problem with the other contributors?

2 A Yes. Particularly, he mentioned the girls.

3 Q Meaning Mr. Levitt's daughters?

4 A Yes.

5 Q During the same time period, roughly the summer  
6 of 1988, did you have any conversations with any other  
7 employees of Mr. Levitt's who had made contributions? And  
8 specifically I will ask you about whether you had any  
9 conversations with Mr. Della Ratta or Mr. Ogonowski?

10 A Taking Ogonowski first, Stanley Ogonowski was  
11 the bookkeeper/manager of the small office and -- reduced  
12 in size and now located on the Levitt estate -- and he and  
13 I would talk every day. And one day he appeared to be  
14 very upset and told me that he had been over at Shaw's  
15 office and had met with Tamres, said that he wanted him to  
16 sign an affidavit that he didn't agree with because it  
17 wasn't the truth.

18 Q Did he tell you what this affidavit said?

19 A I think it said something about a bonus in lieu  
20 of vacation or something like that. That's the best of my  
21 recollection now, but basically he said that they had  
22 fabricated something.

9308091393

1 Q This was in reference to the check which  
2 Mr. Ogonowski had received from Rowenroy?

3 A Yes.

4 Q What did you tell him?

5 A I told him I could only advise him as his friend  
6 and all I would ever advise him to do was to tell the  
7 truth.

8 Q Did you also have a conversation with Mr. Della  
9 Ratta?

10 A Yes. One evening Della Ratta called me at home  
11 and he appeared to be upset. I said what are you upset  
12 about? He said he had been at a meeting in the Shaw  
13 office and he had met with Tamres, and I believe he also  
14 said Shaw appeared at the meeting.

15 And he mentioned that a couple of other  
16 individuals were at the same meeting, I think Cortese and  
17 one other individual, whose name escapes me at the  
18 moment. But basically, he was asked to sign an affidavit  
19 that he did not agree with. And he was afraid that it  
20 might incriminate him in the future.

21 I said what do you mean, what are you talking  
22 about? And he said it concerned the reimbursement of the

9303091394

1 Biden campaign contribution refund, and in particular his  
2 wife had made an entry in his checkbook saying that it was  
3 repayment of a loan or some other description that he felt  
4 would be contradictory to the affidavit that they were  
5 asking him to sign. And he was upset about it.

6 And basically the same thing happened again.  
7 Stanley, all I can tell you, if something you say or sign  
8 isn't true might, it come back to haunt you. Only put  
9 down what's true.

10 Q Both of these gentlemen basically were  
11 complaining to you that they were being asked to sign  
12 affidavits by Mr. Tamres in Mr. Shaw's law firm which they  
13 felt were not accurate?

14 A That's right.

15 Q Did they discuss with you specifically what the  
16 inaccuracies were in these affidavits?

17 A Well, in both cases they said that they referred  
18 to the refunds as the refunds of the contributions being  
19 turned around to be payments for something else.

20 Q I believe you testified earlier that Mr. Levitt  
21 owed money to both of these gentlemen?

22 A No, I don't think he owed any money to Stanley

930091395

1 Ogonowski. To my knowledge, he didn't owe Ogonowski any  
2 money.

3 Q But he did owe some money to Mr. Della Ratta?

4 A Yes, he owed Della Ratta some money. He had a  
5 corporation. He had a consulting agreement. And Ralph  
6 Della Ratta, Inc., was the name of his corporation and was  
7 performing the services.

8 Q Mr. Ogonowski was?

9 A Ogonowski was strictly an employee.

10 Q When he was presented with an affidavit which  
11 purported that a check from Rowenroy was a payment on  
12 moneys owed, that was totally inaccurate because,  
13 according to your testimony, Mr. Levitt did not owe him  
14 any money?

15 A That's correct.

16 Q As to Mr. Della Ratta, would you say that this  
17 was consistent with the telephone conversation you had had  
18 with Mr. Shaw previously, that perhaps Mr. Shaw or  
19 Mr. Tamres of his law firm were not treating this check  
20 from Rowenroy as a payment against the moneys owed to  
21 Mr. Della Ratta?

22 A I would say that's precisely what happened.

9302091396

1 Q Did you have have any discussions with Mr. Shaw  
2 concerning the affidavits presented to Mr. Ogonowski and  
3 Mr. Della Ratta?

4 A No.

5 Q Did you ever discuss them with Mr. Tamres?

6 A No.

7 Q Did you ever discuss them with William Levitt?

8 A Yes.

9 Q What was that discussion?

10 A Simply that it looked like Stanley was doing  
11 some arm-bending to get affidavits that would suit his  
12 purpose. And he told me that Shaw had taken the position  
13 that the best way to handle this situation is get those  
14 affidavits, get them down there right away, put this to  
15 bed before it went any further.

16 Q Were you aware of any other employees who were  
17 complaining about being asked to sign affidavits?

18 A No.

19 Q Do you know if any affidavits were prepared for  
20 Mr. Levitt's family members?

21 A I understand -- but I did not see them -- I  
22 understand that there were.

9308091397

1 Q Did Mr. Shaw or anyone from his law firm ask you  
2 to sign an affidavit?

3 A No, because I made it clear that I wouldn't let  
4 them represent me.

5 Q Did they ever ask you to sign one?

6 A No.

7 MR. CANFIELD: Let's take a break at this  
8 point.

9 (Recess.)

10 BY MR. CANFIELD:

11 Q Mr. Donnelly, you told me a few minutes ago that  
12 Ralph Della Ratta, when he spoke with you, had a problem  
13 signing the affidavit?

14 A Yes.

15 Q Mr. Shaw's law firm had presented him one in  
16 which basically the check from Rowenroy was characterized  
17 as a payment against moneys owed Mr. Della Ratta?

18 A Yes.

19 Q It strikes me that's a very similar situation to  
20 the way you treated the money which you received from  
21 Rowenroy. So I'm a little confused as to why you don't  
22 seem to have a problem treating it the way you did, but

9302091398

1 Mr. Della Ratta has a problem treating it the same way.

2 A Because perhaps I treated it with my  
3 understanding of that -- of a creditor and the application  
4 of cash, the way I applied it and the fact I had deposited  
5 my check in the same bank account that I had made the  
6 contribution from, and I did this with deliberation, and  
7 Ralph deposited his check in his personal bank account but  
8 was going to pick up the income in his corporation and  
9 doesn't have the accounting acumen of reconciling these  
10 two transactions.

11 And it was from that point of view that Ralph  
12 called me and was also concerned about some notation his  
13 wife made in the check stub concerning the \$2000 and he  
14 thought it was contradictory to the affidavit that he was  
15 being asked to sign. Of course, I have no affidavit along  
16 those lines at all to make that comparison.

17 Q Do you think -- and we've talked about this  
18 earlier -- do you think Mr. Levitt, when he issued you and  
19 your wife that \$2000 check from Rowenroy, intended that to  
20 be a payment of moneys he owed you?

21 A I think he probably intended it to be the  
22 reimbursement.

930091399

1 Q For the Biden contributions?

2 A For the Biden contributions. I chose, as the  
3 creditor, I have a right to do -- to apply it as I see  
4 fit.

5 Q You hadn't discussed receiving \$2000 from  
6 Rowenroy with Mr. Levitt prior to the time you received  
7 that check?

8 A No, no.

9 Q Or at the time you made the contributions?

10 A No.

11 Q We talked earlier about whether or not Stanley  
12 Shaw had ever advised Mr. Levitt to solicit his employees  
13 and then make refunds.

14 Do you have any knowledge as to whether  
15 Mr. Boyarsky ever advised Mr. Levitt that he could solicit  
16 contributions and then make refunds?

17 A I have no information and it would seem unlikely  
18 that he would. Their relationship was not that intimate.  
19 There wasn't that much dialogue between Levitt and  
20 Boyarsky.

21 Q Boyarsky was simply a potential source of some  
22 funding for Mr. Levitt?

9302091400

1 A Correct.

2 Q They didn't have the type of relationship that  
3 Mr. Levitt had with Stanley Shaw?

4 A Quite true. In fact, it was very difficult when  
5 Levitt wanted the funding of the loan, it was impossible  
6 for him to catch up with Boyarsky, let alone have a  
7 telephone conversation with him.

8 Q Do you know whether Mr. Boyarsky ever in the end  
9 paid Mr. Levitt moneys to cover the cost of the Biden  
10 fundraisers and the contributions Levitt solicited?

11 A Not to my knowledge. I know through the period  
12 of time ending June 1989, he certainly had not.

13 Q It's your recollection that at some point  
14 Mr. Levitt told you that Stanley Shaw had told him to go  
15 ahead and solicit employees for contributions and then  
16 give the employees the money?

17 A Yes.

18 Q Did you ever tape record any of your  
19 conversations with Mr. Shaw?

20 A Yes.

21 Q What can you tell me about these tape  
22 recordings?

930091401

1           A     Well, the meeting referred to in the letter of  
2     June 7th, 1988, which took place on May 23rd.

3           Q     That was your personal meeting with Mr. Shaw in  
4     person, as opposed to the one on telephone?

5           A     I taped it right in his office.

6           Q     Was Mr. Shaw aware that you had taped that  
7     conversation?

8           A     No, not to my knowledge.

9           Q     Did you ask him if you could tape that  
10    conversation?

11          A     No.

12          Q     How did you go about taping it without him  
13    knowing it?

14          A     I had a small dictaphone tape recorder that was  
15    in my briefcase, left on.

16          Q     So this tape would then contain the  
17    conversation, which you've testified about, you and  
18    Mr. Shaw had in person on May 23rd of 1988?

19          A     Yes.

20          Q     What became of that tape afterwards?

21          A     I gave it to an attorney by the name of Joe.

22          Q     Pascarella?

9302091402

1 A Pascarella.

2 Q James Pascarella?

3 A Who became an attorney also for Levitt.

4 Q Why did you give it to Mr. Pascarella?

5 A I gave it to Pascarella -- I thought he should  
6 have all the information that I was gathering in support  
7 of my own claims concerning Levitt where I either had laid  
8 money out or had money coming to me. And in the same  
9 context he was becoming close to Levitt and shortly  
10 thereafter was engaged by Levitt.

11 Q Mr. Pascarella?

12 A I was giving him information and documents and  
13 that sort of thing.

14 Q Mr. Pascarella?

15 A Get him up to speed.

16 Q Mr. Pascarella was representing you?

17 A Yes.

18 Q Not representing Mr. Levitt at that time?

19 A Not at that time. Right around that time --  
20 June 7th, he might have taken over at that time, he may  
21 not have. I don't recall exactly when he made the  
22 relationship with Levitt, but it was around that time.

9308091403

1 Q Why did you tape that conversation with  
2 Mr. Shaw?

3 A Because I was very interested in crystallizing  
4 the fact that there was such an agreement. And I didn't  
5 want to get into one of these just plain conversations of  
6 who said what.

7 The reason I went over to talk to him myself  
8 about it or bring it up in a conversation while I was over  
9 there because up to that point it was simply conversation  
10 reported to me by Bill Levitt, between Bill Levitt and  
11 Stanley Shaw.

12 Q You wanted to collateralize the agreement  
13 Mr. Shaw would pay any fines levied by the FEC and that  
14 Mr. Levitt would not have to pay the legal fees?

15 A Legal fees and fines, he would pay both. I,  
16 myself, anticipated myself, I might very well have legal  
17 fees of my own which I certainly wanted to be reimbursed  
18 by the party who was taking on that responsibility. It  
19 turned out to be Stanley Shaw. And I in fact did incur  
20 expenses. And I expected that Shaw would reimburse me for  
21 those expenses as well.

22 Q At this time you were still doing accounting

930091404

1 work for Mr. Levitt?

2 A Yes.

3 Q Is it accurate to say that you were concerned,  
4 both personally as to your own involvement with the  
5 Federal Election Commission as well as an accountant for  
6 Mr. Levitt and his corporation's -- the fees pertaining to  
7 them?

8 A Very definitely. For example, is this a  
9 liability that should be concluded in the books? Should  
10 there be an entry? Should there been some expectation of  
11 future payment? And from my own point of view, should  
12 this be something that I should be covered on if Shaw had  
13 agreed?

14 And in addition to that you will notice in one  
15 of the documents that I gave you there's reference to  
16 another matter concerning the New York State Department of  
17 Labor where there was another instance which also is  
18 brought up at the same meeting in Shaw's office on May  
19 23rd where, because he did not follow instructions on the  
20 disbursement of funds associated with closing on the  
21 Levitt estate, to cover unpaid salaries by some employees  
22 who had made a claim to the Department of Labor.

9308091405

1           They charged Levitt and myself as officers of  
2 that corporation with a transgression vis-a-vis the  
3 New York labor law, which happened to be a misdemeanor.  
4 And I had to go over to criminal court in Mineola.

5           I had to retain an attorney all because Shaw  
6 decided in his own mind, after I had told him that  
7 commitment of X number of dollars had been made for the  
8 payment of these wages to come out of a certain source,  
9 that he was controlling and he decided not to make that  
10 payment.

11           I thought if he would make those decisions he's  
12 going to pay for it, and I brought that up and I wanted to  
13 know if those legal fees were going to be covered by  
14 Mr. Shaw. I identified those in a small dollar amount on  
15 one of the Shaw bills that you have in your possession.

16           Q     After that meeting, did you ever play the tape  
17 back?

18           A     I listened to it.

19           Q     Is it legible?

20           A     Yes, I could understand it.

21           Q     Audible?

22           A     I could understand it. My voice was clearer

1 than Shaw's, but I could tell you word-for-word exactly  
2 what everybody was saying.

3 Q Is it your understanding that that tape is still  
4 in the possession of Mr. Pascarella?

5 A Yes.

6 Q Mr. Pascarella's possession?

7 A Yes.

8 Q Have you ever asked for that tape back?

9 A No, I haven't asked for it back and --  
10 directly. He was joined in the Levitt matter by another  
11 attorney by the name of Ron Devito. So the two of them  
12 were representing Levitt and the two of them were  
13 representing me concurrently.

14 And several months ago I asked for -- yes, I  
15 asked Pascarella in writing for the tape and other  
16 materials. When I discharged Pascarella in representation  
17 for you folks, I asked him for all return of all tapes.

18 Q So you discharged Mr. Pascarella as your  
19 attorney?

20 A Yes.

21 Q Did he return those items to you?

22 A No, he did not.

9303091407

1 Q Did he return any items to you?

2 A And I wrote to him and he didn't return those  
3 items to me as a result of that -- those letters, no.

4 Q Do you recall --

5 A He returned nothing.

6 Q Do you recall when that was that you asked for  
7 those items?

8 A Probably in December of 1990.

9 MR. CANFIELD: Off the record.

10 (Discussion off the record.)

11 MR. CANFIELD: Elizabeth, do you have any  
12 questions for Mr. Donnelly?

13 MS. CAMPBELL: No.

14 MR. CANFIELD: Mr. Donnelly, that concludes our  
15 deposition today. You have a right to read and sign a  
16 copy of the transcript after the court reporter has  
17 prepared the deposition or you can waive that right and  
18 take it on faith what you said here today is accurate and  
19 she has written it down accurately.

20 I would point out, because this is an ongoing  
21 investigation, we would require that you meet with the  
22 court reporter personally to read the deposition in her

9308091408

1 presence. We cannot allow you to take or keep a Xerox  
2 copy of it. So if you chose to read and sign, you would  
3 have to make arrangements with her to do that.

4 So I ask you now, do you want to read and sign  
5 or do you waive that right?

6 THE WITNESS: I waive that right.

7 MR. CANFIELD: Mr. Donnelly, thank you for your  
8 time.

9 THE WITNESS: Thank you.

10 (Whereupon, at 2:15 p.m., the deposition was  
11 concluded.)

12  
13  
14 \_\_\_\_\_  
EDWARD G. DONNELLY  
15  
16  
17  
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21  
22

930 0901409

I, CINDY L. SEBO, the officer before whom the foregoing deposition was taken, do hereby certify that the witness whose testimony appears in the foregoing deposition was duly sworn by me; that the testimony of said witness was taken in shorthand and thereafter reduced to typewriting by me or under my direction; that said deposition is a true record of the testimony given by said witness; that I am neither counsel for, related to, nor employed by any of the parties to the action in which this deposition was taken; and, further, that I am not a relative or employee of any attorney or counsel employed by the parties hereto, nor financially or otherwise interested in the outcome of this action.

Cindy Sebo  
Notary Public in and for the  
District of Columbia

My Commission Expires FEBRUARY 14, 1995

930 0901410

9308091411  
 TRANSACTIONS ACTIVITY SUMMARY FOR: ROWENROY LTD  
 ACCOUNT: CASH-CHASE MANH DATE LAST ENTRY: 11/27/86

Cash Disbursements & Receipts  
 PAGE: 1

C	F	CHECK	DATE	TRANSACTION	DISTRIBUTION	AMOUNTS (\$)	
L	X	NUM	MO/DA/YR	TITLE	ACCOUNT	CHECK	DEPOSIT
		Dpat	01/06/86	LEVITT FOUNDATION	LEVITT FOUNDATION		50,000.00
		1072	01/06/86	CAPITAL COMM CORP	CAPITAL COMM CORP	1,600.00	
		1073	01/06/86	W J L INC	W J L INC	43,000.00	
		1074	01/06/86	LA BELLE SIMONE LTD	LA BELLE SIMONE LT	3,000.00	
		774	01/07/86	INTERNAL REV SVC	INTERNAT COMM CORP	30,562.22	
		1075	01/07/86	DEPT OF STATE	PERSONAL	100.00	
		1076	01/07/86	LA BELLE SIMONE LTD	LA BELLE SIMONE LT	15,000.00	
		1078	01/08/86	W J L INC	W J L INC	15,000.00	
		1079	01/08/86	INTERNATIONAL COMM CORP	INTERNAT COMM CORP	19,265.17	
		1080	01/08/86	Void			
		1081	01/08/86	Void			
		1082	01/08/86	Void			
		Dpat	01/09/86	CHASE MANHATTAN	LEVITT FOUNDATION		50,000.00
		Dpat	01/09/86	WEDTECH CORP	ROYALTIES		2,021.10
		0	01/09/86	BANK CHARGE	BANK CHARGES	7.00	
		1077	01/09/86	Void			
		1083	01/10/86	LA BELLE SIMONE LTD	LA BELLE SIMONE LT	6,000.00	
		1084	01/10/86	Void			
		1085	01/10/86	JOHN & RITA SARACCO	INTERNAT COMM CORP	4,000.00	
		1086	01/10/86	GENE & CYNTHIA PERLOFF	INTERNAT COMM CORP	4,000.00	
		1087	01/10/86	S & Z GREENBAUM	INTERNAT COMM CORP	5,100.00	
		1088	01/10/86	CAPITAL COMM CORP	CAPITAL COMM CORP	9,000.00	
		Dpat	01/15/86	LEVITT FOUNDATION	LEVITT FOUNDATION		150,000.00
		0	01/15/86	WIRE TRANS FUNDS	WILLIAMS REALTY	9,438.51	
		0	01/15/86	WIRE TRANS CHARGE	BANK CHARGES	15.00	
		0	01/15/86	CHASE MANHATTAN	BANK CHARGES	7.00	
		1089	01/15/86	LA BELLE SIMONE LTD	LA BELLE SIMONE LT	15,000.00	
		1090	01/15/86	WILLIAM J LEVITT INC	W J L INC	79,000.00	
		Dpat	01/16/86	LEVITT FOUNDATION	LEVITT FOUNDATION		247,000.00
		Dpat	01/16/86	CHECK 1083 CANCELLED	LA BELLE SIMONE LT		6,000.00
		0	01/16/86	WIRE FUNDS HARLEY ESC ACC	INTERNAT COMM CORP	266,667.20	
		0	01/16/86	WIRE TRANS CHARGE	BANK CHARGES	15.00	
		1091	01/16/86	REDRAW CK 1083-POST DATED	LA BELLE SIMONE LT	6,000.00	
		1092	01/17/86	WILLIAM J LEVITT INC	W J L INC	12,000.00	
		1093	01/21/86	CHASE VISA	PERSONAL	2,000.00	
		1094	01/21/86	E.A.B.	PERSONAL	2,000.00	
		0	01/22/86	WIRE TRANS WILL REALTY	WILLIAMS REALTY	10,080.00	
		0	01/22/86	WIRE TRANS CHARGE	BANK CHARGES	15.00	
		1095	01/22/86	HAWKINS COVE OIL SUPPLY	PERSONAL	3,750.00	
		Dpat	01/23/86	LEVITT FOUNDATION	LEVITT FOUNDATION		0.00
		Dpat	01/23/86	LEVITT FOUNDATION	LEVITT FOUNDATION		50,000.00
		0	01/23/86	CHASE MANHATTAN BANK	BANK CHARGES	7.00	
		1096	01/23/86	CAPITAL COMM CORP	CAPITAL COMM CORP	14,000.00	
		1097	01/23/86	WILLIAM J LEVITT INC	W J L INC	23,000.00	
		1098	01/23/86	CAPITAL COMMUNITIES CORP	CAPITAL COMM CORP	1,650.00	
		1099	01/23/86	LA BELLE SIMONE LTD	LA BELLE SIMONE LT	4,000.00	
		Dpat	01/27/86	LEVITT FOUNDATION	LEVITT FOUNDATION		50,000.00
		Dpat	01/27/86	TRANS FUNDS FROM CITIBANK	CITIBANK CHECKING		946.71
		Dpat	01/27/86	CHECK BOOK ADJ	BANK CHARGES		20.00
		0	01/27/86	CHASE MANHATTAN BANK	BANK CHARGES	7.00	
		1100	01/27/86	WILLIAM J LEVITT INC	W J L INC	6,000.00	

DEPOSITION  
EXHIBIT

SIRI CLS

4  
9308091412  
TRANSACTIONS ACTIVITY SUMMARY FOR HONENROY LTD  
ACCOUNT: CASH-CHASE MANH DATE LAST ENTRY: 11/27/86

C	T	CHECK	DATE	TRANSACTION	DISTRIBUTION	AMOUNTS (\$)	
L	X	NUM	MO/DA/YR	TITLE	ACCOUNT	CHECK	DEPOSIT
		1103	01/29/86	WILLIAM J LEVITT INC	W J L INC	9,000.00	
		1104	01/29/86	HAWKINS COVE OIL & SUPPLY	PERSONAL	2,300.00	
		0	01/31/86	WIRE FUNDS TO WILLIAM REA	WILLIAMS REALTY	9,500.00	
		0	01/31/86	CHASE MANHATTAN BANK	BANK CHARGES	15.00	
		1105	01/31/86	LA BELLE SIMONE LTD	LA BELLE SIMONE LT	6,000.00	
		1106	01/31/86	WILLIAM J LEVITT INC	W J L INC	9,000.00	
		1107	01/31/86	CAPITAL COMMUNITIES CORP	CAPITAL COMM CORP	1,000.00	
		Dpst	02/03/86	LEVITT FOUNDATION	LEVITT FOUNDATION		50,000.00
		0	02/03/86	CHASE MANHATTAN BANK	BANK CHARGES	7.00	
		1108	02/03/86	CAPITAL COMMUNITIES CORP	CAPITAL COMM CORP	2,000.00	
		1109	02/03/86	WILLIAM J LEVITT INC	W J L INC	11,000.00	
		1110	02/04/86	EDWARD B DONNELLY CPA PC	W J L INC	4,000.00	
		1111	02/04/86	LA BELLE SIMONE LTD	LA BELLE SIMONE LT	15,000.00	
		Dpst	02/06/86	SALE OF FRENCH FRANCS	PERSONAL		680.00
		Dpst	02/06/86	CHECK BOOK ADJT	BANK CHARGES		13.00
		Dpst	02/06/86	CHECK BOOK ADJT	BANK CHARGES		7.00
		1112	02/06/86	WILLIAM J LEVITT INC	W J L INC	15,000.00	
		1113	02/06/86	CAPITAL COMMUNITIES CORP	CAPITAL COMM CORP	7,000.00	
		Dpst	02/13/86	LEVITT FOUNDATION	LEVITT FOUNDATION		75,000.00
		Dpst	02/13/86	LEVITT FOUNDATION	LEVITT FOUNDATION		25,000.00
		0	02/13/86	WIRE FUNDS TO HARTLEY & W	INTERNAT COMM CORP	25,629.23	
		0	02/13/86	CHASE MANHATTAN BANK	BANK CHARGES	20.00	
		0	02/14/86	WIRE FUNDS WILLIAMSBU REA	WILLIAMS REALTY	11,204.48	
		0	02/14/86	CHASE MANHATTAN BANK	BANK CHARGES	20.00	
		1114	02/14/86	WILLIAM J LEVITT INC	W J L INC	44,000.00	
		1115	02/14/86	LA BELLE SIMONE LTD	LA BELLE SIMONE LT	7,500.00	
		1116	02/14/86	SMYTHERS, PLEUS, ADAM, PASSE	INTERNAT COMM CORP	727.96	
		1117	02/14/86	LA BELLE SIMONE LTD	LA BELLE SIMONE LT	6,500.00	
		Dpst	02/18/86	LEVITT FOUNDATION	LEVITT FOUNDATION		50,000.00
		Dpst	02/18/86	CHECK BOOK ADJUSTMENT	BANK CHARGES		30.00
		1118	02/18/86	LA BELLE SIMONE LTD	LA BELLE SIMONE LT	5,000.00	
		1119	02/18/86	WILLIAM J LEVITT INC	W J L INC	28,000.00	
		1120	02/20/86	WILLIAM J LEVITT INC	W J L INC	6,000.00	
		1121	02/20/86	CAPITAL COMMUNITIES CORP	CAPITAL COMM CORP	2,000.00	
		1122	02/21/86	WILLIAM J LEVITT INC	W J L INC	9,000.00	
		Dpst	02/24/86	LEVITT FOUNDATION	LEVITT FOUNDATION		25,000.00
		0	02/24/86	CHASE MANHATTAN BANK	BANK CHARGES	7.00	
		1123	02/24/86	GRACE PLAZA OF GREAT NECK	PERSONAL	2,500.00	
		1124	02/24/86	VOID			
		1125	02/24/86	WILLIAM J LEVITT INC	W J L INC	16,000.00	
		1126	02/24/86	LA BELLE SIMONE LTD	LA BELLE SIMONE LT	7,000.00	
		1127	02/24/86	ANTHONY D THOMOPOULOS	PERSONAL	2,296.33	
		0	02/26/86	PURCHASE FRENCH FRANCS	PERSONAL	740.00	
		Dpst	02/27/86	LEVITT FOUNDATION	LEVITT FOUNDATION		89,000.00
		0	02/27/86	CHASE MANHATTAN BANK	BANK CHARGES	7.00	
		1128	02/27/86	LA BELLE SIMONE LTD	LA BELLE SIMONE LT	6,000.00	
		1129	02/27/86	CAPITAL COMMUNITIES CORP	CAPITAL COMM CORP	750.00	
		1130	02/27/86	WILLIAM J LEVITT INC	W J L INC	63,613.52	
		1131	02/27/86	WILLIAM J LEVITT INC	W J L INC	4,607.00	
		0	02/28/86	WIRE FUNDS WILLIAMSBU REAL	WILLIAMS REALTY	8,852.30	
		0	02/28/86	CHASE MANHATTAN BANK	BANK CHARGES	20.00	
						779.07	

9308091413

TRANSACTIONS ACTIVITY SUMMARY FOR: ROWENROY LTD  
 ACCOUNT: CASH-CHASE MANH DATE LAST ENTRY: 11/27/86

CIT		CHECK	DATE	TRANSACTION	DISTRIBUTION	AMOUNTS (\$)	
L	X	NUM	MO/DA/YR	TITLE	ACCT	CHECK	DEPOSIT
		Dpst	03/07/86	WEDTEC	ROYALTIES		
		Dpst	03/07/86	BLUE CROSS	MEDICAL		2,390.60
		Dpst	03/07/86	UNITED STATES TREASURY	TAXES		676.00
		1133	03/07/86	WILLIAM J LEVITT INC	W J L INC	38,000.00	3.09
		1134	03/07/86	CAPITAL COMMUNITIES CORP	CAPITAL COMM CORP	1,500.00	
		1135	03/07/86	LA BELLE SIMONE LTD	LA BELLE SIMONE LT	18,800.00	
		1136	03/10/86	WILLIAM J LEVITT INC	W J L INC	13,000.00	
		1137	03/10/86	Void			
		0	03/12/86	CHASE MANHATTAN BANK	BANK CHARGES	7.00	
		1138	03/12/86	E A B	PERSONAL	2,000.00	
		1139	03/12/86	CHASE VISA	PERSONAL	3,000.00	
		1140	03/12/86	WILLIAM J LEVITT INC	W J L INC	5,200.00	
		1141	03/12/86	CAPITAL COMMUNITIES CORP	CAPITAL COMM CORP	1,200.00	
		Dpst	04/01/86	CAPITAL COMM CORP	CAPITAL COMM CORP		25,000.00
		1143	04/02/86	CAPITAL COMMUNITIES CORP	CAPITAL COMM CORP	5,383.00	
		1144	04/02/86	SHAW GOLDMAN LEVINE	INTERNAT COMM CORP	10,000.00	
		Dpst	04/11/86	CAPITAL COMM CORP	CAPITAL COMM CORP		10,000.00
		0	04/11/86	CHASE MANHATTAN BANK	BANK CHARGES	6.00	
		1145	04/11/86	JOHN FOREST JR-TRUSTEE	INTERNAT COMM CORP	10,000.00	
		1146	04/11/86	GINFBERG, FELDMAN, BRESS	LEGAL FEES	10,000.00	
		1147	04/14/86	N Y S FEDERATION POLICE	PERSONAL	100.00	
		Dpst	05/05/86	CAPITAL COMM CORP	CAPITAL COMM CORP		9,831.33
		1148	05/05/86	COMMUNITY NATL BANK	INTERNAT COMM CORP	9,831.33	
		1149	05/05/86	Void			
		Dpst	06/04/86	CAPITAL COMM CORP	CAPITAL COMM CORP		72,000.00
		1150	06/04/86	E & F CORTESE	PERSONAL	2,000.00	
		1151	06/04/86	R & J DELLE RATTA	PERSONAL	2,000.00	
		1152	06/04/86	E & M DONNELLY	PERSONAL	2,000.00	
		1153	06/04/86	H & M KELLMAN	PERSONAL	2,000.00	
		1154	06/04/86	S & A LAPEL	PERSONAL	2,000.00	
		1155	06/04/86	BABY LEVITT	PERSONAL	1,000.00	
		1156	06/04/86	NICOLE LEVITT	PERSONAL	1,000.00	
		1157	06/04/86	Void			
		1158	06/04/86	M & S NEUMAN	PERSONAL	2,000.00	
		1159	06/04/86	S & F OGONOWSKI	PERSONAL	2,000.00	
		1160	06/04/86	L & L STERN	PERSONAL	1,500.00	
		1161	06/04/86	ADRIENNE WALTERS	PERSONAL	1,000.00	
		1162	06/04/86	JENNIFER D FLYNN	PERSONAL	1,000.00	
		1163	06/04/86	CHASE ADVANTAGE CREDIT	PERSONAL	2,000.00	
		1164	06/04/86	CASH (W J L)	PERSONAL	410.00	
		1165	06/04/86	LONG ISLAND LIGHTING	PERSONAL	7,263.92	
		0	06/05/86	CHASE MANHATTAN BANK	BANK CHARGES	7.00	
		1166	06/06/86	BIRCHWOOD AT JERICHO	CAPITAL COMM CORP	6,500.00	
		1167	06/06/86	CHEMICAL BANK	PERSONAL	2,000.00	
		1168	06/09/86	CHASE VISA	PERSONAL	2,000.00	
		1169	06/09/86	Void			
		1170	06/09/86	HARTLEY & WALL	INTERNAT COMM CORP	20,464.90	
		Dpst	06/10/86	CAPITAL COMM CORP	CAPITAL COMM CORP		45,000.00
		0	06/10/86	CHASE MANHATTAN BANK	BANK CHARGES	12.00	

930809 1414

PAGE: 4

TRANSACTIONS ACTIVITY SUMMARY FOR: ROWENROY LTD  
 ACCOUNT: CASH-CHASE MANH DATE LAST ENTRY: 07/22/86

C T		CHECK	DATE	TRANSACTION	DISTRIBUTION	AMOUNTS (\$)	
L	X	NUM	MO/DA/YR	TITLE	ACCOUNT	CHECK	DEPOSIT
		1174	06/10/86	D ANDERSON	PERSONAL	159.56	
		1175	06/10/86	BELLANSNER	PERSONAL	70.00	
		1176	06/10/86	CON EDISON	PERSONAL	45.48	
		1177	06/10/86	DEBART TEMPERATURE CONTRO	PERSONAL	86.40	
		1178	06/10/86	FOODTOWN	PERSONAL	1,542.72	
		1179	06/10/86	GABE'S PRIME MEATS	PERSONAL	483.99	
		1180	06/10/86	GLEN HEAD CLEANERS	PERSONAL	22.00	
		1181	06/10/86	GREENVALE CHEMISTS	PERSONAL	384.98	
		1182	06/10/86	HOME LIFE INSURANCE	PERSONAL	49.20	
		1183	06/10/86	JAY-EDD TRIM SHOP	PERSONAL	215.35	
		1184	06/10/86	LAKE SUCCESS WINE & LIQ	PERSONAL	376.07	
		1185	06/10/86	LOCUST VALLEY MOTOR WORKS	PERSONAL	432.81	
		1186	06/10/86	L I SPORTS REHABILATION	MEDICAL	80.00	
		1187	06/10/86	LUSCHER AIR CONDITIONING	PERSONAL	291.60	
		1188	06/10/86	MACRAE FRUIT & VEGETABLES	PERSONAL	440.47	
		1189	06/10/86	MARINE FISHERIES INC	PERSONAL	360.50	
		1190	06/10/86	NEW YORK TELEPHONE	PERSONAL	1,122.78	
		1191	06/10/86	NORTH SHORE UNI HOSPITAL	MEDICAL	550.00	
		1192	06/10/86	PARK EAST MARKET	PERSONAL	11.40	
		1193	06/10/86	THE PLAZA	PERSONAL	50.52	
		1194	06/10/86	F A SHERIDAN	PERSONAL	864.00	
		1195	06/10/86	THE REGENCY HOTEL	PERSONAL	140.71	
		1196	06/11/86	H & S AWING COMPANY	PERSONAL	838.00	
		0	06/12/86	CHECK BOOK CHARGE	BANK CHARGES	40.06	
		Dpat	06/13/86	CAPITAL COMM CORP	CAPITAL COMM CORP		10,000.00
		0	06/13/86	CHASE MANHATTAN BANK	BANK CHARGES	2.70	
		1197	06/13/86	BARDEN CITY JUSTICE COURT	PERSONAL	10.00	
		1198	06/13/86	CASH (W J L -FOR ROSA DI)	PERSONAL	500.00	
		1199	06/13/86	NEW YORK TELEPHONE	PERSONAL	104.07	
		1200	06/13/86	PETER MOSHU-BENETE/KENNDY	PERSONAL	2,000.00	
		1201	06/18/86	CARL LUCIDI PAINTING	PERSONAL	900.00	
		1202	06/19/86	GERARD O'BRIEN-PETTY CASH	PERSONAL	89.75	
		1203	06/19/86	EDWARD DONNELLY CPA PC	INTERNAT COMM CORP	4,000.00	
		1204	06/20/86	CASH (W J L)	PERSONAL	500.00	
		1204	06/20/86	CON EDISON	PERSONAL	45.48	
		1207	06/25/86	VALENCIA DRAINAGE DIST	INTERNAT COMM CORP	2,579.00	
		1208	06/25/86	TRIM PACK	INTERNAT COMM CORP	1,260.70	
		1204	07/04/86	EDAN DISTRIBUTING	INTERNAT COMM CORP	10,000.00	
		Dpat	07/07/86	CAPITAL COMM CORP	CAPITAL COMM CORP		10,700.00
		1209	07/08/86	CHEMICAL BANK	PERSONAL	2,000.00	
		Dpat	07/16/86	CAPITAL COMM CORP	CAPITAL COMM CORP		4,600.00
		1210	07/16/86	KEYSTONE NATL INS PENNA	PERSONAL	2,500.00	

*William J. Levitt*

GREENVALE, NEW YORK 11548

March 3, 1988

STRICTLY CONFIDENTIAL

Dear Herb:

I am enclosing a copy of the draft of letter that was sent to Boyarsky on August 18th. I cannot find a copy of the letter that actually went but with the corrections shown on the draft you will understand what happened. I am also enclosing a copy of the certified form showing that Boyarsky received the letter the following day. I am also enclosing a copy of the bill for the cocktail party together with my comment to the hotel.

A word or two should give you the complete picture. After Boyarsky received my letter he gave it to Stanley Shaw. Stanley advised me not to go ahead with what I had stated in my last paragraph and we tore the letter up then and there.

So much for that, and I don't think I have to draw any more pictures for you.

As far as the letters calling for documents and a great deal more, let me state to you categorically that as far as Simone, Gaby, Nicole, Rowenroy and I are concerned, I tell you categorically other than what I am enclosing here, we have no documents of any kind, nature or description with the exception of the Rowenroy checkbook. All checks - which includes the original contribution checks as well as the refund checks - were given to Samuels in the A.G.'s office. I must repeat, after looking at three of the, "Requests for documents" we have nothing that would answer those requests other than the checkbook.

Sincerely,

Herbert Tamres, Esq.  
Shaw, Licitra, Eisenberg, Esernio & Schwartz, P.C.  
1010 Franklin Ave.  
Garden City, N.Y. 11530



LOEWS HOTELS

INVOICE

THE REGENCY HOTEL  
 PARK AVE. AT 61ST STREET  
 NEW YORK, N. Y. 10021

06/03/86

~~MR. W. J. LEVITT  
 C/O LEVITT INDUSTRIES  
 57 NORTHERN BLVD.  
 GREENVALE, N.Y.~~

Committee of Citizens for Biden  
 c/o Mr. Joel Boyarsky  
 IFTI  
 211 Broadway, Suite #301  
 Lynbrook, NY 11563

PLEASE DETACH THIS PART AND RETURN WITH YOUR CHECK FOR \$ 1,494.27

DATE		REFERENCE	AMOUNT	TOTAL
DAY	YR			
03	86	RM.1831 F-99420 LEVIT	1,494.27	1,494.27

93020901416

PLEASE MAKE CHECKS PAYABLE TO: THE REGENCY HOTEL

BILLS DUE WHEN RENDERED

2 LEVIT MR W 1/175.00 6/2  
 PER MR BECKER  
 KR\*JL

DAY USE  
 PRE REG

NA

The Regency Hotel

OF NEW YORK  
 PARK AVENUE AT 81st STREET  
 NEW YORK, NEW YORK 10021  
 (212) 558-4100  
 TELEFAX NO. 147182

MEMO	DATE	REFERENCE	CHARGES	CREDITS	BALANCE DUE	PICK UP
3244	06/02/86	LDST 1831	.50		**50 /27	B
3279						
3401	06/02/86	RES1 1831	105.00		**105.48 /11	B
	06/02/86	ROOM 1831	175.00			C
	06/02/86	RTAX 1831	14.44			C
3182	06/02/86	OCTX 1831	4.00		**348.92 /24	C
Over post 2513405	06/03/86	MISB 1831	1,350.00		**1,738.92 /28	A
1239	06/03/86	TRCR 1831	249.65		**1,494.27 /61	B

725.2013

SEE OTHER SIDE FOR CODE

LAST BALANCE IS AMOUNT DUE

**BILLING INSTRUCTIONS**

I AGREE TO BE PERSONALLY LIABLE IF THE INDICATED PERSON, FIRM, OR CORPORATION FAILS TO PAY ANY OF THE ABOVE CHARGES.

GUEST'S SIGNATURE: \_\_\_\_\_  
 CHARGE TO: \_\_\_\_\_  
 ADDRESS: \_\_\_\_\_  
 CITY STATE ZIP

99420

APP. BY

LOEWS HOTELS

THE REGENCY HOTEL  
PARK AVE. AT 61ST STREET  
NEW YORK, N. Y. 10021

INVOICE

06/03/86

~~MR. W. J. LEVITT  
C/O LEVITT INDUSTRIES  
57 NORTHERN BLVD.  
GREENVALE, N. Y.~~

Committee of Citizens for Biden  
c/o Mr. Joel Boyarsky  
IFTI  
211 Broadway, Suite #301  
Lynbrook, NY 11563

PLEASE DETACH THIS PART AND RETURN WITH YOUR CHECK FOR \$ 1,494.27

DATE DAY	YR	REFERENCE	AMOUNT	TOTAL
03	86	RM.1831 F-99420 LEVIT	1,494.27	1,494.27

93030901418

MAKE CHECKS PAYABLE TO: THE REGENCY HOTEL

ACCOUNT NO.

BILLS DUE WHEN RENDERED

*Levitt Industries*

GREENVALE, NEW YORK 11548

MISS LUCILLE LAMBERTI  
SECRETARY TO MR. LEVITT

June 10, 1986

The Regency Hotel  
Park Ave. at 61st Street  
New York, New York 10021

Gentlemen:

I am returning the enclosed bill. This reservation was made for the Committee of Citizens for Biden and the bill should be sent to:

Mr. Joel Boyarsky  
IFTI  
211 Broadway  
Lynbrook, NY 11563

Very truly yours,

*L. Lambert*

930091419

WILLIAM J. LEVITT, INC.

XXXXXXXXXXXXXXXXXXXX  
XXXXXXXXXXXXXXXXXXXX  
Mill Neck, N.Y. 11765

June 7, 1988

J. Stanley Shaw, Esq.  
Shaw, Licitra, Eisenberg,  
Esernio & Schwartz, P.C.  
1010 Franklin Ave.  
Garden City, New York 11530

RE: FEDERAL ELECTION COMMISSION BILLINGS

Dear Stanley:

In our meeting at your office on May 23rd I again objected to the billing of your firm for services and expenses relative to the Federal Election Commission issues. As discussed with Mr. Levitt, and confirmed to me on more than one occasion, your firm is performing these services without cost to Mr. Levitt or the former Levitt employees, relatives and friends whom you represent.

While you insist the bills are ".....prepared for internal reasons within your firm", we see no legitimate reason for issuing invoices which are not to be honored by the client. Ordinarily these charges are recorded against an account which represents an internal cost.

The billings rendered to date amount to \$16,106.06 which we want eliminated through the issuance of a credit to matter number 520005-54 in the amount of \$14,906.06; and matter number 520005-8 in the amount of \$1,200.00

Very truly yours,

*E. G. Donnelly*  
Edward G. Donnelly

EGD:mk  
enc.



CLIENT 520005 LEVITT, WILLIAM  
MATTER G B GENERAL

DATE OPENED 12/10/84

TOTAL UNBILLED FEES FOR MATTER 1,520.00

UNBILLED HOURS AND FEES	FROM DATE 0/00/00 TO DATE 3/31/88									
NAME	DATE	HOURS	DESCRIPTION	RATE	FEES	CUMULATIVE	LOC	CODE	SEQ	JOB
SHAW J STANLEY	3/07/88	1.20	MEETING W/ LEVITT & DONNELLY	175.00	210.00	210.00		002	1	H00266
SHAW J STANLEY	3/10/88	.75	CONFERENCE WITH MATHIEU.	175.00	131.25	341.25		020	1	H00415
SHAW J STANLEY	3/15/88	.50	CONFERENCE W/A. WEITZ, J. FIORE RE: IRS PROBLEM.	175.00	87.50	428.75		020	1	H00624
* TAMRES, HERBERT J.	3/16/88	1.00	(PSNY)-T/C'S W/ED DONNELLY, LEGAL RESEARCH.	150.00	150.00	578.75		011	1	H00626
SCHNEIDER, ISABEL	3/18/88	.10	CALENDARED APPEARANCES	62.50	6.25	585.00		011	1	H00343
* ESERNIO GEORGE P	3/22/88	.50	TELEPHONE W/ DONNELLY RE: DEPT. LABOR SUIT, REVIEW	150.00	75.00	660.00		001	1	H00337
SFERRAZZA, JOSEPH S	3/22/88	.25	CORRESPONDENCE REGARDING NICHOLSON POINCIANA DEPOSIT.	125.00	31.25	691.25		055	1	H00721
SHAW J STANLEY	3/23/88	.20	CONF. W/ LEVITT RE: SETTLEMENT W/ A.G.	175.00	35.00	726.25		011	1	H00372
* DARLING DONNALYNN	3/23/88	2.50	TELEPHONE CONF W/CLIENT, CONF W/CLIENT, TCW/ATTY, TCW/ATTY GENERAL.	150.00	375.00	1,101.25		001	1	H00877
* DARLING DONNALYNN	3/25/88	1.50	COURT APPEARANCE RE. AFFIDAVIT (ADJOURNED) IN LEVITT ADV. PSNY.	150.00	225.00	1,326.25		041	1	H00876
* SCHNEIDER, ISABEL	3/25/88	.40	ARRANGED TO GO TO DISTRICT COURT TO ADJOURN MATTER	62.50	25.00	1,351.25		011	1	H00831
* STORZ, ELENA D.	3/28/88	2.70	WENT TO DISTRICT COURT TO GET AN ADJOURNMENT DATE RE: EDWARD DONNELLY	62.50	168.75	1,520.00		011	1	H00780
TOTAL HOURS		11.60								

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\* Dept of Labor \$ 1,653.13  
 \*\* Federal Election Commission \$ 1,200.00

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5/03/88

SHAW LICITRA EISENBERG ESERNIO & SCHWARTZ, P.C.  
DRAFT STATEMENT

13.07.08-05/03/88  
PAGE 2

CLIENT 520005 LEVITT, WILLIAM  
MATTER G B GENERAL

***** ** UNBILLED HOURS AND FEES FROM DATE 0/00/00 TO DATE 4/30/88 *****				TOTAL UNBILLED FEES FOR MATTER			3,011.88			
NAME	DATE	HOURS	DESCRIPTION	RATE	FEES	CUMULATIVE	LOC	CODE	SEQ	JOB
SHAW J STANLEY	4/26/88	.50	LEVITT ADV, PSNY. MEETING WITH E. DONNELLY, LETTER TO B. GATTON.	175.00	87.50	2,636.88		002	1	H00085 H00107
* DARLING DONNALYNN	4/26/88	1.50	TELEPHONE CONF WITH ASST ATTY GENERAL IN CHARGE, DRAFT REQUEST FOR PLEA BARGAIN RE: PSNY V. LEVITT.	150.00	225.00	2,861.88		001	1	H00096 H00096 H00096
TAMRES, HERBERT J.	4/27/88	1.00	REVIEW OF MEMORANDUM & ORDER DENYING CLAYMONT'S MOTION FOR SUMMARY JUDGEMENT BY JUDGE KNAPP RE: LEVITT VS. CLAYMONT.	150.00	150.00	3,011.88		015	1	H00144 H00144 H00144
TOTAL HOURS		19.65								

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5/03/88

SHAW LICITRA EISENBERG ESERNIO & SCHWARTZ, P.C.  
DRAFT STATEMENT

13.07.08-05/03/88  
PAGE 1

CLIENT 520005 LEVITT, WILLIAM  
MATTER G 8 GENERAL

DATE OPENED 12/10/84

TOTAL UNBILLED FEES FOR MATTER 3,011.88

NAME	DATE	HOURS	DESCRIPTION	RATE	FEES	CUMULATIVE	LOC	CODE	SEQ	JOB
*****	*****	*****	*****	*****	*****	*****	*****	*****	*****	*****
*****	*****	*****	*****	*****	*****	*****	*****	*****	*****	*****
GREENE, ANDREW D.	4/05/88	.30	CLAYMONT V. LEVITT; CHECK COURT CALENDARS FOR ORAL ARGUMENT DATE IN APP. DIV. 2ND DEPT.	150.00	45.00	45.00		011	1	H00891
										1 H00891
SHAW J STANLEY	4/06/88	.75	CONV. W/ W. LEVITT & S. BECHTEL RE: PDINCIANA	175.00	131.25	176.25		011	1	H00459
										1 H00459
* TAMRES, HERBERT J.	4/07/88	3.75	FEC - TCW/ WILLIAM LEVITT, TCW/ STANLEY OGDONOWSKI, TCW/ LON STERN, AFFIDAVITS FOR ROWENROY, LTD., OGDONOWSKI & STERN, TRANSMITTAL LETTER TO STERN	150.00	562.50	738.75		011	1	H00426
										1 H00426
* TAMRES, HERBERT J.	4/08/88	1.50	REVIEW OF & REVISE OGDONOWSKI & ROWENROY AFFIDAVITS-CONF HERE WITH OGDONOWSKI.	150.00	225.00	963.75		015	1	H00938
										1 H00938
* TAMRES, HERBERT J.	4/11/88	2.75	TELEPHONE W/ GABY LEVITT, NICOLE LEVITT, LON STERN, MEETING W/ WM. LEVITT, REVISE AFFIDAVIT FOR LON STERN TO SIGN	150.00	412.50	1,376.25		001	1	H00438
										1 H00438
TAMRES, HERBERT J.	4/13/88	.25	TELEPHONE CONF W/BILL LEVITT.	150.00	37.50	1,413.75		001	1	H00967
SHAW J STANLEY	4/15/88	.70	MEETING W/ E. DONNELLY RE: NEW ATTYS	175.00	122.50	1,536.25		002	1	H00495
SHAW J STANLEY	4/20/88	.25	CONVERSATION W/ LEVITT RE: RETAINER	175.00	43.75	1,580.00		011	1	H00519
SHAW J STANLEY	4/20/88	.50	MEETING W/ E. DONNELLY	175.00	87.50	1,667.50		002	2	H00519
SHAW J STANLEY	4/20/88	.40	CONVERSATION W/ SCHELLACE	175.00	70.00	1,737.50		011	3	H00519
SHAW J STANLEY	4/21/88	.50	CONVERSATION W/ GATTNER, REVIEW OF RETAINER LETTER	175.00	87.50	1,825.00		011	1	H00520
										1 H00520
* DARLING DONNALYNN	4/21/88	1.25	TELEPHONE CONF WITH CO-COUNSEL, REVIEW DOCUMENTS. (PSNY).	150.00	187.50	2,012.50		001	1	H00064
										1 H00064
* MAGHAKIAN VICKI	4/21/88	.25	TELEPHONE CALL TO CRIMINAL COURT HEMPSTEAD TO GET CORRECT COURT APPEARANCE DATE RE: PEOPLE V. LEVITT.	62.50	15.63	2,028.13		001	1	H00082
										1 H00082
* SFERRAZZA, JOSEPH S	4/22/88	.30	CONFERENCE WITH DD, REVIEW FILE FOR BACKGROUND RE: ARRAIGNMENT ON LABOR LAW VIOLATION IN RE: LEVITT ADV. PSNY.	125.00	37.50	2,065.63		020	1	H00087
										1 H00087
* SCHNEIDER, ISABEL	4/22/88	.10	CALENDARED APPEARANCES RE: PEOPLE V. LEVITT	62.50	6.25	2,071.88		011	1	H00081
										1 H00081
SHAW J STANLEY	4/25/88	.30	LETTER TO B. GATTON.	175.00	52.50	2,124.38		003	1	H00098
SHAW J STANLEY	4/25/88	1.50	PREPARE FOR SENTENCING, ORDER TO SHOW CAUSE, REVIEW OF SAME.	175.00	262.50	2,386.88		010	2	H00098
										2 H00098
* SFERRAZZA, JOSEPH S	4/25/88	1.30	COURT APPEARANCE IN NAGSSAU DISTRICT COURT, CONFIRM ARRAIGNMENT DATE FOR	125.00	162.50	2,549.38		041	1	H00085
										1 H00085

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LAW OFFICES OF  
SHAW, LICITRA, EISENBERG, ESERNIO & SCHWARTZ, P.C.

1010 FRANKLIN AVENUE, GARDEN CITY, NEW YORK 11530

(516) 742-0610 - (718) 895-3525

CABLE LAWBANC  
TELEX NO. 143227

TELECOPY (516) 742-2670

RICHMOND HILL OFFICE  
103-42 LEFFERTS BOULEVARD  
RICHMOND HILL, NEW YORK 11419

J. STANLEY SHAW  
JOSEPH LICITRA (1930-1987)  
DOROTHY EISENBERG  
GEORGE P. ESERNIO  
JEFFREY L. SCHWARTZ  
VICTOR G. BEAUDET  
KAREN CARTER CASO  
DONNALYNN DARLING  
HERBERT J. TAHRES  
WILLIAM V. ALESIT\*

MICHAEL S. ARANOFF  
KATHLEEN J. CAHILL\*  
FERN T. GOLD  
ANDREW D. GREENE  
SHARON E. GRUER  
JULIAN KAPLAN  
SARAH M. KEENAN  
JOSEPH SPERRAZZA  
JEFFREY M. ZALKIN†

OF COUNSEL:  
HERBERT NEW\*  
RICHARD EISENBERG  
MICHAEL M. PLATZMAN

COUNSEL TO THE FIRM  
ALFRED WEINTRAUB

\*ALSO ADMITTED IN NEW JERSEY  
†ALSO ADMITTED IN CALIFORNIA  
\*ALSO ADMITTED IN WASHINGTON, D.C.

April 6, 1988

Mr. William J. Levitt  
Oyster Bay Road  
Mill Neck, NY 11765

CLIENT: Levitt, William #520005

MATTER: Federal Election Commission #54

FROM: 3/1/88 to 3/30/88

Senior Partner - Office - 2.90 hrs. X \$175.00 = \$ 507.50

Junior Partners and Senior Associates  
- Office - 46.00 hrs. X \$150.00 = 6,900.00

SUBTOTAL \$7,407.50

Disbursements 212.65

TOTAL DUE \$7,620.15

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SHAW LEVITT ET AL. P.C. ERSERIO & SCHWARTZ, P.C.  
DRAFT STATEMENT

520005 LEVITT, WILLIAM  
R LT 54 FEDERAL ELECTION COMMISSION

*****							TOTAL UNBILLED FEES FOR	
UNBILLED HOURS AND FEES								
NAME	DATE	HOURS	DESCRIPTION	RATE	FEES	CUMULA		
TAMRES, HERBERT J.	3/01/88	2.25	TELEPHONE CONF WITH BEARD (ATTY FOR FEC), REVIEW & REVISE LETTER TO BEARD,	150.00	337.50	33		
TAMRES, HERBERT J.	3/02/88	2.75	PREPARE LETTERS TO EACH OF 15 RESPONDENTS TO PROVIDE HE WITH ANSWERS TO INTERROGATORIES & REQUESTS FOR DOCUMENTS, TC'S WITH BILL LEVITT.	150.00	412.50	75		
TAMRES, HERBERT J.	3/03/88	1.75	TELEPHONE CALL TO FEDERAL ELECTION COMMISSION, T/C'S WITH BILL LEVITT, TCW/GABY LEVITT, TCW/ED CORTESE.	150.00	262.50	1,01		
TAMRES, HERBERT J.	3/04/88	.50	TELEPHONE CONF WITH FEC ATTY - TCW/ LEVITT.	150.00	75.00	1,00		
TAMRES, HERBERT J.	3/10/88	1.25	TELEPHONE CONF W/BILL LEVITT-REVIEW ANSWERS TO INTERROGS & DOCUMENT REQUESTS REC'D FROM DODNOWSKI & CORTESE.	150.00	187.50	1,27		
TAMRES, HERBERT J.	3/11/88	1.50	MEETING HERE WITH WM. LEVITT RE: ANSWER TO FEC'S INTERROGS & REQUESTS FOR DOCUMENTS ON BEHALF OF WM. LEVITT, SIMONE LEVITT, ROWENROY, GABY LEVITT, NICOLE LEVITT & MR. & MRS. LOU STERN.	150.00	225.00	1,50		
TAMRES, HERBERT J.	3/18/88	2.75	REVIEW OF FILE PREPARATORY TO REPLYING TO FEC, TC'S WITH MESSRS. CORTESE, DELLA ROTTA & KELLMAN.	150.00	412.50	1,91		
TAMRES, HERBERT J.	3/20/88	5.75	PREPARE DRAFT OF REPLY TO FEC ON BEHALF OF 15 CLIENTS - REVIEW FILE.	150.00	862.50	2,77		
SHAW J STANLEY	3/21/88	2.50	MEETING W/R. DELLA ROTTA, E. CORTESE, KELLMAN.	175.00	437.50	3,21		
ESERNIO GEORGE P	3/21/88	.50	REVIEW OF AGREEMENTS W/ DELLA RATTÀ, CORTESE, KELLMAN	150.00	75.00	3,20		
TAMRES, HERBERT J.	3/21/88	6.75	PREPARE AFFIDAVITS FOR MESSRS. KELLMAN, CORTESE & DELLA ROTTA. TCW/DELLA ROTTA, REVIEW & REVISE LETTER TO FEC-MEETING WITH CORTESE, DELLA ROTTA, & KELLMAN (WITH JSD), REVIEW & REVISE AFFIDAVITS OF KELLMAN, CORTESE & DELLA ROTTA.	150.00	1,012.50	4,30		
TAMRES, HERBERT J.	3/22/88	4.75	MEETING WITH J. LEVITT, REVIEW & REVISE	150.00	712.50	5,01		

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SHOW LITTON DISPACCO, LERNID & SCHWARTZ, P.C.  
 DRIFT STATEMENT

520005 LEVITT, WILLIAM  
 ER LT 54 FEDERAL ELECTION COMMISSION

TOTAL UNBILLED DISBURSEMENTS FO

* UNBILLED DISBURSEMENTS		FROM DATE 07/00/00 TO DATE 3/31/00			
NAME	DATE	DETAILS	REFERENCE	AMOUNT	CUMULATIVE
TAMRES, HERBERT J.	3/01/88	PHOTOCOPIES		11.25	1
TAMRES, HERBERT J.	3/02/88	POSTAGE		2.90	1
TAMRES, HERBERT J.	3/16/88	COURIER SERVICE	26326	141.75	15
		FEDERAL EXPRESS			
TAMRES, HERBERT J.	3/23/88	PHOTOCOPIES		27.50	18
TAMRES, HERBERT J.	3/29/88	COURIER SERVICE	26453	29.25	21
		FEDERAL EXPRESS			

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SHAW LEVITT & COMPANY, P.C. & SUBMITTERS, INC.  
 DRAFT STATEMENT

520005 LEVITT, WILLIAM  
 ER LT 54 FEDERAL ELECTION COMMISSION

TOTAL UNBILLED FEES FOR

UNBILLED HOURS AND FEES NAME	DATE	FROM DATE	TO DATE	HOURS	DESCRIPTION	RATE	FEES	CURRULA
		07/00/00	3/31/88					
TAMRES, HERBERT J.	3/23/88	4.50			LETTER TO FEC, DISCUSS SUBSTANCE OF LEVITT'S AFFIDAVIT & AFFIDAVITS OF OTHER PARTIES.	150.00	675.00	5,68
TAMRES, HERBERT J.	3/23/88	4.50			REVIEW OF, COLLATING, & ATTACHING EXHIBITS TO AFFIDAVITS OF KELLMAN, CORTESE & DELLA ROTTA TO SUBMIT TO FEC, REVIEW & REVISE FACTUAL REPLY.	150.00	412.50	6,10
TAMRES, HERBERT J.	3/24/88	2.75			REVIEW OF FILE - BEGIN TO PREPARE LEVITT AFFIDAVITS FOR FEC.	150.00	1,012.50	7,11
TAMRES, HERBERT J.	3/28/88	6.75			PREPARE WILLIAM J. LEVITT AFFIDAVIT FOR FEDERAL ELECTION COMMISSION, TCW/LEVITT.	175.00	70.00	7,18
SHAW J STANLEY	3/29/88	.40			REVIEW OF AFFIDAVITS FROM W. LEVITT.	150.00	112.50	7,25
TAMRES, HERBERT J.	3/29/88	.75			REVIEW OF & REVISE LEVITT AFFIDAVIT TO FEC	150.00	112.50	7,40
TAMRES, HERBERT J.	3/30/88	.75			FINALIZE AFFIDAVIT FOR FEC.			
TOTAL HOURS				48.90				

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SARAH M. KEENAN  
JOSEPH SFERRAZZA  
JEFFREY M. ZALKIN†

OF COUNSEL:

HERBERT NEW\*  
RICHARD EISENBERG  
MICHAEL M. PLATZMAN

\*ALSO ADMITTED IN NEW JERSEY  
†ALSO ADMITTED IN CALIFORNIA  
\*ALSO ADMITTED IN WASHINGTON, D.C.

COUNSEL TO THE FIRM  
ALFRED WEINTRAUB

March 4, 1988

Mr. William J. Levitt  
La Colline  
Oyster Bay Road  
Mill Neck, NY 11765

CLIENT: Levitt, William

#520005

MATTER: Federal Election Commission

#54

FRÖM: 2/17/88 to 2/29/88

Senior Partner - Office - 3.40 hrs. X \$175.00 =

\$ 595.00

Junior Partners and Senior Associates  
- Office - 30.50 hrs. X \$150.00 =

4,575.00

TOTAL DUE

\$5,170.00

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SHAW LICITRA EISENBERG EGERNIO & SCHWARTZ, P.C.  
DRAFT STATEMENT

CLIENT 520005 LEVITT, WILLIAM  
MATTER LT 54 FEDERAL ELECTION COMMISSION

*****						TOTAL UNBILLED FEES						
** UNBILLED HOURS AND FEES						FROM DATE	0/00/00	TO DATE	2/29/88			
NAME	DATE	HOURS	DESCRIPTION	RATE	FEES	CUMUL						
TAMRES, HERBERT J.	2/26/88	2.00	HILLMAN ABOUT REPRESENTATION, LETTER TO ALL RESPONDENTS. MEETING WITH DELTA RETTA, TC'S WITH LEVITT. REVIEW MATERIALS FROM OTHER RESPONDENTS.	150.00	300.00	4.0						
SHAW J STANLEY	2/29/88	.50	PROPOSAL LETTERS, CONF WITH HJT RE: SAME.	175.00	87.50	4.5						
TAMRES, HERBERT J.	2/29/88	1.75	REVIEW OF STATUTES CITED BY FEC -- READ FEC CONTRUBUTIONS PROCEDURE. REVIEW CHARGE	150.00	262.50	4.0						
TAMRES, HERBERT J.	2/29/88	3.25	TELEPHONE CONS WITH LEVITT. MEETING WITH OGRONOWSKI. REVIEW FILE TO DETERMINE # OF RESPONDENTS WE REPRESENT. BEGIN TO DRAFT LETTER TO FEC ATTY.	150.00	487.50	5.1						
TOTAL HOURS		33.90										

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DRAFT STATEMENT

520005 LEVITT, WILLIAM  
 R LT 54 FEDERAL ELECTION COMMISSION

TOTAL UNBILLED FEES FC

*****							*****		
* UNBILLED HOURS AND FEES							FROM DATE 0/00/00 TO DATE 2/29/88		
NAME	DATE	HOURS	DESCRIPTION	RATE	FEES	CUMULATIVE			
TAMRES, HERBERT J.	2/17/88	1.75	TELEPHONE CALLS WITH WM. LEVITT -- REVIEW OF LETTERS FROM FEC TO LEVITT ETC.	150.00	262.50	262.50			
TAMRES, HERBERT J.	2/17/88	1.75	TELEPHONE CALLS WITH WM. LEVITT, REVIEW OF LETTERS FROM FEC TO LEVITT ETC.	150.00	262.50	515.00			
TAMRES, HERBERT J.	2/18/88	2.75	REVIEW OF FEC LETTERS & ENCLOSURES RECEIVED BY LEVITT & FAMILY AND FORWARDED TO ME - T/C WITH LEVITT- LEGAL RESEARCH ON STATUTORY BASIS FOR CHARGES	150.00	412.50	927.50			
TAMRES, HERBERT J.	2/18/88	2.75	REVIEW OF FEC LETTERS ENCLOSURES RECEIVED BY LEVITT & FAMILY AND FORWARDED TO ME - TELEPHONE CALLS WITH LEVITT LEGAL RESEARCH ON STATUTORY BASIS FOR CHARGES	150.00	412.50	1,340.00			
TAMRES, HERBERT J.	2/19/88	1.75	REVIEW OF STATUTES CITED BY FEC READ FEC CONTRIBUTION PRECEDURE, REVIEW CHARGE	150.00	262.50	1,602.50			
SHAW J STANLEY	2/22/88	1.50	REVIEW OF SETTLEMENT CONDITIONS	175.00	262.50	1,865.00			
TAMRES, HERBERT J.	2/22/88	2.75	TELEPHONE CALL WITH LEVITT, LEGAL RESEARCH STATUTORY VIOLATIONS CHARGED BY FEC.	150.00	412.50	2,277.50			
SHAW J STANLEY	2/23/88	.70	CONV. W/ R. DELLA RATTA, E. CORTEGE RE: FEDERAL ELECTION	175.00	122.50	2,400.00			
TAMRES, HERBERT J.	2/23/88	3.50	REVIEW OF LEGAL PRECEDENTS, STRATEGY FOR JUDGE, TCW/BILL LEVITT, TCW/ATTY FOR FEC, LETTERS TO THE LEVITTS RE: RETENTION FORMS FOR FEC.	150.00	525.00	2,925.00			
TAMRES, HERBERT J.	2/24/88	2.75	TELEPHONE CONF WITH LEVITT -- LETTERS TO OSTROWSKI, KELLMAN, STERN, GABY LEVITT & NICOLE LEVITT RE: FEC CHARGES -- REVIEW LEGAL PRECEDENT & PROCEDURE TO DETERMINE STRATEGY.	150.00	412.50	3,337.50			
SHAW J STANLEY	2/25/88	.70	MEETING W/ R. DELLA RATTA, REVIEW LETTER & AGREEMENT	175.00	122.50	3,460.00			
TAMRES, HERBERT J.	2/25/88	3.75	LETTER TO REMAINING RESPONDENTS TO SEND IN THEIR RETENTION STATEMENTS, MEETING WITH RALPH DELLA RATTA RE: REPRESENTATION & STRATEGY, TCW/HAROLD	150.00	562.50	4,022.50			

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*[Handwritten signature]*

STATE OF NEW YORK )

COUNTY OF NASSAU )

ss:

AFFIDAVIT

WILLIAM J. LEVITT, being duly sworn, deposes and says:

1. This affidavit is being submitted at the request of General Counsel and will set forth certain facts and circumstances relating to certain political contributions to the federal presidential campaign of Senator Joseph Biden.

2. Since the early 1980's, I have, as have my various companies, suffered financial setbacks, so that in the mid-1980's I was seeking a loan in the amount of One Million Dollars.

3. At that time, J. Stanley Shaw had been and was my attorney, representing me in various personal and business matters. In such capacity, he was aware of my need for the aforesaid loan and informed me that he could arrange for such a loan as I needed through another client of his, namely, Joel Boyarsky.

4. Beyond my financial problems, I was also suffering from certain medical conditions. Suffice it to say, that in my frame of mind I had come to rely very heavily upon the advice and counsel of Shaw. I had done so in matters prior to the Biden situation and also in matters subsequent to Biden. I have come to believe that Shaw has not always acted

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in my best interests in his representation of me and in giving advice to me.

5. The Biden matter is a case in point. After raising my hopes that Boyarsky would provide the financial assistance that I needed, Shaw informed me that I should arrange to throw a fund-raising cocktail party for Senator Biden. Shaw explained that Boyarsky was integrally involved in fund-raising for Senator Biden and that my hosting such a cocktail party would insure the loan to me from Boyarsky.

6. Under the circumstances, I was willing to host a cocktail party but could not afford to do so at a private hall or other facility. After I met with Mr. Boyarsky and Mr. Shaw at my home, they told me they would make reservations for such a cocktail party as referred to above at the Regency Hotel in New York City. I proceeded to send out "mailgrams" to various of my friends and acquaintances, asking that they attend the cocktail party and make contributions to the Biden campaign. When I found that the response to my mailgrams was poor, to say the least, I discussed this matter with Shaw. It was at that time that he advised me to invite various employees and former employees and family members to such a cocktail party. He suggested that each person attending contribute \$1,000.00.

7. Shaw informed me that I should reimburse those contributing funds and attending the cocktail party. He assured me that it was proper and legal to do so. Further,

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he indicated that I could use the bank account of Rowenroy, Ltd. to make the payments to those individuals making contributions.

8. Confident that Shaw was acting in my best interests and that I was, based on Shaw's advice, acting in a perfectly legal manner, I contacted various individuals asking them to attend the cocktail party. I also arranged for them to be paid in kind to the extent of their contributions.

9. It should be emphasized that I never knowingly or willfully violated the Federal Election Law. My counsel, who I knew to be well-versed in the political arena (to my knowledge, Shaw has been quite active politically, particularly in participating in political campaigns), assured me that everything done was within the bounds of propriety and was legal. The main purpose, I believed, in doing things the way Shaw had advised, was to have people in attendance at the cocktail party for Senator Biden, who appeared and gave a speech. If only a few people had attended the function, quite frankly, the party would have been an embarrassment. As it was, only twenty people or so were in attendance. It never occurred to me to personally check the law in this matter, but I cannot emphasize strongly enough my reliance on Shaw.

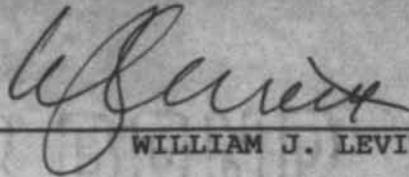
I have come to learn, to my dismay, that such reliance was misplaced. It seems that Shaw, in a number of matters he had handled for me or for which he offered his

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advice, was more interested in his own personal advancement than in my interests. As it turned out, I never got the loan from Boyarsky, and I now find myself faced with the problems that are before the Federal Election Commission.\*

10. I presently have a lawsuit pending in the Supreme Court, Nassau County, against Shaw and his law firm for his misconduct in his representation of me (and my companies). That lawsuit is a matter of public record.

11. While trust in my former counsel was misplaced, I had no intent to do anything in violation of the law. I feel that I have been victimized in this and other matters.

  
WILLIAM J. LEVITT

Sworn to before me, this  
7<sup>th</sup> day of June, 1991.

Patricia Krupka

**FEDERAL ELECTION COMMISSION**  
**NEW YORK COUNTY, STATE OF NEW YORK**  
**COMMISSIONER**  
**COMMISSIONER OF ELECTIONS**  
**COMMISSIONER OF ELECTIONS**  
**COMMISSIONER OF ELECTIONS**

\* I wish to point out, for whatever value it may have, that, subsequently, Shaw arranged for another of his clients to make a loan to me. The loan amount was not for \$1,000,000.00, as I anticipated, but for \$825,000.00. From that amount, Shaw took, without consulting me, a "finder's fee" in the sum of \$100,000.00.

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FEDERAL ELECTION COMMISSION  
999 East Street N.W.  
Washington, D.C. 20463

1831  
RECEIVED  
FEDERAL ELECTION COMMISSION  
OFFICE SERVICES BRANCH

91 JUL -8 AM 9:21

Attn: Mr. Lawrence M. Nobe

July 2, 1991

RE: MUR 2576

Dear Mr. Lawrence:

I have enclosed a payment for \$100.00.

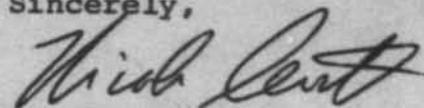
According to my records this check is my third payment to you.

My last payment will be made in June.

Please let me know if this concludes any further dealings with the Election Commission.

Thank you for your assistance to this matter.

Sincerely,



Nicole Levitt  
340 E. 80th, Apt. 6C  
New York, NY 10021  
212-861-6137 (Home)  
212-760-1007 (Office)

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NICOLE LEVITT  
225 E. 35TH ST., 2J  
NEW YORK, NY 10018

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PAY TO THE  
ORDER OF

Federal Election Commission

\$ 100.00

one hundred and 00/100

DOLLARS

Citibank, N.A. Br. #48 CITICORP CITIBANK  
640 Fifth Avenue at 51st Street  
New York, N.Y.  
10019

MEMO MUR - 2576

*Handwritten Signature*

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91 JUL -1 PM 4:15

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of )  
 William J. Levitt )  
 Rowenroy. Ltd. )  
 Edward G. Donnelly )  
 Gaby Levitt )  
 Adrienne J. Flynn )  
 (formerly Adrienne Walters) )  
 Stephen Lampel )  
 Ava Lampel )  
 Sherry Newman )  
 Michael Newman )

**SENSITIVE**

MUR 2576

GENERAL COUNSEL'S REPORT

I. BACKGROUND

On February 1, 1988, the Commission found reason to believe that William J. Levitt and Rowenroy, Ltd. ("Rowenroy"), knowingly and willfully violated 2 U.S.C. § 441b, § 441f, and § 441e of the Act. The Commission also found reason to believe that Edward G. Donnelly, Gaby Levitt, Adrienne Flynn<sup>1</sup>, Stephen Lampel, Ava Lampel, Sherry Newman and Michael Newman each violated 2 U.S.C. § 441f.<sup>2</sup> On January 30, 1991, the Commission agreed to enter into Pre-Probable Cause conciliation with most of the respondents, including the above-named Edward Donnelly, Gaby Levitt, Stephen Lampel and Ava Lampel. The Commission later

1. Adrienne Flynn was formerly referred to in this matter as Adrienne Walters.

2. The Commission also found reason to believe that several other individuals violated § 441f. See General Counsel's Report dated January 28, 1988. However, the Commission has either accepted Pre-Probable Cause conciliation agreements from or taken no further action against those remaining individuals. See General Counsel's Reports dated January 28, 1991, March 29, 1991, and April 18, 1991. All of the remaining individuals in this MUR are discussed in this report.

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agreed to enter into Pre-Probable Cause conciliation with Adrienne Flynn on April 18, 1991. See General Counsel's Report dated January 28, 1991 for further background information.

II. ANALYSIS

The Federal Election Campaign Act of 1971, as amended ("the Act"), provides that no person shall make a contribution in the name of another person or knowingly permit his name to be used to effect such a contribution, and no person shall knowingly accept a contribution made by one person in the name of another person. 2 U.S.C. § 441f and 11 C.F.R. § 110.4(b)(1)(i) and (ii). The regulations also prohibit individuals from helping or assisting in making contributions in the name of another. 11 C.F.R. § 110.4(b)(1)(iii).

Under the Commission's regulations, a contribution in the name of another includes giving money or anything of value, all or part of which is provided to the contributor by another person without disclosing the source of the money or the thing of value to the recipient candidate or committee at the time the contribution is made. 11 C.F.R. § 110.4(b)(2)(i).

The provisions of the Act also provide that no corporation whatever shall make any contribution or expenditure in connection with any election for Federal office and that no political committee shall knowingly accept such a contribution or expenditure. No officer or director of a corporation may consent to the making of a prohibited contribution or expenditure. 2 U.S.C. § 441b(a). The Act defines "contribution or

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expenditure" to include payments or gifts of money. 2 U.S.C. § 441b(b)(2).

Pursuant to 2 U.S.C. § 441e, it is unlawful for a foreign national directly or through any other person to make any contribution of money or other thing of value in connection with an election to any political office. The term "foreign national" means a foreign principal as defined by 22 U.S.C. § 611(b). 2 U.S.C. 441e(b)(1) and 11 C.F.R. § 110.4(a). A foreign principal includes a partnership, association, corporation, organization, or other combination of persons organized under the laws of or having its principal place of business in a foreign country. 22 U.S.C. § 611(b)(3). See also Advisory Opinion 1977-53.

A. William Levitt, Rowenroy, Ltd., Edward Donnelly, and Stanley Shaw

William Levitt hosted a fundraising cocktail party on June 2, 1986 for the benefit of the Biden for President campaign. Contributions to the fundraiser were \$1,000 per person. Levitt apparently agreed to host this event in order to win favor with Joel Boyarsky, a Biden supporter from whom Levitt was seeking to borrow one million dollars. When Levitt was unable to get enough people to attend the scheduled fundraiser, he asked several of his employees and family members to purchase tickets at \$1,000 apiece. Two days after the fundraiser, on June 4, 1986, each of the employees and family members who had purchased tickets at Levitt's request received a check in a like amount from Rowenroy,

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a foreign corporation owned and controlled exclusively by William Levitt.

On February 1, 1988, the Commission found reason to believe that William J. Levitt knowingly and willfully violated § 441b and § 441f of the Act. A subpoena for Levitt's deposition was issued, but Levitt failed to appear for his scheduled deposition. The Commission authorized the General Counsel to file suit to enforce Levitt's deposition subpoena. On July 13, 1989, the U.S. District Court for the Eastern District of New York ordered Levitt to appear for deposition within thirty days. William Levitt appeared for his deposition on August 7, 1989. However, he invoked his Fifth Amendment right against self-incrimination and refused to testify.

The General Counsel's Office continued to investigate this matter, and several other depositions were taken. On February 1, 1991, the Commission agreed to enter into Pre-Probable Cause conciliation with William J. Levitt, as well as the other respondents in this matter who had requested conciliation.

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Levitt also agreed to waive his claim to any attorney-client privilege regarding Stanley Shaw and the Biden fundraiser, and agreed to testify in any further Commission proceedings.

Attached is William Levitt's affidavit, which was received by this Office on June 12, 1991. See Attachment 1. In this affidavit, Levitt states that he relied on the advice of Stanley Shaw in hosting the Biden fundraiser. He says that he was seeking a one million dollar loan, and that Shaw informed Levitt that he could arrange for such financing through another one of his clients, Joel Boyarsky. According to the affidavit, Shaw told Levitt that he (Levitt) should arrange to host the Biden

fundraiser in order to insure the loan from Boyarsky. When it became evident to Levitt that the turnout would be low, Levitt states that Stanley Shaw advised him to invite employees and family members to the fundraiser. Shaw also suggested that each employee or family member invited should contribute \$1,000. Levitt states that Shaw also advised him to reimburse those people contributing to the fundraiser, with Shaw assuring Levitt that it was proper and legal to do so. Furthermore, Levitt states that Shaw advised him to use funds from the Rowenroy account to make the reimbursements.

Levitt maintains that all of his actions in this matter were based of the advice he received from his attorney at that time, Stanley Shaw.<sup>4</sup> Thus, Levitt states that he never knowingly or willfully violated federal election laws. The statements and claims made by Levitt in this affidavit appear to be corroborated by the deposition of Edward Donnelly, which was taken on May 13, 1991. See Attachment 2.

Edward Donnelly was Levitt's accountant until 1989. The Commission had found reason to believe that Donnelly violated § 441f of the Act by making contributions to the Biden fundraiser and then being reimbursed with funds from Rowenroy. Donnelly requested Pre-Probable Cause conciliation, and the Commission had

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4. William Levitt currently has a civil lawsuit pending against Stanley Shaw regarding the legal advice which Shaw gave Levitt over the years on a number of matters. Levitt also claims in his suit that Shaw took a large "finder's fee" for eventually arranging some financing for Levitt, although Levitt never agreed to any such fee.

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approved a conciliation agreement for Donnelly

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Donnelly testified that it was his understanding that Stanley Shaw initially suggested that Levitt host the Biden fundraiser, and Shaw gave Levitt advice on how to proceed throughout the event. (Donnelly deposition pages 19-21; page 28, lines 14-15.) Donnelly further testified that Levitt indicated that Shaw said he could solicit employees and family members for contributions and then reimburse them. (Deposition pages 29-32.)

Donnelly also testified that William Levitt owed him a large sum of money. When Donnelly made a contribution to the Biden fundraiser and then received a check in a like amount from Rowenroy, he said he treated the funds as a partial payment of

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the money Levitt owed him. However, Donnelly also stated that he believed that Levitt intended the Rowenroy funds to be a reimbursement for the Biden contributions, as per Stanley Shaw's advice. (Deposition pages 14-15.) According to Donnelly's testimony, when Stanley Shaw found out that Donnelly was treating the Rowenroy funds as a partial payment for the sum Levitt owed him instead of as a reimbursement for the Biden contributions, Shaw told Donnelly that sounded like a good idea and that he was going to use the same approach for the other employees and family members who were now the subject of this Commission investigation. (Deposition page 27; pages 33-34.) Donnelly later recalled two conversations, one with Ralph Della Ratta and the other with Stanley Ogonowski, during which both men complained to Donnelly that they had been asked by Shaw's law partner, Herbert Tamres, to sign affidavits which they believed inaccurately characterized the payments from Rowenroy. (Deposition pages 34-36.) Donnelly also testified that Levitt and Shaw both told him that Shaw had agreed to waive Levitt's legal fees pertaining to the FEC investigation, and Shaw would pay any reasonable fines imposed by the Commission. (Deposition pages 28-29, page 45.) Donnelly stated that he had a conversation with Stanley Shaw on May 23, 1988, which Donnelly secretly tape recorded. Donnelly testified that he recorded this conversation to confirm that Shaw had agreed to pay Levitt's legal fees and fines. (Deposition page 33, pages 43-49.)

Once Donnelly taped his conversation with Shaw, he gave the tape to James Pascarella, the attorney who represented Donnelly

at that time. Donnelly has since discharged Pascarella as his attorney, but states that Pascarella still has the tape. Donnelly also stated that he requested that Pascarella return the tape, but that Pascarella never returned it. (Deposition pages 43-44, pages 48-49.) James Pascarella currently represents both William Levitt and Rowenroy in this matter.

It should be noted that several of William Levitt's employees and family members provided the General Counsel with affidavits early in the history of this matter in 1988. See Memorandum to Commission, dated January 30, 1991. These affidavits were prepared by Stanley Shaw and/or his law partner, Herbert Tamres. These affidavits maintained that any payments made by Rowenroy to the individuals were either gifts to family members or partial payments towards funds owed by Levitt. This is consistent with the allegations now made against Shaw by both William Levitt and Edward Donnelly. It should also be noted that most of these same people who signed such affidavits, including Ralph Della Ratta and Stanley Ogonowski, subsequently signed conciliation agreements acknowledging that the payments were in fact reimbursements, and paid civil penalties to the Commission.

William J. Levitt is an 84-year old former millionaire who is now in bankruptcy and in ill health. He apparently has no remaining assets, and any funds which pass through his accounts are controlled by both the bankruptcy courts and by the New York Attorney General's Office. Counsel for Levitt advises this Office that liens and judgments against Levitt and his companies by the IRS and numerous creditors now total over thirty (30)

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million dollars. Although William Levitt maintained his silence throughout the pendency of this matter, he has now submitted a sworn affidavit outlining his reliance upon the advice of his then-counsel J. Stanley Shaw regarding the 1986 Biden fundraiser. He has also agreed to waive his attorney-client privilege with Shaw as it relates to the fundraiser, and has agreed to testify in any further Commission proceedings.

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Levitt's claims appear to be substantiated by the deposition testimony of Edward Donnelly. Donnelly has not been employed by Levitt since 1989, and he is still owed money by Levitt. There has been no indication that Levitt or his counsel were even aware that this Office recently took Donnelly's deposition. Donnelly's position as William Levitt's former accountant resulted in useful information being given in his deposition by Donnelly. This Office has agreed to recommend that the Commission take no further action against Edward Donnelly and close the file as it pertains to him.

For these reasons, the General Counsel recommends that the Commission approve new Pre-Probable Cause conciliation agreements for William J. Levitt and Rowenroy

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However, Mr. Levitt has been cooperating fully with this Office recently in its investigation, and has indicated his willingness to continue this cooperation in any further proceedings which this Office might institute.

With regard to Edward Donnelly, the General Counsel recommends that the Commission take no further action and close the file as it pertains to him. The only violation of the Act alleged against Donnelly was § 441f, where Donnelly was reimbursed by Levitt for the contributions he made to the Biden fundraiser at Levitt's request. More importantly, Donnelly has cooperated with this Office and voluntarily provided deposition testimony which corroborates the affidavit submitted by Levitt.

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Regarding J. Stanley Shaw, the General Counsel recommends that the Commission find reason to believe that he knowingly and willfully violated § 441f of the Act. Based on the affidavit submitted by William Levitt and the deposition testimony of Edward Donnelly, it appears that Shaw, as Levitt's attorney, informed and instructed Levitt that he could solicit his employees and family members for contributions to the Biden fundraiser, and then reimburse those contributions with corporate funds from a foreign corporation which Levitt controlled. Commission regulations make it clear that no person shall knowingly help or assist any person in making a contribution in the name of another. 11 C.F.R. § 110.4(b)(iii); See also FEC v. Rodriguez, 86-687 Civ-T-10(B) (M.D. Fla. May 5, 1987). The advice which Shaw allegedly gave Levitt concerning the solicitations and reimbursements assisted William Levitt in making contributions in the names of his employees and family members. In light of his position as an attorney, as well as his fundraising experience within the Biden campaign, a finding of a knowing and willful violation of the Act is justified. It appears that Shaw was giving William Levitt very specific information and advice regarding contributions and reimbursements, actions for which Shaw should be held to a knowing and willful standard.

Additionally, the General Counsel recommends that the Commission approve the attached subpoena to James Pascarella, requiring him to produce the tape recording of the meeting between Edward Donnelly and Stanley Shaw. See Attachment 6.

It appears that this subpoena is necessary since Donnelly testified that he has already tried to get Pascarella to return the tape, but Pascarella would not return it.

B. Gaby Levitt

Attached is a signed Pre-Probable Cause conciliation agreement from Gaby Levitt, daughter of William Levitt. See Attachment 7. The agreement is the same as that approved by the Commission on February 1, 1991. A check for the civil penalty of \$500 has been received.

The General Counsel recommends that the Commission accept the signed agreement and civil penalty for Gaby Levitt, and close the file as it pertains to this respondent.

C. Stephen and Ava Lampel

The Commission agreed to enter into Pre-Probable Cause conciliation with Stephen and Ava Lampel on February 1, 1991.

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The General Counsel

recommends that the Commission approve this agreement as a counteroffer to Stephen and Ava Lampel.

D. Sherry Newman and Michael Newman

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Sherry Newman was a secretary for William Levitt. She has not been employed by Levitt since August, 1986. Newman was one of the employees who made contributions to the Biden fundraiser at the request of William Levitt, and was then reimbursed for those contributions by Levitt with checks from Rowenroy. Sherry Newman made a \$1,000 contribution in her own name, and also made a \$1,000 contribution in her minor son's name, Michael Newman.<sup>5</sup> Sherry Newman received a \$2,000 check from Rowenroy as reimbursement for the contributions she had made in her name and in her son's name. The Commission found reason to believe that Sherry Newman and Michael Newman had each violated § 441f of the Act for knowingly allowing their names to be used to effect contributions made in the name of another.

On June 15, 1998, Sherry Newman gave a deposition in the investigation of this matter. Previously, she had cooperated

5. Michael Newman was 17 years old at the time of the contributions.

with the New York Attorney General's Office in its investigation of William Levitt and the Levitt family charitable trust. Sherry Newman also submitted an Affidavit and Answers to Interrogatories and Request for Documents. See Attachment 9. Sherry Newman states that William Levitt asked her for two \$1,000 checks for the Biden fundraiser. When she informed Levitt that she did not have \$2,000, he told her to make the checks out and he would "exchange" checks with her. Newman states that she did this because she felt it was required in order to keep her job. She also states that she executed her son Michael's name, and that he had no knowledge of the contributions.

Sherry Newman has requested Pre-Probable Cause conciliation.

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Attached is a proposed Pre-Probable Cause Conciliation agreement for Sherry Newman. See Attachment 10.

Ms. Newman has cooperated fully throughout all aspects of this investigation. She submitted Answers to Interrogatories and an Affidavit to the Commission, and she voluntarily gave deposition testimony. Additionally, she has cooperated with the investigation conducted

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by the New York Attorney General, which led to the referral of this matter to the Commission. In light of these facts, as well as her current financial situation, the General Counsel recommends that the Commission approve the attached proposed agreement as a counteroffer for Sherry Newman.<sup>6</sup>

With regard to her son, Michael Newman, it appears that he had no knowledge of the contributions made in his name to the Biden fundraiser. Therefore, the General Counsel recommends that the Commission take no further action against Michael Newman and close the file as it pertains to him.

E. Adrienne J. Flynn (formerly Adrienne J. Walters)

Adrienne J. Flynn was another former employee of William Levitt. On April 18, 1991, the Commission agreed to enter into Pre-Probable Cause Conciliation with Ms. Flynn and approved a proposed conciliation agreement

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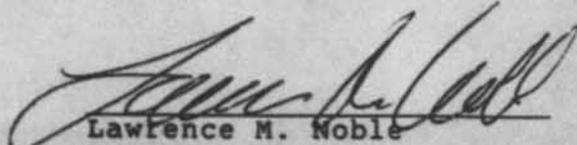
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Therefore, the General Counsel recommends that the Commission accept the signed agreement and civil penalty of Adrienne J. Flynn, and close the file as it pertains to her.

II. RECOMMENDATIONS

1. Find reason to believe that J. Stanley Shaw knowingly and willfully violated 2 U.S.C. § 441f.
2. Approve the attached proposed conciliation agreements for William J. Levitt and Rowenroy, Ltd.
3. Take no further action against Edward G. Donnelly and Michael Newman and close the file as it pertains to these respondents.
4. Accept the attached conciliation agreements with Gaby Levitt and Adrienne J. Flynn, and close the file as it pertains to these respondents.
5. Approve the attached conciliation agreements for Stephen and Ava Lampel, and Sherry Newman.
6. Approve the attached Factual and Legal Analysis.
7. Approve the attached subpoena.
8. Approve the appropriate letters.

7/1/91  
Date

  
Lawrence M. Noble  
General Counsel

Attachments

1. William Levitt affidavit
2. Edward Donnelly deposition (cited pages)
3. Proposed William Levitt conciliation agreement
4. Proposed Rowenroy conciliation agreement
5. Shaw Factual and Legal Analysis
6. Subpoena to James Pascarella

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Attachments (con't)

7. Gaby Levitt conciliation agreement
8. Letter from Robert Folks (re: Lampel & Newman)
9. Proposed Lampel conciliation agreement
10. Sherry Newman Affidavit & Interrogatory answers
11. Proposed Newman conciliation agreement
12. Flynn conciliation agreement and letter

Staff Assigned: John Canfield

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FEDERAL ELECTION COMMISSION  
WASHINGTON DC 20461

MEMORANDUM

TO: LAWRENCE M. NOBLE  
GENERAL COUNSEL

FROM: MARJORIE W. EMMONS/DELORES HARRIS *DM*  
COMMISSION SECRETARY

DATE: JULY 3, 1991

SUBJECT: MUR 2576 - GENERAL COUNSEL'S REPORT  
DATED JULY 1, 1991.

The above-captioned document was circulated to the Commission on Tuesday, July 2, 1991 at 11:00 a.m.

Objection(s) have been received from the Commissioner(s) as indicated by the name(s) checked below:

Commissioner Aikens \_\_\_\_\_

Commissioner Elliott XXX

Commissioner Josefiak \_\_\_\_\_

Commissioner McDonald \_\_\_\_\_

Commissioner McGarry \_\_\_\_\_

Commissioner Thomas \_\_\_\_\_

This matter will be placed on the meeting agenda for TUESDAY, JULY 9, 1991.

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

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BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of )  
 )  
William J. Levitt; )  
Rowenroy, Ltd.; ) MUR 2576  
Edward G. Donnelly; )  
Gaby Levitt; )  
Adrienne J. Flynn (formerly )  
Adrienne Walters); )  
Stephen Lampel; )  
Ava Lampel; )  
Sherry Newman; )  
Michael Newman. )

CORRECTED CERTIFICATION

I, Marjorie W. Emmons, recording secretary for the Federal Election Commission executive session on July 9, 1991, do hereby certify that the Commission decided by a vote of 5-1 to take the following actions in MUR 2576:

1. Find reason to believe that J. Stanley Shaw knowingly and willfully violated 2 U.S.C. § 441f.
2. Approve the proposed conciliation agreements for William J. Levitt and Rowenroy, Ltd. as recommended in the General Counsel's report dated July 1, 1991.
3. Take no further action against Edward G. Donnelly and Michael Newman and close the file as it pertains to these respondents.

(continued)

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4. Accept the conciliation agreements with Gaby Levitt and Adrienne J. Flynn, as recommended in the General Counsel's report dated July 1, 1991, and close the file as it pertains to these respondents.
5. Approve the conciliation agreements for Stephen and Ava Lampel, and Sherry Newman, as recommended in the General Counsel's report dated July 1, 1991.
6. Approve the Factual and Legal Analysis as recommended in the General Counsel's report dated July 1, 1991.
7. Approve the subpoena as recommended in the General Counsel's report dated July 1, 1991.
8. Approve the appropriate letters as recommended in the General Counsel's report dated July 1, 1991.

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

Attest:

7-12-91  
Date

Marjorie W. Emmons  
Marjorie W. Emmons  
Secretary of the Commission

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FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

July 22, 1991

J. Stanley Shaw, Esquire  
Shaw, Licitra, Esernio &  
Schwartz, P.C.  
1010 Franklin Avenue  
Garden City, N.Y. 11530

RE: MUR 2576  
J. Stanley Shaw

Dear Mr. Shaw:

On July 9, 1991, the Federal Election Commission found that there is reason to believe you knowingly and willfully violated 2 U.S.C. § 441f, 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 you. 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 you, 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.

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J. Stanley Shaw, Esquire  
MUR 2576  
Page 2

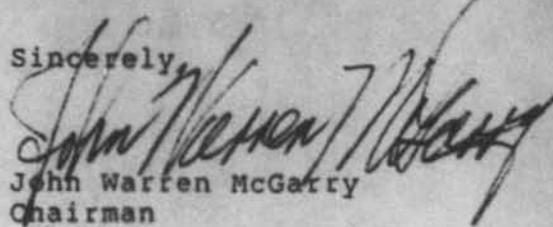
Requests for extensions of time will not be routinely granted. Requests must be made in writing at least five days prior to the due date of the response and specific good cause must be demonstrated. In addition, the Office of the General Counsel ordinarily will not give extensions beyond 20 days.

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.

This matter will remain 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 Elizabeth Campbell, the attorney assigned to this matter, at (202) 376-5690.

Sincerely,

  
John Warren McGarry  
Chairman

Enclosures  
Factual and Legal Analysis  
Procedures  
Designation of Counsel Form  
Questions

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BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of

)  
)  
) MUR 2576  
)

INTERROGATORIES AND REQUEST  
FOR PRODUCTION OF DOCUMENTS

TO: J. Stanley Shaw, Esquire  
Shaw, Licitra, Esernio & Schwartz  
1010 Franklin Avenue  
Garden City, New York 11530

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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. In addition, the Commission hereby requests that you produce the documents specified below, in their entirety, for inspection and copying at the Office of the General Counsel, Federal Election Commission, Room 659, 999 E Street, N.W., Washington, D.C. 20463, on or before the same deadline, and continue to produce those documents each day thereafter as may be necessary for counsel for the Commission to complete their examination and reproduction of those documents. Clear and legible copies or duplicates of the documents which, where applicable, show both sides of the documents may be submitted in lieu of the production of the originals.

INSTRUCTIONS

In answering these interrogatories and request for production of documents, furnish all documents and other information, however obtained, including hearsay, that is in possession of, known by or otherwise available to you, including documents and information appearing in your records.

Each answer is to be given separately and independently, and unless specifically stated in the particular discovery request, no answer shall be given solely by reference either to another answer or to an exhibit attached to your response.

The response to each interrogatory propounded herein shall set forth separately the identification of each person capable of furnishing testimony concerning the response given, denoting separately those individuals who provided informational, documentary or other input, and those who assisted in drafting the interrogatory response.

If you cannot answer the following interrogatories in full after exercising due diligence to secure the full information to do so, answer to the extent possible and indicate your inability to answer the remainder, stating whatever information or knowledge you have concerning the unanswered portion and detailing what you did in attempting to secure the unknown information.

Should you claim a privilege with respect to any documents, communications, or other items about which information is requested by any of the following interrogatories and requests for production of documents, describe such items in sufficient detail to provide justification for the claim. Each claim of privilege must specify in detail all the grounds on which it rests.

Unless otherwise indicated, the discovery request shall refer to the time period from 1986 to 1988.

The following interrogatories and requests for production of documents are continuing in nature so as to require you to file supplementary responses or amendments during the course of this investigation if you obtain further or different information prior to or during the pendency of this matter. Include in any supplemental answers the date upon which and the manner in which such further or different information came to your attention.

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DEFINITIONS

For the purpose of these discovery requests, including the instructions thereto, the terms listed below are defined as follows:

"You" shall mean the named respondent in this action to whom these discovery requests are addressed, including all employees, agents or attorneys thereof.

"Persons" shall be deemed to include both singular and plural, and shall mean any natural person, partnership, committee, association, corporation, or any other type of organization or entity.

"Document" shall mean the original and all non-identical copies, including drafts, of all papers and records of every type in your possession, custody, or control, or known by you to exist. The term document includes, but is not limited to books, letters, contracts, notes, diaries, log sheets, records of telephone communications, transcripts, vouchers, accounting statements, ledgers, checks, money orders or other commercial paper, telegrams, telexes, pamphlets, circulars, leaflets, reports, memoranda, correspondence, surveys, tabulations, audio and video recordings, drawings, photographs, graphs, charts, diagrams, lists, computer print-outs, and all other writings and other data compilations from which information can be obtained.

"Identify" with respect to a document shall mean state the nature or type of document (e.g., letter, memorandum), the date, if any, appearing thereon, the date on which the document was prepared, the title of the document, the general subject matter of the document, the location of the document, the number of pages comprising the document.

"Identify" with respect to a person shall mean state the full name, the most recent business and residence addresses and the telephone numbers, the present occupation or position of such person, the nature of the connection or association that person has to any party in this proceeding. If the person to be identified is not a natural person, provide the legal and trade names, the address and telephone number, and the full names of both the chief executive officer and the agent designated to receive service of process for such person.

"And" as well as "or" shall be construed disjunctively or conjunctively as necessary to bring within the scope of these interrogatories and requests for the production of documents any documents and materials which may otherwise be construed to be out of their scope.

"Produce" shall mean to submit the requested information to the Federal Election Commission in your answer to these interrogatories and request for production of documents.

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**INTERROGATORIES AND REQUEST  
FOR PRODUCTION OF DOCUMENTS**

1. State whether you were ever employed as an attorney for William J. Levitt. State whether you were ever employed as an attorney for Rowenroy, Ltd. State whether you were ever employed as an attorney for any other business organization or corporation owned or controlled by William J. Levitt. Provide the dates of all such representations.

2. Describe in detail your involvement and participation in the Biden for President campaign. Identify all fundraising activities in which you participated. Identify all persons within the Biden campaign with whom you had contact and discuss the nature of such contacts. Produce all documents relating to your involvement in the Biden for President campaign, including those pertaining to fundraising activities.

3. Describe your relationship with Joel Boyarsky. Identify all activities pertaining to the Biden for President campaign in which you and Boyarsky were involved. State whether you were ever employed as an attorney for Joel Boyarsky, or any corporation or business organization controlled by Boyarsky.

4. William J. Levitt has waived any attorney-client privilege with J. Stanley Shaw as it relates to the 1986 Biden fundraiser hosted by Levitt. Therefore, state whether you ever advised William J. Levitt regarding his hosting a fundraising cocktail party for the Biden for President campaign on June 2, 1986. Describe in detail the advice which you gave Levitt concerning his involvement in said fundraiser, including the reasons for doing so. Describe all conversations held with Joel Boyarsky regarding Levitt's hosting such event. State whether you and Joel Boyarsky met with William J. Levitt on May 17, 1986 and discussed Levitt's hosting the Biden fundraiser. Describe the content of such meeting. Produce all documents regarding William J. Levitt's hosting of the Biden fundraiser on June 2, 1986.

5. State whether you informed William J. Levitt that he could solicit employees and family members for contributions to the Biden fundraiser. State whether you ever advised Levitt that he could reimburse those persons for their contributions. State whether you ever advised Levitt that he could make such reimbursements using funds from Rowenroy, Ltd. Describe in detail all advice you gave William J. Levitt regarding contributions to the Biden fundraiser and reimbursements for such contributions. Produce all documents relating to your advice to William J. Levitt concerning the Biden fundraiser of June 2, 1986.

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6. State whether you ever discussed William J. Levitt and the Biden fundraiser with Edward G. Donnelly. Describe the content of all conversations with Donnelly regarding William J. Levitt and the Biden fundraiser. State whether you ever discussed with Edward G. Donnelly the idea of having those employees, friends and family members of William J. Levitt who contributed to the Biden fundraiser sign affidavits characterizing the reimbursements for such contributions as being partial payments for money owed to them by Levitt. Discuss how the idea for such affidavits developed.

7. State whether you ever agreed to waive the legal fees incurred by William J. Levitt for your work regarding this Federal Election Commission investigation. Describe the nature of any such agreement. List those persons with whom you discussed such arrangement. State whether you ever agreed to pay any reasonable fines levied against William J. Levitt by the Federal Election Commission. Describe the nature of any such agreement. List those persons with whom you discussed such arrangement. Produce all documents relating to any such agreements.

8. State whether anyone within the Biden for President campaign organization was aware of your advice to William J. Levitt concerning his hosting the fundraiser on June 2, 1986, including making reimbursements to the contributors. If so, identify all such persons within the Biden organization.

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FEDERAL ELECTION COMMISSION  
FACTUAL AND LEGAL ANALYSIS

RESPONDENT: J. Stanley Shaw

MUR 2576

The Federal Election Campaign Act of 1971, as amended (the "Act"), provides that no person shall make a contribution in the name of another person or knowingly permit his name to be used to effect such a contribution, and no person shall knowingly accept a contribution made by one person in the name of another person. 2 U.S.C. § 441f; 11 C.F.R. § 110.4(b)(1)(i) and (ii). Commission regulations also prohibit individuals from knowingly helping or assisting in making contributions in the name of another person. 11 C.F.R. § 110.4(b)(1)(iii).

Under Commission regulations, a contribution in the name of another includes giving money or anything of value, all or part of which is provided to the contributor by another person without disclosing the source of the money or thing of value to the recipient candidate or committee at the time the contribution is made. 11 C.F.R. § 110.4(b)(2)(i).

The provisions of the Act also provide that no corporation whatever shall make any contribution or expenditure in connection with any election for Federal office and that no political committee shall knowingly accept such a contribution or expenditure. No officer or director of a corporation may consent to the making of a prohibited contribution or expenditure. 2 U.S.C. § 441b(a). The Act defines "contribution or

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expenditure" to include payments or gifts of money. 2 U.S.C. § 441b(b)(2).

Pursuant to 2 U.S.C. § 441e, it is unlawful for a foreign national directly or through any other person to make any contribution of money or other thing of value in connection with an election to any political office. The term "foreign national" means a foreign principal as defined by 22 U.S.C. § 611(b); 2 U.S.C. § 441e(b)(1); and 11 C.F.R. § 110.4(a). A foreign principal includes a partnership, association, corporation, organization, or other combination of persons organized under the laws of or having its principal place of business in a foreign country. 22 U.S.C. § 611(b)(3). See also Advisory Opinion 1977-53.

J. Stanley Shaw formerly served as William J. Levitt's attorney. Shaw rendered legal advice to Levitt for his personal affairs as well as for his various businesses. William J. Levitt has waived his attorney-client privilege as it relates to the circumstances surrounding Shaw's advice to Levitt concerning the 1986 Biden fundraiser. In 1986, William Levitt was attempting to borrow a large sum of money in order to alleviate his business problems. Stanley Shaw informed Levitt that he could arrange for the sought-after financing through Joel Boyarsky. In order to win favor with Mr. Boyarsky, Shaw told Levitt that he should host a fundraiser for the Biden for President campaign, an effort in which Boyarsky was involved on Long Island, New York. In light of this advice from his attorney, Levitt agreed to host a fundraiser for the Biden campaign.

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William Levitt hosted a fundraising cocktail party on June 2, 1986 for the benefit of the Biden for President campaign. Contributions to the fundraiser were \$1,000 per person. When Levitt was unable to get enough people to attend the scheduled fundraiser, he asked several of his employees and family members to purchase tickets at \$1,000 apiece. Two days after the fundraiser, on June 4, 1986, each of the employees and family members who had purchased tickets at Levitt's request received a check in a like amount from Rowenroy, a foreign corporation owned and controlled exclusively by William Levitt.

William J. Levitt states that he relied on the advice of Stanley Shaw in hosting the Biden fundraiser. He says that he was seeking a one million dollar loan, and that Shaw informed Levitt that he could arrange for such financing through another one of his clients, Joel Boyarsky. Shaw suggested that Levitt should arrange to host the Biden fundraiser in order to insure the loan from Boyarsky. When it became evident to Levitt that the turnout would be low, Levitt states that Stanley Shaw advised him to invite employees and family members to the fundraiser. Shaw also suggested that each employee or family member invited should contribute \$1,000. Levitt states that Shaw also advised him to reimburse those people contributing to the fundraiser, with Shaw assuring Levitt that it was proper and legal to do so. Furthermore, Levitt states that Shaw advised him to use funds from the Rowenroy account to make the reimbursements.

Edward Donnelly was Levitt's accountant until 1989. William Levitt owed Edward Donnelly a large sum of money. When

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Donnelly made a contribution to the Biden fundraiser and then received a check in a like amount from Rowenroy, he treated the funds as a partial payment of the money Levitt owed him. However, Donnelly believed that Levitt intended the Rowenroy funds to be a reimbursement for the Biden contributions, as per Stanley Shaw's advice. When Stanley Shaw found out that Donnelly was treating the Rowenroy funds as a partial payment for the sum Levitt owed him instead of as a reimbursement for the Biden contributions, Shaw told Donnelly that sounded like a good idea and that he was going to use the same approach for the other employees and family members who were now the subject of this Commission investigation. Subsequently, Shaw's law partner, Herbert Tamres, submitted several affidavits to the Commission on behalf of contributors to the Biden fundraiser which made this claim that the reimbursement funds received from Levitt were actually partial payments for money owed to them by Levitt. Stanley Shaw also told both Levitt and Donnelly that he (Shaw) had agreed to waive Levitt's legal fees pertaining to the FEC investigation, and that Shaw would pay any reasonable fines imposed by the Commission.

It appears that J. Stanley Shaw, as William Levitt's attorney, advised him to host the Biden fundraiser and then solicit employees and family members for contributions. It also appears that J. Stanley Shaw advised William Levitt that he could reimburse those individuals for their contributions, and that the reimbursement payments could be made from Rowenroy, Ltd., a foreign corporation controlled by William Levitt. Thus, J.

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Stanley Shaw helped and assisted in the making of contributions in the names of other individuals, in violation of 2 U.S.C. § 441f and 11 C.F.R. 110.4(b)(iii). Therefore, there is reason to believe that J. Stanley Shaw violated 2 U.S.C. § 441f.

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FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

July 22, 1991

**CERTIFIED MAIL**  
**RETURN RECEIPT REQUESTED**

James A. Pascarella, Esquire  
170 Old Country Road  
Fourth Floor  
Mineola, New York 11501

RE: MUR 2576

Dear Mr. Pascarella:

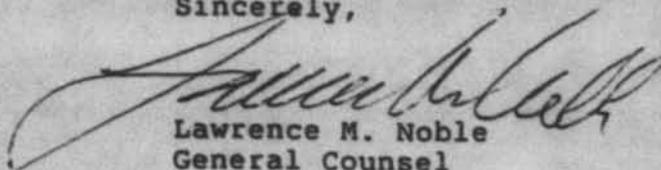
The Federal Election Commission has the statutory duty of enforcing the Federal Election Campaign Act of 1971, as amended, and Chapters 95 and 96 of Title 26, United States Code. The Commission has issued the attached subpoena which requires you to provide certain information in connection with an investigation it is conducting. The Commission does not consider you a respondent in this matter, but rather a witness only.

Because this information is being sought as part of an investigation being conducted by the Commission, the confidentiality provision of 2 U.S.C. § 437g(a)(12)(A) applies. That section prohibits making public any investigation conducted by the Commission without the express written consent of the person with respect to whom the investigation is made. You are advised that no such consent has been given in this case.

You may consult with an attorney and have an attorney assist you in the preparation of your responses to this subpoena. However, you are required to submit the information within fifteen days of your receipt of this subpoena.

If you have any questions, please contact Elizabeth Campbell, the attorney assigned to this matter, at (800) 424-9530.

Sincerely,



Lawrence M. Noble  
General Counsel

Enclosure  
Subpoena

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BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of

)  
) MUR 2576  
)

SUBPOENA TO PRODUCE DOCUMENTS

TO: James A. Pascarella, Esquire  
170 Old Country Road  
Mineola, New York 11501

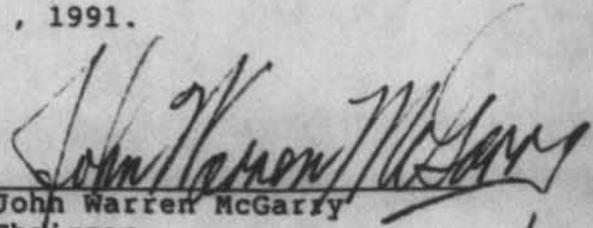
Pursuant to 2 U.S.C. § 437d(a)(3), and in furtherance of its investigation in the above-captioned matter, the Federal Election Commission hereby subpoenas the documents listed below:

A cassette tape recording of a meeting on May 23, 1988 between Edward J. Donnelly and J. Stanley Shaw, the same tape having been provided to you previously by Edward J. Donnelly.

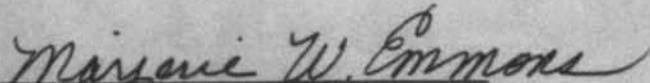
Notice is given that these documents must be submitted to the Office of the General Counsel, Federal Election Commission, 999 E Street, N.W., Washington, D.C. 20463, within 15 days of your receipt of this subpoena. Legible copies, where applicable, may be substituted for the original.

WHEREFORE, the Chairman of the Federal Election Commission has hereunto set his hand in Washington, D.C. on this

18<sup>th</sup> day of July, 1991.

  
John Warren McGarry  
Chairman  
Federal Election Commission

ATTEST:

  
Marjorie W. Emmons  
Secretary to the Commission

930 0961471



FEDERAL ELECTION COMMISSION  
WASHINGTON D.C. 20463

July 22, 1991

James A. Pascarella, Esquire  
170 Old Country Road  
Fourth Floor  
Mineola, N.Y. 11501

RE: MUR 2576  
William J. Levitt and  
Rowenroy Ltd.

Dear Mr. Pascarella:

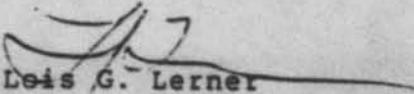
Pursuant to the exchange of letters between this office and you, on July 9, 1991, the Commission approved new conciliation agreements. Enclosed herewith are the conciliation agreements

The Commission is still hopeful that this matter can be settled through a conciliation agreement and has included a number of your proposed changes in the agreement. In light of the fact that conciliation has exceeded 90 days, you should respond to the Commission within ten days of receipt of this notification. See 2 U.S.C. § 437g(a)(4)(A)(i).

Should you have any further questions, please contact Elizabeth Campbell, the attorney assigned to this matter, at (202) 376-5690.

Sincerely,

Lawrence M. Noble  
General Counsel

BY:   
Lois G. Lerner  
Associate General Counsel

Enclosure  
Conciliation Agreements

930A/0961472



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

July 22, 1991

Robert L. Folks, Esq.  
Rivkin, Radler, Bayh, Hart & Kremer  
EAB Plaza  
Uniondale, New York 11556-0111

RE: MUR 2576  
Stephen Lampel  
Ava Lampel  
Sherry Newman  
Michael Newman

Dear Mr. Folks:

This letter is to confirm the Federal Election Commission's receipt of your letter dated May 14, 1991, concerning preprobable cause conciliation between the Commission and your clients. In an effort to resolve this matter, on July 9, 1991, the Commission approved second proposed agreements with the following changes.

In addition, the Commission decided to take no further action with respect to Michael Newman. Enclosed herewith are conciliation agreements

The Commission is still hopeful that this matter can be settled through the conciliation process and has included your proposed changes in the new conciliation agreements. In light of the fact that the 90 day limit for conciliation has passed, you should respond to the Commission within ten days of receipt of this notification.

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Robert L. Folks, Esq.  
MUR 2576  
Page 2

Should you have any further questions, please contact Elizabeth Campbell, the attorney assigned to this matter, at (202) 376-8200.

Sincerely,

Lawrence M. Noble  
General Counsel



BY: Lois G. Lerner  
Associate General Counsel

Enclosure  
Conciliation Agreements (2)

93080961474



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

July 22, 1991

Selig A. Rosenzweig, Esquire  
Attorney at Law  
1666 New York Avenue  
P.O. Box 1610  
Huntington Station, N.Y. 11746-0915

RE: MUR 2576  
Edward G. Donnelly

Dear Mr. Rosenzweig:

On February 1, 1988, you were notified that the Federal Election Commission found reason to believe that Edward G. Donnelly violated 2 U.S.C. § 441f. After considering the circumstances of the matter, the Commission determined on July 9, 1991, to take no further action against Edward G. Donnelly, and closed the file as it pertains to MUR 2576. The file will be made part of the public record within 30 days after this matter has been closed with respect to all other respondents involved. Should you wish to submit any factual or legal materials to appear on the public record, please do so within ten days of your receipt of this letter. Such materials should be sent to the Office of the General Counsel.

The confidentiality provisions of 2 U.S.C. § 437g(a)(4)(B) and § 437g(a)(12)(A) remain in effect until the entire matter is closed. The Commission will notify you when the entire file has been closed. In the event you wish to waive confidentiality under 2 U.S.C. § 437g(a)(12)(A), written notice of the waiver must be submitted to the Commission. Receipt of the waiver will be acknowledged in writing by the Commission.

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Selig A. Rosenzweig, Esquire  
MUR 2576  
Page 2

The Commission reminds you that reimbursements for political contributions to Federal candidates or committees is a violation of 2 U.S.C. § 441f. Your client should take immediate steps to insure that this activity does not occur in the future.

If you have any questions, please contact Elizabeth Campbell, the attorney assigned to this matter, at (202) 376-5690.

Sincerely,

Lawrence M. Noble  
General Counsel

  
BY: Lois G. Lerner  
Associate General Counsel

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FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

July 22, 1991

Gaby L. Altman  
1 Oakwood Way  
Robbinsville, N.J. 08691

RE: MUR 2576  
Gaby L. Altman

Dear Ms. Altman:

On July 9, 1991, the Federal Election Commission accepted the signed conciliation agreement and civil penalty submitted on your behalf in settlement of a violation of 2 U.S.C. § 441f, a provision of the Federal Election Campaign Act of 1971, as amended. Accordingly, the file has been closed in this matter as it pertains to you.

This matter will become a part of the public record within 30 days after it has been closed with respect to all other respondents involved. 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.

The Commission reminds you that the confidentiality provisions of 2 U.S.C. §§ 437g(a)(4)(B) and 437g(a)(12)(A) remain in effect until the entire matter has been closed. The Commission will notify you when the entire file has been closed. In the event you wish to waive confidentiality under 2 U.S.C. § 437g(a)(12)(A), written notice of the waiver must be submitted to the Commission. Receipt of the waiver will be acknowledged in writing by the Commission.

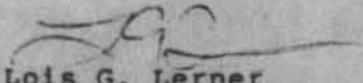
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Gaby L. Altman  
Page 2  
MUR 2576

Enclosed you will find a copy of the fully executed conciliation agreement for your files. I remind you that the civil penalty is due within 30 days of the conciliation agreement's effective date. If you have any questions, please contact Elizabeth Campbell, the attorney assigned to this matter, at (202) 376-5690.

Sincerely,

Lawrence M. Noble  
General Counsel

BY:   
Lois G. Lerner  
Associate General Counsel

Enclosure  
Conciliation Agreement

930810961478

91 MAY 22 AM 9:47

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of )  
 )  
 ) MUR 2576  
Gaby Levitt )  
 )

RECEIVED  
FEDERAL ELECTION COMMISSION  
OFFICE OF GENERAL COUNSEL  
91 MAY 22 PM 3:19

CONCILIATION AGREEMENT

This matter was initiated by the Federal Election Commission ("Commission"), pursuant to information ascertained the normal course of carrying out its supervisory responsibilities. The Commission found reason to believe that Gaby Levitt ("Respondent") violated 2 U.S.C. § 441f.

NOW, THEREFORE, the Commission and the Respondent, having participated in informal methods of conciliation, prior to a finding of probable cause to believe, do hereby agree as follows:

I. The Commission has jurisdiction over the Respondent and the subject matter of this proceeding, and this agreement has the effect of an agreement entered pursuant to 2 U.S.C. § 437g(a)(4)(A)(i).

II. Respondent has had a reasonable opportunity to demonstrate that no action should be taken in this matter.

III. Respondent enters voluntarily into this agreement with the Commission.

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IV. The pertinent facts in this matter are as follows:

1. Gaby Levitt is a person within the meaning of 2 U.S.C. § 431(11).

2. The Federal Election Campaign Act of 1971, as amended ("the Act"), provides that no person shall make a contribution in the name of another person or knowingly permit his name to be used to effect such a contribution, and no person shall knowingly accept a contribution made by one person in the name of another person. 2 U.S.C. § 441f. No person shall make a contribution in the name of another; or knowingly permit his or her name to be used to effect that contribution. 11 C.F.R. § 110.4(b)(1)(i) and (ii). The regulations also prohibit individuals from assisting in making contributions in the name of another. 11 C.F.R. § 110.4(b)(1)(iii).

3. The Commission's regulations provide that a contribution in the name of another includes giving money or anything of value, all or part of which is provided to the contributor by another person without disclosing the source of the money or the thing of value to the recipient candidate or committee at the time the contribution is made. 11 C.F.R. § 110.4(b)(2)(i).

4. William J. Levitt hosted a fundraising cocktail party on June 2, 1986, for the benefit of Citizens for Biden - 1990. Contributions to the event were \$1,000 per person.

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5. William J. Levitt solicited his family members and employees for contributions to the fundraiser, resulting in \$21,000 in contributions.

6. William J. Levitt, at the time he solicited each contribution, agreed to either make a monetary gift or bonus, or to reduce his indebtedness, to each contributor by a like amount after each person made their contribution to the fundraiser.

7. Gaby Levitt, at the request of William J. Levitt, made a \$1,000 contribution to Citizens for Biden - 1990 on May 31, 1986.

8. On June 4, 1986, Rowenroy, Ltd., issued a \$1,000 check to Gaby Levitt. William J. Levitt is the President and sole officer of Rowenroy, Ltd.

V. Respondent knowingly permitted her name to be used to effect a contribution to Citizens for Biden - 1990 by accepting reimbursement for her contribution, in violation of 2 U.S.C. § 441f.

VI. Respondent will pay a civil penalty to the Federal Election Commission in the amount of five hundred dollars (\$500), 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

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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 30 days from the date this agreement becomes effective to comply with and implement the requirements 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 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 (7/2)  
Lawrence M. Noble  
General Counsel

7/19/91  
Date

FOR THE RESPONDENT:

Gaby Levitt Altman  
Gaby Levitt

5/16/91  
Date

930 0961482

GABY L. ALTMAN  
1 OAKWOOD WAY  
ROBBINSVILLE, NJ 08691

1047

PAY TO THE  
ORDER OF

*Federal Election Commission* \$ 500.00  
*Five hundred and 00/100* DOLLARS

55-211NJ  
212

May 16 19 91

National Westminster Bank NJ

West Windsor Office  
47 Princeton-Hightstown Road, Princeton, NJ 08550 324

MEMO

2841960

*Gaby Altman*  
*(Client)*



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

July 22, 1991

Adrienne J. Flynn  
51 Friends Lane  
Westbury, N.Y. 11590

RE: MUR 2576  
Adrienne J. Flynn

Dear Ms. Flynn:

On July 9, 1991, the Federal Election Commission accepted the signed conciliation agreement and civil penalty submitted on your behalf in settlement of a violation of 2 U.S.C. § 441f, a provision of the Federal Election Campaign Act of 1971, as amended. Accordingly, the file has been closed in this matter as it pertains to you.

This matter will become a part of the public record within 30 days after it has been closed with respect to all other respondents involved. 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.

The Commission reminds you that the confidentiality provisions of 2 U.S.C. §§ 437g(a)(4)(B) and 437g(a)(12)(A) remain in effect until the entire matter has been closed. The Commission will notify you when the entire file has been closed. In the event you wish to waive confidentiality under 2 U.S.C. § 437g(a)(12)(A), written notice of the waiver must be submitted to the Commission. Receipt of the waiver will be acknowledged in writing by the Commission.

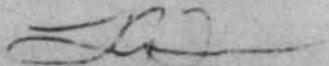
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Adrienne J. Flynn  
MUR 2576  
Page 2

Enclosed you will find a copy of the fully executed conciliation agreement for your files. I remind you that the civil penalty is due within 30 days of the conciliation agreement's effective date. If you have any questions, please contact Elizabeth Campbell, the attorney assigned to this matter, at (202) 376-5690.

Sincerely,

Lawrence M. Noble  
General Counsel



BY: Lois G. Lerner  
Associate General Counsel

Enclosure  
Conciliation Agreement

930 0961485

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of )  
Adrienne Flynn ) MUR 2576  
 )  
 )

CONCILIATION AGREEMENT

This matter was initiated by the Federal Election Commission ("Commission"), pursuant to information ascertained in the normal course of carrying out its supervisory responsibilities. The Commission found reason to believe that Adrienne J. Walters (now known as Adrienne Flynn) ("Respondent") violated 2 U.S.C. § 441f.

NOW, THEREFORE, the Commission and the Respondent, having participated in informal methods of conciliation, prior to a finding of probable cause to believe, do hereby agree as follows:

I. The Commission has jurisdiction over the Respondent and the subject matter of this proceeding, and this agreement has the effect of an agreement entered pursuant to 2 U.S.C. § 437g(a)(4)(A)(i).

II. Respondent has had a reasonable opportunity to demonstrate that no action should be taken in this matter.

III. Respondent enters voluntarily into this agreement with the Commission.

IV. The pertinent facts in this matter are as follows:

1. Adrienne Flynn is a person within the meaning of 2 U.S.C. § 431(11).

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2. The Federal Election Campaign Act of 1971, as amended ("the Act"), provides that no person shall make a contribution in the name of another person or knowingly permit his name to be used to effect such a contribution, and no person shall knowingly accept a contribution made by one person in the name of another person. 2 U.S.C. § 441f. No person shall make a contribution in the name of another person; or knowingly permit his or her name to be used to effect that contribution.

11 C.F.R. § 110.4(b)(1)(i) and (ii). The regulations also prohibit individuals from assisting in making contributions in the name of another person. 11 C.F.R. § 110.4(b)(1)(iii).

3. A contribution in the name of another includes giving money or anything of value, all or part of which is provided to the contributor by another person without disclosing the source of the money or the thing of value to the recipient candidate or committee at the time the contribution is made.

11 C.F.R. § 110.4(b)(2)(i).

4. Respondent, at the request of her employer, William J. Levitt, made two \$1,000 contributions to the Citizens for Biden Committee - 1990 on June 2, 1986. One contribution was in the Respondent's own name, and the other was made in the name of Respondent's daughter, Jennifer Flynn. Jennifer Flynn was unaware that her mother had made a contribution in her name.

5. On June 4, 1986, Rowenroy, Ltd., a corporation owned by William J. Levitt, issued \$1,000 checks to Respondent and Jennifer Flynn as reimbursement for the contributions to the

93080961487

Biden committee. Respondent endorsed and deposited both checks into the joint checking account she shared with her daughter.

V. Respondent knowingly permitted her name to be used to effect a contribution to the Citizens for Biden Committee - 1990 by accepting reimbursement for her contribution, in violation of 2 U.S.C. § 441f.

VI. Respondent will pay a civil penalty to the Federal Election Commission in the amount of one hundred dollars (\$100), pursuant to 2 U.S.C. § 437g(a)(5)(A).

VIII. 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.

IX. This agreement shall become effective as of the date that all parties hereto have executed same and the Commission has approved the entire agreement.

X. Respondent shall have no more than thirty (30) days from the date this agreement becomes effective to comply with and implement the requirements contained in this agreement and to so notify the Commission.

XI. 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

93080961488

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 (LMN)*  
Lawrence M. Noble  
General Counsel

*7/19/91*  
Date

FOR THE RESPONDENT:

*Adrienne Flynn*  
Adrienne Flynn

*May 20, 1991*  
Date

93080961489

ADRIENNE J. FLYNN  
JENNIFER D. FLYNN  
51 FRIENDS LANE  
WESTBURY, NY 11590

1013

NO. 5178

*188 Federal Street  
Cambridge MA*

*July 17<sup>th</sup> 91*

1-2998  
210

*\$ 100.00*

DOLLARS

 CHASE The Chase Manhattan Bank, N.A.  
1 Chase Manhattan Plaza  
New York, NY 10051

MEMO

*Adrienne Flynn*

93080961490  
6419608036

06C 2169

RECEIVED  
FEDERAL ELECTION COMMISSION  
MAIN COPY ROOM

LAW OFFICES OF

**SHAW, LICITRA, ESERNIO & SCHWARTZ, P.C.**

1010 FRANKLIN AVENUE, GARDEN CITY, NEW YORK 11530

91 AUG 13 AM 11:47

1516) 742-0610 - (718) 895-3525

TELECOPY 1516) 742-2670

J. STANLEY SHAW  
JOSEPH LICITRA (1930-1957)  
GEORGE P. ESERNIO  
JEFFREY L. SCHWARTZ  
DONNALYNN DARLING  
WILLIAM V. ALESIO†  
HERBERT J. TAMRES  
VICTOR G. BEAUDET  
EDWARD P. FREY  
SARAH M. KEENAN  
JEFFREY M. ZALKIN†  
VICTOR M. FINMANN

COUNSEL TO THE FIRM  
C. ALBERT PARENTE

OF COUNSEL

ERIC S. BROWN  
JOEL L. CARR

MICHAEL GALINA  
HARRY GLICK\*\*  
FERN T. GOLD  
STUART I. GORDON  
JOHN H. HALL, JR.  
CAROLINE LEON  
EDWARD J. LOBELLO  
SONYA F. LORGE  
WARREN W. QUAID  
ROBERTA L. SLATTERY

\*ALSO ADMITTED IN NEW JERSEY  
†ALSO ADMITTED IN CALIFORNIA  
\*\*ALSO ADMITTED IN WASHINGTON, D.C.  
\*\*ALSO ADMITTED IN GEORGIA

August 7, 1991

RECEIVED  
FEDERAL ELECTION COMMISSION  
OFFICE OF GENERAL COUNSEL  
91 AUG 13 PM 4:40

By Telecopier and Regular Mail

Elizabeth Campbell, Esq.  
Federal Election Commission  
999 E Street, NW  
Washington, D.C. 20463

Re: J. Stanley Shaw; (MUR 2576)

Dear Ms. Campbell:

In furtherance of our telephone conversation yesterday, this letter will confirm the consent of the Federal Election Commission to my request for an extension of time, from August 13 to September 13, 1991, within which to respond to the Commission's letter of July 22, 1991.

As I explained during our telephone conversation, my request for the extension was prompted by the necessity of calling up from our archives and reviewing files dealing with events which took place over five (5) years ago; of examining other data and materials dealing with those events; and because of vacations and other time away from the office for both Mr. Shaw and myself which will take up much of the time between August 13 and September 13.

I am herewith enclosing our completed Statement of Designation of Counsel, which Mr. Shaw has duly executed.

Thank you for your courtesy and cooperation.

Very truly yours,  
*Herbert J. Tamres*  
Herbert J. Tamres

HJT/mep

93020961491

STATEMENT OF DESIGNATION OF COUNSEL

MUR 2576

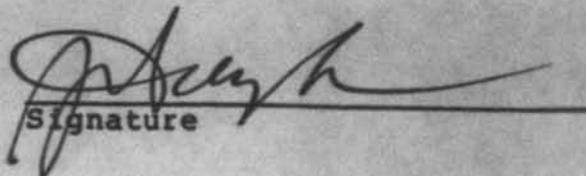
NAME OF COUNSEL: SHAW, LICITRA, ESERNIO & SCHWARTZ, P.C.\*

ADDRESS: 1010 Franklin Avenue  
Garden City, New York 11530

TELEPHONE: (516) 742-0610

The above-named individual is hereby designated as my  
counsel and is authorized to receive any notifications and other  
communications from the Commission and to act on my behalf before  
the Commission.

August 7, 1991  
Date

  
Signature

RESPONDENT'S NAME: J. STANLEY SHAW, ESQ.

ADDRESS: 1010 Franklin Avenue  
Garden City, New York 11530

HOME PHONE: \_\_\_\_\_

BUSINESS PHONE: (516) 742-0610

\* And  
Irving P. Seidman, Esq., P.C.  
600 Third Avenue  
New York, New York 10016  
(212) 922-1900

93080961492



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

August 8, 1991

Herbert J. Tamres, Esq.  
Shaw, Licitra, Esernio & Schwartz, P.C.  
1010 Franklin Avenue  
Garden City, New York 11530

RE: MUR 2576  
J. Stanley Shaw

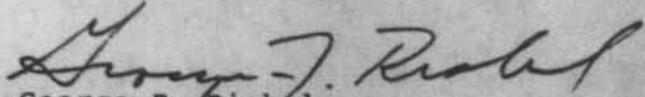
Dear Mr. Tamres:

This is in response to your letter dated August 7, 1991, requesting an extension of thirty days until September 13, 1991, to respond to the Commission's interrogatories and request for production of documents. After considering the circumstances presented in your letter, I have granted the requested extension. Accordingly, your response is due by the close of business on September 13, 1991.

If you have any questions, please contact Elizabeth Campbell, the attorney assigned to this matter, at (202) 376-8200.

Sincerely,

Lawrence M. Noble  
General Counsel

  
BY: George F. Rishel  
Assistant General Counsel

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06C 2173

RECEIVED  
FEDERAL ELECTION COMMISSION  
MAIN COPY ROOM

LAW OFFICES  
OF

JAMES A. PASCARELLA

91 AUG 13 AM 11:38

170 OLD COUNTRY ROAD  
FOURTH FLOOR  
MINEOLA, NEW YORK 11501  
(516) 742-1134  
TELECOPIER (516) 248-9313

OF COUNSEL  
THOMAS A. ILLMENSEE

August 7, 1991

Lawrence M. Noble, General Counsel  
Federal Election Commission  
Washington, D.C. 20463

Attention: Elizabeth Campbell, Esq.

Re: MUR 2576

91 AUG 13 PM 4:39

RECEIVED  
FEDERAL ELECTION COMMISSION  
OFFICE OF GENERAL COUNSEL

Dear Ms. Campbell:

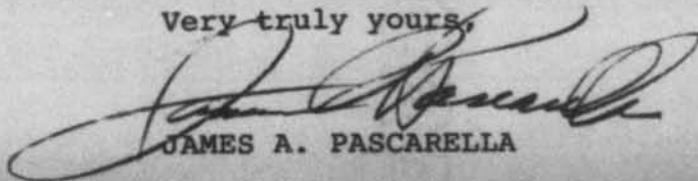
This letter is sent in accordance with our telephone conversation of this date regarding the administrative subpoena to produce documents (a cassette tape recording of a meeting on May 23, 1988 between Edward J. Donnelly and J. Stanley Shaw) received by me. As I explained, as of tomorrow, I will be out of the office, away on vacation, until August 26, 1991. We have agreed to extending my time to respond to the aforesaid subpoena until September 4, 1991.

As we also discussed, I, at one time, represented Edward J. Donnelly; however, I have not represented him for approximately two years. I will, therefore, have to look through old files to see if I am in possession of the tape recording that is the subject of the subpoena. It may very well be that the tape was returned to Mr. Donnelly along with other documents returned to him at or about the time our attorney-client relationship ended.

If it turns out that I am in possession of the tape recording requested, there may also be an issue of attorney-client confidentiality. While Mr. Donnelly has apparently told you that he tape recorded the aforesaid conversation he had with Mr. Shaw, there may still be issues of attorney-client confidentiality and privilege relating to his turning over any tape recordings to me or even the tape recording itself. If it turns out we have the tape recording in our file, I will need permission from Mr. Donnelly to turn it over to you.

I will contact you sometime during the week of August 26, 1991. I thank you for the courtesies you have shown to me herein.

Very truly yours,

  
JAMES A. PASCARELLA

JAP:cjc

93030961494



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

August 26, 1991

Edward G. Donnelly  
9 Priory Court  
Melville, New York 11747

RE: MUR 2576

Dear Mr. Donnelly:

On August 1, 1991, you contacted this office to request a copy of your deposition. At the time your deposition was taken on May 13, 1991, you waived your right to read and sign it. By waiving your right to sign, you waived your right to change anything in your deposition.

However, at your request, we are forwarding the enclosed copy of your deposition to you for your review to see if there is anything you wish to add to your former testimony. Please return the deposition to this office after you have gone over it. If you would like to provide the Commission with additional information, please contact this office. At that time, we can put any additional information you may have in affidavit and then forward it to you for your signature.

The Commission reminds you that the confidentiality provisions of 2 U.S.C. §§ 437g(a)(4)(B) and 437g(a)(12)(A) remain in effect until the entire matter is closed. The Commission will notify you when the entire file has been closed. If you wish to waive confidentiality under 2 U.S.C. § 437g(a)(12)(A), written notice of the waiver must be submitted to the Commission. Receipt of the waiver will be acknowledged in writing by the Commission.

If you have any questions, please contact Elizabeth Campbell, the attorney assigned to this matter, at (202) 219-3400.

Sincerely,

Lawrence M. Noble  
General Counsel

BY: Lois G. Lerner *LL*  
Associate General Counsel

93080961495



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

August 22, 1991

James A. Pascarella, Esquire  
170 Old Country Road  
Fourth Floor  
Mineola, New York 11501

RE: MUR 2576

Dear Mr. Pascarella:

This is in response to your letter dated August 7, 1991, requesting an extension of until September 4th to respond to the Commission's subpoena. After considering the circumstances presented in your letter, I have granted the requested extension. Accordingly, your response is due by the close of business on September 4, 1991.

In addition, enclosed are revised conciliation agreements for William J. Levitt and Rowenroy, Ltd. for your client's signature.

If you have any questions, please contact Elizabeth Campbell, the attorney assigned to this matter, at (202) 219-3400.

Sincerely,

Lawrence M. Noble  
General Counsel

*Lois G. Lerner*

BY: Lois G. Lerner  
Associate General Counsel

Enclosures  
Conciliation Agreements (2)

93080961496

91 AUG 20 PM 3:49

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of )

Stephen Lampel )  
Ava Lampel )  
Sherry Newman )

MUR 2576

**SENSITIVE**

GENERAL COUNSEL'S REPORT

I. BACKGROUND

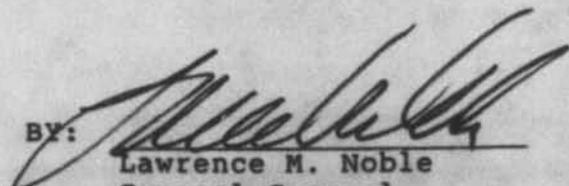
Attached are signed conciliation agreements from Stephen and Ava Lampel, and Sherry Newman.

The attached agreements contains no changes from the agreements approved by the Commission on July 9, 1991. The Lampels have submitted their civil penalty check for \$250. The Commission approved a conciliation agreement without a civil penalty for Ms. Newman.

II. RECOMMENDATIONS

1. Accept the attached conciliation agreement with Stephen and Ava Lampel.
2. Accept the attached conciliation agreement with Sherry Newman.
3. Close the file as to this Stephen Lampel, Ava Lampel, and Sherry Newman.
4. Approve the attached letter.

8/19/91  
Date

BY:   
Lawrence M. Noble  
General Counsel

Attachments

1. Conciliation Agreements
2. Photocopy of civil penalty check

Staff Assigned: Elizabeth Campbell

930 0961497

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of                    )  
  )  
Stephen Lampel;                    )     MUR 2576  
Ava Lampel;                        )  
Sherry Newman.                    )

CERTIFICATION

I, Marjorie W. Emmons, Secretary of the Federal Election Commission, do hereby certify that on August 23, 1991, the Commission decided by a vote of 6-0 to take the following actions in MUR 2576:

1. Accept the conciliation agreement with Stephen and Ava Lampel, as recommended in the General Counsel's Report dated August 19, 1991.
2. Accept the conciliation agreement with Sherry Newman, as recommended in the General Counsel's Report dated August 19, 1991.
3. Close the file as to this Stephen Lampel Ava Lampel, and Sherry Newman.

(Continued)

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4. Approve the letter, as recommended in the General Counsel's Report dated August 19, 1991.

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

Attest:

8-23-91

Date

*Marjorie W. Emmons*  
Marjorie W. Emmons  
Secretary of the Commission

Received in the Secretariat: Tues., August 20, 1991 3:49 p.m.  
Circulated to the Commission: Wed., August 21, 1991 11:00 a.m.  
Deadline for vote: Fri., August 23, 1991 11:00 a.m.

dr

93000961499



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

September 6, 1991

Robert L. Folks, Esquire  
Rivkin, Radler, Bayh, Hart & Kremer  
EAB Plaza  
Uniondale, New York 11556-0111

RE: MUR 2576  
Stephen Lampel  
Ava Lampel  
Sherry Newman

Dear Mr. Folks:

On August 23, 1991, the Federal Election Commission accepted the signed conciliation agreement from Sherry Newman, and the signed conciliation agreement and civil penalty from Stephen and Ava Lampel, submitted in settlement of violations of 2 U.S.C. § 441f, a provision of the Federal Election Campaign Act of 1971, as amended. Accordingly, the file has been closed in this matter as it pertains to your clients.

This matter will become a part of the public record within 30 days after it has been closed with respect to all other respondents involved. 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.

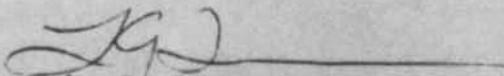
The Commission reminds you that the confidentiality provisions of 2 U.S.C. §§ 437g(a)(4)(B) and 437g(a)(12)(A) remain in effect until the entire matter has been closed. The Commission will notify you when the entire file has been closed. In the event you wish to waive confidentiality under 2 U.S.C. § 437g(a)(12)(A), written notice of the waiver must be submitted to the Commission. Receipt of the waiver will be acknowledged in writing by the Commission.

93080961500

Enclosed you will find copies of the fully executed conciliation agreements for your files. If you have any questions, please contact Elizabeth Campbell, the attorney assigned to this matter, at (202) 219-3690.

Sincerely,

Lawrence M. Noble  
General Counsel



BY: Lois G. Lerner  
Associate General Counsel

Enclosure  
Conciliation Agreements (2)

93080961501

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of )  
 )  
 ) MUR 2576  
Stephen Lampel and )  
Ava Lampel )  
 )

CONCILIATION AGREEMENT

This matter was initiated by the Federal Election Commission ("Commission"), pursuant to information ascertained in the normal course of carrying out its supervisory responsibilities. The Commission found reason to believe that Stephen and Ava Lampel ("Respondents") each violated 2 U.S.C. § 441f.

NOW, THEREFORE, the Commission and the Respondents, having participated in informal methods of conciliation, prior to a finding of probable cause to believe, do hereby agree as follows:

I. The Commission has jurisdiction over the Respondents and the subject matter of this proceeding, and this agreement has the effect of an agreement entered pursuant to 2 U.S.C. § 437g(a)(4)(A)(i).

II. Respondents have had a reasonable opportunity to demonstrate that no action should be taken in this matter.

III. Respondents enter voluntarily into this agreement with the Commission.

930840961502

IV. The pertinent facts in this matter are as follows:

1. Stephen and Ava Lampel are persons within the meaning of 2 U.S.C. § 431(11).

2. The Federal Election Campaign Act of 1971, as amended ("the Act"), provides that no person shall make a contribution in the name of another person or knowingly permit his name to be used to effect such a contribution, and no person shall knowingly accept a contribution made by one person in the name of another person. 2 U.S.C. § 441f. No person shall make a contribution in the name of another; or knowingly permit his or her name to be used to effect that contribution. 11 C.F.R. § 110.4(b)(1)(i) and (ii). The regulations also prohibit individuals from assisting in making contributions in the name of another. 11 C.F.R. § 110.4(b)(1)(iii).

3. The Commission's regulations provide that a contribution in the name of another includes giving money or anything of value, all or part of which is provided to the contributor by another person without disclosing the source of the money or the thing of value to the recipient candidate or committee at the time the contribution is made. 11 C.F.R. § 110.4(b)(2)(i).

4. In June of 1986, Stephen Lampel was employed by William J. Levitt. Levitt hosted a fundraising cocktail party on June 2, 1986, for the benefit of Citizens for Biden - 1990. Contributions to the event were \$1,000 per person.

930810961503

5. William J. Levitt solicited his family members and employees for contributions to the fundraiser, resulting in \$21,000 in contributions.

6. William J. Levitt, at the time he solicited each contribution, agreed to either make a monetary gift or bonus, or to reduce his indebtedness, to each contributor by a like amount after each person made their contribution to the fundraiser.

7. Stephen and Ava Lampel, at the request of William J. Levitt, each made a \$1,000 contribution to Citizens for Biden - 1990 on June 2, 1986.

8. On June 4, 1986, Rowenroy, Ltd., issued a \$2,000 check to Stephen and Ava Lampel. William J. Levitt is the President and sole officer of Rowenroy, Ltd.

9. Respondent Stephen Lampel voluntarily cooperated with the Commission in the investigation of this matter.

V. Respondents knowingly permitted their names to be used to effect a contribution to Citizens for Biden - 1990 by accepting reimbursement for their contributions, in violation of 2 U.S.C. § 441f.

VI. Respondents will pay a civil penalty to the Federal Election Commission in the amount of two hundred fifty dollars (\$250), 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

93080961504

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. Respondents shall have no more than 30 days from the date this agreement becomes effective to comply with and implement the requirements 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 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 (7/2)  
Lawrence M. Noble  
General Counsel

Date 9/6/91

FOR THE RESPONDENTS:

Stephen Lampel  
Stephen Lampel

Date 8/1/91

Ava Lampel  
Ava Lampel

Date 8/1/91

93080961505

STEPHEN J. LAMPEL  
AVA LAMPEL  
2621 WASHINGTON AVE.  
OCEANSIDE, NY 11572

2210

8/1 19 91

1-148 BP  
200

PAY TO THE  
ORDER OF

Federal Election Commission \$ 250.00/100

two hundred fifty & 00/100 DOLLARS

**EAB**

330 Sunrise Hwy.  
Rockville Centre, NY 11570

MEMO

Stephen J. Lampel

9 0 5 1 9 6 0 8 0 2 6

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of

Sherry Newman

)  
)  
)  
)  
)

MUR 2576

CONCILIATION AGREEMENT

This matter was initiated by the Federal Election Commission ("Commission"), pursuant to information ascertained in the normal course of carrying out its supervisory responsibilities. The Commission found reason to believe that Sherry Newman ("Respondent") violated 2 U.S.C. § 441f.

NOW, THEREFORE, the Commission and the Respondent, having participated in informal methods of conciliation, prior to a finding of probable cause to believe, do hereby agree as follows:

I. The Commission has jurisdiction over the Respondent and the subject matter of this proceeding, and this agreement has the effect of an agreement entered pursuant to 2 U.S.C. § 437g(a)(4)(A)(i).

II. Respondent has had a reasonable opportunity to demonstrate that no action should be taken in this matter.

III. Respondent enters voluntarily into this agreement with the Commission.

93080961507

IV. The pertinent facts in this matter are as follows:

1. Sherry Newman is a person within the meaning of 2 U.S.C. § 431(11).

2. The Federal Election Campaign Act of 1971, as amended ("the Act"), provides that no person shall make a contribution in the name of another person or knowingly permit his name to be used to effect such a contribution, and no person shall knowingly accept a contribution made by one person in the name of another person. 2 U.S.C. § 441f. No person shall make a contribution in the name of another; or knowingly permit his or her name to be used to effect that contribution. 11 C.F.R. § 110.4(b)(1)(i) and (ii). The regulations also prohibit individuals from assisting in making contributions in the name of another. 11 C.F.R. § 110.4(b)(1)(iii).

3. The Commission's regulations provide that a contribution in the name of another includes giving money or anything of value, all or part of which is provided to the contributor by another person without disclosing the source of the money or the thing of value to the recipient candidate or committee at the time the contribution is made. 11 C.F.R. § 110.4(b)(2)(i).

4. In June of 1986, Respondent was employed by William J. Levitt. Levitt hosted a fundraising cocktail party on June 2, 1986, for the benefit of Citizens for Biden - 1990. Contributions to the event were \$1,000 per person.

93020961508

5. William J. Levitt solicited his family members and employees for contributions to the fundraiser, resulting in \$21,000 in contributions.

6. William J. Levitt, at the time he solicited each contribution, agreed to either make a monetary gift or bonus, or to reduce his indebtedness, to each contributor by a like amount after each person made their contribution to the fundraiser.

7. Respondent Sherry Newman, at the request of William J. Levitt, made a \$1,000 contribution to Citizens for Biden - 1990 on June 2, 1986. Respondent Sherry Newman also made a \$1,000 contribution to Citizens for Biden - 1990 on June 2, 1986 in the name of her minor son, Michael Newman

8. On June 4, 1986, Rowenroy, Ltd., issued a \$2,000 check to Sherry and Michael Newman. William J. Levitt is the President and sole officer of Rowenroy, Ltd.

9. Respondent voluntarily cooperated with the Commission in its investigation of this matter.

V. Respondent knowingly permitted her name to be used to effect a contribution to Citizens for Biden - 1990 by accepting reimbursement for her contributions, in violation of 2 U.S.C. § 441f.

VI. 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

930810961509

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.

VII. This agreement shall become effective as of the date that all parties hereto have executed same and the Commission has approved the entire agreement.

VIII. Respondent shall have no more than 30 days from the date this agreement becomes effective to comply with and implement the requirements contained in this agreement and to so notify the Commission.

IX. 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 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

Date

9/6/91

FOR THE RESPONDENT:

Sherry Newman  
Sherry Newman

Date

July 30 1991

93040961510

00C2833

LAW OFFICES OF  
**SHAW, LICITRA, ESERNIO & SCHWARTZ, P.C.**  
1010 FRANKLIN AVENUE, GARDEN CITY, NEW YORK 11530

(516) 742-0610 - (718) 895-3525  
TELECOPY (516) 742-2670

J. STANLEY SHAW  
JOSEPH LICITRA (1930-1987)  
GEORGE P. ESERNIO  
JEFFREY L. SCHWARTZ  
DONNALYNN DARLING  
WILLIAM V. ALESI\*†  
HERBERT J. TAHRES  
VICTOR G. BEAUDET  
EDWARD P. FREY  
SARAH M. KEENAN  
JEFFREY M. ZALKIN†  
VICTOR M. FINMANN

MICHAEL GALINA  
HARRY GLICK\*\*  
FERN T. GOLD  
STUART I. GORDON  
JOHN H. HALL, JR.‡  
KEITH B. HOCHHEISER‡  
CAROLINE LEON  
EDWARD J. LOBELLO  
SONYA F. LORGET†  
ALAN E. MARDER  
WARREN W. QUAID  
ROBERTA L. SLATTERY  
THOMAS M. VOLZ

COUNSEL TO THE FIRM  
C. ALBERT PARENTE

OF COUNSEL  
ERIC S. BROWN  
JOEL L. CARR  
WARREN F. MAINELLA

\*ALSO ADMITTED IN WASHINGTON, D.C.  
\*\*ALSO ADMITTED IN GEORGIA  
‡ALSO ADMITTED IN CALIFORNIA  
†ALSO ADMITTED IN NEW JERSEY  
ALSO ADMITTED IN CONNECTICUT

September 13, 1991

RECEIVED  
FEDERAL ELECTION COMMISSION  
OFFICE OF LEGAL COUNSEL  
91 SEP 19 PM 3:46

Mr. John Warren McGarry  
Chairman  
Federal Election Commission  
999 E. Street, N.W.  
Washington, D.C. 20463

Re: J. Stanley Shaw  
(MUR 2576)

Dear Mr. McGarry:

As previously noted in the Statement of Designation of Counsel, executed by J. Stanley Shaw and dated August 7, 1991, this firm and the firm of Irving P. Seidman, P.C., jointly represent Mr. Shaw in this proceeding.

Mr. Seidman and I have reviewed, with Mr. Shaw, the Factual and Legal Analysis ("Analysis") of the Federal Election Commission (the "Commission"), which was enclosed with the Commission's letter of July 22, 1991. In addition, we have analyzed files and other information dealing with events relevant to the instant proceeding, which took place during the period from early 1984 through early 1988, the approximate period of Mr. Shaw's representation of William J. Levitt, his wife, Simone Levitt, several corporations which are owned and/or controlled by Mr. Levitt and the Levitt Foundation (the "Foundation").

As a consequence of our investigation into the facts, we hereinafter set forth Mr. Shaw's response to your letter in the form of this letter memorandum requesting a dismissal of these allegations by the Commission on the ground that there is no basis for a finding of probable cause to believe that a violation has occurred. Also enclosed are our Answers to Interrogatories and

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Document Request. In view of the fact that Mr. Levitt has waived the attorney-client privilege, we feel no constraint in hereinafter setting forth Mr. Shaw's position, without regard to the disclosure of facts and confidences which might otherwise possibly encroach upon the lawyer-client privilege.

We ask the Commission to keep in mind that there is litigation currently pending between these parties, commenced by Mr. Levitt (as will be referred to in greater detail below), and that the allegations attributed herein by the Commission to Mr. Levitt must be viewed as a calculated attempt by Mr. Levitt to discredit Mr. Shaw because of Mr. Shaw's dogged determination to resist Mr. Levitt's continuing attempts to inveigle money from the Williamsburg Trusts, to which Mr. Shaw has concluded he is not entitled.

We also ask that the Commission be mindful of the fact that motivational factors must be given great consideration in determining an individual's credibility. In the present instance, the charges made by the Commission are based upon the contrivances of William J. Levitt, who, as will be hereinafter shown, possesses a deep-seated penchant for attempting to punish those who frustrate his efforts to achieve his own personal ends and who will not permit the truth to interfere with his self-centered goals. The Commission's charges are also, in part, based upon statements made by Edward Donnelly who, in many negative respects, is like Mr. Levitt. (Mr. Donnelly was never represented by Mr. Shaw). While these two individuals may not admit their present allegiance to each other, we have reason to believe that they are united in their present efforts to unjustly and improperly besmirch Mr. Shaw's reputation and to attempt to impugn the positive influence he has been in protecting the assets of the Foundation from individuals who have no right to them (such as Mr. Donnelly) and in preserving the very freedom of Mr. Levitt (and of his wife). The Commission should seriously weigh these motivational factors against the actions taken by Mr. Shaw on behalf of Mr. Levitt, to improve his chaotic financial problems, as well as to refund monies to depositors and to the Foundation which Mr. Levitt had misappropriated and to discharge his obligations as a fiduciary and a trustee for the benefit of those who are entitled to share in the assets of the Williamsburg Trust.

A. Background

As of the present date, Mr. Levitt owes the Foundation approximately \$6,000,000, as a consequence of his systematic

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looting of that entity of many millions of dollars, based upon his own uncontradicted statements and upon court papers submitted by the New York State Attorney General's Office (the "Attorney General").

The Attorney General commenced two actions to recover these Funds, as well as the sum of \$600,000 (based upon 1200 deposits made by consumers to purchase certain real property in Florida, which is referred to herein as the "Williamsburg Property." These deposits were similarly appropriated by Levitt for his personal use and benefit). The two actions are entitled The State of New York and Robert Abrams v. William J. Levitt, et al., Index No. 41050/81 (Action No. "1") and The People of the State of New York v. William J. Levitt, et al., Index No. 941/87 (Action No. "2").

These actions were directed not only at Mr. Levitt, but also at his wife, Simone, and several corporations which are owned and controlled by him, including, but not limited to, Rowenroy, Ltd. ("Rowenroy"), a Bermuda Corporation which was used as a conduit to siphon off over \$4,000,000 of Foundation funds for his own use and for the use of International Community Corp. ("ICC").

The Attorney General recovered a judgment against Mr. Levitt in the amount of \$1,300,000 on June 2, 1983, in Action No. 1. Thereafter, the Attorney General sought to recover another \$9,700,000, which resulted in Action No. 2.

On September 26, 1986, Mr. Levitt, Simone Levitt, ICC and others executed a Stipulation, negotiated principally by Mr. Shaw, as counsel for ICC and Simone Levitt, consenting to the entry of an \$11,000,000 judgment to consolidate the outstanding misappropriations alleged in Action Nos. 1 and 2. At the time, Mr. Levitt was represented by the firm of Albanese, Albanese and Fiore. Less than three months later, on December 16, 1986, Mr. Levitt executed an affidavit in which he agreed to provide a lien to the Attorney General and the Foundation on all after-acquired assets to pay the \$11,000,000 indebtedness.

(At this juncture, it must be noted that the September 26, 1986 Stipulation was entered into by Mr. Levitt and the others as an act of desperation when all else, including events which took place in connection with the Biden fundraising incident, had failed to bring in sufficient funds for him to keep the Attorney General at bay and to thereby defer his obligation to repay the \$11,000,000, which he had converted to his personal

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benefit and use. The circumstances of the Biden fundraiser will be set forth below in detail and will similarly show Mr. Levitt's selfish motives).

Thereafter, a January 21, 1987 Consent Judgment, incorporating the terms of the September 26, 1986 Stipulation, was entered, also largely through the efforts of Mr. Shaw, in settlement of Action Nos. 1 and 2.

Among other things, Mr. Levitt was obligated thereunder to grant liens to the Foundation and to cause ICC to take all steps necessary to turn over proceeds of property sales to the Foundation, in partial repayment of Mr. Levitt's misdeeds.

Of the aforementioned \$11,000,000, \$1,300,000 was to be paid by April 6, 1987, in satisfaction of the Attorney General's judgment, plus interest, in Action No. 1. The balance of \$9,700,000 was to be repaid to the Foundation in specified installments. A copy of the Consent Judgment and stipulation are collectively annexed hereto as Exhibit "A".

It will be noted that, pursuant to Paragraph 8 of the Consent Judgment, in order to fund the payments to the Foundation and to provide adequate security to the Attorney General thereunder, Mr. Levitt agreed to the creation of liens on various properties, which he or his affiliated companies owned, including his palatial residential estate in Mill Neck, New York, known as "La Colline" and the aforementioned Williamsburg Property. In addition, he assigned his rights to the Foundation to receive monies from the Iran-United States Claims Tribunal on his claim against the Islamic Republic of Iran.

In each case, the liens given in favor of the Foundation were subject to prior existing liens or those created for the benefit of third persons, including the claims of Tropic Associates, Inc. ("Tropic"), the Shaw-Cardin mortgage and the Shaw Firm's legal fees.

In respect of the La Colline property, there was a conditional purchaser's lien in favor of Tropic. Through Mr. Shaw's efforts, Tropic paid Mr. Levitt and ICC the sum of \$825,000 for the purchase of the shares of La Colline Development Corp., a New York Corporation which owned La Colline and which, in turn, was owned by ICC. The \$825,000 given to Mr. Levitt and to ICC was used exclusively to return the deposit monies to the consumers who gave those deposits to purchase the Williamsburg property. Furthermore,

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a portion of Tropic's claim was thereafter subordinated, at the sale of La Colline, through Mr. Shaw's efforts and without compensation to him, to the claims of the Attorney General to permit Mr. Shaw, working in concert with the Attorney General and his staff for over a year, to receive money for the benefit of the Williamsburg depositors and the Foundation. All of this was, of course, done under the auspices of and with the approval of the Attorney General and was accomplished by Mr. Shaw without financial compensation to himself.

At the time, the La Colline real estate was subject to prior liens in the amount of \$3,200,000. The purchase price by Tropic was \$3,800,000, of which the aforementioned \$825,000 was paid on execution of the sales contract and the balance of \$2,975,000 one year from the date of the contract (June 12, 1986). ICC had until June 12, 1987 to repurchase the La Colline shares. Although it failed to do so, Shaw was instrumental in getting Tropic to forebear from exercising its contract rights for an additional five months, which, in turn, gave Mr. Levitt and ICC additional time to sell the La Colline property, which it did in November of 1987 for the sum of \$9,200,000. This strategy on the part of Shaw, therefore, permitted the money from the sale to be used to repay consumers who had been defrauded by Levitt out of their deposits made to purchase property in the Williamsburg Property development, as well as to fund payments to creditors.

Several points must be emphasized concerning this transaction:

(1) it was undertaken by Mr. Shaw so that Mr. Levitt and ICC could have the means to return the deposit monies which the consumers had given to purchase the Williamsburg property, which monies Levitt had unlawfully expended and usurped for his own use; and

(2) it thereby kept Mr. Levitt from indictment and prosecution for consumer fraud under Florida and New York statutes and possibly Federal law as well.

Furthermore, Mr. Shaw was instrumental in arranging for the \$1,000,000 so-called "Cardin-Shaw loan" to further assist Mr. Levitt to complete the construction of the Williamsburg property.

Pursuant to Paragraph 9 of the Consent Judgment, Mr. Levitt was required to file notarized semi-annual reports of his financial condition, to assure the Attorney General that no

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property belonging to the Foundation found its way into Mr. Levitt's personal possession. This was in addition to the submission to the Attorney General of a "pauper's oath" by Mr. and Mrs. Levitt, in which they swore that they owned no other assets.

In summary, therefore, largely as a result largely of Mr. Shaw's individual efforts, Mr. Levitt avoided indictment and prosecution by achieving a settlement with the Attorney General, the Foundation and the defrauded Williamsburg Property consumers, in one document (the "Consent Judgment"). This document resolved the allegations of the Attorney General as to Mr. Levitt's defalcations from the Foundation and from the deposit monies of the consumers who purchased the Williamsburg Property.

In addition to the foregoing, to further insure that the proceeds from the Williamsburg Property were disbursed to the proper parties, a series of trusts were set up, with the approval of all parties, including the Attorney General, under which Mr. Shaw was named Trustee. These trusts were for the benefit of:

- (1) certain creditors of the Williamsburg Property;
- (2) the Shaw lawfirm (for unpaid legal fees);
- (3) Edward Donnelly (for unpaid accounting fees to Mr. Levitt's former accountant);
- (4) unsecured creditors of the Williamsburg Property.

The bounds of Mr. Shaw's legal assistance to the Levitt companies were limitless. Annexed hereto as Exhibit "B" is a copy of a letter from Florida counsel to the Foundation extolling the virtues of Mr. Shaw for his exemplary efforts in participating in and assisting in the prosecution of the Centerre Bank by the Foundation, which ultimately resulted in a \$2,000,000 settlement of the Foundation's claims. That settlement, which was of direct benefit to Mr. Levitt and to ICC, was participated in by Mr. Shaw without any compensation to him.

#### B. Levitt's Subsequent Actions

After receiving the many benefits outlined above through Mr. Shaw's efforts, Mr. Levitt embarked upon a course of conduct to impede and defeat the collection efforts of the Attorney General and the Foundation and, in the process, to attack Mr. Shaw for what can only be characterized as Mr. Shaw's diligence in discharging

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his obligations as Trustee under the aforementioned Williamsburg trusts.

Notwithstanding Mr. Levitt's agreement to provide the Foundation with a lien on all after-acquired assets, and without the notice or knowledge of the Attorney General or the Foundation, Mr. and Mrs. Levitt and Rowenroy and ICC and others commenced an action entitled Capital Community Corporation, et al. v. Tropic Associates, et al., Index No. 8510/89 ("Action No. 3") in which Levitt and ICC, inter alia, sought:

(1) to set aside the Tropic transaction on the grounds that the loan granted by Tropic was usurious, was fraudulently induced, constituted a breach of duty on the part of Shaw and his lawfirm, was the result of negligence by Shaw and his lawfirm and arose as a result of a unilateral mistake by Levitt and ICC;

(2) to recover legal fees paid to Shaw and his lawfirm as allegedly unfair and unreasonable and for an accounting; and

(3) to remove Shaw as Trustee under the Williamsburg Trusts.

The Attorney General sought to intervene in the action on the ground that any recovery would be subject to the lien on after-acquired property granted by Mr. Levitt to the Foundation or the obligation of Mr. Levitt and ICC under the Consent Judgment to provide for the conveyances of ICC assets to the Foundation.

The motion to intervene was bitterly resisted by Mr. Levitt and by ICC on the ground that ICC was not a judgment debtor under the Consent Judgment and, therefore, any recovery realized by ICC was not covered by the Consent Judgment. Moreover, Mr. Levitt and his counsel, by letter dated August 15, 1989, went even further in writing to the Attorney General that Mr. Levitt had a right to any proceeds awarded to ICC in Action No. 3, even though Mr. Levitt had previously given the Attorney General a lien on after-acquired assets.

Thereafter, however, when confronted with the fact that any property coming into ICC's possession was the property of the Foundation under the Consent Judgment, Mr. Levitt did a complete about face by contending that ICC was, in fact, owned by Mrs. Levitt (in order to shield the ICC assets from the Foundation).

Thus, Mr. and Mrs. Levitt seized the opportunity once

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again to attempt to escape their obligations under the Consent Agreement. To do this, Mr. Levitt, through his new counsel, completely recanted his prior testimony regarding the ownership of ICC. That was done to attempt to deprive the Attorney General and the Foundation of any chance to recover after-acquired assets under the Consent Judgment.

Mr. Levitt's credibility (or, more properly, his lack of credibility) in the present matter must be considered by the Commission in light of this conduct on his part regarding the recovery by ICC in Action No. 3.

Furthermore, by Order to Show Cause, dated January 22, 1990, a copy of which, with exhibits, is annexed hereto as Exhibit "C", the Attorney General of the State of New York moved to punish Mr. Levitt for civil contempt before the Honorable Kenneth Molloy of the Nassau County Supreme Court for his "repeated and continuous violations of the Consent Judgment ... as well as his violations of the lien on after-acquired property delivered by Mr. Levitt to the Attorney General and the Foundation under the Consent Judgment, which have defeated, impaired, impeded and prejudiced the efforts of the Attorney General on behalf of ... the Foundation to enforce the Consent Judgment."

In support of the aforementioned Order to Show Cause to punish Mr. Levitt for civil contempt, the Attorney General, by David G. Samuels, Assistant Attorney General, in his affidavit, dated December 14, 1989, stated as follows:

"8. Prior to the entry of the Consent Judgment, the Attorney General inquired into Levitt's financial situation, and obtained from Levitt the sworn affidavit dated December 12, 1986 (Exhibit 2) alleging that he and his wife, defendant Simone Levitt, had limited assets to satisfy the Consent Judgment. Because the Attorney General seriously doubted the good faith of Mr. Levitt, we required this affidavit to assure that Levitt had no significant assets available to satisfy the judgment, apart from those already disclosed to the Attorney General. Furthermore, the Consent Judgment established a repayment schedule and required that Levitt and ICC "take all actions necessary to provide the Foundation with adequate security to assure the payment of

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\$11,000,000 to the Foundation" pursuant to the Consent Judgment. (Consent Judgment ¶8). Thus, the Consent Judgment (Exhibit 1), together with Mr. Levitt's December 12, 1986 affidavit (Exhibit 2), and the Foundation's lien on after-acquired assets delivered to the Attorney General by Mr. Levitt (Exhibit 3), assured that the Attorney General (on behalf of the Foundation) had a secured interest in all of Levitt's current and future assets, and further assured that Levitt could not withhold assets from the Foundation until the Consent Judgment had been satisfied. James Pedowitz, Esq., a noted expert in real estate and lien law who was retained by the Attorney General in connection with the Attorney General's enforcement of the Foundation's judgment against Levitt, confirmed to our office that the Foundation's lien on after-acquired assets had been properly prepared, and he further confirmed that it had been filed in the appropriate manner.

9. Joseph Fiore, Esq. consented to the Stipulation as attorney for Levitt, J. Stanley Shaw of Shaw Goldman Levine Licitra & Weinberg ("Shaw Goldman") consented to the Stipulation as attorneys for ICC and Simone Levitt, and Levitt executed the Stipulation in his capacity as president of ICC.

#### Levitt's Breaches of the Consent Judgment

10. Almost immediately after its entry, Levitt began to systematically breach virtually every provision of the Consent Judgment. [Levitt has also ignored a restraining notice served on him by the Attorney General on April 19, 1987 (copy annexed as Exhibit 4). However, the Attorney General is not relying on that restraining notice for purposes of the instant motion. (See CPLR 5222(d).)] Levitt failed to make any payment to the Foundation on or before April 1, 1987, as required by paragraph 4 of the Consent Judgment, and the full amount of the Foundation's judgments,

totalling approximately \$11,000,000, therefore became due on April 7, 1987 pursuant to paragraph 5 of the Consent Judgment. He also failed to provide the Foundation with a proper lien on La Colline, his palatial residential estate, prompting the Attorney General to bring a motion for contempt against Levitt and others. That motion was withdrawn upon Levitt's agreement to pay \$1.4 million to the Foundation from the proceeds of the sale of La Colline. The Foundation has received approximately \$3.5 million to date, leaving an outstanding judgment against Levitt in an amount of almost \$7.7 million, plus interest in excess of \$1.8 million, for a total current obligation of more than \$9.5 million.

11. Levitt also refused to "take all actions necessary to provide the Foundation with adequate security to assure the payment of \$11,000,000 to the Foundation," as required by paragraph 8 of the Consent Judgment. As a result, the Foundation has collected only about \$3.5 million to date, and has been consistently stymied by the actions of Levitt, Pascarella, and DeVito in an effort to collect additional amounts. It is Levitt's refusal (upon the advice and with the assistance of Pascarella and DeVito) to comply with paragraph 8 of the Consent Judgment, coupled with his transfer and expenditure of monies in violation of the Foundation's lien on after-acquired assets delivered by him to the Attorney General (Exhibit 3), that has prompted the filing of the instant motion.

12. Levitt's violations of the Consent Judgment and the Foundation's lien on after-acquired assets which are the subject of the instant motion include the following:

(a) Levitt's failure and refusal either to pursue or settle his pending action in Florida against the Centerre Bank (hereafter [sic] referred to as the "Centerre Action") or to transfer that claim to the Foundation for

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prosecution on his behalf.

(b) Levitt's failure and refusal either to transfer and assign to the Foundation his interest in a certificate of deposit worth approximately one million dollars, or to confirm that the Foundation had an interest in the certificate of deposit.

(c) Levitt's repeated and continuous expenditure (in violation of the Foundation's lien on after-acquired assets) of monies received pursuant to his interests in various oil royalties coupled with his refusal to transfer and assign his interests in such royalties to the Foundation.

(d) Levitt's failure and refusal to assign to the Foundation the interest of Levitt and ICC in the proceeds of their pending claims in a civil action against Tropic Associates, J. Stanley Shaw, and Mr. Shaw's two law firms.

(e) Levitt's failure and refusal to transfer and assign to the Foundation proceeds from the claims in bankruptcy of Levitt and Rowenroy Ltd. totalling \$1,000,000 against Wedtech Corp.

(f) The apparent expenditure by ICC of an amount between \$20,000 and \$60,000 received by ICC from a Philadelphia attorney in 1988.

(g) Levitt's expenditure (in violation of the Foundation's lien on after-acquired assets) of \$2500 [sic] which he received in profit from the sublet of a rental apartment at Museum Towers in Manhattan.

(h) Levitt's fraudulent transfer of two automobiles which he owned, as partial payment for two automobiles purchased by his wife, Simone Levitt, where his wife failed to pay adequate consideration to Mr. Levitt in return for his two automobiles."

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Thereafter, by a letter written to the Honorable Kenneth Molloy of the Nassau County Supreme Court and dated February 2, 1990, the Attorney General was compelled, once again, to demand that Mr. Levitt honor his obligations under the Consent Judgment. The contents of that letter are as follows:

"This is to advise you formally that William J. Levitt has once again breached the Consent Judgment entered on January 21, 1987, by submitting a notarized financial report -- for the period ending December 31, 1989 -- which contains materially false and misleading information. Specifically, Mr. Levitt has again failed to make any reference to the oil royalties which he is continuing to receive from one or more sources.

Mr. Levitt had previously failed to advise the Attorney General and The Levitt Foundation, in financial reports filed pursuant to the Consent Judgment, of oil royalties totalling almost \$3,000 which he received in 1987 and 1988. Mr. Levitt's subsequent, illegal expenditure of those monies is the subject of a motion for contempt -- including a request for the transfer and assignment to the Foundation of Levitt's interest in the oil royalties -- currently pending before the Court.

We hereby demand that Mr. Levitt cure his false filing by immediately submitting a notarized, amended report to the Attorney General and the Foundation. Such a report should, at a minimum, describe all non-exempt assets (including oil royalties) received by Mr. Levitt from any source in 1989. Mr. Levitt has presumably received tax statements submitted to him (as required by law) with respect to all of his 1989 income, and he should therefore have no difficulty in complying with this request."

There can be no doubt from all of the foregoing, based upon the allegations of the Attorney General, that Mr. Levitt:

- (a) as alleged by the Attorney General, continued to take

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from the Foundation treasury approximately \$9,700,000, after the Attorney General obtained the \$1,300,000 judgment in Action No. 1 (and before that judgment was satisfied);

(b) as alleged by the Attorney General, materially changed his testimony regarding the ownership of ICC shares in order to frustrate the enforcement of the Consent Judgment;

(c) as alleged by the Attorney General, filed materially false financial statements with the Attorney General for the same purpose.

In addition to the foregoing, it must be brought to the Commission's attention that, prior to Mr. Shaw's representation of Mr. Levitt, Mr. Levitt's former counsel, the Washington, D.C. firm of Ginsberg, Feldman and Bress withdrew from representing Mr. Levitt because of his activities in fraudulently siphoning off Foundation Funds even as Mr. Feldman was negotiating on his behalf with the Attorney General. This is yet another indication of Mr. Levitt's low character.

C. The Biden Fundraising Event

As noted above, after the Attorney General began to relentlessly pursue Mr. Levitt to repay the money which he defrauded the Williamsburg consumers out of, as well as the money looted from the Foundation, Mr. Levitt attempted, through all available means, to escape indictment and prosecution by finding situations which would assist him to repay as much of the money to the Foundation as possible.

One such situation involved Joel Boyarsky and will be referred to herein as the Biden Fundraising Event (the "Fund-raiser").

Prior to meeting Mr. Levitt in May of 1986, Mr. Shaw contacted Mr. Boyarsky for the purpose of informing him that Mr. Levitt, who Mr. Boyarsky (like most other people) knew by reputation, was in need of a \$1,000,000 loan. Thereafter, in mid-May of 1986, a combined business and social meeting was arranged at Mr. Levitt's home (La Colline), which was attended by Mr. and Mrs. Levitt (Simone), Mr. and Mrs. Boyarsky (Barbara) and Mr. and Mrs. Shaw (Doris).

At that meeting, Mr. Shaw overheard Mr. Levitt tell Mr. Boyarsky that the reason for the loan was to repay monies taken

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from the Williamsburg consumers, as well as from the Levitt Foundation for which the Attorney General was investigating Mr. Levitt.

As Chairman of the National Finance Committee for Senator Joseph Biden of Delaware (to assist him in running for President), Mr. Boyarsky thought, and Mr. Shaw, as a member of the National Finance Committee, acquiesced in the fact that, since Mr. Levitt had substantial name recognition, he would be a good person to host a fundraiser for Senator Biden. Mr. Levitt agreed to hold the fundraiser. However, contrary to the assertions made in the Commission's Analysis, Mr. Shaw did not suggest that Mr. Levitt host the fundraiser "in order to insure the loan from Boyarsky." Similarly, when it became evident that the turnout for the fundraiser would be low, Mr. Shaw did not advise Mr. Levitt "to invite employees and family members to the fundraiser." Nor did Mr. Shaw suggest that "each employee or family member invited should contribute \$1,000".

The so-called "ground rules" for holding the fundraiser were told to Mr. Levitt by Mr. Boyarsky in Mr. Shaw's presence during the aforementioned mid-May, 1986 meeting at the Levitt home.

Moreover, Mr. Shaw most certainly did not, as the Commission's Analysis contends, advise Mr. Levitt "to reimburse those people contributing to the fundraiser, with Shaw assuring Levitt that it was proper and legal to do so." Nor is there any truth to the contention that ... "Mr. Shaw advised him (Levitt) to use funds from the Rowenroy account to make the reimbursements."

To substantiate the fact that Mr. Shaw did not advise Mr. Levitt to do any of these things, but that it was an idea conceived of and employed by Mr. Levitt alone, the Commission is respectfully referred to Mr. Levitt's own affidavit of April 5, 1988 (which is annexed hereto as Exhibit "D" and which is liberally quoted from below) and Mr. Levitt's letter of August 18, 1986 to Mr. Boyarsky (which is annexed hereto as Exhibit "E" and which is also set forth below). In each document, Mr. Levitt admits that he and he alone agreed to host the fundraiser, and that he and he alone invited family members and former employees, and that he and he alone insisted that they contribute \$1,000 each and tell them that he would reimburse them. If, in fact, that was not the truth, it must be assumed Mr. Levitt would have volunteered in his letter to Mr. Boyarsky (since Mr. Levitt knew that Mr. Shaw was Mr. Boyarsky's attorney) that it was Mr. Shaw who put him up to doing those things. The plain, simple truth is that Mr. Shaw had nothing to do

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with it; it was solely Mr. Levitt's idea, as the affidavit and letter clearly reveal.

D. The Levitt Affidavit of April 5, 1988

Indeed, Mr. Levitt himself has previously sworn to the truth of these matters and the Commission has in its possession Mr. Levitt's original sworn affidavit, dated April 5, 1988 (Exhibit D), which was forwarded to the Commission with my letter of April 15, 1988.

Paragraphs 4, 5, 6, 7 and 8 of that affidavit state:

4. Mr. Boyarsky then related to me that he was actively working to assist Senator Joseph Biden of Delaware in obtaining national recognition to enable him to run for high federal office. He [Boyarsky] asked me to host a cocktail party at which guests would be asked to contribute \$1,000 each to the Biden Campaign.

5. I could not help but feel that to host the fundraiser would be beneficial to me in obtaining the financing.

6. I, therefore, agreed to host the fundraiser, which was scheduled for June 2, 1986. Initially, I sent wires and made telephone calls to many of my friends. However, I found that I could not get enough people willing to attend to make the fundraiser worthwhile. As a consequence, I decided to invite employees (both present and former), family members and spouses of family members.

7. While substantially all of the employees, former employees and family members indicated a willingness to attend, many of them were unable or unwilling to come up with the \$1,000 contribution (or \$2,000 in the case of husband and wife).

8. To accommodate the invitees and yet make the fundraiser a success, I handled the contribution problem in several different ways:

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- (a) Ralph and Joan Della Ratta  
Edward and Frieda Cortese  
Harold and Marilyn Kellman  
Jennifer Flynn  
Stephen and Ava Lampel  
Sherry Newman  
Adrienne Walters

All were former employees of mine and each was owed money by me for past services rendered. None was willing to contribute to the fundraiser because of my indebtedness to them.

Therefore, I approached each of them and told them, if they would attend the fundraiser and contribute \$1,000 on their own behalf (and another \$1,000 on behalf of those who were married), that I would reduce my indebtedness to each of them by the amount of their respective contributions. On this basis, each of them agreed to make the desired contribution.

- (b) Stanley and Fanny Ogonowski

While I did not owe any money to Stanley Ogonowski, he had been a faithful employee, who had stood by and continued to work for me during good times and bad, even when I could not pay him for months. I had, sometime before, determined to reward him with a bonus in return for his loyalty and steadfastness and, therefore, approached him to ask if he would contribute a total of \$2,000 on behalf of Mrs. Ogonowski and himself if I gave him a \$2,000 bonus. Mr. Ogonowski agreed to make the contributions.

- (c) Simone Levitt  
Nicole Levitt  
Gaby Levitt

With respect to my wife, Simone and my daughters, Nicole and Gaby, I had frequently given monetary gifts to them throughout the years, whenever possible, because they are family. With the prospect of giving additional gifts

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to them, I asked them to make the \$1,000 contribution to the Biden Campaign.

(d) Lou Stern and Lisette Stern

In addition to being my brother-in-law and sister-in-law, to whom I had also given gifts through the years because they are family, Lou Stern had been an insurance broker for many years. I saw Mr. Stern as being a very valuable aid for my future insurance needs, once I received the promised financing from Mr. Boyarsky, which would enable me to return to the development of real estate. Thus, predicated upon the foregoing, I approached Mr. Stern to contribute \$2,000 to the Campaign on behalf of his wife and himself. I should emphasize here that, of the \$2,000 contributed by the Sterns, \$500 was their own money. (Underscoring added.)

Perhaps, with the advent of increasing old age, Mr. Levitt's memory is somewhat dim, in 1991, about events which took place in 1986, but, at least as of 1988, there can be absolutely no doubt from Mr. Levitt's sworn statement that it was Mr. Levitt and Mr. Levitt alone who:

- (a) agreed to host the Biden Fundraiser;
- (b) decided to invite employees and family members to the fundraiser;
- (c) decided to reimburse those people contributing to the fundraiser; and,
- (d) used funds from the Rowenroy account to make those reimbursements.

In addition, according to Mr. Levitt himself, it was not Mr. Shaw, but Mr. Boyarsky who suggested that each guest would be asked to contribute \$1,000 to the Biden Campaign (Levitt Aff., Para. 4).

Thus, once again, Mr. Levitt has shown that the truth is but another annoying implement to achieving his own personal ends. While he, at one time, clung to Mr. Shaw as a life preserver to

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assist him in escaping indictment and prosecution, he now seeks to gain some sought of twisted revenge against Mr. Shaw because he feels that Mr. Shaw somehow wronged him in discharging his (Mr. Shaw's) obligations under the Williamsburg Trusts and for giving him the opportunity to realize monies with which to repay the Williamsburg depositors and the Foundation in the Tropic Associates transaction.

E. The Levitt Letter of August 18, 1986 to Joel Boyarsky

A further manifestation of Mr. Levitt's consistent penchant for twisting the truth can be found in two letters which Mr. Levitt sent to Mr. Boyarsky following the 1986 fundraiser (after Mr. Boyarsky had decided not to lend any money to Mr. Levitt because of the ongoing investigations of Mr. Levitt by the Attorney General and by the Nassau County District Attorney's Office and also because Mr. Boyarsky had received detrimental credit information about Mr. Levitt from several of his own sources).

The first such letter is dated August 18, 1986 (Exhibit E) and states as follows:

On May 17 you and Mrs. Boyarsky together with Mr. and Mrs. Shaw visited me at my home. At that time you committed yourself to lending me \$1,000,000 under certain terms and conditions. At the same time you told me that you were working on a campaign to help Senator Biden of Delaware gain recognition as a possible viable candidate for high federal office. You requested, and I agreed, to host a cocktail party to which guests would be asked to contribute \$1,000 a piece to Senator Biden's campaign.

I went ahead with arrangements to hold that party on June 2 of this year and at the same time asked you to fund the \$1,000,000 as agreed. You kept verifying that the money would be advanced "in a day or two", but in fact the cocktail party was held and you refused to honor your commitment to make the loan as agreed above. To this date that loan has not been made by you.

I could not muster sufficient people to hold

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the party that you wanted, and so I gathered office employees and a few others with the understanding that the \$1,000 contribution that each made would be refunded by me.

I paid out \$22,000 in refunds, you welshed on your agreement, and repeated requests for you to refund the \$22,000 that I expended have been ignored.

This is to notify you that unless I receive a certified check for \$22,000 not later than Monday, August 25, I shall notify Dennis Toner of these circumstances, and if he cannot persuade you to refund the \$22,000 I shall then give these details to the Congressional Campaign Investigating Committee. From there on I don't know what course that committee will take. (Underscoring added).

Once again, as he did in his affidavit (Exhibit D), Mr. Levitt admitted that he and he alone was responsible for arranging the fundraiser, for inviting his office employees and for, in fact, reimbursing those employees.

Incidentally, that letter also graphically illustrates the temperament of Mr. Levitt when he does not get what he wants. Although the letter concludes by threatening to report to the "Congressional Campaign Investigating Committee" the "details" of the "circumstances" surrounding the Biden Fundraiser, no less than three days later, by letter dated August 21, 1986 (a copy of which is annexed hereto as Exhibit "F"), Mr. Levitt promptly withdrew that threat.

However, the August 18, 1986 (Exhibit E) letter clearly corroborates Mr. Levitt's affidavit of April 5, 1988 (Exhibit D) that he and he alone was responsible for any improprieties in connection with the Biden fundraiser, although, over five years later, he has now told this Commission otherwise.

It must be pointed out that, once again, Mr. Shaw came to Mr. Levitt's rescue after Mr. Levitt foolishly sent the August 18, 1986 letter to Mr. Boyarsky without first consulting Mr. Shaw. Once Mr. Shaw learned that the letter was precipitously sent by Mr. Levitt and saw the contents of the letter, he immediately concluded that Mr. Levitt could well have committed the crimes of extortion

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and mail fraud and perhaps also violated Federal Election laws. Thus, he urged Mr. Levitt to retract that letter, which Levitt did three days later, by his letter of August 21, 1986 (Exhibit F).

In this connection, it must once again be reiterated that neither in his letter to Boyarsky (Exhibit E) nor in his affidavit to the Commission (Exhibit D) does Mr. Levitt mention that Mr. Shaw had anything to do with the fundraising improprieties. Not until five years after the letter and three years after the affidavit did Mr. Levitt tell the Commission otherwise. We suggest that this was done now because Mr. Levitt had no other choice if he wished to avoid being charged with a violation of the Federal Election laws.

F. The Affidavits of Levitt's Former  
Employees and Family Members

In addition to the foregoing, it must be borne in mind that, in 1988, when this Commission investigated the activities of former Levitt employees and family members in contributing to the Biden fundraiser and, thereafter, in being reimbursed by Levitt, all of the affidavits of the former employees and their respective spouses -- Ralph Della Ratta, Joan Della Ratta, Harold Kellman, Marilyn Kellman, Edward Cortese, Frieda Cortese, Stanley Ogonowski and Fanny Ogonowski -- swore that arrangements with them to "contribute" to the fundraiser and for reimbursement thereafter were made solely by and with Mr. Levitt. As to the family members, all arrangements for contributions were also made solely by and with Mr. Levitt.

Copies of those affidavits are collectively annexed hereto as Exhibit "G".

This, then, is even further corroboration of the fact that it was Mr. Levitt alone who concocted the scheme regarding the contributions and the reimbursement thereof. There is absolutely no indication anywhere, save Mr. Levitt's present fabrications to the Commission (which involve another in a series of total reversals of a prior position), that Mr. Shaw counselled or advised him to take any of the actions which he took in demanding those contributions or in making the subsequent disbursements, or, in fact, that Mr. Shaw even knew anything about those actions.

The Commission must also, once again, bear in mind that, when Mr. Shaw first learned, through the Attorney General's office, that the reimbursement monies came from the Foundation, he immediately reported it to the Biden Committee and made certain

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that all of the money was repaid to the Foundation through the Attorney General's office.

What is clear from all of the foregoing is that, as Mr. Levitt's financial problems continue to increase, his attempts to accuse those around him becomes increasingly intense, as if they were the cause of his problems. His conduct makes it abundantly clear that he will stop at nothing to save his own skin at whatever cost to those around him or even to his own credibility, which, as a consequence of his many indiscretions through the years has now totally deteriorated.

One further item will, yet again, emphasize Mr. Levitt's proclivity toward lying, as well as a similar penchant on the part of his henchman, Edward Donnelly. Among other incorrect allegations in the Commission's Analysis is one stating that Mr. Shaw told Messrs. Levitt and Donnelly that he (Shaw) agreed to waive Mr. Levitt's legal fees pertaining to the 1988 Commission investigation.

Annexed hereto, as Exhibit "H", is a copy of an affidavit by Jane Tuitt, dated June 20, 1989, including an exhibit thereto, showing a charge of over \$15,000 for this matter. The credibility of both Levitt and Donnelly should be investigated and examined in light of this further fabrication by them.

Moreover, there is absolutely no truth to the further allegation contained in the Commission's Analysis that Mr. Shaw agreed to pay "any reasonable fines imposed by the Commission." While we do not know what, if any, fines were imposed by the Commission on Mr. Levitt and members of his family in 1988 (since they retained new counsel shortly after the commencement of the Commission investigation), we can attest to the fact that all fines and penalties imposed by the Commission on Mr. and Mrs. Kellman, Cortese, Ogonowski, Stern and on Mr. Della Ratta, in connection with the Conciliation Agreements signed by them earlier this year, were paid directly by them. Annexed hereto, collectively, as Exhibit "I", are copies of their respective checks to the Commission, which accompanied their respective Conciliation Agreements.

#### G. Conclusion

It is clear beyond any doubt that Mr. Levitt's statements to the Commission (as well as those by Mr. Donnelly), as to the alleged advice and counsel given by Mr. Shaw, are utterly devoid of any merit whatsoever. Mr. Levitt's record is one of consistently

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altering his position to suit his purposes, as exemplified by his appropriating many millions of dollars from the Foundation for his own use and benefit, followed by his settlement stipulation and Consent Judgment with the Attorney General and his subsequent incredible flip-flop to frustrate the efforts of the Attorney General in repaying the Williamsburg depositors and the Foundation for Mr. Levitt's defalcations.

These actions, taken together with his manipulation of his former employees in connection with the contributions and reimbursement arising out of the Biden fundraiser, as well as turning on Mr. Shaw by commencing suit against him in 1989 and by now lying about him to the Commission, after being helped immeasurably by Mr. Shaw to avoid indictment and prosecution and to clear up his financial problems, all point to Mr. Levitt's consistent penchant for twisting the truth to gain his own personal ends and of his incredible need to gain revenge against anyone who he perceives to be "against" him.

It must be emphasized that Mr. Levitt never mentioned a word about Mr. Shaw's "complicity" in the Levitt fundraising debacle, either in Levitt's 1986 letter to Boyarsky (Exhibit E) or in his 1988 affidavit to the Commission (Exhibit D). It was apparently not until his back was against the wall that he suddenly, five years later, somehow magically "remembers" advice and counsel that Mr. Shaw supposedly gave him five years earlier. It is respectfully submitted that through tracking Mr. Levitt's dark factual history, as has been done in this letter, he shows a continuous process of increasing frustration as he becomes more and more desperate. None of his present allegations can or should be believed by the Commission because of his abysmal track record. It is only the shifting sands of his continuing misfortune that has now caused him, as he has done so often in the past, to recant a former position to suit his present purposes. His present story to this Commission is completely contrary to his letter to Boyarsky (Exhibit E), which he prepared on his own without consulting his attorney. A line by-line reading of that letter belies everything Mr. Levitt has now told the Commission about Mr. Shaw. It is abundantly clear, that, like a chameleon, whenever he perceives a new problem, he changes colors.

Clearly, Mr. Levitt's accusations herein are motivated by personal animus and desperation and should be recognized for what they are -- the recent fabrications of a person unworthy of any credibility against a former friend, a former counsel and one whose legal representation has, to date, unquestionably kept Mr. Levitt

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Mr. John Warren McGarry  
September 13, 1991  
Page 23

from indictment and prosecution on several occasions. Indeed, in making these accusations to the Commission, Mr. Levitt apparently deliberately ignored the contents of his letter of August 18, 1986 to Mr. Boyarsky (Exhibit E). It is suggested that this was done by Mr. Levitt to attempt to coerce Mr. Shaw from discharging his fiduciary obligations, since Mr. Levitt knows that Mr. Shaw will never agree to give Mr. Levitt any monies from the Williamsburg Trust. We suggest that Mr. Levitt's present suit against Mr. Shaw was brought for the purpose of trying a new avenue to get money from Mr. Shaw, since the possibility of getting money from the Trust is now completely dried up and Mr. Levitt is desperate.

Mr. Levitt's actions and motives are to be contrasted with Mr. Shaw's actions in doing everything possible to keep Mr. (and Mrs.) Levitt from indictment and prosecution and in taking all appropriate action to remedy their financial problems, as well as in discharging his responsibility as Trustee under the Williamsburg Trust in an ethical and upright manner.

Thus, the record as we know it is totally devoid of any hint or suggestion that Mr. Shaw violated 2 U.S.C. §441 and/or 11 C.F.R. 110.4.

In light of all of the foregoing, we respectfully submit that these allegations against Mr. Shaw should be withdrawn by the Commission and that this matter should be terminated for all purposes, since there is absolutely no basis for a finding of probable cause against Mr. Shaw.

After you have reviewed and analyzed this letter, we invite you to contact us if we can be of any further assistance in

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Mr. John Warren McGarry  
September 13, 1991  
Page 24

explaining or enlarging upon any of the issues discussed in this letter.

Respectfully submitted,

SHAW, LICITRA, ESERNIO &  
SCHWARTZ, PC. and  
IRVING P. SEIDMAN, P.C.  
Attorneys for J. Stanley Shaw

By: Herbert J. Tamres  
Herbert J. Tamres

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ANSWERS TO INTERROGATORIES AND DOCUMENT REQUEST

Question No. 1

- (a) State whether you were ever employed as an attorney for William J. Levitt
- (b) State whether you were ever employed as an attorney for Rowenroy, Ltd.
- (c) State whether you were ever employed as an attorney for any other business organization or corporation owned or controlled by William J. Levitt.
- (d) Provide the dates of all such representations.

Answers to Question No. 1

- (a) Yes
- (b) Yes, to the extent that we filed a proof of claim on behalf of Rowenroy in the Wedtech bankruptcy and a purchase of a minor parcel of real property.
- (c) Yes
- (d) Approximately 1984 - 1988, subject to document verification.

Question No. 2

- (a) Describe in detail your involvement and participation in the Biden for President campaign.
- (b) Identify all fundraising activities in which you participated.
- (c) Identify all persons within the Biden campaign with whom you had contact and discuss the nature of such contracts.
- (d) Produce all documents relating to your involvement in the Biden for President campaign, including those pertaining to fundraising activities.

Answers to Question No. 2

- (a) I was a Member of the National Finance Committee of the Biden for President campaign.
- (b) Fundraising for "Friends of Joseph Biden" and attendance at a number of Biden-related functions.

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- (c) Joel Boyarsky, Chairman of the National Finance Committee of the Biden for President campaign and Ted Kaufman, aid to Senator Biden. Our contracts were infrequent and were limited to conversations concerning the Biden for President campaign.
- (d) None

Question No. 3

- (a) Describe your relationship with Joel Boyarsky.
- (b) Identify all activities pertaining to the Biden for President campaign in which you and Boyarsky were involved.
- (c) State whether you were ever employed as an attorney for Joel Boyarsky, or any corporation or business organization controlled by Boyarsky.

Answers to Question No. 3

- (a) I was an attorney for Joel Boyarsky and for several of his corporations from approximately 1984 to the present.
- (b) See answer to Question No. 2(b). Will continue to search files and memory for further information, if any.
- (c) Yes

Question No. 4

- (a) William J. Levitt has waived any attorney-client privilege with J. Stanley Shaw as it relates to the 1986 Biden fundraiser hosted by Levitt. Therefore, state whether you ever advised William J. Levitt regarding his hosting a fundraising cocktail party for the Biden for President campaign on June 2, 1986.
- (b) Describe in detail the advice which you gave Levitt concerning his involvement in said fundraiser, including the reasons for doing so.
- (c) Describe all conversations held with Joel Boyarsky regarding Levitt's hosting such event.
- (d) State whether you and Joel Boyarsky met with William J. Levitt on May 17, 1986 and discussed Levitt's hosting the Biden fundraiser.
- (e) Describe the content of such meeting.
- (f) Produce all documents regarding William J. Levitt's hosting of the Biden fundraiser on June 2, 1986.

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Answers to Question No. 4

- (a) No
- (b) None
- (c) To the best of my recollection, my conversations with Mr. Boyarsky regarding the Levitt fundraiser and William Levitt's hosting of the fundraiser were confined to the details of the fundraiser itself -- such as the date, time and location of it.

(d) and (e)

I was present at Mr. Levitt's home in mid-May of 1986 with Mr. Boyarsky and our respective wives. I listened while Mr. Boyarsky suggested that Mr. Levitt hold a fundraiser for Senator Biden. This was in addition to their conversation about a loan by Mr. Boyarsky to Mr. Levitt in the sum of approximately \$1,000,000, with Mr. Levitt's home to be given as collateral. Messrs. Boyarsky and Levitt agreed to hold the fundraiser on June 2, 1986. I personally thought the hosting of the fundraiser was a very good idea both for Mr. Levitt, for business reasons and for Senator Biden, because of Levitt, name recognition. However, I did not express my view either to Mr. Boyarsky or to Mr. Levitt at the mid-May, 1986 meeting.

(f) None

Question No. 5

- (a) State whether you informed William J. Levitt that he could solicit employees and family members for contributions to the Biden fundraiser.
- (b) State whether you ever advised Levitt that he could reimburse those persons for their contributions.
- (c) State whether you ever advised Levitt that he could make such reimbursements using funds from Rowenroy, Ltd.
- (d) Describe in detail all advice you gave William J. Levitt regarding contributions to the Biden fundraiser and reimbursements for such contributions.
- (e) Produce all documents relating to your advice to William J. Levitt concerning the Biden fundraiser of June 2, 1986.

Answers to Question No. 5

- (a) No. Mr. Levitt told me only that he was going to send out invitations to every person listed in his rolladex, including current and former employees.

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- (b) No.
- (c) No (I would not ever have so advised him since, to the best of my recollection, Rowenroy was a foreign corporation with no assets).
- (d) None
- (e) None

Question No. 6

- (a) State whether you ever discussed William J. Levitt and the Biden fundraiser with Edward G. Donnelly.
- (b) Describe the content of all conversations with Donnelly regarding William J. Levitt and the Biden fundraiser.
- (c) State whether you ever discussed with Edward G. Donnelly the idea of having those employees, friends and family members of William J. Levitt who contributed to the Biden fundraiser sign affidavits characterizing the reimbursements for such contributions as being partial payments for money owed to them by Levitt.
- (d) Discuss how the idea for such affidavits developed.

Answers to Question No. 6

- (a) Yes
- (b) I am certain that I had general conversations with Mr. Donnelly about Mr. Levitt. With respect to the Levitt fundraiser, I recall that, on or around the time when I received copies of the Attorney General's letters to Mr. Donnelly and others, I had a conversation with Mr. Donnelly wherein he informed me that he would not return the money received from Levitt, since he did not consider it to be reimbursement of the money which he contributed at the Biden fundraiser. In his opinion, that money was partial payment of money which Levitt owed to him
- (c) Absolutely not. It was the employees whom we represented told us when they discussed with us the February, 1988 letters which they received from the Federal Election Commission. (We are not aware of what Mr. Donnelly or Mr. Levitt's friends or family told the Commission, since we did not represent Mr. Donnelly or Mr. Levitt's friends before the Commission and we only represented Mr. Levitt and his family for a brief period in connection with the Commission's 1988 inquiry).
- (d) We interviewed those employees whom we represented, we went over the facts with them and, based upon their transmittal to

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the Federal Election Commission in March and April of 1988.

Question No. 7

- (a) State whether you ever agreed to waive the legal fees incurred by William J. Levitt for your work regarding this Federal Election Commission investigation.
- (b) Describe the nature of any such agreement.
- (c) List those persons with whom you discussed such arrangement.
- (d) State whether you ever agreed to pay any reasonable fines levied against William J. Levitt by the Federal Election Commission.
- (e) Describe the nature of any such agreement.
- (f) List those persons with whom you discussed such arrangement.
- (g) Produce all documents relating to any such agreements.

Answers to Question No. 7

- (a) Absolutely not.
- (b) Not applicable.
- (c) Not applicable.
- (d) Absolutely not.
- (e) There was no such "arrangement".
- (f) See answer to (e) above.
- (g) Not applicable.

Question No. 8

- (a) State whether anyone within the Biden for President campaign organization was aware of your advice to William J. Levitt concerning his hosting the fundraiser on June 2, 1986, including making reimbursements to the contributors.
- (b) If so, identify all such persons within the Biden organization.

Answers to Question No. 8

- (a) As set forth in answer to Questions No. 4 and 5, I gave no advice to Mr. Levitt concerning the June 2, 1986 fundraiser

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for Senator Biden.

(b) Not applicable.

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ARE CONTENT



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

September 24, 1991

James A. Pascarella, Esq.  
170 Old Country Road  
Fourth Floor  
Mineola, New York 11501

RE: MUR 2576

Dear Mr. Pascarella:

On July 9, 1991, the Commission approved a subpoena which requires you to provide the Commission with a cassette tape recording of a meeting on May 23, 1988 between Edward J. Donnelly and J. Stanley Shaw, the same tape having been provided to you previously by Edward J. Donnelly. In your letter dated September 10, 1991, you indicate that thus far you have been unable to locate the tape, but that you have not yet completely searched your files.

Please note that the Commission's subpoena is a continuing one and will remain outstanding until the entire matter is closed. In the event that you are able to locate the tape, please forward it to this Office.

If you have any questions, please contact Elizabeth Campbell, the attorney assigned to this matter at (202) 219-3690.

Sincerely,

Lawrence M. Noble  
General Counsel

*Lois G. Lerner*

BY: Lois G. Lerner  
Associate General Counsel

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BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of  
William J. Levitt  
Rowenroy Ltd.

)  
) MUR 2576  
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**SENSITIVE**

GENERAL COUNSEL'S REPORT

I. BACKGROUND

Attached are conciliation agreements for William J. Levitt and Rowenroy Ltd., both signed by William J. Levitt.

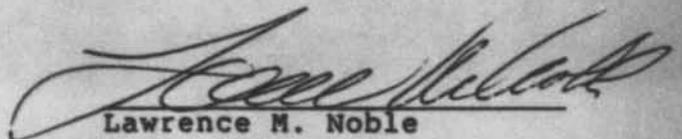
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**II. RECOMMENDATIONS**

1. Accept the attached conciliation agreements with William J. Levitt and Rowenroy Ltd..
2. Close the file as to these respondents.
3. Approve the appropriate letter.

10/2/91  
Date

  
Lawrence M. Noble  
General Counsel

**Attachments**

1. Conciliation Agreements (2)

**Staff Assigned: Elizabeth Campbell**

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of )  
William J. Levitt; ) MUR 2576  
Rowenroy Ltd. )

CERTIFICATION

I, Marjorie W. Emmons, Secretary of the Federal Election Commission, do hereby certify that on October 7, 1991, the Commission decided by a vote of 6-0 to take the following actions in MUR 2576:

1. Accept the conciliation agreements with William J. Levitt and Rowenroy Ltd., as recommended in the General Counsel's Report dated October 2, 1991.
2. Close the file as to these respondents.
3. Approve the appropriate letter, as recommended in the General Counsel's Report dated October 2, 1991.

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

Attest:

10-8-91  
Date

*Marjorie W. Emmons*  
Marjorie W. Emmons  
Secretary of the Commission

Received in the Secretariat: Thurs., Oct. 2, 1991 4:30 p.m.  
Circulated to the Commission: Thurs., Oct. 3, 1991 11:00 a.m.  
Deadline for vote: Mon., Oct. 7, 1991 11:00 a.m.

dr

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FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

October 17, 1991

James A. Pascarella, Esq.  
170 Old Country Road  
Fourth Floor  
Mineola, New York 11501

RE: MUR 2576  
William J. Levitt  
Rowenroy, Ltd.

Dear Mr. Pascarella:

On October 7, 1991, the Federal Election Commission accepted the signed conciliation agreement submitted on behalf of William J. Levitt in settlement of a violation of 2 U.S.C. §§ 441f and 441b, provisions of the Federal Election Campaign Act of 1971, as amended. On that same date, the Commission also accepted the signed conciliation agreement submitted on behalf of Rowenroy, Ltd., in settlement of violations of 2 U.S.C. §§ 441b, 441f, and 441e. Accordingly, the file has been closed in this matter as it pertains to your clients.

This matter will become a part of the public record within 30 days after it has been closed with respect to all other respondents involved. 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.

The Commission reminds you that the confidentiality provisions of 2 U.S.C. §§ 437g(a)(4)(B) and 437g(a)(12)(A) remain in effect until the entire matter has been closed. The Commission will notify you when the entire file has been closed. In the event you wish to waive confidentiality under 2 U.S.C. § 437g(a)(12)(A), written notice of the waiver must be submitted to the Commission. Receipt of the waiver will be acknowledged in writing by the Commission.

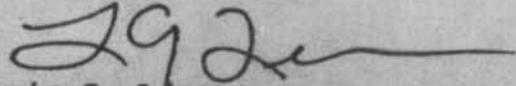
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James A. Pascarella, Esq.  
MUR 2576  
Page 2

Enclosed you will find a copy of the fully executed conciliation agreements for your files. I remind you that the civil penalty is due within 30 days of the conciliation agreement's effective date. If you have any questions, please contact Elizabeth Campbell, the attorney assigned to this matter, at (202) 219-3690.

Sincerely,

Lawrence M. Noble  
General Counsel



BY: Lois G. Lerner  
Associate General Counsel

Enclosure  
Conciliation Agreements (2)

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BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of

William J. Levitt

)  
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)  
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MUR 2576

CONCILIATION AGREEMENT

This matter was initiated by the Federal Election Commission ("Commission"), pursuant to information ascertained in the normal course of carrying out its supervisory responsibilities. The Commission found reason to believe that William J. Levitt ("Respondent") knowingly and willfully violated 2 U.S.C. § 441b and § 441f.

NOW, THEREFORE, the Commission and the Respondent, having participated in informal methods of conciliation, prior to a finding of probable cause to believe, do hereby agree as follows:

I. The Commission has jurisdiction over the Respondent and the subject matter of this proceeding, and this agreement has the effect of an agreement entered pursuant to 2 U.S.C.

§ 437g(a)(4)(A)(i).

II. Respondent has had a reasonable opportunity to demonstrate that no action should be taken in this matter.

III. Respondent enters voluntarily into this agreement with the Commission.

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IV. The pertinent facts in this matter are as follows:

1. William J. Levitt is a person within the meaning of 2 U.S.C. § 431(11). William J. Levitt is also the President of Rowenroy, Ltd., a Bermuda corporation, and is the sole officer and director of the corporation.

2. The Federal Election Campaign Act of 1971, as amended ("the Act"), provides that no person shall make a contribution in the name of another person or knowingly permit his name to be used to effect such a contribution, and no person shall knowingly accept a contribution made by one person in the name of another person. 2 U.S.C. § 441f. No person shall make a contribution in the name of another; or knowingly permit his or her name to be used to effect that contribution. 11 C.F.R. § 110.4(b)(1)(i) and (ii). The regulations also prohibit individuals from assisting in making contributions in the name of another. 11 C.F.R. § 110.4(b)(1)(iii).

3. The Commission's regulations provide that a contribution in the name of another includes giving money or anything of value, all or part of which is provided to the contributor by another person without disclosing the source of the money or the thing of value to the recipient candidate or committee at the time the contribution is made. 11 C.F.R. § 110.4(b)(2)(i).

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4. The provisions of the Act also provide that no corporation whatever shall make any contribution or expenditure in connection with any election for Federal office and that no political committee shall knowingly accept such a contribution or expenditure. No officer or director of a corporation may consent to the making of a prohibited contribution or expenditure. 2 U.S.C. § 441b(a). The Act defines "contribution or expenditure" to include payments or gifts of money. 2 U.S.C. § 441b(b)(2).

5. Respondent William J. Levitt hosted a fundraising cocktail party on June 2, 1986, for the benefit of Citizens for Biden - 1990. Contributions to the event were \$1,000 per person.

6. Respondent solicited his family members and employees for contributions to the fundraiser, resulting in \$21,000 in contributions from persons other than the Respondent.

7. Respondent, at the time he solicited each contribution, agreed to either make a monetary gift or bonus, or to reduce his indebtedness, to each contributor by a like amount after each person made their contribution to the fundraiser.

8. On June 4, 1986, two days after the Biden fundraiser, Rowenroy, Ltd., issued checks totaling \$19,500 to 20 of the 21 individuals Respondent solicited for contributions. As the President and sole officer and director of Rowenroy, Ltd., William J. Levitt authorized these payments.

9. [REDACTED]

[REDACTED] As set forth more fully in his affidavit, William Levitt has stated that the above actions were undertaken based solely upon the suggestion and the advice of his former counsel, J. Stanley Shaw.

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V. Respondent assisted in the making of contributions of corporate funds to Citizens for Biden - 1990 in the names of other persons, in violation of 2 U.S.C. § 441f. Respondent then consented to and authorized the reimbursement of those contributions with corporate funds, in violation of 2 U.S.C. § 441b.

VI. Respondent will pay a civil penalty to the Federal Election Commission in the amount of nineteen thousand five hundred dollars (\$19,500), 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 30 days from the date this agreement becomes effective to comply with and implement the requirements contained in this agreement and to so notify the Commission.

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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 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 (LM Noble)  
Lawrence M. Noble  
General Counsel

10-17-91  
Date

FOR THE RESPONDENT:

William J. Levitt  
William J. Levitt

September 6, 1991  
Date

93030961551

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of

Rowenroy, Ltd.

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MUR 2576

CONCILIATION AGREEMENT

This matter was initiated by the Federal Election Commission ("Commission"), pursuant to information ascertained in the normal course of carrying out its supervisory responsibilities. The Commission found reason to believe that Rowenroy, Ltd., ("Respondent") knowingly and willfully violated 2 U.S.C. § 441b and § 441f.

NOW, THEREFORE, the Commission and the Respondent, having participated in informal methods of conciliation, prior to a finding of probable cause to believe, do hereby agree as follows:

I. The Commission has jurisdiction over the Respondent and the subject matter of this proceeding, and this agreement has the effect of an agreement entered pursuant to 2 U.S.C.

§ 437g(a)(4)(A)(i).

II. Respondent has had a reasonable opportunity to demonstrate that no action should be taken in this matter.

III. Respondent enters voluntarily into this agreement with the Commission.

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IV. The pertinent facts in this matter are as follows:

1. Rowenroy, Ltd., is a foreign corporation incorporated under the laws of Bermuda, and is a person within the meaning of 2 U.S.C. § 431(11). William J. Levitt is the President of Rowenroy, Ltd., and is the sole officer and director of the corporation.

2. The Federal Election Campaign Act of 1971, as amended ("the Act"), provides that no person shall make a contribution in the name of another person or knowingly permit his name to be used to effect such a contribution, and no person shall knowingly accept a contribution made by one person in the name of another person. 2 U.S.C. § 441f. No person shall make a contribution in the name of another; or knowingly permit his or her name to be used to effect that contribution. 11 C.F.R. § 110.4(b)(1)(i) and (ii). The regulations also prohibit individuals from assisting in making contributions in the name of another. 11 C.F.R. § 110.4(b)(1)(iii).

3. The Commission's regulations provide that a contribution in the name of another includes giving money or anything of value, all or part of which is provided to the contributor by another person without disclosing the source of the money or the thing of value to the recipient candidate or committee at the time the contribution is made. 11 C.F.R. § 110.4(b)(2)(i).

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4. The provisions of the Act also provide that no corporation whatever shall make any contribution or expenditure in connection with any election for Federal office and that no political committee shall knowingly accept such a contribution or expenditure. No officer or director of a corporation may consent to the making of a prohibited contribution or expenditure.

2 U.S.C. § 441b(a). The Act defines "contribution or expenditure" to include payments or gifts of money. 2 U.S.C. § 441b(b)(2).

5. Pursuant to 2 U.S.C. § 441e, it is unlawful for a foreign national directly or through any other person to make any contribution of money or other thing of value in connection with an election to any political office. The term "foreign national" means a foreign principal as defined by 22 U.S.C. § 611(b).

2 U.S.C. 441e(b)(1) and 11 C.F.R. § 110.4(a). A foreign principal includes a partnership, association, corporation, organization, or other combination of persons organized under the laws of or having its principal place of business in a foreign country. 22 U.S.C. § 611(b)(3). See also Advisory Opinion 1977-53.

6. William J. Levitt hosted a fundraising cocktail party on June 2, 1986, for the benefit of Citizens for Biden - 1990. Contributions to the event were \$1,000 per person.

7. William J. Levitt solicited his family members and employees for contributions to the fundraiser, resulting in \$21,000 in contributions.

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8. William J. Levitt, at the time he solicited each contribution, agreed to either make a monetary gift or bonus, or to reduce his indebtedness, to each contributor by a like amount after each person made their contribution to the fundraiser.

9. On June 4, 1986, two days after the Biden fundraiser, Rowenroy, Ltd., issued checks totaling \$19,500 to 20 of the 21 individuals Respondent solicited for contributions. As the President and sole officer and director of Rowenroy, Ltd., William J. Levitt authorized these payments.

10. [REDACTED]

[REDACTED] As set forth more fully in his affidavit, William Levitt (has stated that the above actions were undertaken based solely upon the suggestion and the advice of his former counsel, J. Stanley Shaw.

V. Respondent Rowenroy, Ltd., through its corporate officer, made contributions of corporate funds to Citizens for Biden - 1990 in the names of other persons, and then reimbursed individuals for those contributions with corporate funds, in violation of 2 U.S.C. § 441b and § 441f. Respondent Rowenroy, Ltd., through its corporate officer, violated 2 U.S.C. § 441e by making contributions as a foreign national.

VI. Respondent will pay a civil penalty to the Federal Election Commission in the amount of nineteen thousand five hundred dollars (\$19,500), pursuant to 2 U.S.C. § 437g(a)(5)(A).

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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 30 days from the date this agreement becomes effective to comply with and implement the requirements contained in this agreement and to so notify the Commission.

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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 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 (L.M. Noble)  
Lawrence M. Noble  
General Counsel

10-17-91  
Date

FOR THE RESPONDENT:

[Signature]  
Name  
Position

September 6, 1991  
Date

93080961557



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

November 21, 1991

**CERTIFIED MAIL  
RETURN RECEIPT REQUESTED**

James A. Pascarella, Esq.  
170 Old Country Road  
Fourth Floor  
Mineola, New York 11501

RE: MUR 2576

Dear Mr. Pascarella:

On October 7, 1991, the Federal Election Commission and your client, William J. Levitt, entered into a conciliation agreement in settlement of violations of 2 U.S.C. §§ 441f and 441b. According to the agreement, Mr. Levitt is required to pay a civil penalty of \$19,500. On that same day, the Federal Election Commission and your client, William J. Levitt on behalf of Rowenroy, Ltd., entered into a conciliation agreement in settlement of violations of 2 U.S.C. §§ 441b, 441f, and 441e. According to that agreement, Mr. Levitt, on behalf of Rowenroy, Ltd., is required to pay a civil penalty of \$19,500. Both agreements provided that your client would comply with all the requirements contained in the agreements within 30 days. According to Commission records, your clients' payments have not been received.

The Commission recalls that you advised this Office that it is doubtful that any payments for the civil penalties would be made within the normal time period because of Mr. Levitt's financial situation. At this time, please advise us of the prospect for payments, including explanations and any necessary verifications thereof.

Nevertheless, please be advised that, pursuant to 2 U.S.C. § 437g(a)(5)(D), a violation of any provision of the conciliation agreement may result in the institution of a civil suit for relief in the United States District Court.

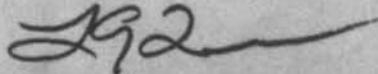
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James A. Pascarella  
MUR 2576  
page 2

If you believe the Commission's records are in error, or if you have any questions, please contact Tonda M. Mott, the attorney assigned to this matter, at (202) 219-3400.

Sincerely,

Lawrence M. Noble  
General Counsel



BY: Lois G. Lerner  
Associate General Counsel

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FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

November 21, 1991

**CERTIFIED MAIL  
RETURN RECEIPT REQUESTED**

Ms. Nicole Levitt  
340 E. 80th, Apt. 6C  
New York, NY 10021

RE: MUR 2576

Dear Ms. Levitt:

On April 18, 1991, the Federal Election Commission and you, entered into a conciliation agreement in settlement of a violation of 2 U.S.C. § 441f. According to the agreement, you were required to pay a civil penalty of \$500. The conciliation agreement provided for installment payments, following your first payment which was received on March, 14, 1991, along with the receipt of the conciliation agreement signed by you. As explained to you in our letter dated April 25, 1991, four (4) additional payments in the amount of one hundred dollars (\$100) each were to be due on the first day of each successive month, beginning in May 1991.

According to Commission records, only three hundred dollars (\$300) has been received. As stated above, the initial payment of one hundred dollars (\$100) was received on March 14, 1991. A payment of one hundred dollars (\$100) was received on May 14, 1991. Another payment of one hundred dollars (\$100) was received on July 9, 1991. No other payments have been received.

Please be advised that, pursuant to 2 U.S.C. § 437g(a)(5)(D), violation of any provision of the conciliation agreement may result in the institution of a civil suit for relief in the United States District Court. Unless we receive payment from you in five days, this Office will recommend that the Commission file suit to remedy this violation.

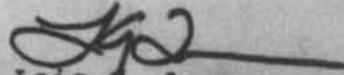
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Nicole Levitt  
MUR 2576  
page 2

If you believe the Commission's records are in error, or if you have any questions, please contact Tonda M. Mott, the attorney assigned to this matter, at (202) 219-3400.

Sincerely,

Lawrence M. Noble  
General Counsel



BY: Lois G. Lerner  
Associate General Counsel

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LAW OFFICES  
OF

RECEIVED  
FEDERAL ELECTION COMMISSION  
MAIL ROOM

JAMES A. PASCARELLA 91 DEC -9 AM 11:42

OF COUNSEL  
THOMAS A. ILLMENSEE

170 OLD COUNTRY ROAD  
FOURTH FLOOR  
MINEOLA, NEW YORK 11501  
(516) 742-1134  
TELECOPIER (516) 248-9313

December 3, 1991

Honorable Lawrence M. Noble  
General Counsel  
Federal Election Commission  
Washington, D.C. 20463

Attention: Lois G. Lerner, Esq.  
Associate General Counsel

Re: MUR 2576

RECEIVED  
FEDERAL ELECTION COMMISSION  
OFFICE OF GENERAL COUNSEL  
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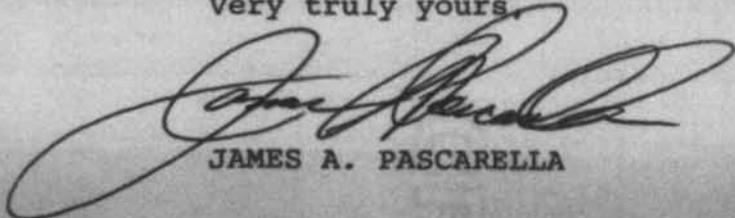
Dear Ms. Lerner:

This letter is in response to your letter to me dated November 21, 1991, but received by my office, via Certified Mail, on December 2, 1991. Today I had a conversation with my client, William J. Levitt, regarding the substance of your aforesaid letter. He confirms the fact that he is not, at this time, in a financial position to make payment of the civil penalty assessed. While Mr. Levitt does not have substantial prospects of a significant change in his financial condition in the near future, we are trying to resolve other matters for him which will have some impact on his financial status. As you know, these matters relate to a lawsuit against Mr. Levitt's former attorneys and our attempts to resolve issues which remain open with the Office of the Attorney General of the State of New York. Mr. Levitt assures me that should he become financially able, he will make arrangements to pay the aforesaid civil penalty.

Mr. Levitt is aware that, pursuant to 2 U.S.C. Section 437g(a)(5)(D), failure to pay the civil penalty assessed could result in the institution of a lawsuit against him in the United States District Court. Such a lawsuit, of course, if instituted, could not result in the payment of any money that Mr. Levitt does not have. Nevertheless, he wants me to assure you that he is aware of this obligation under the conciliation agreement.

Thank you for your courtesies herein.

Very truly yours,



JAMES A. PASCARELLA

JAP:cjc

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BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of  
William J. Levitt  
Rowenroy Ltd.

)  
) MUR 2576  
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**SENSITIVE**

GENERAL COUNSEL'S REPORT

On October 7, 1991, the Commission and William J. Levitt entered into a conciliation agreement in settlement of the his violations of 2 U.S.C. §§ 441f and 441b. According to the agreement, Mr. Levitt is required to pay a civil penalty of \$19,500. On that same day, the Commission and William J. Levitt, on behalf of Rowenroy, Ltd. ("the company"), entered into a conciliation agreement in settlement of the company's violations of 2 U.S.C. §§ 441b, 441f, and 441e. According to the agreement, Mr. Levitt, on behalf of Rowenroy, Ltd., is required to pay a civil penalty of \$19,500. Neither Respondent has yet made a payment toward the civil penalties agreed to in conciliation.

On November 21, 1991, this Office sent to counsel for Respondents a letter, as a reminder that payment for the agreed civil penalties had not been received. (Attachment 1). The letter also notified Respondents that, pursuant to 2 U.S.C. § 437(a)(5)(D), a violation of any provision of the conciliation agreement may result in the institution of a civil suit for relief.

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In a letter dated December 3, 1991, and received by this Office on December 9, 1991, counsel for Respondents stated that Mr. Levitt "is not, at this time, in a financial position to make payment of the civil penalty assessed." (Attachment 2). The letter further stated that "should he become financially able, he will make arrangements to pay...." Id.

This Office still has allegations under investigation in this MUR, regarding Stanley Shaw. Stanley Shaw served as counsel for Mr. Levitt and Rowenroy, Ltd. during the time period which is now under investigation. Mr. Shaw is still under investigation in this matter, because Mr. Levitt attests that he (Levitt) had merely acted on the advice of his counsel (Shaw).

Because this matter is still under investigation and because of Mr. Levitt's current financial situation, this Office will postpone making any recommendations to file a civil suit against Respondents until the remaining allegations of this MUR reach a resolution. Such a delay may allow time for Respondents to pay the civil penalty, should that become financially possible. If not, this Office could later recommend filing a civil suit for relief.

This Office will send a letter to Respondents' counsel advising that the Commission will not immediately file a civil suit. The letter will further explain that such action does not constitute a waiver of the Commission's right to later file

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suit, and should not be construed as an agreement by the Commission to refrain from filing suit until after Respondents have resolved their financial difficulties.

Lawrence M. Noble  
General Counsel

12/20/91  
Date

BY:

Lois G. Lerner  
Associate General Counsel

Attachments

1. Reminder letter to counsel for Respondents
2. Counsel's letter in response

Staff assigned: Tonda M. Mott

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BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of  
J. Stanley Shaw

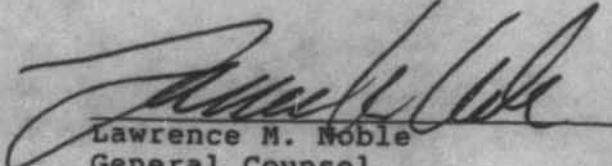
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**SENSITIVE**

GENERAL COUNSEL'S REPORT

The Office of the General Counsel is prepared to close the investigation in this matter as to J. Stanley Shaw, based on the assessment of the information presently available.

7/23/92  
Date

  
Lawrence M. Noble  
General Counsel

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FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

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**SENSITIVE**

August 7, 1992

Herbert J. Tamres, Esq.  
Shaw, Licitra, Esernio & Schwartz  
1010 Franklin Avenue  
Garden City, NY 11530

RE: MUR 2576

Dear Mr. Tamres:

Based on information ascertained in the normal course of carrying out its supervisory responsibilities, on July 9, 1991, the Federal Election Commission found reason to believe that your client, J. Stanley Shaw, knowingly and willfully violated 2 U.S.C. § 441f, and instituted an investigation in this matter.

After considering all the evidence available to the Commission, the Office of the General Counsel is prepared to recommend that the Commission find probable cause to believe that a knowing and willfull violation has occurred.

The Commission may or may not approve the General Counsel's recommendation. Submitted for your review is a brief stating the position of the General Counsel on the legal and factual issues of the case. Within 15 days of your receipt of this notice, you may file with the Secretary of the Commission a brief (ten copies if possible) stating your position on the issues and replying to the brief of the General Counsel. (Three copies of such brief should also be forwarded to the Office of the General Counsel, if possible.) The General Counsel's brief and any brief which you may submit will be considered by the Commission before proceeding to a vote of whether there is probable cause to believe a violation has occurred.

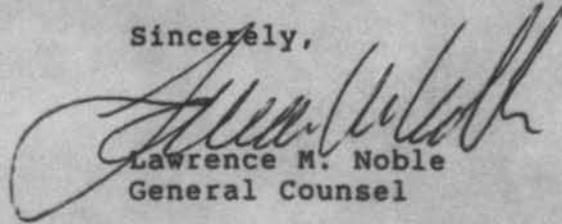
If you are unable to file a responsive brief within 15 days, you may submit a written request for an extension of time. All requests for extensions of time must be submitted in writing five days prior to the due date, and good cause must be demonstrated. In addition, the Office of the General Counsel ordinarily will not give extensions beyond 20 days.

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MUR 2576  
J. Stanley Shaw  
page 2

Should you have any questions, please contact Tonda M. Mott, the attorney assigned to this matter, at (202) 219-3400.

Sincerely,



Lawrence M. Noble  
General Counsel

Enclosure  
Brief

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should host a fundraiser for the Biden for President campaign, an effort in which Mr. Boyarsky was involved. In light of this advice from his attorney, Mr. Levitt agreed to host a fundraiser for the Biden campaign. Mr. Levitt states that he relied on the advice of Stanley Shaw in hosting the Biden fundraiser.

William Levitt hosted the fundraising cocktail party on June 2, 1986 for the benefit of the Biden for President campaign. When it became evident to Mr. Levitt that the turnout would be low, Mr. Levitt states that he sought advice from Stanley Shaw, who advised him to invite employees and family members to the fundraiser. Mr. Levitt states that Mr. Shaw also suggested that each employee or family member invited should contribute \$1,000. Mr. Levitt states that Mr. Shaw further advised him to reimburse those people contributing to the fundraiser, with Mr. Shaw assuring Mr. Levitt that it was proper and legal to do so. Furthermore, Mr. Levitt states that Mr. Shaw advised him to use funds from the Rowenroy account to make the reimbursements. Two days after the fundraiser, on June 4, 1986, each of the employees and family members<sup>1</sup> who had purchased tickets at Mr. Levitt's

1. The following employees and family members of Mr. Levitt were involved in the contribution and reimbursement scheme:

Edward Donnelly	Edward Cortese
Michelle Donnelly	Frieda Cortese
Nicole Levitt	Lou Stern
Simone Levitt	Lisette Stern
Gaby Levitt	Stephen Lampel
Sherry Neuman	Ava Lampel
Michael Neuman	Adrienne Walters
Stanley Ogonowski	Jennifer Flynn
Fanny Ogonowski	Harold Kellman
Ralph Della Ratta	Marilyn Kellman
Joan Della Ratta	

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request received a check in a like amount from Rowenroy Ltd., a foreign corporation owned and controlled exclusively by William Levitt.

Sherry Neuman, a former employee of Mr. Levitt, made two \$1,000 contributions, one in her name and one in the name of her dependent son, Michael. Ms. Neuman has testified that she had personally discussed the contributions and reimbursements with Mr. Shaw and that he was aware of the financing scheme. Ms. Neuman testified that she expressed concern to Mr. Shaw that she would not be reimbursed for her contribution, as Mr. Levitt promised. Ms. Neuman stated that Mr. Shaw assured her that she would be reimbursed, and not to worry because it was "all being taken care of." Ms. Neuman stated, under oath, that Mr. Shaw "knew it [the contributions and reimbursements] was an exchange of money."

Edward Donnelly, Mr. Levitt's accountant until 1989, also made two \$1,000 contributions, one in his name and one in the name of his wife, Michelle. When Mr. Donnelly received a check in a like amount from Rowenroy, he treated the funds as a partial payment of the money Mr. Levitt owed him. However, Mr. Donnelly believed that Mr. Levitt intended the Rowenroy funds to be a reimbursement for the Biden contributions. Mr. Donnelly testified that he believed that the reimbursement scheme was a result of Stanley Shaw's advice.

The Federal Election Campaign Act of 1971, as amended (the "Act"), provides that no person shall make a contribution in the name of another person or knowingly permit his name to be used to

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effect such a contribution, and no person shall knowingly accept a contribution made by one person in the name of another person. 2 U.S.C. § 441f; 11 C.F.R. § 110.4(b)(1)(i) and (ii). Moreover, a person who knowingly assists in the making of contributions in the name of another also violates that provision. See, FEC v. Rodriguez, No. 86-687 Civ-T-10 (M.D. Fla. October 28, 1988) (unpublished default judgement). Commission regulations now make explicit this cogent interpretation of the prohibition. 11 C.F.R. § 110.4(b)(1)(iii)(1989).

Under Commission regulations, a contribution in the name of another includes giving money or anything of value, all or part of which is provided to the contributor by another person without disclosing the source of the money or thing of value to the recipient candidate or committee at the time the contribution is made. 11 C.F.R. § 110.4(b)(2)(i).

The provisions of the Act also provide that no corporation whatever shall make any contribution or expenditure in connection with any election for Federal office and that no political committee shall knowingly accept such a contribution or expenditure. No officer or director of a corporation may consent to the making of a prohibited contribution or expenditure. 2 U.S.C. § 441b(a). The Act defines "contribution or expenditure" to include payments or gifts of money. 2 U.S.C. § 441b(b)(2).

Pursuant to 2 U.S.C. § 441e, it is unlawful for a foreign national directly or through any other person to make any contribution of money or other thing of value in connection with

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an election to any political office. The term "foreign national" means a foreign principal as defined by 22 U.S.C. § 611(b); 2 U.S.C. § 441e(b)(1); and 11 C.F.R. § 110.4(a). A foreign principal includes a partnership, association, corporation, organization, or other combination of persons organized under the laws of or having its principal place of business in a foreign country. 22 U.S.C. § 611(b)(3). See also Advisory Opinion 1977-53.

The Act also addresses violations of the law which are knowing and willful. See 2 U.S.C. § 437g(a)(5)(C) and § 437g(d). During the House debates on the Conference Report for the 1976 Amendments, Congressman Hayes stated that the phrase "knowing and willful" referred "to actions taken with full knowledge of all the facts and a recognition that the action is prohibited by law." 122 Cong. Rec. H3778 (daily ed. May 3, 1976). The knowing and willful standard has also been addressed by the courts. In Federal Election Commission v. John A. Dramesi for Congress Committee, 640 F. Supp. 985 (D.N.J. 1986), the court noted that the knowing and willful standard requires knowledge that one is violating the law.

Further, a federal appellate court has held that a knowing and willful violation may be established by "proof that the defendant acted deliberately and with knowledge that the representation was false." United States v. Hopkins, 916 F.2d 207, 214 (5th Cir. 1990). The opinion in Hopkins holds that an inference of a knowing and willful violation may be drawn "from the defendants' elaborate scheme for disguising" their actions

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and their "deliberate[] convey[ance of] information they knew to be false to the Federal Election Commission." Id. at 214-215.

Another federal appellate court has held that proof a knowing and willful violation of the Act requires a finding of "defiance," or "knowing, concious, and deliberate flaunting of the Act." National Right to Work Committee v. FEC, 716 F.2d 1401, 1403 (1983), on remand from the United States Supreme Court, 459 U.S. 197 (1982), quoting American Federation of Labor v. FEC, 628 F.2d 98 (1980).

Mr. Donnelly testified that when Stanley Shaw found out that he (Donnelly) was treating the Rowenroy funds as a partial payment for the sum Mr. Levitt owed him rather than as a reimbursement for the Biden contributions, Mr. Shaw told Mr. Donnelly that it sounded like a good idea. Mr. Shaw's firm was representing other employees and family members who were then the subject of the Commission's investigation. Mr. Donnelly testified that Mr. Shaw told him (Donnelly) that he was going to use the same approach of treating the reimbursements as payments for money owed to the others involved.

Early in the Commission's investigation of this matter, Mr. Shaw's law partner, Herbert Tamres, submitted several affidavits on behalf of contributors to the Biden fundraiser. The affidavits of employees claimed that the reimbursement funds received from Mr. Levitt were actually partial payments for money owed to them by Mr. Levitt or that the money from Mr. Levitt was a "bonus." The affidavits of family members, termed the funds from Levitt as "gifts." Nevertheless, in their respective

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conciliation agreements signed with the Commission, all the affiants later acknowledged that each knowingly permitted his or her name to be used to effect a contribution in violation of the Act.

Further, Mr. Donnelly testified that at least two of the individuals, who signed the affidavits submitted to the Commission by Mr. Shaw's partner, did not agree with the statements contained in the affidavits. Mr. Donnelly testified that both Mr. Ogonowski and Mr. Della Ratta expressed their concerns to him (Donnelly) about inaccuracies in the affidavits; specifically, they feared that the affidavits would incriminate them in the future.

In his response to the Commission's finding against him, Mr. Shaw claims that Mr. Levitt's statements and actions are motivated by revenge for affairs unrelated to this matter.<sup>2</sup> The response admits that Mr. Shaw arranged the meeting between Mr. Levitt and Mr. Boyarsky; however, Mr. Shaw categorically denies that he gave Mr. Levitt any advice regarding the Biden fundraising event. To substantiate his denials, Mr. Shaw refers to an affidavit and letter by Mr. Levitt, in which Mr. Levitt uses language such as "I agreed to host the fundraiser," and "I paid out \$22,000 in refunds." Mr. Shaw further contends that Mr. Levitt did not mention to the Commission that Mr. Shaw "had

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2. The events to which the response refers involve Mr. Shaw's actions as trustee of the "Williamsburg Properties" (a former business entity of Mr. Levitt), criminal actions brought by the New York Attorney General against Mr. Levitt, and subsequent litigation between Mr. Levitt and Mr. Shaw.

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anything to do with the fundraising improprieties [] until five years after the letter and three years after the affidavit."

Mr. Shaw's entire response is premised on attacks on the credibility of Mr. Levitt.

Mr. Shaw further argues that Mr. Donnelly is also an incredible witness. Mr. Shaw challenges Mr. Donnelly's credibility by stating that "[w]hile these two individuals may not admit their present allegiance to each other, we have reason to believe that they are united in their present efforts to unjustly and improperly besmirch Mr. Shaw's reputation...." Mr. Shaw also refers to the affidavits of Mr. Levitt's former employees and family members, which Mr. Shaw claims as proof that the "arrangements with them to 'contribute' to the fundraiser and for reimbursement thereafter were made solely by and with Mr. Levitt." Tangentially, Mr. Shaw also argues that the statements made by Messrs. Levitt and Donnelly, that he (Shaw) had agreed to waive certain legal fees and pay certain fines imposed by the Commission, emphasize the alleged incredibleness of the two witnesses.

Contradictory to the arguments set forth by Mr. Shaw, sufficient evidence exists to implicate Mr. Shaw in the events which took place regarding the contributions and reimbursements for the 1986 Biden fundraising event. Mr. Shaw does not explain what "reason to believe" he has that Mr. Donnelly would work in concert with Mr. Levitt to fabricate a story about Mr. Shaw's involvement, other than hinting that his (Shaw's) actions

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regarding the unrelated matter may serve as a motive for Mr. Donnelly's statements.

Both Messrs. Levitt and Donnelly have testified that Mr. Shaw was involved in the orchestration of the contribution and reimbursement scheme. Further, statements made by Sherry Neuman two years prior to Mr. Donnelly's testimony corroborate the testimony of Messrs. Levitt and Donnelly. Additionally, testimony by Mr. Donnelly indicates that the affidavits submitted by Mr. Shaw's firm in representation of some of the contributors were made to serve Mr. Shaw's purposes as well, and contained inaccurate information for the purposes of supporting Mr. Shaw's claims. Further, all the contributors later signed conciliation agreements acknowledging that each knowingly permitted his or her name to be used to effect a contribution in violation of the Act.

Mr. Shaw's argument, based on the first person language of Mr. Levitt's affidavit and letter, is of little substance. The structural make-up of those documents require writing in the first person, and there would have been no reason to include anyone else in the subject of the sentences. Merely because the earlier statements omitted references to Mr. Shaw's involvement, does not mean that there was no involvement. By means of comparison, the documents to which Mr. Shaw refers also omitted other information which we know to be true. Statements made by Mr. Levitt, Mr. Donnelly, Ms. Neuman, and Mr. Shaw, himself, all clearly indicate that Mr. Shaw was aware of the fundraising endeavor and was responsible for the introduction of Mr. Levitt to Mr. Boyarsky; nevertheless, this information was not evidenced

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in the affidavit and letter on which Mr. Shaw builds his argument.

Mr. Shaw did not make efforts to comply with the Act. Instead, Mr. Shaw made deliberate attempts to contravene the prohibitions of the Act, and then actively attempted to conceal the violations and his involvement. While representing contributors in the contribution and reimbursement scheme, Mr. Shaw provided to the Commission, in the form of affidavits, information which he knew to be false and which was intended to thwart the Commission's investigation.

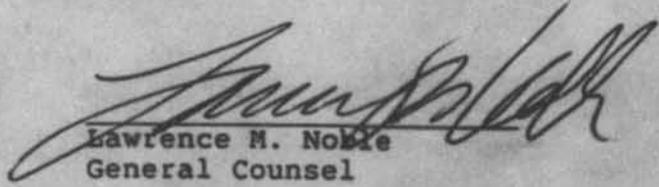
Thus, there is probable cause to believe that J. Stanley Shaw, as William Levitt's attorney, advised Mr. Levitt to host the Biden fundraiser and then solicit employees and family members for contributions. Further, there is probable cause to believe that J. Stanley Shaw advised William Levitt that he could reimburse those individuals for their contributions, and that the reimbursement payments could be made from Rowenroy, Ltd., a foreign corporation controlled by William Levitt. There is also probable cause to believe that Mr. Shaw did such with clear knowledge that the Act prohibited such activities, and that Mr. Shaw deliberately attempted to evade the law and the Commission's investigation. J. Stanley Shaw knowingly and willfully helped and assisted in the making of contributions in the names of other individuals in violation of 2 U.S.C. § 441f. Therefore, there is probable cause to believe that J. Stanley Shaw knowingly and willfully violated 2 U.S.C. § 441f.

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**III. GENERAL COUNSEL'S RECOMMENDATION**

Find probable cause to believe that J. Stanley Shaw knowingly and willfully violated 2 U.S.C. § 441f.

8/6/92  
Date

  
Lawrence M. Noble  
General Counsel

93080961580

LAW OFFICES OF  
**SHAW, LICITRA, PARENTE, ESERNIO & SCHWARTZ, P.C.**  
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†ALSO ADMITTED IN CALIFORNIA  
††ALSO ADMITTED IN NEW JERSEY  
‡ALSO ADMITTED IN CONNECTICUT

August 17, 1992

Via Facsimile (212) 969-2900  
and Regular Mail

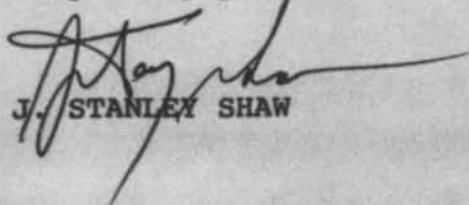
Arnold Burns, Esq.  
Proskauer Rose Goetz & Mendelsohn  
1585 Broadway  
New York, New York 10036

Re: MUR 2576

Dear Mr. Burns:

This is to confirm that I have designated you and your firm, Proskauer, Rose, Goetz & Mendelsohn, to act as my counsel and represent me before the Federal Election Commission in this matter. Mr. Tamres will no longer play any role in connection with this matter.

Very truly yours,

  
J. STANLEY SHAW

JSS/clb

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COMMISSION  
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EUROPEAN COUNSEL:  
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B-1040 BRUSSELS, BELGIUM

RECEIVED  
FEDERAL ELECTION COMMISSION  
OFFICE OF GENERAL COUNSEL  
AUG 26 PM 3:35

August 24, 1992

Tonda Mott, Esq.  
Federal Election Commission  
999 E. Street, NW  
Washington, DC 20463

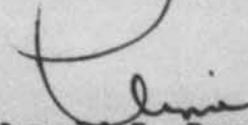
Dear Tonda:

I am writing to confirm my request made during our telephone conversation earlier today for an extension of time until September 21 in which to put in our petition for the deposition of Ms. Neuman and our supporting memorandum.

As I told you, this is necessitated by the unhappy circumstances of this past Friday. Our client, J. Stanley Shaw, underwent emergency by-pass surgery. As a consequence, he is unavailable to me for the period of his convalescence. As a friend of Stanley's, I pray his recovery is speedy and thorough.

Thank you for your courtesies.

Yours very sincerely,

  
Arnold I. Burns

bes

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CRANES & GREST



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

September 1, 1992

Arnold I. Burns, Esquire  
Proskauer, Rose, Goetz & Mendelsohn  
1585 Broadway  
New York, NY 10036

RE: MUR 2576  
J. Stanley Shaw

Dear Mr. Burns:

This is in response to your letter dated August 24, 1992, which we received on August 26, 1992, requesting an extension of time until September 21, 1992, in which to file a petition for a copy of the transcript of the deposition taken of Ms. Sherry Neuman in this matter and a supporting memorandum. It is the understanding of this Office that this request means that you are also seeking an extension of time in which to respond to the General Counsel's Brief.

After considering the circumstances presented in your letter, the Office of the General Counsel has granted the requested extension. Accordingly we will expect to receive your petition by the close of business on September 21, 1992. A new deadline for receipt of your response brief will be established at a later date.

If you have any questions, please contact either Anne A. Weissenborn, Acting Assistant General Counsel, or me at (202) 219-3400.

Sincerely,

*Tonda M. Mott*

Tonda M. Mott  
Staff Attorney

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BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of )  
                          ) MUR 2576  
J. Stanley Shaw )

RECEIVED  
FEDERAL ELECTION COMMISSION  
OFFICE OF THE CLERK  
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RESPONDENT'S BRIEF  
IN SUPPORT OF HIS APPLICATION FOR  
REVIEW AND COPY TRANSCRIPTS

PROSKAUER, ROSE, GOETZ & MENDELSON  
1585 Broadway  
New York, New York 10036  
(212) 969-3000

Of Counsel:

Arnold I. Burns  
Randy L. Levine

930840961584

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of )  
 ) MUR 2576  
J. Stanley Shaw )

PRELIMINARY STATEMENT

This brief is submitted in support of Respondent J. Stanley Shaw's application to review and copy transcripts of all testimony and interviews given by Sherry Neuman and Edward G. Donnelly in connection with this matter.

INTRODUCTION

William Levitt, a former client of Mr. Shaw, hosted a cocktail party to raise money for the Citizens for Biden Committee ("Biden Committee") on June 2, 1986 ("Levitt Fundraiser"). On or about August 25, 1987, upon learning that there were questions relating to the propriety of the contributions made at the Levitt Fundraiser, the Biden Committee refunded the contributions made by the contributors to the Levitt Fundraiser.

After conducting an investigation into this matter, on February 1, 1988, the Federal Election Commission (the "Commission"), found "reason to believe" that the individuals who attended and made contributions at the Levitt Fundraiser (the "Individual Contributors") were reimbursed for those contributions by a corporation owned and controlled by Levitt. See Letter dated February 10, 1988 from Thomas J. Josefiak, Chairman of the Commission, to William J. Levitt, a copy of which is enclosed

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herewith as Exhibit "A". The Commission found "reason to believe" that these contributions, together with Levitt's reimbursement, violated the Federal Election Campaign Act's (the "Act") prohibitions on a person: "mak[ing] a contribution in the name of another" or "knowingly permit[ting] his name to be used to effect such a contribution".

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The Commission did not find "reason to believe" that Mr. Shaw violated the Act until July 9, 1991 -- over five years after the Levitt Fundraiser and three and one-half years after the Commission found "reason to believe" that Levitt and the Individual Contributors violated the Act. See Letter dated July 22, 1991 from John Warren McGarry, Chairman of the Commission, to J. Stanley Shaw, a copy of which is enclosed herewith as Exhibit "B". The Commission does not allege that Mr. Shaw made a contribution in the name of another person, permitted his name to be used to effect a contribution in the name of another person or accepted a contribution made by one person in the name of another. Instead, the Commission merely found "reason to believe" that Mr. Shaw "helped or assisted" Levitt in making contributions in the names of the Individual Contributors. According to the July 22, 1991 "reason to believe" letter, the Commission's finding was based on the testimony of only two witnesses, Levitt and Levitt's accountant, Edward G. Donnelly.

On or about September 13, 1991, Mr. Shaw submitted a response ("Shaw's Response", a copy of which is enclosed herewith as Exhibit "C") to the "reason to believe" letter in which he

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categorically denied the allegations made against him and set forth evidence establishing Levitt's and Donnelly's lack of credibility and bias towards Shaw. Nearly one year later, on or about August 7, 1992, the General Counsel for the Commission ("General Counsel") submitted a brief ("General Counsel's Brief") in which he recommended that the Commission find probable cause that Mr. Shaw violated the Act. However, rather than merely rely on the testimony of Levitt and Donnelly set forth in the Commission's "reason to believe" letter, the General Counsel revealed for the first time -- six years after the Levitt Fundraiser and five years after the Commission began this investigation -- that the General Counsel was relying on an additional witness against Mr. Shaw, a former Levitt employee named Sherry Neuman. Moreover, the General Counsel revealed additional testimony allegedly given by Donnelly in support of the alleged claim against Shaw.

SUMMARY

The facts and circumstances of this case require that Shaw be given an opportunity to inspect and copy the transcripts of Neuman's and Donnelly's testimony before submitting a response to the General Counsel's Brief.

First, as set forth in pages 6 - 15, infra, the novelty of the issues involved in this case and the incomplete nature of the record as set forth in the General Counsel's Brief do not permit a full response by Shaw or rational decision by the Commission. This application, if granted, will permit Shaw to submit a full response and the Commission to render its decision

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based on a complete record. The standards which the Commission must apply to determine whether Mr. Shaw "helped or assisted" a violation of the Act are unsettled. Neither the Act, the Commission's regulations, nor the General Counsel's Brief provide any guidance as to what level of activity is necessary to meet this standard. Given the novel aspects of this case, the Commission and Shaw should have available to them all available evidence regarding what activities Mr. Shaw allegedly engaged in so that the standard to which he is being held and future individuals will be held is clear. Indeed, given the incomplete nature of the portions of Neuman's and Donnelly's testimony referred to in the General Counsel's Brief, any decisions made by the Commission based on the present record would be ambiguous.

Second, as set forth in pp. 15 - 17, infra, the Commission's delay in pursuing this investigation and the General Counsel's belated reliance on Ms. Neuman's testimony and additional portions of Donnelly's testimony makes the review of their transcripts especially critical. Without any explanation as to why Ms. Neuman's testimony and these additional portions of Donnelly's testimony were not referred to in the Commission's July, 1991 "reason to believe" letter, the General Counsel simply relied upon them in his August, 1992 brief. By failing to reveal Ms. Neuman's existence as a witness at an earlier date, the General Counsel has placed Mr. Shaw in the unenviable position of trying to rebut charges based on a conversation which he may or may not have had over six years ago. The passage of time has prevented Mr. Shaw

from locating Ms. Neuman for an interview to determine the circumstances surrounding her alleged conversation with Mr. Shaw. Moreover, the delay in revealing Neuman's existence as a witness and the unrevealed portions of Donnelly's testimony raise the concern that once this additional evidence is addressed, more alleged evidence against Mr. Shaw will be disclosed. Surely, fairness and economy require the Commission to permit Mr. Shaw an opportunity to review Ms. Neuman's and Donnelly's entire testimony to avoid additional prejudice to Shaw.

Third, a full understanding of Ms. Neuman's testimony is especially critical because, as set forth in pp. 17 - 31, infra, the alleged testimony of Levitt and Donnelly are patently unbelievable and tainted by bias. Both Levitt and Donnelly: (a) are adversaries of Mr. Shaw; (b) have demonstrated their willingness to obstruct judicial processes and thwart the efforts of the New York State Attorney General in order to serve their own ends; (c) gave the Commission testimony which is self-serving and, apparently, intended to exculpate themselves. Any possibility that Levitt (who is the only witness who the General Counsel has alleged has first-hand knowledge that Levitt's violations of the Act were based on Shaw's alleged advice) is a credible witness is removed by the fact that once Levitt settled his dispute with Shaw, he denied, under oath, that he gave the testimony referred to in the Commission's brief or otherwise supplied the Commission with the information contained in the General Counsel's Brief or the July 9, 1991 "reason to believe" letter sent to Shaw.

**THE INFORMATION SOUGHT BY THIS APPLICATION IS  
NECESSARY TO PERMIT SHAW A MEANINGFUL  
OPPORTUNITY TO ANSWER THE CHARGES AGAINST HIM**

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Before it makes a finding as to whether or not there is probable cause that Shaw violated the Act, the Commission must take into consideration all available information concerning the alleged wrongdoing. See Antosh v. Federal Election Commission, 599 F.Supp. 850, 855 (D.D.C. 1984). In order to ensure that the Commission has a complete record upon which to base its decision and to prevent an unwarranted finding of probable cause, a respondent is entitled to submit a brief setting forth the respondent's position on the factual and legal issues of the case. See 11 C.F.R. §111.16(c). It is obviously in the Commission's interest, as well as Mr. Shaw's, that Mr. Shaw be permitted an opportunity fully to respond to the allegations made against him. Only by permitting a full response, will the Commission be in a position to determine whether this is a case with respect to which it is appropriate to invest its resources or, as we believe, a meritless case which should not be pursued.

- A. **The Novelty Of The Issues Involved In This Case  
And The Incomplete Nature of the Record Require  
Full Disclosure Of Neuman's And Donnelly's Testimony In  
Order To Permit Shaw The Opportunity To Submit A Complete  
Response And The Commission To Make A Rational Decision.**

Before making a finding regarding whether there is probable cause to believe that Mr. Shaw "helped or assisted" Levitt in violating the Act, the Commission must set forth the standards applied by it in making its determination and the analysis performed by it in applying that standard. See Common Cause v.

FEC, 906 F.2d 705 (D.C. Cir. 1990). The record in this case, to the extent disclosed by the General Counsel's Brief, does not permit such an analysis. 2 U.S.C. §437g(a)(3) gives Shaw the right to submit a factual and legal response to the General Counsel's Brief. However, the current record does not permit a full response by Shaw.

The General Counsel has recommended that there is probable cause to find that Mr. Shaw has violated 2 U.S.C. §441f. 2 U.S.C. §441f provides:

"No person shall make a contribution in the name of another person or knowingly permit his name to be used to effect such a contribution, and no person shall knowingly accept a contribution made by one person in the name of another."

However, the General Counsel does not allege that Mr. Shaw either: (a) made a contribution in the name of another person; (b) permitted his name to be used to effect such a contribution; or (c) knowingly accepted a contribution made by one person in the name of another. Instead, the General Counsel alleges that Shaw violated the Act because he "helped or assisted" Levitt in making contributions in the names of the Individual Contributors. The Act does not prohibit "helping or assisting" another person in making a contribution in the name of another. Instead, in making its recommendation that Mr. Shaw violated the Act, the General Counsel relied on the Commission's own regulation,

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11 CFR §110.4(b)(1)(iii)<sup>1</sup>.

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Thus, in reviewing the allegations made against Mr. Shaw, the Commission must apply a standard of what constitutes "helping or assisting" a violation of the Act to Mr. Shaw's alleged activities. This task is made difficult by the fact that there is no existing standard for the Commission to apply. There is no legislative history from which the Commission and Mr. Shaw can determine the level of activity which constitutes "help or assistance" because the Act does not contain a prohibition on such activity. Moreover, the Commission's regulations do not contain any indication as to what activities constitute "help or assistance". We can find no case law which defines the standard to be applied. In fact, the only case cited by the General Counsel in support of his claim that "helping or assisting" a person in making a contribution in the name of another" is a violation of the Act (FEC v. Rodriguez, No. 86-687 Civ. T-10 (M.D. Fla. October 28, 1988) is described by the General Counsel as "an unpublished default judgment". See General Counsel's Brief, p.4. Obviously, an unreported default judgment will be of no assistance in fashioning this standard and, in fact, could not possibly have any precedential value. See Rhodes v. Meyer, 334 F.2d 709, 718-19 (8th Cir. 1964).

Given the lack of guidance as to what constitutes "help

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<sup>1</sup> It is submitted that by expanding the categories of activities which constitute violations of the Act, the Commission exceeded its authority. See Iglesias v. United States, 848 F.2d 362, 366 (2d Cir. 1988) ("A regulation... may not serve to amend a statute... or to add to the statute something which is not there").

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or assistance", the Commission will be required, in this case, to develop the standards by which to judge Mr. Shaw's alleged actions. It is important in fashioning these standards and applying them that the Commission have a clear understanding of the factual allegations against Mr. Shaw so that the Commission is in a position to make a rational decision. However, the references to Ms. Neuman's and Mr. Donnelly's testimony in the General Counsel's Brief are so incomplete and cryptic that they do not permit a meaningful rebuttal by Shaw or a rational decision by the Commission.

According to the General Counsel's Brief, Ms. Neuman testified as follows:

Sherry Neuman, a former employee of Mr. Levitt, made two \$1,000 contributions, one in her name and one in the name of her dependent son, Michael. Ms. Neuman has testified that she had personally discussed the contributions and reimbursements with Mr. Shaw and that he was aware of the financing scheme. Ms. Neuman testified that she expressed concern to Mr. Shaw that she would not be reimbursed for her contribution, as Mr. Levitt promised. Ms. Neuman stated that Mr. Shaw assured her that she would be reimbursed, and not to worry because it was "all being taken care of." Ms. Neuman stated, under oath, that Mr. Shaw "knew it [the contributions and reimbursements] was an exchange of money.

See General Counsel's Brief, p. 3.

The portion of Ms. Neuman's testimony disclosed by the General Counsel, even if accepted as true, merely stands for the proposition that at some unspecified point in time Shaw became aware of Levitt's alleged contribution scheme. Although the acts which constitute "helping or assisting" an Act violation are

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undefined, surely merely "knowing" a violation of the Act has occurred is not sufficient to form the basis for finding a violation of the Act. See United States v. Garcia, 785 F.2d 214 (8th Cir. 1986) (to be guilty of contributing to the furtherance of a conspiracy to distribute cocaine, there must be some element of cooperation beyond mere knowledge of the conspiracy). Thus, it is crucial for Mr. Shaw to be able to review Ms. Neuman's entire testimony to confirm that her testimony can not form the basis for a finding that Shaw violated the Act and that she did not make additional allegations against him.

In addition, Ms. Neuman's alleged testimony is curious. Ms. Neuman was an employee of Levitt. Although Mr. Shaw is aware that she was an employee of Levitt, he did not know her on a personal or professional basis. Why would Ms. Neuman ask for Mr. Shaw's assurances regarding repayment of her contributions when she could simply have asked her employer, Levitt, about it? Only by reviewing Neuman's testimony, can Shaw determine the reason for this seeming inconsistency and, therefore, address it.

Ms. Neuman's testimony is unclear in another important respect. The references to Ms. Neuman's alleged testimony do not indicate when she claims to have talked with Mr. Shaw. The date of Ms. Neuman's alleged conversation is significant. It may be that Ms. Neuman alleges that Shaw advised her that he was aware of the reimbursement of contributions in 1987 when the Biden Committee agreed to reimburse the Individual Contributors and the Attorney General and Levitt each demanded that the Individual Contributors

reimburse them in an amount equal to what they received from the Biden Committee. Correspondence from Samuels, William Levitt and the Biden Committee which were sent to Edward Cortese (copies of which are enclosed herewith as Exhibit "D"), one of the Individual Contributors, indicates that a conversation between Shaw and Ms. Neuman relating to the reimbursement of her contributions may have occurred in 1987, not 1986, as suggested by the General Counsel in his brief.

The Biden Committee, upon learning of the questions relating to the Levitt Fundraiser, sent Mr. Cortese a refund on or about August 25, 1987. We understand that all of the Individual Contributors, including Ms. Neuman, received a refund from the Biden Committee. On or about August 31, 1987, Levitt wrote Cortese a letter in which he asked Cortese to endorse the Biden reimbursement checks to him. On or about September 23, 1987, Cortese received a letter from David Samuels of the New York State Attorney General's Office ("Attorney General") in which Mr. Samuels requested that Mr. Cortese transmit the money he received from the Biden Committee to the Levitt Foundation. We understand that the other Individual Contributors, including Neuman, also received requests for reimbursement from Levitt and the Attorney General.

The alleged conversation between Neuman and Shaw, if it occurred at all, could just have likely occurred during the August/September 1987 time period, as in 1986. Assuming that Ms. Neuman received letters or oral requests such as the ones written by Levitt and Samuels to Cortese before she received her check from

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the Biden Committee, she may have had a conversation with Shaw in which she expressed concern whether the Biden Committee check was forthcoming and whether she should pay an amount equal to her contribution to either Levitt or the Attorney General as requested by them. In fact, as set forth in the affidavit of another Levitt employee, Stanley Ogonowski, (¶6), sworn to on April 8, 1988 (a copy of which is enclosed herewith as Exhibit "E"), Ogonowski received a request for reimbursement from Levitt before he received a check from the Biden Committee. Shaw may merely have assured Neuman that she would be receiving a refund from the Biden Committee and that the payment being requested by the Attorney General "was an exchange of money". Of course, without reviewing the totality of Ms. Neuman's testimony, Shaw cannot ascertain in which time period this conversation allegedly took place. Shaw should be given this opportunity.

Donnelly's testimony is equally cryptic and requires "fleshing" out" to permit a full response by Shaw. According to the General Counsel's Brief, Donnelly made three incriminating statements about Shaw. First, Donnelly allegedly "testified that he believed that the reimbursement scheme was a result of J. Stanley Shaw's advice". See General Counsel's Brief, p.3. However, the General Counsel does not indicate the basis for Donnelly's alleged belief. Without the disclosure of such basis, it would appear that Donnelly's "belief" is based on hearsay or speculation. Surely, Shaw should have an opportunity to review Donnelly's complete testimony to determine what, if any, basis he had for his

"belief" in order to establish that any possible basis is unfounded.

Second, Donnelly allegedly testified that Stanley Ogonowski and Ralph Della Ratta told him that there were inaccuracies in the affidavits submitted to the Commission on their behalf by Herb Tamres of Shaw's law firm and that Ogonowski and Della Ratta were concerned that the affidavits would incriminate them. See General Counsel's Brief, p.7. However, the General Counsel does not indicate whether he has interviewed Mr. Ogonowski or Mr. Della Ratta to determine if there is any validity to these allegations. As set forth in the affidavits enclosed herewith as Exhibit "F", both Mr. Della Ratta and Mr. Ogonowski state that: (1) they do not recall speaking to Donnelly about these affidavits; (2) they believed that the affidavits were accurate at the time they signed them and continue to believe the affidavits are accurate; and (3) they were not concerned that the affidavits would incriminate them. Given Messrs. Ogonowski's and Della Ratta's dispute of Donnelly's testimony, the Commission and Shaw should have the opportunity to review Donnelly's testimony and to determine whether Donnelly stated any additional facts relating to these alleged conversations.

Third, according to the General Counsel, Donnelly testified that:

"when Stanley Shaw found out that he (Donnelly) was treating the Rowenroy funds as a partial payment for the sum Mr. Levitt owed him rather than as a reimbursement for the Biden contributions, Mr. Shaw told Mr. Donnelly that it sounded like a good idea.

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Mr. Shaw's firm was representing other employees and family members who were then the subject of the Commission's investigation. Mr. Donnelly testified that Mr. Shaw told him (Donnelly) that he was going to use the same approach of treating the reimbursements as payments for money owed to the others involved.

The General Counsel's reliance on this alleged testimony is curious. Rather than portraying Mr. Shaw as the architect of the alleged cover-up, it portrays Donnelly as the architect of the alleged scheme. Moreover, this testimony contradicts the theory that Shaw engineered the alleged scheme at the time of the Levitt Fundraiser in June, 1986. Instead, this testimony would appear to indicate that Shaw first learned of this problem in 1988 -- after the Commission notified the Individual Contributors that it had "reason to believe" that they had violated the Act. This excerpt of Donnelly's testimony indicates that Donnelly played a substantial role in the alleged violation of the Act. Depending on the standard for "help or assistance" applied by the Commission in this case, the role Donnelly played in devising and implementing Levitt's alleged scheme is relevant to determining whether Shaw "helped or assisted" Levitt's violation of the Act. To the extent Donnelly played a prominent role as the architect of Levitt's alleged scheme, any possible role by Shaw would be diminished. In order to give Shaw a full opportunity to respond to the charges against him, and the Commission a full record upon which to base its decision, Shaw should have the ability to review Donnelly's entire testimony to determine the full extent of Donnelly's involvement in the alleged scheme. Obviously, to the extent such

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testimony is exculpatory, it is relevant to this proceeding and should be part of the record.

Shaw's concern that additional allegations relating to Neuman's and Donnelly's testimony will surface at a later date is heightened by the Commission's failure to reveal Ms. Neuman's existence as a witness against Shaw or Donnelly's testimony about Della Ratta and Ogonowski in the July 22, 1991 "reason to believe" letter. Despite the fact that 11 C.F.R. §111.8(b) requires the Commission, upon finding "reason to believe" a violation has occurred, to provide the respondent with a staff report setting forth the legal basis and alleged factual support for the Commission's action, the "reason to believe" letter sent to Shaw contained these glaring omissions. Surely, it does not serve the Commission's or Shaw's interests to have the allegations against Shaw trickle out. Instead, it is in both Shaw and the Commission's interests to permit Shaw the opportunity to respond to allegations made against him. This can only be accomplished by giving Shaw access to Donnelly's and Neuman's interview and deposition transcripts.

**B. The Commission's Delay In Pursuing This Matter Has Prejudiced Mr. Shaw And Makes It Critical That This Application Be Granted.**

The Commission's delay in pursuing this claim makes it crucial that this application be granted. The Commission's delay herein is contrary to the Commission's obligation to conduct its investigations in an expeditious manner. See 2 U.S.C. §437d(a)(9). See also Rose v. Federal Election Commission, 608 F.Supp. 1, 11

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(D.D.C. 1984) (on remand). The Commission has conducted its investigation of Shaw in a far from expeditious manner.

Indeed, the Commission did not even notify Shaw that it had "reason to believe" that Shaw had committed a violation of the Act until July, 1991 -- over five years after the Levitt Fundraiser and three and one-half years after the Commission found "reason to believe" that the Individual Contributors and Levitt had violated the Act.

The delay in this case is particularly egregious considering that the July, 1991 "reason to believe" letter sent to Shaw did not disclose that Neuman was a witness against Shaw and omitted various statements allegedly made by Donnelly (i.e. his allegations relating to Della Ratta and Ogonowski). In fact, Mr. Shaw did not even know that Ms. Neuman testified in this proceeding until he received the General Counsel's Brief in August, 1992. The General Counsel's Brief does not attempt to explain the reason for these omissions, the delay in pursuing these proceedings or when it obtained the Levitt, Donnelly and Neuman testimony upon which it bases its claim against Shaw.

The delay in pursuing this case has severely prejudiced Mr. Shaw. Obviously, witnesses recollections have become hazy over the past six years and other witnesses cannot be located. For instance, we have diligently tried to locate Ms. Neuman to interview her in order to answer the open questions relating to her testimony. However, we have been unsuccessful in finding her and are left to attempting to decipher the cryptic passage of her

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alleged testimony referred to in the General Counsel's Brief. Surely, considering that the Commission's delay has put Mr. Shaw in this unenviable position, it should provide him with a copy of the transcript of Donnelly's and Neuman's testimony to enable Shaw to respond to the fullest extent possible.

C. A Review Of Neuman's Complete Testimony Is Especially Critical Because Donnelly And Levitt Are Biased Against Shaw And Not Credible Witnesses

Shaw's ability to review and completely respond to Sherry Neuman's testimony is especially critical considering that Levitt and Donnelly are in no way, shape or form credible witnesses. Indeed, to the extent that there is any possibility that the Commission can find probable cause that Shaw violated the Act, it must be based on Ms. Neuman's testimony. As set forth above, given the delay in this case and cryptic references to Ms. Neuman's alleged testimony, Mr. Shaw simply has not been given a fair opportunity to respond to her testimony.

Levitt and Donnelly are biased against Shaw and not credible because: (a) they are adversaries of Mr. Shaw; (b) they have demonstrated their willingness to obstruct judicial processes and thwart the efforts of the Attorney General in order to serve their own ends; (c) their alleged testimony was self-serving and, apparently, intended to exculpate themselves. Any possibility that Levitt (who is the only witness who the General Counsel has alleged has first-hand knowledge that Levitt's violations of the Act were based on Shaw's alleged advice) is a credible witness was removed by the fact that once Levitt settled his dispute with Shaw, he

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denied, under oath, that he gave the testimony referred to in the General Counsel's brief or otherwise supplied the Commission with the information contained in the General Counsel's Brief or the July 9, 1991 "reason to believe" letter sent to Shaw.

(i) Background To Disputes With Levitt and Donnelly

Donnelly was Levitt's accountant from at least 1982 through 1986. In his capacity as Levitt's accountant, Donnelly signed four employment contracts (copies of which are enclosed herewith as Exhibit "G") for the period between June 1, 1982 and December 31, 1988. These employment contracts, if performed by Donnelly, would have provided Donnelly with total compensation of approximately \$1.3 million for the period covered by the contracts.

The Attorney General commenced two actions against Levitt and his affiliated companies based on allegations that Levitt misappropriated: (a) deposits made by consumers to purchase certain real property located in Williamsburgh, Florida (the "Williamsburgh Property") owned by one of Levitt's affiliates, International Community Corp. ("ICC"), and (b) the assets of a charitable foundation known as the Levitt Foundation (the "Levitt Actions").

On September 26, 1986, Levitt settled the Levitt Actions by entering into a Stipulation pursuant to which he acknowledged an \$11,000,000 debt in favor of the Attorney General and the Levitt Foundation and agreed to provide them with a lien on all of his and ICC's after-acquired assets. On January 21, 1987, Levitt and ICC entered into a consent judgment, incorporating the Stipulation of Settlement, in favor of the Levitt Foundation and Attorney General

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(the "Consent Judgment").

In addition to the foregoing agreements with the Levitt Foundation and Attorney General, Levitt agreed to establish four trusts (the "Williamsburgh Trusts") for the disbursement of funds received by ICC from the sale of the Williamsburgh Property. The trusts were established for the benefit of:

- A. Certain trade creditors of Levitt;
- B. Shaw, Licitra, Esernio & Schwartz for unpaid legal fees;
- C. Donnelly for claims pursuant to his employment contracts;
- D. Scarborough Constructor's Inc., a creditor of ICC.

Under these agreements, neither Levitt nor ICC was entitled to any monies from the sale of the Williamsburgh Property until the claims of Tropic Associates, the Levitt Foundation, Attorney General and beneficiaries of the Williamsburgh Trusts were satisfied.

Furthermore, at or about the same time, in order to raise money necessary to reimburse the consumers who had made deposits on parcels of the Williamsburgh Property (and, therefore, avoid indictment), Levitt entered into an agreement with a partnership known as Tropic Associates which agreed to pay Levitt the sum of \$825,000 in consideration for the conditional right to purchase property owned and controlled by Levitt located in Mill Neck, New York known as "La Colline" for \$3,825,000.

As set forth in Shaw's Response (a copy of which is

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enclosed herewith as Exhibit "C") Shaw was instrumental in devising and implementing these various agreements. Shaw's efforts on behalf of Levitt prevented Levitt from being indicted. Shaw's subsequent efforts as trustee resulted in the Levitt Foundation, Attorney General and consumers receiving virtually all of the money due them. See Exhibit "C".

In his position as trustee of the Williamsburgh Trusts, Shaw's efforts benefitted the beneficiaries of those trusts, the Levitt Foundation, consumers and Attorney General and prevented Donnelly and Levitt from circumventing Levitt's various agreements with the Levitt Foundation and Attorney General and made Shaw the target of various claims and attacks by Levitt and Donnelly. Moreover, Levitt's and Donnelly's behavior in the actions against Shaw were -- in the opinion of the Attorney General -- in complete disregard of the Consent Judgement. Levitt and Donnelly's behavior establishes their disregard for judicial process and willingness to obstruct that process to serve their own ends.

(ii) Levitt's Bias Against Shaw And Obstruction  
Of The Attorney General's Efforts

The adversarial relationship between Shaw and Levitt is evidenced by an action which Levitt commenced against Shaw. After obtaining the benefits of the Consent Judgment and Settlement Agreement (including the avoidance of a criminal indictment), Levitt decided to attempt to circumvent the Consent Judgment and Williamsburgh Trusts by, inter alia, bringing a meritless action on behalf of himself and various affiliates against Shaw entitled: Capital Community Corp., et. al. v. Tropic Associates, et. al.,

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Index No. 85101/89 (the "Levitt/Shaw Action") in which Levitt and ICC sought, inter alia, to:

(1) set aside the Tropic transaction on the ground that the loan granted by Tropic was usurious, was fraudulently induced, constituted a breach of duty on the part of Shaw and his law firm, was a result of negligence by Shaw and his law firm and arose as a result of a unilateral mistake by Levitt and ICC;

(2) recover legal fees paid to Shaw and his law firm as allegedly unfair and unreasonable and for an accounting; and

(3) remove Shaw as Trustee under the Williamsburgh Trusts. Levitt's adversarial relationship with Shaw and willingness to obstruct the Attorney General's efforts are detailed in Shaw's Response, a copy of which is enclosed herewith as Exhibit "C."

If there was any doubt as to Levitt's motivation for testifying against Shaw and the completely meritless nature of the Levitt/Shaw Action, it was resolved by the manner by which that action was settled and Levitt's behavior since that Action was settled. First, the settlement of the Levitt/Shaw action (as set forth in the Settlement Agreement annexed hereto as Exhibit "H") required the dismissal of the action with prejudice without the payment of any money by Shaw, his firm or Tropic Associates. In fact, the settlement provides for payments to Shaw's firm and Tropic Associates. Moreover, once the Levitt/Shaw Action was settled, Levitt testified at a deposition (the transcript for which is enclosed herewith as Exhibit "I") and categorically denied that

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he testified or advised anyone acting on behalf of the Commission that Shaw played any role in his alleged scheme to make contributions in the names of the Individual Contributors. Levitt testified at his deposition (pp. 43-48) as follows:

Q. Do you recall hosting a fundraiser for Joe Biden?

A. Yes.

Q. Are you aware of the fact that the Federal Election Commission has instituted an investigation regarding that fundraiser?

A. I'm aware of it, but I would like to change your tense; not has, had.

Q. As far as you are concerned --

A. Had instituted.

Q. As far as you know, you believe their investigation is over?

A. Yes.

Q. Did you ever testify at any sort of proceeding or hearing at the Federal Election Commission?

A. Yes.

Q. When was that?

A. Two years ago.

Q. Did you answer any questions asked by them other than by taking the fifth amendment?

A. No.

Q. So you gave no substantive answers to their questions?

A. That's correct.

Q. Did you ever mention the name Stanley Shaw at that testimony?

A. I don't recall. I don't think so.

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Q. Did you ever speak to an investigator with the Federal Election Commission?

A. No.

Q. Did you ever submit any documents to the Federal Election Commission?

A. No.

Q. Did you ever speak to anyone acting on behalf of the Federal Election Commission?

A. No.

MR. MARDER: Will you mark this affidavit Trustee's Exhibit 8 and the letter Trustee's Exhibit 9? [Copies of Trustee's Exhibits 8 and 9 are enclosed herewith as Exhibit "J".]

Q. I show you a document marked Trustee's Exhibit 8 and ask if you can identify it.

MR. DEVITO: This is your affidavit.

THE WITNESS: What?

MR. DEVITO: This is your affidavit.

A. Yes. This is my affidavit, yes. I signed it.

Q. Did you believe the statements in that affidavit or the statements in that affidavit to be true when you made it?

A. Yes.

Q. Do you believe the statements in that affidavit to be true today?

A. Yes.

Q. I show you a document marked as Trustee's Exhibit 9 and ask if you can identify that letter.

A. Yes, I remember it.

Q. Did you write that letter?

A. Yes.

Q. Did you believe the statements made in that letter were true at the time you made them?

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A. Yes.

Q. Do you believe that the statements made in that letter are true today?

A. Yes.

Q. Referring to the Trustee's Exhibit 9?

A. Yes.

[Note: Exhibits 8 and 9 are the letter and affidavit which are referred to in Shaw's Response (pp. 15-20) in which Levitt describes his involvement in the decision to reimburse the Individual Contributors and fails to mention Mr. Shaw playing any role relating to that decision.)

Q. Did you ever waive your attorney/client privilege with J. Stanley Shaw in connection with the Biden fundraiser?

MR. DEVITO: Don't answer that question.

Off the record  
(Discussion held off the record)

Q. Did you ever testify or advise anyone acting on behalf of the FEC that Stanley Shaw told you to host a fund raiser for the Joe Biden for president campaign in order to insure that you will receive a loan from Joe Boyoski [sic] (phonetic)?

MR. DEVITO: Excuse me. I remind you that the witness already testified that he gave no testimony whatsoever before the FEC or any investigator, but with that understanding, you can answer.

Q. Did you ever testify or advise anyone acting on behalf of the FEC that Stanley Shaw told you to host a fund raiser for the Joe Biden for president campaign in order to ensure that you would receive a loan from Joe Boyoski [sic]?

A. No.

Q. Did you ever testify or advise anyone acting on behalf of the FEC that Stanley Shaw advised you to invite employees and family members to the Biden fundraiser?

A. No.

Q. Did you ever testify or advise anyone acting on behalf of the FEC that Stanley Shaw advised you to have each employee and family member contribute \$1,000 to the fund raiser?

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A. No.

Q. Did you ever testify or advise anyone acting on behalf of the FEC that Stanley Shaw advised you to reimburse your employees and family members in an amount equal to their contributions to Biden?

A. No.

Q. Did you ever testify or advise anyone acting on behalf of the FEC that Stanley Shaw advised you to use funds from a Row and Roy (phonetic) [sic] account to make these payments?

A. No.

Q. Did you ever testify or advise anyone acting on behalf of the FEC that Stanley Shaw advised you that this was legal?

A. No.

Q. Did you ever testify or advise anyone acting on behalf of the FEC that Stanley Shaw agreed to waive his legal fees pertaining to the FEC investigation and to pay any reasonable fines?

A. No.

Thus, it would appear that Levitt either: (a) never testified or provided the Commission with the information set forth in the General Counsel's Brief; (b) no longer needs to fabricate claims against Shaw because he no longer seeks an advantage over Shaw in connection with the Levitt/Shaw Action and Williamsburgh Trusts; or (3) has had a bout of amnesia. In any event, Levitt is a completely incredible witness.

(iii) Donnelly's Bias Towards Shaw And Obstruction Of the Attorney General's Efforts

In the General Counsel's Brief (p.8), the General Counsel states that Shaw has failed to explain why "Donnelly would work in concert with Levitt to fabricate a story about Mr. Shaw's involvement". There are at least two reasons why Donnelly would work in

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concert with Levitt to fabricate a story about Mr. Shaw. First, Levitt agreed to pay Donnelly over \$1.3 Million Dollars pursuant to his employment contract. By reason of those employment agreements, Donnelly is indebted to Levitt. Second, Donnelly, like Levitt, is an adversary of Mr. Shaw and is embroiled in various disputes with him. Moreover, like Levitt, the Attorney General found that Donnelly is willing to obstruct judicial process to serve his own ends.

A major source of conflict between Shaw and Donnelly has been Shaw's interpretation of Donnelly's employment contracts. At various times, Shaw has taken the positions that: (a) the employment contracts were the result of duress and/or overreaching; (b) Donnelly was an intermediary through which funds to which Levitt's creditors were entitled were funnelled to Levitt; (c) Donnelly is not entitled to any more money from the Williamsburgh Trusts and should disgorge at least \$150,000 that he has already received from those trusts.

Donnelly's entitlement to further fees from the Williamsburgh Trusts has been openly disputed for several years. Shaw has taken the position that Donnelly should return at least \$150,000 to the Williamsburgh Trusts. Donnelly has taken the position that he is entitled to at least an additional \$300,000. The dispute with Donnelly is the subject of the Settlement Agreement (annexed hereto as Exhibit "H") entered into between, inter alia, Shaw and Levitt earlier this year. The Settlement Agreement requires Shaw, as trustee, to bring a proceeding against

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Donnelly. The Settlement Agreement (¶4) provides:

"4. THE DONNELLY TRUST:

The TRUSTEE has reported that based on certain documents, which the TRUSTEE has reviewed, and testimony adduced at an evidentiary hearing conducted by this Court, in related proceedings, an issue exists as to whether DONNELLY is entitled to any further distributions from the WILLIAMSBURGH TRUSTS, which are in excess of the amounts actually due and owing to him. Accordingly, it is hereby agreed as follows:

(a) The issues raised by the TRUSTEE, with respect to the DONNELLY TRUST, shall be submitted to this Court for a judicial determination of the following questions:

(i) has DONNELLY received payments in excess of the amount legally due and owing to him for services rendered to LEVITT, ICC, the LEVITT CORPORATIONS, or any other entities in which LEVITT has an interest;

(ii) if DONNELLY has received payments in excess of that to which were legally due to him, should he be required to disgorge any such excess amounts;

(iii) is DONNELLY entitled to any further distributions from the WILLIAMSBURGH TRUSTS and, if so, in what amount..."

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Shaw's conclusion that Donnelly has been overpaid is based on the following: Donnelly's employment contracts (even assuming they are legal and proper agreements) entitled Donnelly to maximum compensation (taking into account cost of living adjustments to which he was entitled under the contracts) of \$1,301,709 for the period between June 1, 1982 through December 31, 1988. Without the benefit of discovery, Shaw has established that Donnelly has already received at least \$1,391,509.59 from Levitt and his affiliates; \$89,800.59 more than the maximum amount to which he is entitled under his contracts. In addition, Levitt has testified that Donnelly stopped working for Levitt in the latter

part of 1986. Thus, to the extent Donnelly was able to mitigate damages in 1987 and 1988, the amount of Donnelly's contractual claims against Levitt will decrease and the amount he must return to the Williamsburgh Trusts will increase. Moreover, Shaw believes discovery will demonstrate that Donnelly has received additional payments from Levitt and Levitt affiliates which he has not disclosed and may further increase the extent to which Donnelly has been overpaid.

In addition, Donnelly and Shaw also had a dispute regarding Donnelly's claim that, in addition to the payments to which he was entitled under the Williamsburgh Trusts, Shaw should pay him his salary under his employment contracts from the money received by Shaw in his capacity as trustee of the Williamsburgh Trusts. When Shaw advised Donnelly that this was improper and would violate the Williamsburgh Trusts, Donnelly became enraged at Shaw and Donnelly attempted to make an end-run of Shaw. In November, 1988, Donnelly (as evidenced by the November 7, 1988 letter enclosed herewith as Exhibit "K") contacted the mortgagor of the Williamsburgh Property and requested that payments be made directly to ICC, rather than the Williamsburgh Trust, in violation of the trust agreements (of which he was aware) in order to enable Donnelly and Levitt to convert the monies from the Williamsburgh Trusts and, consequently, the beneficiaries of those trusts. Shaw thwarted those efforts and, in the process, made Donnelly more bitter towards Shaw. Ironically, after causing confusion and delay relating to the November, 1988 mortgage payment, Donnelly wrote

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Shaw a letter (a copy of which is annexed hereto as Exhibit "L"), on December 1, 1988 in which he purported to blame Shaw for the disruption of payments under the Williamsburgh Trusts. Donnelly's December 1, 1988 letter illustrates the tenor of Donnelly's relationship with Shaw and Donnelly's propensity for twisting things around. In his letter, Donnelly wrote:

"Dear Mr. Shaw:

As a lawyer, you must be aware of the fiduciary obligation of trustees to act in the best interest of their beneficiaries.

The November 1988 Unibuilt payment was remitted on November 14, 1988. At this date I have not received my 22% interest in that payment.

I insist upon the immediate release of my trust funds.

Yours truly,

s/Edward M. Donnelly"

Moreover, apparently in retaliation of Shaw's refusal to disregard his obligations as Trustee, in June, 1989, Donnelly submitted an affidavit (a copy of which is enclosed herewith as Exhibit "M"), in which he accused Shaw's firm of various improprieties relating to the invoices it submitted to Levitt for legal fees.

Donnelly, like Levitt, also ignored Court orders and attempted to thwart the Attorney General's collection efforts. The Attorney General, as set forth in the Attorney General's December 8 and December 19, 1989 letters (copies of which enclosed herewith as Exhibit "N") accused Donnelly of acting in bad faith and violating a Court Order.

Thus, like Levitt, it would appear that any testimony given by Donnelly against Shaw is the product of his animosity towards Shaw created by their numerous disputes and Donnelly's willingness to violate Court orders and flout judicial processes to serve his own ends.

(iv) Levitt and Donnelly Are Motivated By Self-Interest

Finally, Levitt and Donnelly's alleged testimony must be viewed in context. Levitt was accused of making contributions in the names of the Individual Contributors. Donnelly has admitted that he conceived the idea of misrepresenting the nature of the reimbursements received from Levitt. Both Levitt and Donnelly, by attempting to portray Shaw as the architect of their alleged scheme, appear to have been attempting to shift the focus of the Commission's investigation against them to Shaw. Clearly, as demonstrated by the Attorney General's allegations that Donnelly and Levitt were willing to pervert judicial processes to serve their own ends, this is consistent with their past behavior.

Given the lack of weight which can be given to Levitt's and Donnelly's testimony, it is crucial that Shaw be given a full opportunity to review the testimony of Sherry Neuman.

CONCLUSION

In sum, it is submitted that in order to permit Shaw to have a full and meaningful opportunity to respond to these charges and, thereby, to permit the Commission to have a complete record upon which to base its decision, the Commission should permit Shaw to inspect and copy all transcripts of testimony and/or depositions

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given by Donnelly and Neuman.

Dated: New York, New York  
September 21, 1992

PROSKAUER, ROSE, GOETZ  
& MENDELSON

By: \_\_\_\_\_

Arnold I. Burns  
Randy L. Levine  
1585 Broadway  
New York, New York 10036

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DUE TO THEIR BULK, THE ATTACHMENTS SUBMITTED WITH THIS  
RESPONSE HAVE BEEN DELETED.

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PROSKAUER ROSE GOETZ & MENDELSON

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September 21, 1992

ARNOLD I. BURNS  
MEMBER OF THE FIRM  
(212) 969-3230

Tonda Mott, Esq.  
Federal Election Commission  
999 E Street, NW  
Washington, DC 20463

Dear Tonda:

Re: "In the Matter of J. Stanley Shaw"  
MUR 2576

By separate cover, I will be sending you either later today or tomorrow our brief in support of J. Stanley Shaw's application to inspect and have copies made of transcripts of all testimony and interviews given by Sherry Neuman and Edward Donnelly in connection with this matter. As you know, Mr. Shaw categorically denies the allegations against him. However, without knowing the precise nature of the Neuman and Donnelly testimony, it is impossible for him adequately to address the issues.

We know that no one is alleging that Mr. Shaw either (a) made a contribution in the name of another person (b) permitted his name to be used to effect such a contribution; or (c) knowingly accepted a contribution made by one person in the name of another. Instead, it is alleged that Shaw violated the Act because he "helped or assisted" Mr. Levitt in making contributions in the names of others.

It is respectfully submitted that, if this matter comes to court (and we will work with you to obviate that if possible) and if, despite his advanced age and other problems, Mr. Levitt testifies, his testimony is worthless or next to worthless. His credibility could never withstand cross examination under the circumstances of this case.

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Tonda Mott, Esq.  
September 21, 1992  
Page 2

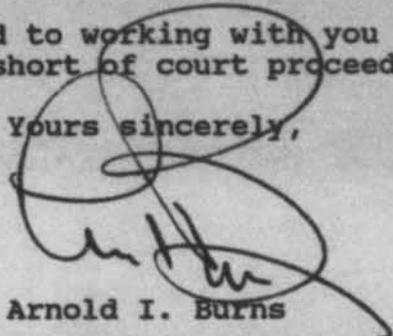
That means that the Donnelly and Newman testimony assumes importance. We have to know whether Donnelly's testimony corroborates Mr. Levitt's allegations, notwithstanding that his credibility is also subject to impeachment by reason of the intense adversarial relationship he has with Mr. Shaw. We cannot tell from the bits and pieces of the testimony heretofore discussed in the correspondence addressed to Mr. Shaw whether he even corroborates those allegations. We have tried to locate Sherry Neuman so that we could speak with her. We have been unable to locate her and we do not know whether she is findable or whether she would be available as a witness. However, it is absolutely essential that we know the nature and extent of her testimony as opposed to the fragments adverted to in the correspondence.

The standards for determining what constitutes "helping or assisting" are fuzzy at best. This makes it all the more important to get a handle on the operative facts. Only by examining the testimony requested in full can we put in a sensible explanation and provide the Commission with an adequate basis, in law and fact, for making its decision on the issue of probable cause.

We are serving 10 copies of our brief on the Commission and 3 copies on the General Counsel. Since the exhibits annexed are voluminous, we are providing the General Counsel and the Commission each with 2 whole sets of the exhibits. If this does not suffice, please let us know.

We look forward to working with you to see if this matter can be resolved, short of court proceedings.

Yours sincerely,

  
Arnold I. Burns

cc J. Stanley Shaw, Esq.  
Randy L. Levine, Esq.



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WASHINGTON, D.C. 20463

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**SENSITIVE**

November 4, 1992

**MEMORANDUM**

To: The Commission

From: Lawrence M. Noble  
General Counsel *[Signature]*

Subject: MUR 2576 - J. Stanley Shaw  
Request for documents

On August 7, 1992, this Office forwarded the General Counsel's Brief to counsel for J. Stanley Shaw, the last remaining Respondent in the above captioned matter. The Brief detailed the General Counsel's probable cause recommendation, relying on a number of sources to support its recommendation, including the depositions of two Respondent witnesses. Additionally, the Brief refers to other materials provided by previous Respondents in this matter.

During a August 20, 1992 meeting, Respondent's counsel<sup>1</sup> inquired as to whether he could obtain a copy of two of the deposition transcripts referred to in the Brief. Staff informed counsel that the Commission would entertain requests for such documents upon written request. On September 22, 1992,<sup>2</sup> this Office received the request for copies of the deposition transcripts of Edward G. Donnelly and Sherry<sup>3</sup> Neuman. Counsel submitted a brief in support of his request. Many of the arguments forwarded in counsel's supporting brief relate to the merits of the case rather than the request for documents.

1. Mr. Herbert J. Tamres, of Mr. Shaw's own firm, was designated as counsel, up until and including the time when the Probable Cause Brief was sent. A letter dated August 17, 1992, redesignated Arnold Burns of Proskauer, Rose, Goetz & Mendelsohn as new counsel for Respondent.

2. In the interim, counsel requested and was granted an extension of time until September 21, 1992, in order to submit a request for the deposition transcripts.

3. Because the attachments provided with counsel's request are voluminous, they are not included as attachments to this report. They are, however, available in this Office.

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Nevertheless, counsel also argues that

in order to permit Shaw to have a full and meaningful opportunity to respond to these charges and, thereby, to permit the Commission to have a complete record upon which to base its decision, the Commission should permit Shaw to inspect and copy all transcripts of testimony and/or depositions given by Donnelly and Neuman.

Attachment 1, pp. 30-31.

It is clear that an agency is not required to produce investigatory materials to persons who are targets of its investigation. See, SEC v. O'Brien, 467 U.S. 735 (1984). However, the Commission is also not precluded from providing such materials to Respondents in an appropriate case. See e.g., MURS 2893, 2765, 2575, 2133, 1272. Generally, the Commission has provided such materials in instances where the Respondent's credibility was challenged in depositions or where materials were needed by Respondents to evaluate the basis of an alleged knowing and willful scheme.

MUR 2576 addresses possible knowing and willful violations, and the issue of the credibility of the Respondent. Further, it appears Respondent will build his argument on the credibility of individuals who have testified in this matter. The General Counsel's Brief relies on statements made by those individuals. Therefore, this Office recommends that the Commission grant counsel's request and provide counsel with copies of the deposition transcripts of Edward G. Donnelly and Sherry Neuman.

The Respondent has had the probable cause brief for a considerable time; thus, Respondent will be afforded 15 days from the receipt of the deposition transcripts in order to respond.

#### RECOMMENDATIONS

1. Grant counsel's request and provide counsel with copies of the deposition transcripts of Edward G. Donnelly and Sherry Neuman.
2. Approve the appropriate letter.

Attachment  
Request for documents

Staff assigned: Tonda M. Mott

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BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of )  
J. Stanley Shaw - Request ) MUR 2576  
for documents. )

CERTIFICATION

I, Marjorie W. Emmons, Secretary of the Federal Election Commission, do hereby certify that on November 9, 1992, the Commission decided by a vote of 5-0 to take the following actions in MUR 2576:

1. Grant counsel's request and provide counsel with copies of the deposition transcripts of Edward G. Donnelly and Sherry Neuman.
2. Approve the appropriate letter, as recommended in the General Counsel's Memorandum dated November 4, 1992.

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

Attest:

11-9-92  
Date

*Marjorie W. Emmons*  
Marjorie W. Emmons  
Secretary of the Commission

Received in the Secretariat: Wed., Nov. 4, 1992 10:06 a.m.  
Circulated to the Commission: Wed., Nov. 4, 1992 11:00 a.m.  
Deadline for vote: Mon., Nov. 9, 1992 4:00 p.m.

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FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

November 13, 1992

**CERTIFIED MAIL  
RETURN RECEIPT REQUESTED**

Arnold I. Burns, Esq.  
Proskauer, Rose, Goetz & Mendelsohn  
1585 Broadway  
New York, NY 10036

Re: MUR 2576

Dear Mr. Burns:

On July 9, 1991, the Federal Election Commission found reason to believe that your client, J. Stanley Shaw, knowingly and willfully violated 2 U.S.C. § 441f. Following an investigation, on August 7, 1992, the Office of the General Counsel forwarded to your client the General Counsel's Brief in support of its probable cause recommendation to the Commission.

During an August 20, 1992 meeting, you inquired about obtaining copies of the deposition transcripts of Edward G. Donnelly and Sherry Neuman. On September 22, 1992, this Office received your written request for those documents.

Upon consideration of your request, on November 9, 1992, the Commission granted your request. Copies of the requested deposition transcripts are enclosed.

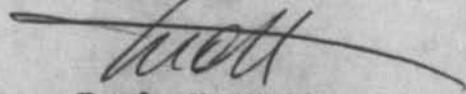
Within 15 days of your receipt of this letter, you may file with the Secretary of the Commission a brief (ten copies, if possible) stating your position on the issues and replying to the brief of the General Counsel. (Three copies of such brief should also be forwarded to the Office of the General Counsel, if possible.) The General Counsel's brief and any brief which you may submit will be considered by the Commission before proceeding to a vote of whether there is probable cause to believe a violation has occurred.

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MUR 2576  
Arnold I. Burns, Esq.  
page 2

Should you have any questions, please contact me, at (202)  
219-3400.

Sincerely,



Tonda M. Mott  
Staff Attorney

Enclosures (2)  
Deposition Transcript of Edward G. Donnelly  
Deposition Transcript of Sherry Neuman

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November 24, 1992

MUR 2576

Tonda M. Mott, Esq.  
Staff Attorney  
Federal Election Commission  
Washington, D.C. 20463

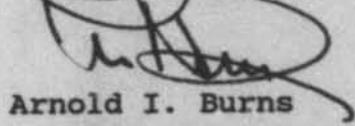
Re: FEC w/Stanley Shaw

Dear Ms. Mott:

I am in receipt of your letter dated November 13, 1992 enclosing copies of the depositions of Edward G. Donnelly and Sherry Neuman. I also acknowledge the provisions in the letter which request us to file with the Secretary of the Commission a brief stating our position on the issues and replying to the brief of the General Counsel.

Due to my previously arranged travel schedule which will keep me out of the office during this period, I respectfully request an additional twenty day extension to be added to the fifteen day period for which to file our papers. Thank you for your courtesy and cooperation.

Very truly yours,

  
Arnold I. Burns

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FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

November 25, 1992

Arnold I. Burns, Esq.  
Proskauer, Rose, Goetz & Mendelsohn  
1585 Broadway  
New York, NY 10036

RE: MUR 2576

Dear Mr. Burns:

This is in response to your letter dated November 24, 1992, requesting an extension of 20 days to respond to the General Counsel's Brief.

Considering the Federal Election Commission's responsibilities to act expeditiously in the conduct of investigations, the Office of the General Counsel cannot grant your full request. Your client has had the General Counsel's Brief since it was sent to him on August 7, 1992. Further, the Commission approved your request for copies of the depositions with the understanding that there would be no further delay in the response. You were given fifteen days, from receipt of the requested deposition transcripts, in order to respond. Thus, your response was originally due on December 3, 1992. This Office can only agree to a 7 day extension. Accordingly, the response is due by close of business on December 10, 1992.

If you have any questions, please contact me at (202) 219-3400.

Sincerely,

Tonda M. Mott

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BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of )  
                          ) MUR 2576  
J. Stanley Shaw )

**RESPONDENT'S BRIEF IN OPPOSITION  
TO THE GENERAL COUNSEL'S  
RECOMMENDATION THAT THE FEDERAL  
ELECTION COMMISSION FIND PROBABLE CAUSE**

PROSKAUER, ROSE, GORTZ & MENDELSON  
1585 Broadway  
New York, New York 10036

Of Counsel:

Arnold I. Burns  
Randy L. Levine

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This testimony is revealing in two respects. Newman testified that when she initially gave Levitt the check for the Fundraiser she did not know that Levitt agreed to host the Fundraiser in order to ingratiate himself with Boyarsky. See Newman Transcript, p. 33. Newman also testified that she learned of Boyarsky's connection to the Fundraiser sometime before the Fundraiser. See Newman Transcript, p.36. However, as set forth above, Newman also testified that she learned of Boyarsky's connection to the Fundraiser four weeks after she wrote her check to the Biden Committee. This, of course, is impossible. Only one or two days passed between Levitt's request for Newman's contribution and the Fundraiser. In fact, as set forth above, only two weeks passed between Levitt's initial meeting with Boyarsky and the Fundraiser. Thus, this testimony, cannot be accurate.

Moreover, Newman's testimony illustrates the vague and unreliable nature of Ms. Newman's testimony. Newman could not recall how she learned of Boyarsky's connection to the Fundraiser but was willing to give three different versions of how she learned this fact; speculating that she may have learned this fact from Shaw's secretary, Levitt "directly" or Levitt "indirectly".

(ii) Newman Is Not A Credible Witness

Newman's testimony also reveals that she is not a credible witness.

First, while Newman purportedly recalled conversations with Shaw regarding Levitt's reimbursement of contributions in her deposition, she flatly denied the occurrence of those conversations

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in her sworn answers to the Commission's Interrogatories. In connection with this investigation, the Commission sent Interrogatories to each of the Individual Contributors. Interrogatory No. 2 to the Individual Contributors instructed Ms. Newman to:

Describe, in detail, each and every occasion on which the reimbursement of your contribution to Citizens for Biden Committee 1990 was discussed orally or in writing. Include the date, the individuals present, and the content of the conversation. (Emphasis supplied)

In her Response to Interrogatories (a copy of which is enclosed herewith as Exhibit "D"), which were sworn to on March 31, 1988, Newman failed to disclose any alleged conversation with Mr. Shaw. Instead, in response to Interrogatory No. 2, Newman stated:

In June 1986 William Levitt told me that he wanted two checks from me for \$1,000 each. I told him I didn't have \$2,000 and he advised me that he was going to exchange checks with me. He asked me to give him one check from myself and one from another member of my family. He told me to make one of my checks out to Michael (my son) and then endorse his (Michael's) name in favor of the Biden campaign. No discussion of this was ever had with Michael Newman and he knew nothing about it.

Curiously, in the two and one-half months between her sworn Interrogatories and sworn deposition testimony, Ms. Newman apparently manufactured a conversation or conversations with Mr. Shaw regarding the reimbursement of her contribution.

Second, Ms. Newman's handling of her reimbursements from the Biden Committee and denial of receiving a demand from the New York State Attorney General to reimburse the Levitt Foundation establishes her lack of credibility. Ms. Newman admits that she

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and her son were reimbursed for their Biden contributions twice -- once by Levitt in June, 1986 and once by the Biden Committee in August, 1987. See Newman Transcript, pp. 42 and 45. However, Ms. Newman kept both reimbursements, thereby profiting from Mr. Levitt's allegedly improper scheme. When questioned as to why she did not return the Biden Committee refund to the New York State Attorney General, Ms. Newman denied receiving any request to do so. See Newman Transcript, p.46. However, it would appear that this response was not truthful. Enclosed herewith as Exhibit "E" is the file copy of the letter<sup>3</sup> in which the New York State Attorney General's office made this demand to Ms. Newman. The Attorney General's letter (which every other Individual Contributor, including Donnelly, admits receiving) was addressed to Ms. Newman's proper address.

Third, a review of Ms. Newman's transcript indicates that her recollection of the events relating to the Fundraiser is not reliable. For instance, as set forth in the following questions and answers from the Newman Transcript, Ms. Newman testified that the Fundraiser could not have taken place in June:

Q. But do you think it was around the beginning of June that you made the contribution?

A. I don't know. I would tend to think it wasn't in June.

Q. When would you think it was?

---

<sup>3</sup> The New York State Attorney General's office, pursuant to a request Shaw's office made on December 1, 1992, provided Shaw with its file copy of the above-mentioned letter to Newman.

A. You're a women and you can understand this. It was after this check was written that there was a meet the candidate party that Mr. Levitt was having. He insisted that I be there and I wore a wool dress.

Q. A what?

A. A wool dress. So it couldn't have been [in June]. I don't know. The date doesn't seem right to me.

See Newman Transcript, pp. 28-29. (Emphasis supplied) However, it is undisputed that the Fundraiser took place on June 2, 1986.

In sum, it is submitted that Ms. Newman's testimony is unreliable, untrustworthy and cannot form the basis for a finding of probable cause.

B. Edward Donnelly

In his brief, the General Counsel relies on three allegedly incriminating statements made by Donnelly. However, a review of those statements in the context of Donnelly's entire deposition and his adversarial relationship with, and bias towards, Shaw, establishes that Donnelly's testimony is not credible and is disingenuous.

(1) Donnelly's Bias Towards Shaw

As set forth in the Deposition Brief (pp.18-20 and 25-30) and exhibits enclosed therewith, Donnelly and Shaw have been adversaries for a number of years. The source of this conflict is Shaw's position as trustee of a trust ("Trust") in which Donnelly is a beneficiary. As trustee, Shaw has: (a) argued that Donnelly's employment contracts with Levitt were the result of duress and/or overreaching; (b) alleged that Donnelly was an intermediary through which funds to which Levitt's other creditors

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were entitled were funnelled to Levitt; (c) asserted that Donnelly is not entitled to any more money from the Trust and should disgorge at least \$150,000; (d) refused to permit the payment of a salary to Donnelly which Shaw believed would be in derogation of the Trust; and (e) thwarted Donnelly's efforts to divert the payment of monies from the Trust to himself. See Deposition Brief, pp. 25-30 and the exhibits referred to therein.

Shaw's efforts on behalf of the Trust have infuriated Donnelly and have led Donnelly to take vindictive actions against Shaw, including threatening Shaw and opposing Shaw's attempt to collect fees owed to his firm. See Deposition Brief, pp. 25-30 and exhibits enclosed therewith. It is submitted that Donnelly's testimony against Shaw was motivated by vengeance against Shaw and not by any legitimate attempt to tell the truth. As set forth below, Donnelly's testimony was not truthful.

(ii) Donnelly's Testimony Is Disingenuous

Donnelly, like Newman, accepted both Levitt's reimbursement of Donnelly's Biden contribution and the Biden Committee's reimbursement of that contribution. Donnelly did not comply with the Attorney General's demand that he reimburse the Levitt Foundation. See Donnelly Transcript, p.18. By reason of his acceptance of both refunds, Donnelly made a \$2,000 profit on the allegedly illegal Fundraiser.

At his deposition, Donnelly attempted to explain away this behavior by testifying that as a creditor he had the right to treat the refund from Rowenroy to Donnelly and his wife as a

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payment for a debt allegedly owed by Levitt to Donnelly. See Donnelly Transcript, pp. 14-15. Donnelly's testimony is disingenuous and typifies Donnelly's utter disregard for the truth and willingness to distort the truth to suit his own purposes. The following indisputable facts establish the incredibility of Donnelly's testimony:

- Rowenroy did not owe Donnelly any money. In fact, Rowenroy was not a party to any of Donnelly's employment contracts, copies of which are enclosed herewith as Exhibit "F".

- The Rowenroy check was made payable to Donnelly and his wife. Donnelly acknowledges that neither Levitt nor any of Levitt's companies owed Donnelly's wife money. See Donnelly Transcript, pp.11 and 14.

- Donnelly, in the course of his duties, reviewed the Rowenroy Ledger and was aware of the fact that the ledger indicated that the payment to Donnelly and his wife was described as "personal" (as opposed to other disbursements to Donnelly such as the one made to him on February 4, 1986 which the Rowenroy Ledger indicates was made on account of a Levitt company which was, in fact, indebted to Donnelly) and was not for services performed by Donnelly. See Donnelly Transcript, pp.11-12.

- Donnelly admitted that he deposited the June 4 Rowenroy check into his personal, as opposed to business, bank account. See Donnelly Transcript, p.17.

- Donnelly acknowledged that he was aware that Levitt intended the June 4th Rowenroy check to be a reimbursement of Donnelly's contribution to Biden. Donnelly Transcript, pp. 11, 15 and 40.

- Donnelly refused to reimburse the Levitt Foundation, pursuant to the Attorney General's demand, even though, based on his review of Rowenroy's books and records, Donnelly was in the best position to know that the source of the refunds was the Levitt Foundation.

Based on the foregoing facts, Donnelly's retention of both refunds and his continued insistence that both refunds were paid for debts owed to him is disingenuous at best. The General

Counsel made a mistake in basing his recommendation on such an obviously untrustworthy witness.

(iii) Donnelly's Specific Allegations Against Shaw Are Not Credible

According to the General Counsel's Brief, Donnelly made three allegedly incriminating statements against Shaw. None of these statements, however, constitutes competent, admissible or credible proof.

First, the General Counsel alleges that Donnelly "testified that the reimbursement scheme was a result of J. Stanley Shaw's advice". In the Deposition Brief (pp. 12-13), Shaw opined that the transcript of Donnelly's deposition would reveal that Donnelly did not allege a factual basis for this allegation. Again, Shaw was able to make this prediction because he knew that Donnelly could not have stated any support for this allegation because it is not true. Again, Shaw was correct.

Donnelly does not allege that he heard Shaw give this advice or that he was present at a conversation in which Shaw acknowledged giving such advice. Instead, a review of Donnelly's transcript reveals that Donnelly alleged absolutely no basis for his conclusion other than to rely on vague recollections of a conversation he allegedly had with Levitt. The testimony relied on by the General Counsel is set forth below:

Q. It was your understanding that Mr. Shaw had suggested to Mr. Levitt that posting [sic] a fundraiser for Joe Biden would be a good way to win favor with Mr. Boyarsky?

A. That's what Mr. Levitt told me.

\* \* \*

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Q. You've testified earlier that Mr. Shaw was the one who suggested to William Levitt that he host one of the fundraisers?

A. I testified that Shaw told me that -- I'm sorry -- that Levitt told me that Shaw suggested that he do that, yes.

\* \* \*

Q. ... Do you have any knowledge that at that point in time, Mr. Shaw had told Mr. Levitt he could reimburse people for contributions?

A. ... And I understand from conversation with Mr. Levitt that he told Stanley Shaw that he can't seem to be able to get his old friends to show up. And Stanley Shaw suggested, according to Levitt, that he get people from the office, get the employees at the office and any other relatives he might be able to muster up, but basically people from the office and have them show up or make the contributions at the party.

And my recollection is that Levitt told me that Shaw told him that they would get the money back. I don't recall the manner in which they were going to get the money back, but --

See Donnelly Transcript, pp. 20; 29; 30 - 31. (Emphasis supplied)

Donnelly's testimony is unreliable and should not be relied upon by the Commission. Indeed, Donnelly's testimony is obviously inadmissible and non-probative hearsay. Moreover, Donnelly's testimony in this regard is completely devoid of any details (i.e. when the conversation occurred, whether it was contemporaneous with the Fundraiser, who was present, where it took place, what were the circumstances under which the conversation took place, etc.) which might give the testimony some aura of credibility.

Second, Donnelly allegedly testified that Stanley Ogonowski and Ralph Della Ratta told him that there were inaccuracies in the affidavits submitted to the Commission on their behalf

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by Herb Tamres of Shaw's law firm and that Ogonowski and Della Ratta were concerned that the affidavits would incriminate them. See General Counsel's Brief, p.7. However, the General Counsel does not indicate whether he has interviewed Mr. Ogonowski or Mr. Della Ratta to determine if there is any validity to these allegations. As set forth in the affidavits enclosed herewith as Exhibits "G" and "H", respectively, both Della Ratta and Ogonowski state that: (a) they do not recall speaking to Donnelly about these affidavits; (b) they believed that their affidavits were accurate at the time they signed them and continue to believe the affidavits are accurate; and (c) they were not concerned that the affidavits would incriminate them.

Third, according to the General Counsel, Donnelly testified that:

when Stanley Shaw found out that he (Donnelly) was treating the Rowenroy funds as a partial payment for the sum Mr. Levitt owed him rather than as a reimbursement for the Biden contributions, Mr. Shaw told Mr. Donnelly that it sounded like a good idea.

Mr. Shaw's firm was representing other employees and family members who were then the subject of the Commission's investigation. Mr. Donnelly testified that Mr. Shaw told him (Donnelly) that he was going to use the same approach of treating the reimbursements as payments for money owed to the others involved.

At his deposition, Donnelly also alleged that Shaw stated that Shaw intended to treat the reimbursements to Levitt's wife and daughters as reductions of debt even though Levitt did not owe them money. See Transcript, pp. 26-27; 33-34.

As set forth in Donnelly's Transcript (p.27), this conversation allegedly occurred in March, 1988. Thus, this alleged conversation, even if it occurred, does not evidence that Shaw played any role in connection with Levitt's solicitation of contributions and reimbursement scheme. Moreover, a review of the affidavits submitted by the Individual Contributors' represented by Tamres, indicates that Donnelly's "scheme" to violate the Act, if it was in fact communicated to Shaw, was not followed by Shaw and Shaw's firm did not advise Levitt's wife or daughters to treat the Rowenroy reimbursements as payments of debt.

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Unlike Donnelly, each of the Individual Contributors represented by Tamres acknowledged that Levitt solicited contributions from them based on Levitt's promise that he would reimburse them for their contributions in the form of a reduction of debt, bonus or gift. See Individual Contributor Affs. Each admitted that Levitt induced them to make a contribution to Biden based on Levitt's promise to reimburse them. Donnelly, incredibly, denies these facts. See Donnelly Transcript, p.8. Thus, the Individual Contributors Affidavits' are not consistent with Donnelly's own actions or Donnelly's alleged advice to Shaw. Moreover, a review of the affidavits submitted by the Individual Contributors represented by Tamres indicates that only those who could document that Levitt owed them money (i.e. Della Ratta, Cortese, Kellman) alleged that they treated the payment by Levitt as a reduction of indebtedness. Contrary to Donnelly's testimony, the others (i.e. Levitt's wife and daughters, Ogonowski and Stern) made no such

allegation. Thus, to the extent that Donnelly gave Shaw this advice, it is obvious that Shaw did not follow it.

C. William Levitt

The General Counsel attributes various incriminating statements to Levitt. Levitt, of course, now denies having made any of the statements attributed to him by the General Counsel to anyone acting on behalf of the Commission. Under the circumstances of this case, it would be inappropriate for the Commission to rely on Levitt's alleged statements.

First, it would appear that Levitt did not make the alleged statements in sworn testimony. In a deposition taken in another action, Levitt testified that the only testimony he gave in a proceeding involving the Commission was limited to Levitt asserting his fifth amendment privilege. See Transcript of Deposition of William J. Levitt ("Levitt Transcript") pp. 43-44, a copy of which is enclosed herewith as Exhibit "I". Levitt's allegedly unsworn statements are incompetent and should not be relied upon by the Commission to base a finding of probable cause.

Second, Levitt has categorically denied, in sworn testimony, making any of the unsworn statements relied upon in the General Counsel's Brief or submitting any documents containing such allegations to the Commission. Specifically, Levitt testified that he did not advise the Commission or anyone acting on behalf of the Commission, or submit any documents indicating, that Shaw advised Levitt to: (a) host the Fundraiser for Biden to insure that Boyarsky would make a loan to Levitt; (b) invite employees and

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family members to the Fundraiser; (c) ask Levitt's employees and family members to contribute money; (d) reimburse the contributors to the Fundraiser; or (e) use the Rowenroy account to make those reimbursements. At his deposition, Levitt testified as follows:

Q. Did you ever testify at any sort of proceeding or hearing at the Federal Election Commission?

A. Yes.

Q. When was that?

A. Two years ago.

Q. Did you answer any questions asked by them other than by taking the fifth amendment?

A. No.

Q. So you gave no substantive answers to their questions?

A. That's correct.

Q. Did you ever mention the name Stanley Shaw at that testimony?

A. I don't recall. I don't think so.

Q. Did you ever speak to an investigator with the Federal Election Commission?

A. No.

Q. Did you ever submit any documents to the Federal Election Commission?

A. No.

\* \* \*

Q. Did you ever testify or advise anyone acting on behalf of the FEC that Stanley Shaw told you to host a fund raiser for the Joe Biden for president campaign in order to ensure that you would receive a loan from Joe Boyoski [sic]?

A. No.

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Q. Did you ever testify or advise anyone acting on behalf of the FEC that Stanley Shaw advised you to invite employees and family members to the Biden fund raiser?

A. No.

Q. Did you ever testify or advise anyone acting on behalf of the FEC that Stanley Shaw advised you to have each employee and family member contribute \$1,000 to the fund raiser?

A. No.

Q. Did you ever testify or advise anyone acting on behalf of the FEC that Stanley Shaw advised you to reimburse your employees and family members in an amount equal to their contributions to Biden?

A. No.

Q. Did you ever testify or advise anyone acting on behalf of the FEC that Stanley Shaw advised you that this was legal?

A. No.

Q. Did you ever testify or advise anyone acting on behalf of the FEC that Stanley Shaw agreed to waive his legal fees pertaining to the FEC investigation and to pay any reasonable fines?

A. No.

See Levitt Transcript, pp. 43-44; 47 - 48.

Levitt's denial that he made those statements indicates that either: (a) Levitt never made these statements to the Commission; (b) the General Counsel is relying on completely unreliable double hearsay; (c) Levitt has decided that he no longer needs to fabricate claims against Shaw because, as set forth in the Deposition Brief and exhibits enclosed therewith, he has settled his claims against Shaw and Shaw's claims against him; (d) he has had a convenient loss of memory. In any event, it is clear that Levitt's alleged statements about Shaw are completely unreliable

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and should not be relied upon by the Commission in making a finding of probable cause.

Indeed, at his deposition, Levitt confirmed that the statements contained in the Levitt Aff. (enclosed herewith as Exhibit "A") and letter to Boyarsky (annexed to the Donnelly Transcript as Exhibit "2") in which Levitt confirmed that only he and Boyarsky were involved in the reimbursement scheme were accurate. See Levitt Transcript, pp. 45-46.

Third, Levitt's alleged statements must be viewed in context. It is undisputed that: Levitt personally solicited (or some would argue coerced) the Individual Contributors into making the allegedly illegal campaign contributions; Levitt personally agreed to reimburse them for their contributions and; arranged for the reimbursement of the Individual Contributors. There is no allegation that Shaw played any role in connection with these actions. Levitt's attempt to exculpate himself or shift the focus of the Commission's investigation away from him to Shaw by alleging that his attorney advised him to engage in this scheme (especially considering that Shaw and Levitt were engaged in adversarial disputes at the time) is patently self-serving, unbelievable and cannot be taken seriously.

Finally, Levitt's credibility must be viewed in the context of the various actions the New York State Attorney General has taken against him (which have resulted in judgments against Levitt) for: (a) defrauding thousands of consumers; (b) converting funds from a charitable foundation; and (c) obstructing the

Attorney General's efforts to enforce its judgment. See Shaw's Response, the Deposition Brief and exhibits enclosed therewith.

In sum, the General Counsel's conclusion is not supported by credible or competent evidence.

POINT II

The Act Does Not Prohibit "Helping Or Assisting" A Violation Of The Act

The General Counsel has recommended that there is probable cause to find that Mr. Shaw has violated 2 U.S.C. §441f. 2 U.S.C. §441f provides:

"No person shall make a contribution in the name of another person or knowingly permit his name to be used to effect such a contribution, and no person shall knowingly accept a contribution made by one person in the name of another person."

However, the General Counsel does not allege that Mr. Shaw either: (a) made a contribution in the name of another person; (b) permitted his name to be used to effect such a contribution; or (c) knowingly accepted a contribution made by one person in the name of another person. Instead, the Commission's General Counsel alleges that Shaw violated the Act because he "helped or assisted" Levitt in making contributions in the names of the Individual Contributors. The Act does not prohibit "helping or assisting" another person in making a contribution in the name of another person. Instead, in making his recommendation that Mr. Shaw violated the Act, the General Counsel relied on a regulation, 11 CFR §110.4(b)(1)(iii), which seeks, in effect, to amend the Act

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by making "helping or assisting" a person in making a contribution in the name of another person a violation of the Act.

The above-cited regulation and the General Counsel's reliance thereon constitute an impermissible attempt to amend the Act by regulation, instead of by Act of Congress. See Iglesias v. United States, 848 F.2d 362, 366 (2d Cir. 1988) ("A regulation ... may not serve to amend a statute ... or to add to the statute something which is not there"). Thus, there is no legal basis for the Commission to proceed with this claim.

### POINT III

#### The General Counsel Has Alleged No Overt Acts By Shaw Which Helped Or Assisted Levitt In Violating The Act

The General Counsel's Brief does not set forth any standard for what activities constitute "helping or assisting" a violation of the Act. Our review of cases interpreting the Act and the Commission's regulations failed to uncover any application of this standard.

In fact, the only case cited by the General Counsel in support of his claim that "helping or assisting" a person in making a contribution in the name of another" constitutes a violation of the Act (FEC v. Rodriguez, No. 86-687 Civ. T-10 (M.D. Fla. October 28, 1988) is described by the General Counsel as "an unpublished default judgment". See General Counsel's Brief, p.4. Obviously, an unreported default judgment has no precedential value. See Rhodes v. Meyer, 334 F.2d 709, 718-19 (8th Cir.), cert. denied, 379 U.S. 915 (1964).

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However, it is clear that to be found to have "helped or assisted" a violation of the Act, a Respondent must have, at a minimum, committed some affirmative, overt act in furtherance of the violation of the Act. Certainly, mere knowledge on the part of a respondent that another has committed a violation of the Act is not sufficient to form the basis for a finding that a respondent has violated the Act. See United States v. Nusraty, 867 F.2d 759, 766 (2d Cir. 1989) (to be guilty of aiding and abetting a crime, a defendant must have furthered the criminal act); United States v. Guida, 792 F.2d 1087, 1096 (11th Cir. 1986) (to be guilty of aiding and abetting a crime, a defendant must have committed an overt act in furtherance of the criminal venture); United States v. Garcia, 785 F.2d 214 (8th Cir.), cert. denied, 475 U.S. 1143 (1986) (to be guilty of contributing to the furtherance of a conspiracy to distribute cocaine, there must be some element of cooperation beyond mere knowledge of the conspiracy); Laterza v. American Broadcasting Co., 581 F.Supp 408, 412 (S.D.N.Y. 1984) (knowledge of a criminal venture and engagement in contractual relations with the participants of that venture do not constitute aiding and abetting a crime).

Even if the Commission ignores the patent incredibility, impossibility and unreliability of Levitt, Donnelly and Newman's allegations and accepts them as true, those allegations do not form a sufficient basis upon which to find that Shaw committed an overt act which furthered Levitt's alleged violation of the Act.

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Shaw committed no overt or affirmative act in connection with Levitt's alleged violation of the Act. In fact, Levitt, by his own admission, committed all of the affirmative acts necessary to commit the alleged violation of the Act by himself -- Levitt solicited the contributions; Levitt decided to reimburse the Individual Contributors; and Levitt refunded those contributions. See Levitt Aff. and General Counsel's Brief. The glaring lack of any allegation that Shaw played an overt or affirmative role in this scheme is particularly apparent from Newman's testimony. First, Newman merely testified that Shaw was aware of Levitt's violation of the Act. Certainly, mere knowledge that another has violated the Act is not a sufficient basis upon which to predicate a finding of a violation of the Act. Moreover, it is clear from Newman's testimony that Levitt, and Levitt alone, induced Newman to make a contribution to the Biden Committee, promised to reimburse her and effectuated that reimbursement. In fact, Newman testified that Levitt's control over her was so strong that she did not consider questioning Levitt's demand for a contribution and was willing to forge her son's name upon Levitt's demand. Newman testified:

Q. Do you remember why you wrote this check?

A. Because Mr. Levitt asked me to.

Q. How many times did he ask you to?

A. Once.

Q. Can you tell me what he said?

A. Yes. He came over to my desk and he had a piece of paper and on it it said Citizens for Biden. He said I

need a check, your personal check for this amount, \$1,000 made payable to. I remember looking at him and laughing, and he said don't worry about it, that I'll give you the money back, but I just need your personal check, and I wrote the check.

Q. Did he also ask you to have your son write a check?

A. The next day. See, he had gone around, and I found out later on that he had asked everybody for a check for Mr. and Mrs. I didn't have a Mr. So he came back the next day and he knew my son, and he said give me a check for Michael. In fact, he instructed me how to do it. The check was made payable to Michael from me and then endorsed by Michael, which wasn't Michael's signature, made payable to Biden.

Q. So you signed Michael's name on the back?

A. Yes.

Q. Did Mr. Levitt tell you to do that?

A. Yes.

\* \* \*

Q. Why did you decide to write the check or actually the two checks?

A. Because he [Levitt] asked me to.

Q. Were you concerned that you would lose your job if you didn't write the checks?

A. I never questioned Mr. Levitt. Mr. Levitt is a very strong figure and always made it clear that he was the boss and decisions to be made were his final say, and when he asked that something be done, we did it. It was just never questioned.

\* \* \*

Q. Did you receive a check back from Mr. Levitt?

A. Yes.

See Newman Transcript, pp. 29-31; 32 and 39.

Thus, it is clear that Levitt committed his violation of the Act without any "help or assistance" by Shaw.

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CONCLUSION

For the foregoing reasons, it is respectfully submitted that the Commission should find that there is no probable cause that Mr. Shaw committed a violation of the Act.

Dated: New York, New York  
December 9, 1992

PROSKAUER, ROSE, GOETZ  
& MENDELSON

By:

*Arnold I. Burns*

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FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

March 31, 1993

**CERTIFIED MAIL  
RETURN RECEIPT REQUESTED**

James A. Pascarella, Esq.  
170 Old Country Road  
Fourth Floor  
Mineola, NY 11501

Re: MUR 2576

Dear Mr. Pascarella:

On October 7, 1991, the Federal Election Commission ("Commission") and your client, William J. Levitt, entered into a conciliation agreement in settlement of violations of 2 U.S.C. §§ 441f and 441b. According to the agreement, your client is required to pay a civil penalty of \$19,500. On the same day, the Commission and your client, on behalf of his company, Rowenroy, Ltd., entered into a conciliation agreement in settlement of violations of 2 U.S.C. §§ 441b, 441f, and 441e. According to that agreement, your client is required to pay an additional civil penalty of \$19,500. Both agreements provided that your client would comply with all the requirements contained in the agreements within 30 days. According to Commission records, your clients' payments have not been received.

This Office recalls that you previously advised us that your client's financial situation made it doubtful that payments for the civil penalties would be made within the normal time period. I also understand that you spoke with Jeff Long of this Office several weeks ago and indicated to him that you believe that your client is still unwilling or unable to comply with the terms of the agreement. You also stated at that time that you do not know whether Mr. Levitt and his company are involved in bankruptcy proceedings.

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James A. Pascarella, Esq.  
page 2

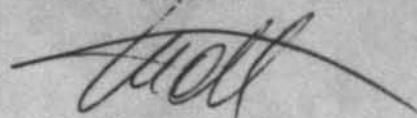
Since you spoke with Jeff Long, I have made several attempts to contact you by telephone, but you have not returned my calls. This Office requires certain documentation or payment as agreed. Please submit the following:

1. Payment in full by your client; or
2. Documentation of any bankruptcy proceedings, pending or final, of William J. Levitt, personally; and documentation of any bankruptcy proceedings, pending or final, of Mr. Levitt's company, Rowenroy, Ltd.; or
3. A letter indicating that you no longer represent Mr. Levitt and Rowenroy, Ltd., so that we may contact him directly.

Please be advised that, pursuant to 2 U.S.C. § 437g(a)(5)(D), violation of any provision of the conciliation agreement may result in the institution of a civil suit for relief in the United States District Court. Unless we receive the requested documentation or payment within five days, this Office will recommend that the Commission file suit to remedy this violation.

If you believe the Commission's records are in error, or if you have any questions, please contact me at (202) 219-3690.

Sincerely,



Tonda M. Mott  
Attorney

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RECEIVED  
FEDERAL ELECTION  
COMMISSION  
MAIL ROOM

LAW OFFICES

OF

JAMES A. PASCARELLA

APR 19 9 51 AM '93

OF COUNSEL  
THOMAS A. ILLMENSEE  
MICHAEL W. CANCELLARE

170 OLD COUNTRY ROAD  
FOURTH FLOOR  
MINEOLA, NEW YORK 11501  
(516) 742-1134  
TELECOPIER (516) 248-9313

April 14, 1993

Tonda M. Mott, Esq.  
Federal Election Commission  
Washington, D.C. 20463

Re: William J. Levitt and Rowenroy, Ltd.  
MUR 2576

Dear Ms. Mott:

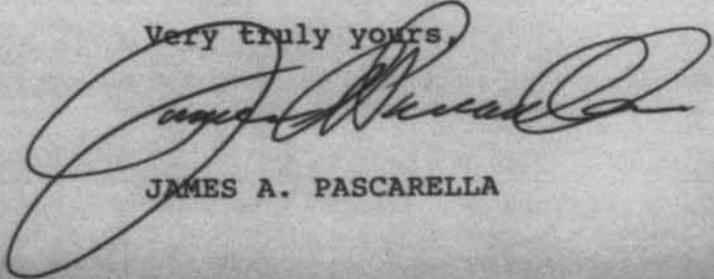
This letter is in response to your letter dated March 31, 1993 and received at this office on April 5, 1993. In order to fully respond, I have endeavored to speak to William J. Levitt. I was successful in contacting him, and I have learned that he has been in North Shore University Hospital for some months now.

At any rate, it is my understanding that Mr. Levitt's financial status is, if anything, worse than it was at the time of the conciliation agreement. At the time of the said agreement, all involved were aware that it was unlikely that Mr. Levitt would ever be in a financial position to pay the civil penalties.

Mr. Levitt informs me that neither he nor Rowenroy are involved in bankruptcy proceedings. He also confirmed my belief that Rowenroy has been long inactive. Further, we still represent William Levitt although fees for legal services performed in this and many other matters are long outstanding. Due to the state of Mr. Levitt's health and the fact that we still represent him in this matter, at least as of the time of this writing, I suggest that you do not contact him directly but, rather, deal with this office.

It is my understanding that Mr. Levitt will remain in rehabilitation for quite some time. I ask that you not recommend that the Commission file suit to remedy what you deem a violation of the conciliation agreement. Due to Mr. Levitt's age, ill health and financial condition, such suit would be pointless.

Very truly yours,



JAMES A. PASCARELLA

JAP:cjc

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FEDERAL ELECTION COMMISSION  
OFFICE OF GENERAL COUNSEL  
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FEDERAL ELECTION COMMISSION

93 APR 30 AM 9:48

In the Matter of )

William J. Levitt, and )  
Rowenroy, Ltd. )

MUR 2576

**SENSITIVE**

**EXECUTIVE SESSION**

GENERAL COUNSEL'S REPORT

MAY 1 1 1993

I. BACKGROUND

On October 7, 1991, the Commission accepted a signed conciliation agreement from William J. Levitt. Attachment 1. The agreement concerned Respondent's violation of 2 U.S.C. §§ 441f and 441b and provided for a \$19,500 civil penalty. On the same day, the Commission also accepted a signed conciliation agreement from Rowenroy, Ltd. (signed in its behalf by William J. Levitt). Attachment 2. The agreement concerned Respondent's violation of 2 U.S.C. §§ 441f, 441b, and 441e and provided for a \$19,500 civil penalty.

II. DISCUSSION

On October 17, 1991, Respondents were notified that the Commission had accepted the conciliation agreements submitted on their behalf and had closed the file as it pertained to both Respondents. At that time Respondents were also provided with a copy of the executed conciliation agreements. Under the terms of the agreements payment of both civil penalties was due by November 7, 1991.

Having received no payment, on November 21, 1991, this Office sent counsel for Respondents a letter reminding him of his clients obligations under the terms of the agreement.

Counsel responded stating that Mr. Levitt was not "at [that]

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time, in a financial position to make payment of the civil penalty assessed." Counsel explained that this was because Mr. Levitt was trying to resolve a lawsuit against his former attorney (Shaw) and issues arising from an investigation by the Attorney General of the State of New York.

In early March 1993, staff contacted counsel by phone to inquire into Mr. Levitt's intentions regarding his outstanding obligation. Counsel stated that his client was, at that time, unable to pay because of bankruptcy. On March 31, 1993, this Office sent a letter to counsel demanding payment or complete documentation of any bankruptcy proceeding, pending or final, against Mr. Levitt and his company Rowenroy, Ltd.

In a letter received by this Office on April 19, 1993, counsel responded that neither Mr. Levitt nor his company are involved in bankruptcy proceedings.<sup>1</sup> Attachment 3. Nevertheless, counsel requested that this Office "not recommend that the Commission file suit to remedy what you deem a violation of the conciliation agreement." Id. Counsel stated that "[d]ue to Mr. Levitt's age, ill health and financial condition, such suit would be pointless." Id.

Indeed, this Office does deem non-payment of a civil penalty a violation of the conciliation agreement. It is quite clear that a court would also deem it as such. 2 U.S.C. § 437g(a)(5)(D); See e.g., FEC v. Citizens for LaRouche,

1. Counsel also previously represented that Mr. Levitt was in bankruptcy and ill health. See, General Counsel's Report, dated July 1, 1991, pp. 9-10.

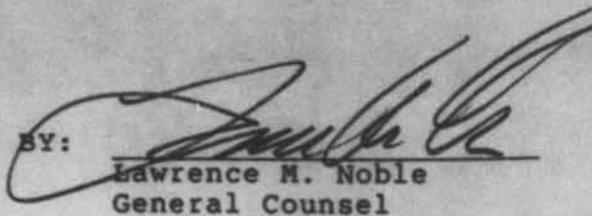
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(Civ. No. 83-0373) (D.D.C. 1984). Counsel has continued to be nonresponsive and uncooperative in documenting any inability of his client to comply with the terms of the conciliation agreement. Therefore, this Office recommends that the Commission authorize the Office of the General Counsel to file suit against William J. Levitt to enforce the terms of the conciliation agreements.

**III. RECOMMENDATIONS**

1. Authorize the Office of the General Counsel to file a civil suit for relief in United States District Court against William J. Levitt.
2. Approve the appropriate letter.

4/29/93  
Date

BY:   
Lawrence M. Noble  
General Counsel

Staff assigned: Tonda M. Mott

**Attachments**

1. Copy of the executed Conciliation Agreement (Levitt)
2. Copy of the executed Conciliation Agreement (Rowenroy)
3. Respondent's letter dated April 14, 1993

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BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of )  
William J. Levitt, and ) MUR 2576  
Rowenroy, Ltd. )

CERTIFICATION

I, Delores Hardy, recording secretary for the Federal Election Commission executive session on Tuesday, May 11, 1993, do hereby certify that the Commission decided by a vote of 6-0 to take the following actions in MUR 2576:

1. Authorize the Office of the General Counsel to file a civil suit for relief in United States District Court against William J. Levitt and Rowenroy, Ltd.
2. Approve the appropriate letter, as recommended in the General Counsel's report dated April 29, 1993.

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

Attest:

930890961653  
May 11, 1993  
Date

*Delores Hardy*  
Delores Hardy  
Administrative Assistant



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

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SECRETARIAT

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July 29, 1993

**SENSITIVE**

**MEMORANDUM**

TO: The Commission

From: Lawrence M. Noble *LMN*  
General Counsel

Richard B. Bader *RBB*  
Associate General Counsel

Stephen E. Hershkowitz *SEH*  
Assistant General Counsel

Frania Monarski *FM*  
Attorney

Subject: MUR 2576 -- William J. Levitt

Recommendation To Close The File With Regard  
To William J. Levitt and Rowenroy, Ltd.

On May 11, 1993, the Commission authorized the Office of General Counsel to file a civil suit pursuant to 2 U.S.C. § 437g(a)(5)(D) against William J. Levitt and Rowenroy, Ltd. to enforce two conciliation agreements signed by Mr. Levitt. After investigating Mr. Levitt's physical condition and financial situation, this Office recommends that the Commission not file suit against William J. Levitt and Rowenroy, Ltd. In addition, this Office recommends that the Commission close the file in this matter with regard to William J. Levitt and Rowenroy, Ltd.

On October 17, 1991, the Commission and Mr. Levitt entered into two conciliation agreements, one on behalf of Mr. Levitt personally in resolution of violations of 2 U.S.C. §§ 441b and 441f and the other on behalf of Rowenroy, Ltd. for which Mr. Levitt served as President, sole officer and director, in resolution of violations of 2 U.S.C. §§ 441b, 441e and 441f. As part of each conciliation agreement, Mr. Levitt agreed to pay a civil penalty of \$19,500. See MUR 2576. The conciliation agreements became effective on October 17, 1991. Accordingly, the \$39,000 in civil penalties was due by November 16, 1991. Mr. Levitt, however, has made no payments in connection with the \$39,000 in civil penalties owed to the Commission.

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Mr. Levitt is currently eighty-seven (87) years old and in ill-health. He resides at the North Shore University Hospital Center For Extended Care And Rehabilitation in Manhasset, New York. At one time, Mr. Levitt was a successful real estate developer but has sustained serious financial losses in recent years.

Staff from this Office spoke to David Samuels in the New York Attorney General's Office. The Attorney General's Office pursued Mr. Levitt and Simone Levitt, his wife, for fraud by a fiduciary in connection with the Levitt Foundation, a charitable organization established by Mr. Levitt. Mr. Levitt was funneling money through Rowenroy, Ltd. and using the funds from the Foundation for his and Mrs. Levitt's personal benefit. Mr. Levitt signed a consent judgment with the Attorney General's Office agreeing to pay \$11 million dollars in penalties. According to Mr. Samuels, "after a lot of effort, over a lot of years," Samuels collected \$7.7 million from the Levitts in April 1992. This money came from an escrow account which contained mortgage payments on property in Florida, which Mr. Samuels referred to as the "Williamsburg" property. Mr. Samuels does not know whether the mortgagee is still making payments to the escrow account because in April 1992, the mortgagee was having difficulty making those mortgage payments. Mr. Samuels further noted that Rowenroy, Ltd. had no assets of its own and no longer exists.

In addition to his trouble with the New York Attorney General's Office, Mr. Levitt has also been pursued by the Internal Revenue Service for deficiencies in his income taxes for the tax years from 1975 through 1981. The United States Tax Court has determined that Mr. Levitt has the following deficiencies in income taxes:

<u>CALENDAR YEAR</u>	<u>DEFICIENCY</u>
1975	\$2,355,478.00
1976	\$4,122,608.73
1977	\$ 112,948.00
1978	\$ 832,696.00
1979	\$ 203,596.00
1980	\$ 49,482.00
1981	\$ 98,464.00

See Attachment 1 -- Levitt v. Commissioner of Internal Revenue, Docket No. 1684-87 (Decision of the United States Tax Court dated

1. James Pascarella, Mr. Levitt's former attorney, has informed staff of this Office that the North Shore University Hospital Center allows Mr. Levitt to reside free of charge because he does not have money to pay for hospital care but used to be a trustee of the hospital.

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Feb. 6, 1990); Attachment 2 -- Levitt v. Commissioner of Internal Revenue, Docket No. 1916-89,<sup>2</sup> (Decision of the United States Tax Court dated Dec. 31, 1991).

The attorney for the Internal Revenue Service has noted that Mr. Levitt's unpaid balance on his tax deficiencies for the years 1975 and 1976 including penalties and interest is "approximately \$25,000,000.00" as of November 1991.<sup>3</sup> See Attachment 3 at ¶ 1. Staff from this Office has confirmed with the IRS attorney and the Revenue Officer of the IRS responsible for collecting Mr. Levitt's tax debt that the IRS has been unable to collect any of the tax deficiencies for the tax years 1975 through 1981.

Based on the foregoing facts, this Office recommends that the Commission not bring suit in district court against Mr. Levitt or Rowenroy, Ltd. to enforce the two conciliation agreements entered into by Mr. Levitt in MUR 2576. Because of Mr. Levitt's advanced age and failing health, it does not appear that Mr. Levitt is likely to be in a position in the future to violate the Federal Election Campaign Act. Moreover, Rowenroy, Ltd. no longer exists. In addition, in the unlikely event that the district court imposes a civil penalty against Mr. Levitt, the Commission will be unable to collect any money from Mr. Levitt in light of the \$25 million tax debt owed by Mr. Levitt to the IRS.

Accordingly, this Office recommends that the Commission not file suit against William J. Levitt and Rowenroy, Ltd. In addition, this Office recommends that the Commission close the file in this matter with regard to William J. Levitt and Rowenroy, Ltd.

#### Attachments

1. Levitt v. Commissioner of Internal Revenue, Docket No. 1684-87 (Decision of the United States Tax Court dated Feb. 6, 1990).
2. Levitt v. Commissioner of Internal Revenue, Docket No. 1916-89 (Decision of the United States Tax Court dated Dec. 31, 1991).
3. Motion For Continuance, Levitt v. Commissioner of Internal Revenue, Docket No. 1684-87 (Nov. 12, 1991).

2. In both matters, the Tax Court dismissed these cases for lack of jurisdiction as to Simone Levitt, Mr. Levitt's wife, because Mr. Levitt signed Mrs. Levitt's name to their joint income tax returns without her permission. Accordingly, these tax deficiencies are only attributable to Mr. Levitt.

3. This Office notes that this \$25 million in deficiencies does not include Mr. Levitt's tax deficiencies for the years 1977 through 1981.

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BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of )  
William J. Levitt and Rowenroy, Ltd. ) MUR 2576

CERTIFICATION

I, Marjorie W. Emmons, Secretary of the Federal Election Commission, do hereby certify that on August 4, 1993, the Commission decided by a vote of 6-0 not to file suit against William J. Levitt and Rowenroy, Ltd., but to close the file in this matter with regard to William J. Levitt and Rowenroy, Ltd., as recommended in the General Counsel's Memorandum dated July 29, 1993.

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

Attest:

8-5-93  
Date

*Marjorie W. Emmons*  
Marjorie W. Emmons  
Secretary of the Commission

Received in the Secretariat: Thurs., July 29, 1993 12:27 p.m.  
Circulated to the Commission: Fri., July 30, 1993 12:00 p.m.  
Deadline for vote: Wed., Aug. 04, 1993 4:00 p.m.

bjr

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BEFORE THE FEDERAL ELECTION COMMISSION

**SENSITIVE**

In the Matter of  
J. Stanley Shaw

)  
)  
)

MUR 2576

GENERAL COUNSEL'S REPORT

I. BACKGROUND

This matter came to our attention on September 28, 1987, as a referral from the New York State Attorney's Office. The referral indicated that William J. Levitt may have been involved in a corporate reimbursement scheme involving contributions made in June 1986 to the Joe Biden for President Committee. This matter has thus far resulted in negotiated civil penalties with Mr. Levitt and his company Rowenroy Ltd., Inc.,<sup>1</sup> and several individual contributors involved.<sup>2</sup>

1. On August 5, 1993, because it appeared unlikely that we would ever collect the outstanding debts totaling \$39,000 for conciliation agreements signed by Mr. Levitt for himself and his company, the Commission voted to not file suit against Mr. Levitt and Rowenroy, Ltd.

2. The Commission has accepted signed conciliation agreements from the following employees and family members of Levitt for their involvement in the contribution and reimbursement scheme:

- |                   |                 |
|-------------------|-----------------|
| Nicole Levitt     | Gaby Levitt     |
| Ralph Della Ratta | Lou Stern       |
| Joan Della Ratta  | Lizette Stern   |
| Edward Cortese    | Stephen Lampel  |
| Frieda Cortese    | Ava Lampel      |
| Sherry Newman     | Adrienne Flynn  |
| Stanley Ogonowski | Harold Kellman  |
| Fanny Ogonowski   | Marilyn Kellman |
| Robert Gersten    |                 |

In addition, the Commission has taken no further action against the following employees and family members of Levitt:

- |                   |                |
|-------------------|----------------|
| Edward Donnelly   | Michael Newman |
| Michelle Donnelly | Jennifer Flynn |
| Simone Levitt     |                |

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On July 9, 1991, in the later stages of the investigation, the Commission found reason to believe that J. Stanley Shaw ("Respondent") knowingly and willfully violated 2 U.S.C. § 441f, and instituted an investigation into his involvement. On August 7, 1992, this Office forwarded the General Counsel's Brief to Respondent, outlining the basis for his recommendation that the Commission find probable cause to believe that Respondent had knowingly and willfully violated 2 U.S.C. § 441f. In the fall of 1992, counsel for Respondent requested, and the Commission provided, copies of the deposition transcripts of two witnesses on whose testimony this Office had relied. On December 10, 1992, this Office received Respondent's Brief in Opposition of the General Counsel's Brief. Respondent is the only remaining respondent in this matter.

This report sets forth our analysis of this matter, and explains this Office's recommendation that the Commission take no further action against J. Stanley Shaw.

## II. ANALYSIS

### A. The Undisputed Facts

Respondent served as William J. Levitt's attorney during the time period relevant to this matter. Respondent rendered legal advice to Mr. Levitt for both personal and business affairs.

In 1986, Mr. Levitt was attempting to borrow one million dollars in order to alleviate business problems. Respondent arranged a meeting between a wealthy businessman, Joel Boyarsky, and Mr. Levitt to discuss the sought-after financing. In order

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to gain favor with Mr. Boyarsky, Mr. Levitt agreed to host a fundraising event for the Biden for President Committee, an effort in which Mr. Boyarsky was involved.

Mr. Levitt sent out invitations for a fundraising cocktail party to benefit the Biden presidential campaign, to be held on June 2, 1986. When it became evident to Mr. Levitt that the turnout would be low, he invited employees and family members to the fundraiser. Mr. Levitt asked each employee or family member invited to contribute \$1,000. Two days after the fundraiser, on June 4, 1986, each of the employees and family members who had purchased tickets at Mr. Levitt's request received a check in a like amount from Rowenroy Ltd., a foreign corporation owned and controlled exclusively by William Levitt.

During this investigation, in a signed and sworn affidavit dated June 7, 1991, Mr. Levitt alleged that he orchestrated and implemented the contribution and reimbursement scheme upon advice of Respondent, his counsel. Shortly thereafter, the Commission made a finding against Respondent and initiated an investigation into his involvement.

B. The Law

The Federal Election Campaign Act of 1971, as amended (the "Act"), provides that no person shall make a contribution in the name of another person or knowingly permit his name to be used to effect such a contribution, or knowingly accept a contribution made by one person in the name of another person. 2 U.S.C. § 441f; see also, 11 C.F.R. § 110.4(b)(1)(i), (ii), and (iv). Under Commission regulations, a contribution in the name

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of another includes giving money or anything of value, all or part of which is provided to the contributor by another person without disclosing the source of the money or thing of value to the recipient candidate or committee at the time the contribution is made. 11 C.F.R. § 110.4(b)(2)(i).

Moreover, a person who knowingly assists in the making of contributions in the name of another also violates Section 441f. See, FEC v. Rodriguez, No. 86-687 Civ-T-10 (M.D. Fla. October 28, 1988)(unpublished default judgment).<sup>3</sup> In the enforcement matter resulting in Rodriguez, the Commission found that Rodriguez had violated 2 U.S.C. § 441f by "accepting" a contribution made by one person in the name of another. The court in Rodriguez rejected the Commission's initial theory, and stated that Rodriguez had not "accepted" contributions within the meaning of the statute; however, the court stated that it was apparent that Rodriguez had helped and assisted by means other than accepting contributions. The Commission re-opened the enforcement matter, and found Rodriguez in violation of Section 441f on a different theory of "assisting" in the making of contributions in the name of another. This finding ultimately resulted in the default judgment against Rodriguez.

3. As in the Rodriguez case, no regulation prohibiting "helping or assisting" existed at the time of the events relating to this matter. In keeping with the Commission's interpretation of Section 441f, the regulations now explicitly prohibit a person from knowingly helping or assisting "any person in making a contribution in the name of another." 11 C.F.R. § 110.4(b)(1)(iii)(1989).

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The Act also addresses violations which are knowing and willful. See, 2 U.S.C. § 437g(a)(5)(C) and § 437g(d). During the House debates on the Conference Report for the 1976 Amendments, Congressman Hayes stated that the phrase "knowing and willful" referred "to actions taken with full knowledge of all the facts and a recognition that the action is prohibited by law." 122 Cong. Rec. H3778 (daily ed. May 3, 1976).

The knowing and willful standard has also been addressed by the courts. In FEC v. Dramesi for Congress Comm., 640 F. Supp. 985 (D.N.J. 1986), the court noted that the knowing and willful standard requires knowledge that one is violating the law. Further, a federal appellate court has held that a knowing and willful violation may be established by "proof that the defendant acted deliberately and with knowledge that the representation was false." United States v. Hopkins, 916 F.2d 207, 214 (5th Cir. 1990). The opinion in Hopkins further states that an inference of a knowing and willful violation may be drawn "from the defendants' elaborate scheme for disguising" their actions and their "deliberate[] convey[ance of] information they knew to be false to the Federal Election Commission." Id. at 214-215.

C. General Counsel's Brief

In the General Counsel's Brief, this Office relied primarily on a sworn and signed affidavit by William Levitt, and secondarily on corroborating testimony by two others involved in the reimbursement scheme, Sherry Newman and Edward Donnelly, both former employees of Mr. Levitt. The General Counsel's

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Brief stated that Respondent had knowingly and willfully violated 2 U.S.C. § 441f because, as Mr. Levitt's attorney, he had helped and assisted in the making of contributions in the name of another by advising Levitt to host the Biden fundraiser, solicit employees and family members for contributions, and reimburse those individuals from the Rowenroy account. In further support of finding a knowing and willful violation, the General Counsel's Brief outlined an apparent attempt by Respondent's firm to deliberately evade the law and the Commission's investigation through submission of what appear to have been false affidavits. See, General Counsel's Brief, dated August 6, 1992.

Mr. Levitt stated that he sought advice from Respondent regarding the hosting of a Biden for President campaign fundraising cocktail party, and that Respondent advised him to invite employees and family members to the fundraiser, asking each to contribute \$1,000. Mr. Levitt states that Respondent advised him to reimburse those people contributing to the fundraiser using funds from the Rowenroy account to make the reimbursements, and assured him that it was proper and legal to do so.

Sherry Newman corroborated Mr. Levitt's testimony regarding Respondent's involvement in the reimbursement scheme, as did Edward Donnelly. Both individuals made contributions to the event and were reimbursed by Mr. Levitt. Both individuals testified that they had first-hand knowledge of Respondent's knowledge of the reimbursement scheme.

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Mr. Donnelly also testified that, in representing other employees and family members who were the subject of the Commission's investigation, Respondent had submitted several affidavits on behalf of those contributors which falsely claimed that the reimbursement funds were actually "bonuses" or partial payments for money owed to them by Mr. Levitt, or that the funds from Mr. Levitt were "gifts" (to family members). Mr. Donnelly testified that two of the individuals who signed the affidavits submitted to the Commission by Respondent's firm stated to him that they did not agree with the statements contained in those affidavits. In their respective conciliation agreements signed with the Commission, all the affiants later acknowledged that each had knowingly permitted his or her name to be used to effect a contribution in violation of the Act.

D. Respondent's Brief

Respondent categorically denies that he gave any advice to Mr. Levitt regarding the contribution and reimbursement scheme. Respondent's Brief, p. 5-6. Respondent further denies that any false information was given to the Commission through his firm. Id., pp. 23-25.

Respondent claims he was not aware of the reimbursement scheme until the summer of 1987 when the New York State Attorney General "advised Shaw of the improper transfer of funds from the Levitt Foundation to Rowenroy." Id., p. 6. Respondent further argues that "delay in pursuing this investigation is unseemly and renders any action on this claim untimely." Id., p. 4.

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Respondent's Brief consists of three major points. First, Respondent maintains that no competent evidence exists against Respondent because the witnesses are not credible. Second, Respondent argues that the Act does not prohibit "helping or assisting." Third, Respondent contends that the General Counsel's Brief alleges no "overt acts" by Respondent.

1. Credibility of witnesses

In his main argument, Respondent contends that the testimony of all three witnesses on which the General Counsel based his recommendations in the Brief is not credible and that, therefore, there is no evidence that Respondent advised Mr. Levitt regarding the reimbursement scheme.

Respondent argues that Mr. Levitt is not a credible witness. Respondent concludes that any statements by Mr. Levitt against Respondent were unsworn statements and thus should not be used by the Commission as a basis for a probable cause finding. According to Respondent, Mr. Levitt denied under oath that he had previously made statements to this Office regarding Respondent's involvement in the reimbursement scheme, and further denied speaking with anyone at the FEC regarding the issue. Response, pp. 25-27; Exhibit I, pp. 43-48. This testimony supposedly occurred in a deposition which was conducted by Respondent's firm in March of 1992, which was taken in conjunction with litigation between Respondent and

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Mr. Levitt. Respondent concludes that Levitt now denies making any statements to the FEC because:

- (a) Levitt never made these statements to the Commission;
- (b) the General Counsel is relying on completely unreliable double hearsay;
- (c) Levitt has decided that he no longer needs to fabricate claims against Shaw because ... he has settled his claims against Shaw and Shaw's claims against him;<sup>4</sup> or
- (d) he has had a convenient loss of memory.

Response, p. 27.

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Respondent argues that the conversation between Ms. Newman and Respondent, to which she testified, could not have taken place. In making this argument Respondent focuses on tangential inconsistencies which are not in any way related to any conversations between Ms. Newman and Respondent. Respondent argues that Ms. Newman's statement that "the checks sat on Mr. Levitt's desk for a very long time" could not be true because the contributors were solicited by Levitt shortly before the fundraiser, and were reimbursed two days following it. Id., p. 12. Respondent also argues that because the Biden fundraiser undisputedly occurred on June 2, Ms. Newman's lack of credibility is shown in her statement that the fundraiser could not have occurred in June because she had "worn a wool dress". Id., p. 18. Respondent asserts that such testimony proves that Ms. Newman is not a credible witness.

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4. Respondent previously claimed that Mr. Levitt's statements and actions are motivated by revenge for affairs unrelated to this matter, namely Respondent's actions as trustee of the "Williamsburg Properties" (a former business entity of Mr. Levitt), criminal actions brought by the New York Attorney General against Mr. Levitt, and subsequent litigation between Mr. Levitt and Respondent.

Respondent also argues that Mr. Donnelly is not a credible witness. Respondent's argument focuses on Mr. Donnelly's character and on claims of Mr. Donnelly's bias against Respondent because of litigation unrelated to this matter.<sup>5</sup> Respondent also claims that the testimonies of both Mr. Donnelly and Ms. Newman are disingenuous because they accepted both Mr. Levitt's reimbursement for their contributions and the refund by the Biden Committee, thus profiting from the transactions. Id., p. 16 and p. 19.

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Additionally, Respondent argues that Mr. Donnelly's testimony is inadmissible and non-probative hearsay, because Mr. Donnelly stated in his deposition that he had learned of Respondent's alleged actions through conversations with Mr. Levitt. Respondent also provided affidavits from Stanley Ogonowski and Ralph Della Ratta contradicting Mr. Donnelly's statement that he had spoken with the two individuals and they had expressed concern about inaccuracies in earlier affidavits. Id., pp. 22-23; Exhibits G and H.

2. Act does not prohibit "helping or assisting"

Respondent argues that there is no legal basis for the Commission to proceed with this claim because the General Counsel's reliance on the regulation constitutes an impermissible attempt by an agency to amend the Act by regulation rather than to change law through Congress. Id.,

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5. According to Respondent, the litigation involved Respondent's control of a trust fund and Mr. Donnelly's unsuccessful attempts to acquire payments from those funds.

pp. 29-30. In support of this claim, Respondent cites Iglesias v. U.S., 848 F.2d 362, 366 (2d Cir. 1988) ("A regulation may not serve to amend a statute ... or to add to the statute something which is not there.")

3. No overt acts alleged

Respondent contends that the testimony of Sherry Newman shows, at best, that Respondent had knowledge of Mr. Levitt's scheme, but that such knowledge does not "form the basis for liability under the Act." Id., p. 10.

Respondent argues that the General Counsel's Brief does not set forth a standard for what activities constitute "helping or assisting." Response, pp. 30-33. Respondent categorically denies that he gave Mr. Levitt any advice regarding the Biden fundraising event, and thus claims that there was no overt or affirmative act by him in connection with the violations. Respondent supports his argument with case law involving standards for criminal aiding and abetting.

E. Legal Issues and Analysis

As a matter of law, the Commission's interpretation of the Act, stating that it is impermissible to help or assist in the making of a contribution in the name of another and the Commission's current regulation prohibiting such, is valid. Furthermore, Respondent's legal argument regarding "overt acts" mis-states the legal standard for civil aiding and abetting, which is well established. Thus, this office believes that it is necessary to address Respondent's assertions pertaining to the law regarding this matter, even though such law does not

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dictate the outcome because of certain factual and circumstantial issues which are discussed later in this report.

1. The validity of the prohibition against "helping or assisting"

Respondent claims that 11 C.F.R. § 110.4(b)(1)(iii), which prohibits "helping or assisting" in the making of a contribution in the name of another, is invalid because it "constitute[s] an impermissible attempt to amend the Act by regulation, instead of by Act [sic] of Congress." Respondent's Brief at 30. In support of this argument, Counsel quotes Iglesias v. United States, 848 F.2d 362, 366 (2d Cir. 1988) ("A regulation ... may not serve to amend a statute ... or to add to the statute something which is not there")(as quoted by Respondent).

Respondent's reliance on Iglesias is disingenuous, as he selectively quotes the case out of context. Following the quote cited by Respondent, the court continues on, stating that:

[t]he power ... to administer a federal statute and to prescribe rules and regulations to that end is not the power to make law ... but the power to adopt regulations to carry into effect the will of Congress as expressed by the statute. A regulation which does not do this, but operates to create a rule out of harmony with the statute, is a mere nullity.

Id. at 366-367 (quoting, Manhattan Gen. Equip. Co. v. Commissioner, 297 U.S. 129, 134 (1936)).

The court in Iglesias further states that a regulation may be declared invalid only "if it is unreasonable or clearly contrary to the language or spirit of the statute it purports to implement." Iglesias at 367 (quoting, Goodson-Todman Enter., Ltd. v. Commissioner, 784 F.2d 66, 74 (2d Cir. 1986)).

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In this matter, this Office relies on the Commission's interpretation of the statute, as applied in Rodriguez and later reflected in a regulation after the events in question. The Commission's interpretation and subsequent regulation clearly constitute permissive gap-filling by an independent agency with broadly delegated powers of rulemaking. See, National Petroleum Refiners Assoc. v. FTC, 482 F.2d 672 (D.C. Cir. 1973) (broadly interpreted agency power to make rules having the effect of substantive law). Thus, the Commission's interpretation prohibiting helping or assisting a violation of FECA derives from a permissive power of the agency.

As argued by the Respondent, the Act itself is silent on the specific issue of aiding and abetting violations of FECA. Nevertheless, the Supreme Court has held that if a statute is silent... the question... is whether the agency's [interpretation] is based on a permissive construction of the statute." Chevron v. National Resources Defense Council, 467 U.S. 837, 843 (1984). Courts have upheld specific civil charges of aiding and abetting where the statute is silent on such a charge. See, e.g., Brennan v. Midwestern Life Ins. Co., 286 F. Supp. 702 (N.D. Ind. 1966), aff'd, 417 F.2d 147 (7th Cir.), cert. denied, 397 U.S. 989 (1970); see also, Keeney, The Eighth Circuit and Secondary Liability Under the 1933 and 1934 Securities Acts, 19 Creighton L. Rev. 887 (1986).

Furthermore, the legislative history of 2 U.S.C. § 441f indicates that an interpretation prohibiting "helping or assisting" is proper. When enacting Title 2, Congress directly

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transferred provisions of 18 U.S.C. § 614. The conference report specifically states that the new statute "incorporates the provisions" of the old. H.R. Rep. No. 1057, 94th Cong., 2d Sess. 67 (1976), reprinted in Legislative History of the Federal Campaign Act Amendments of 1976, at 1061. Title 18 includes a catch-all provision for aiding and abetting. There is no evidence that Congress intended to weaken civil applications of the provisions.

In fact, an interpretation of a "helping and assisting" violation of FECA is clearly consistent with the framework of Title 2, as has been evidenced by FEC v. Rodriguez, No. 86-687 Civ-T-10 (M.D. Fla. October 28, 1988) (unpublished default judgment).<sup>6</sup> In the Rodriguez case, the court upheld the Commission's interpretation of the prohibition against helping or assisting in the making of contributions in the name of another. The Rodriguez case, in turn, initiated the promulgation of the regulation prohibiting such.

2. "Overt acts" by Respondent

Respondent asserts that the General Counsel alleged no "overt acts" (term used by Respondent) of Respondent which constitute a violation. Respondent's argument on the legal issue is inaccurate, in that Respondent supports his argument by citing cases involving the criminal standards of aiding and

6. Respondent argues that an unpublished default judgment has no precedential value, citing Rhodes v. Meyer, 334 F.2d 709 (8th Cir. 1984). However, the cited case is distinguishable, in that it involved the issue of stare decisis and specific facts in similar pending cases.

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abetting. An "overt act" is an essential element of a crime, and is defined as "an open manifest act from which criminality may be implied." Black's Law Dictionary 995-996 (5th Ed. 1979). Thus, Respondent's reliance on the cases cited in his brief, and the standards which they espouse, is misplaced because this matter involves a civil violation rather than a criminal one.

In this matter, a civil standard of aiding and abetting must be applied. The courts have established "tests" for civil liability of violations of aiding and abetting, the most analogous of which is the standard established for Securities Exchange Commission cases. In SEC v. Coffey, the Sixth Circuit formulated a tripartite standard for evidence of aiding and abetting violations of 17 C.F.R. § 240.10b-5. SEC v. Coffey, 493 F.2d 1304 (6th Cir. 1974), cert. denied, 420 U.S. 908 (1975). The "Coffey test" has evolved into the following foundational elements: (1) proof of a primary violation; (2) a knowledge requirement; and (3) substantial assistance. Id.; see also, e.g., Cleary v. Perfectune, Inc., 700 F.2d 744, 777 (1st Cir. 1983)(direct cite to Coffey); Harmsen v. Smith, 693 F.2d 932, 943 (9th Cir. 1982)(adopts "Coffey test" without citing to the case); Investor Research Corp. v. SEC, 628 F.2d 168, 178 (D.C. Cir.) (adopts "Coffey test" without citing to the case), cert. denied, 449 U.S. 919 (1980).

In any event, the General Counsel expressly stated that Respondent's violation consisted of his legal advice to Mr. Levitt regarding the contribution and reimbursement scheme. General Counsel's Brief, p. 10. If the information as presented

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in the General Counsel's Brief is applied to the "Coffey test," then a violation by Respondent is clearly established.<sup>7</sup> The conciliation agreements signed by Mr. Levitt and the others evidence the first element of the test; i.e. that a primary violation by another individual has occurred. Furthermore, it is not disputed by Respondent that the primary violation by Mr. Levitt occurred.

Assuming that Respondent's actions in violation of the Act occurred as outlined in the General Counsel's Brief, the second element of the test, i.e. that Respondent had a "general awareness that his role was part of an overall activity that is improper" (Coffey at 1316), is evidenced by the statements of Mr. Levitt, Sherry Newman, and Edward Donnelly. All three witnesses stated that Respondent had knowledge of the contribution and reimbursement scheme.

The third element of the "Coffey test" is proven in the testimony of Mr. Levitt. Again, discounting the factual issues now raised by Respondent and Mr. Levitt's supposed recent recantation, Mr. Levitt's testimony to this Office indicates that the Respondent advised him that the contribution and reimbursement scheme was proper. In advising Mr. Levitt as such, Respondent's actions constituted substantial assistance. Cf., Fisher v. Kletz, 266 F. Supp. 180, 197 (S.D.N.Y. 1967)

7. For the purpose of the analysis of the legal issue, we assume, arguendo, that Respondent's actions in violation of the Act occurred as outlined in the General Counsel's Brief rather than considering the credibility issues raised by Respondent. The factual issues and their impact on this matter are fully discussed in the following section.

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(issuer's accountants liable for recommending use of falsified financial reports); Rolf v. Blyth, Eastman Dillon & Co., 570 F.2d 38, 48 (2d Cir.), cert. denied, 439 U.S. 1039 (1978) (broker repeatedly reassured investor of his investment adviser's competence, processed some securities orders, and either recklessly failed to learn of or failed to disclose adviser's mismanagement of portfolio); SEC v. Electronics Warehouse, Inc., 689 F. Supp. 53, 60 (D. Conn. 1988); aff'd, 891 F.2d 457 (2d Cir. 1989); cert. denied, Calvo v. SEC, 110 S.Ct. 3228 (1990)(attorney may be liable as an aider and abettor under securities laws where, if it is reasonably foreseeable that potential investors will rely on documents they draft, they omit material information or include erroneous information in reckless disregard for the truth).

While the General Counsel's Brief did not state any separate "test" for a helping and assisting in the violation of prohibited contributions, it clearly identified the actions by Respondent which constituted the violation. The Act prohibits making contributions in the name of another. 2 U.S.C. § 441f. Without question, Mr. Levitt made contributions in the name of another through the reimbursement scheme. The Act, as recognized by the court in Rodriguez and later reflected in the Commission's regulations, prohibits knowingly helping or assisting any person in making a contribution in the name of another. 11 C.F.R. § 110.4(b)(iii). The Commission's Explanation and Justification for that provision of the regulations states, in part, that the regulation "applies to

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those who initiate or instigate or have some significant participation in a plan or scheme to make a contribution in the name of another...." 54 Fed. Reg. 34105 (August 17, 1989). Thus, if Respondent did, in fact, advise Mr. Levitt to organize the contribution and reimbursement scheme, as Mr. Levitt's testimony indicates, then such advice would constitute "helping or assisting" in the making of a contribution in the name of another.

F. Factual Issues and Analysis

While Respondent's arguments on the law of this case are not persuasive, Respondent has raised serious factual issues with respect to certain witnesses whose testimony would be central to any probable cause finding by the Commission with respect to Respondent. Specifically, the contradictory statements of Mr. Levitt make it difficult for the Commission to ascertain Respondent's role with any degree of certainty.

In the General Counsel's Brief, the violation by Respondent was primarily established by the testimonies of William Levitt, Sherry Newman, and Edward Donnelly. Respondent's Brief attacks the character of these witnesses and asserts that they are not credible witnesses. We will address the statements of each witness, and Respondent's arguments regarding each, in turn.

i) William Levitt

Based on Mr. Levitt's sworn statement that he had orchestrated and implemented the contribution and reimbursement scheme upon the advice of Respondent, his counsel, the Commission found reason to believe against Respondent and began

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an investigation into his involvement. Mr. Levitt states that he sought advice from Respondent regarding the hosting of a fundraising cocktail party held on June 2, 1986, for the benefit of the Biden for President campaign. Mr. Levitt states that when it became evident to him that the turnout would be low, he sought advice from Respondent, who advised him to invite employees and family members to the fundraiser. Mr. Levitt states that Respondent also suggested that each employee or family member invited should contribute \$1,000. Mr. Levitt states that Respondent further advised him to reimburse those people contributing to the fundraiser, with Respondent assuring him that it was proper and legal to do so. Furthermore, Mr. Levitt states that Respondent advised him to use funds from the Rowenroy account to make the reimbursements.

Respondent argues that the statements by Mr. Levitt were not sworn statements. This is inaccurate. While it is correct that Mr. Levitt's August 7, 1989 deposition resulted in him taking the Fifth Amendment and refusing to substantively answer questions, he later made statements against Respondent. The information relied upon by the General Counsel in his Brief was provided by Mr. Levitt in the form of a signed and sworn affidavit, dated June 7, 1991.

Nevertheless, it appears that Mr. Levitt has now recanted his earlier statements to this office. Respondent provided a copy of a deposition transcript, taken on March 23, 1992, in which Mr. Levitt denies having ever testified or advised this Office that Respondent was involved in the contribution and

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reimbursement scheme. Respondent asserts that this denial shows that Mr. Levitt's statements are completely unreliable.

Respondent further argues that Mr. Levitt was merely attempting to exculpate himself in this matter and that the Commission must consider the past lack of credibility of Mr. Levitt. Respondent argues that "Levitt's credibility must be viewed in the context of the various actions the New York State Attorney General has taken against him [resulting in judgments] for: (a) defrauding thousands of consumers; (b) converting funds from a charitable foundation; and (c) obstructing the Attorney General's efforts to enforce its judgment." Respondent's Brief at p. 29.

This Office recognizes that statements by Mr. Levitt involve considerable credibility issues. Furthermore, the apparent recantation of his earlier statements to this Office poses a grave problem in establishing a violation by Respondent.

ii) Sherry Newman

Sherry Newman, a former employee of Mr. Levitt, made two \$1,000 contributions, one in her name and one in the name of her dependent son, Michael. In a deposition held on June 15, 1988, Ms. Newman testified that she had personally discussed the contributions and reimbursements with Respondent and that he was aware of the financing scheme. Ms. Newman testified that she expressed concern to Respondent that she would not be reimbursed for her contribution, as Mr. Levitt promised. Ms. Newman stated that Respondent assured her that she would be reimbursed, and not to worry because it was "all being taken care of."

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Ms. Newman stated, under oath, that Respondent "knew it [the contributions and reimbursements] was an exchange of money." Thus, according to Ms. Newman's testimony, she had first hand knowledge that Respondent was aware of and had some involvement in the contribution and reimbursement scheme. Her statements, made two years prior to Mr. Donnelly's testimony, appear to corroborate the testimonies of both Messrs. Donnelly and Levitt.

Respondent argues that Ms. Newman's lack of credibility is shown by inconsistent statements. For example, in response to the interrogatory asking that she describe "each and every occasion" in which the contribution and reimbursement was discussed, Ms. Newman only identified a discussion with Mr. Levitt. Later, in her deposition, Ms. Newman testified concerning conversations which she supposedly had with Respondent.

Respondent also argues that Ms. Newman's lack of credibility is shown by her inability to accurately recall specific details. For example, Ms. Newman stated that her check to the Biden campaign and those of the others sat on Mr. Levitt's desk for a long time. Respondent argues that the checks could not have sat on Mr. Levitt's desk for a very long time, as the fundraiser occurred shortly after the funds were solicited. Another example cited by Respondent was Ms. Newman's statement that the contribution probably wasn't in June as she had worn "a wool dress," even though it is an undisputed fact that the fundraiser was held in June.

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Although there is clearly some confusion on Ms. Newman's part regarding certain details, we do not believe that mistaken recollections with respect to peripheral details alone justify discounting Ms. Newman's entire testimony. However, the potential inconsistency of Ms. Newman's statements from her answers to the interrogatories to her deposition testimony, regarding her conversations with Respondent about the scheme, is of some concern. Such a inconsistency, while potentially minor in nature, does involve testimony which would be central to any probable cause finding by the Commission against Respondent.

Respondent also attacks Ms. Newman's character, referring to her handling of reimbursements checks by both Mr. Levitt and the Biden Committee. Respondent claims that because she kept both checks, she therefore profited from the transaction. However, Ms. Newman explained in her testimony that she had kept both the reimbursement checks because Mr. Levitt had owed her for unpaid salary.

iii) Edward Donnelly

Edward Donnelly, who served as Mr. Levitt's accountant until 1989, also made two \$1,000 contributions, one in his name and one in the name of his wife, Michelle. In a deposition on May 13, 1991, Mr. Donnelly testified that he believed that the reimbursement scheme was a result of Respondent's advice; however, he stated that he had no independent, first-hand knowledge, nor was he ever told such by anyone. Mr. Donnelly further testified that when he received a check in a like amount from Rowenroy, he believed that Mr. Levitt intended the check to

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be a reimbursement for the Biden contributions. Like Ms. Newman, he treated it as repayment of money owed to him by Mr. Levitt.

Mr. Donnelly further testified that when Respondent found out that he (Donnelly) was treating the Rowenroy funds as a partial payment for the sum Mr. Levitt owed him rather than as a reimbursement for the Biden contributions, Respondent told him that it sounded like a good idea. Mr. Donnelly testified that Respondent told him that he was going to use the same approach of treating the reimbursements as payments for money owed to the others involved.

Respondent's firm represented some of the other employees and family members who were the subject of the Commission's investigation. Early in the Commission's investigation of this matter, Respondent's law partner, Herbert Tamres, submitted several affidavits on behalf of those contributors to the Biden fundraiser. The affidavits of employees claimed that the reimbursement funds received from Mr. Levitt were actually partial payments for money owed to them by Mr. Levitt or that the money from Mr. Levitt was a "bonus." The affidavits of family members termed the funds from Levitt as "gifts."

Mr. Donnelly testified that at least two of the individuals, who signed the affidavits submitted to the Commission by Respondent's partner, did not agree with the statements contained in the affidavits. Mr. Donnelly testified that both Mr. Ogonowski and Mr. Della Ratta expressed their concerns to him about inaccuracies in the affidavits;

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specifically, they feared that the affidavits would incriminate them in the future.

Thus, according to the testimony of Mr. Donnelly, Respondent was involved in later attempts to conceal the violations. Mr. Donnelly's testimony indicates that affidavits submitted by Respondent's firm in representation of some of the contributors were produced to impede the investigation and possibly to conceal Respondent's involvement.

Respondent also attacks the credibility and character of Mr. Donnelly. Respondent argues that, even if the conversation between Mr. Donnelly and Respondent took place as testified to by Mr. Donnelly, that conversation does not constitute "evidence that Shaw played any role in connection with Levitt's solicitation of contributions and reimbursement scheme." Respondent's Brief, p. 24. Respondent supports his assertion that Mr. Donnelly's testimony is not credible by submitting affidavits from Messrs. Ogonowski and Della Ratta denying any statements to Mr. Donnelly regarding their earlier affidavits to the Commission. These later affidavits conflict squarely with Mr. Donnelly's testimony.

Nevertheless, in their respective conciliation agreements, all the affiants, including Messrs. Ogonowski and Della Ratta, acknowledged that each knowingly permitted his or her name to be used to effect a contribution in violation of the Act. Neither Mr. Ogonowski nor Mr. Della Ratta requested language in their respective conciliation agreements characterizing the payment from Mr. Levitt as anything other than a reimbursement for the

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contribution, even though their earlier affidavits claimed that the checks from Mr. Levitt represented money owed to them.

Respondent also argues that Mr. Donnelly's testimony should be discounted because he is biased against Respondent due to litigation unrelated to this matter. This office recognizes that it would be difficult to prove, one way or the other, if any statements by Mr. Donnelly were motivated by revenge.

Finally, Respondent argues that any testimony by Mr. Donnelly regarding conversations with Respondent and Mr. Levitt can not be relied on because it is inadmissible hearsay. Again, as to the applicable law, Respondent's argument is inaccurate. Hearsay evidence is freely admissible in administrative proceedings. Administrative Procedures Act, 5 U.S.C. § 556. However, a result based exclusively on hearsay can be set aside during judicial review, if the hearsay is unreliable. Where credibility issues are significant, a finding based solely on hearsay may violate due process. See, Rios v. Hackney, 294 F. Supp. 885 (N.D. Tex. 1967). Therefore, any statements made by Mr. Levitt to Mr. Donnelly are clearly admissible, but credibility does remain a major issue and affects our recommendation as to the disposition of this matter.

G. Conclusion

For the reasons set forth below, we recommend that the Commission not devote further resources to resolving the inconsistencies in the record, and further pursuing this matter.

The best evidence that Respondent violated 2 U.S.C. § 441f by helping and assisting, through means of legal advice, in

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making contributions in the name of another is the testimony of Mr. Levitt, who has now apparently recanted his earlier statements to this Office. Only Mr. Levitt's testimony directly evidenced any advice or instruction by Respondent involving the contribution and reimbursement scheme. Mr. Donnelly testified that he merely believed that Respondent provided such advice. The corroborating testimonies of Ms. Newman and Mr. Donnelly evidenced Respondent's knowledge of the contribution and reimbursement scheme at the time that it occurred, and later attempts to conceal the illegal actions.

Thus, without Mr. Levitt's testimony it is difficult to recommend a finding of probable cause to believe that Respondent helped or assisted in making contributions in the name of another.<sup>8</sup> At the same time, due to the continued uncertainty regarding the facts and the apparent independent corroborating testimony, this Office believes it would be inappropriate to recommend that the Commission find no probable cause that Respondent violated 2 U.S.C. § 441f.

Although the law regarding this matter is very clear, the testimony of the witnesses is such that the allegations against Respondent can not be entirely substantiated. Thus, if the Commission desired to further pursue this matter, a substantial amount of staff resources would be required in order to resolve

8. We note that while further investigation, particularly re-deposing Mr. Levitt, could possibly allow the Commission to go forward with this case, it appears that Mr. Levitt's advanced age and ill health make him an poor witness, especially if the matter continued on into litigation.

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the factual issues by potentially reopening the investigation. This Office believes that expending further resources may or may not result in clarifying the inconsistencies in testimony, as this matter has been ongoing for a considerable time, and thus facts and memories are becoming quite stale.

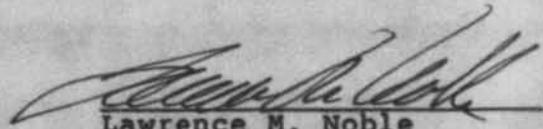
Moreover, Mr. Shaw is the only remaining respondent in this matter. We have already established that violations by other respondents occurred and we have received civil penalties payments totaling \$6,250. Further, this matter has now been closed as to the principal violators, Mr. Levitt and his company, without any payment of their civil penalties. See, footnote 1.

Therefore, this Office recommends that the Commission take no further action against Respondent. Furthermore, as Respondent is the last remaining respondent in this matter, this Office also recommends that the Commission close the entire file.

III. RECOMMENDATIONS

1. Take no further action against J. Stanley Shaw.
2. Close the entire file.
3. Approve the appropriate letter.

10/1/93  
Date

  
Lawrence M. Noble  
General Counsel

Staff Assigned: Tonda M. Mott

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BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of  
J. Stanley Shaw.

)  
)  
) MUR 2576  
)

CERTIFICATION

I, Marjorie W. Emmons, Secretary of the Federal Election Commission, do hereby certify that on October 7, 1993, the Commission decided by a vote of 4-0 to take the following actions in MUR 2576:

1. Take no further action against J. Stanley Shaw.
2. Close the entire file.
3. Approve the appropriate letter, as recommended in the General Counsel's Report dated October 1, 1993.

Commissioners Aikens, Elliott, McGarry, and Potter voted affirmatively for the decision; Commissioners McDonald and Thomas did not cast votes.

Attest:

10-7-93  
Date

*Marjorie W. Emmons*  
Marjorie W. Emmons  
Secretary of the Commission

Received in the Secretariat: Fri., Oct. 01, 1993 11:56 a.m.  
Circulated to the Commission: Mon., Oct. 04, 1993 11:00 a.m.  
Deadline for vote: Thurs., Oct. 07, 1993 4:00 p.m.

bjr

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FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

OCTOBER 18, 1993

Arnold I. Burns, Esquire  
1585 Broadway  
New York, NY 10036

RE: MUR 2576  
J. Stanley Shaw

Dear Mr. Burns:

On July 9, 1991, your client, J. Stanley Shaw, was notified that the Federal Election Commission found reason to believe that he knowingly and willfully violated 2 U.S.C. § 441f. On September 13, 1991, you submitted a response to the Commission's reason to believe finding. After considering the circumstances of the matter, the Commission determined on October 7, 1993, to take no further action against J. Stanley Shaw, and closed the file in this matter.

The confidentiality provisions at 2 U.S.C. § 437g(a)(12) no longer apply and this matter is now public. In addition, although the complete file must be placed on the public record within 30 days, this could occur at any time following certification of the Commission's vote. If you wish to submit any factual or legal materials to appear on the public record, please do so as soon as possible. While the file may be placed on the public record before receiving your additional materials, any permissible submissions will be added to the public record upon receipt.

The Commission reminds your client that 2 U.S.C. § 441f prohibits any person from making a contribution in the name of another or knowingly permitting his name to be used to effect such a contribution. Your client should take steps to ensure that this activity does not occur in the future.

If you have any questions, please contact me at (202) 219-3690.

Sincerely,

*Abigail Shaine*

Abigail Shaine  
Assistant General Counsel

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FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

OCTOBER 18, 1993

Herbert J. Tamres, Esquire  
Shaw, Licitra,  
Esernio & Schwartz, P.C.  
1010 Franklin Avenue  
Garden City, NY 11530

RE: MUR 2576  
Edward Cortese  
Frieda Cortese  
Ralph M. Della Ratta  
Joan Della Ratta  
Harold Kellman  
Marilyn Kellman  
Gaby L. Altman  
Nicole Levitt  
Simone Levitt  
Fanny Ogonowski  
Stanley Ogonowski  
Lisette Stern  
Lou Stern

Dear Mr. Tamres:

This is to advise you that this matter is now closed. The confidentiality provisions at 2 U.S.C. § 437g(a)(12) no longer apply and this matter is now public.

Although the complete file must be placed on the public record within 30 days, this could occur at any time following certification of the Commission's vote. If you wish to submit any factual or legal materials to appear on the public record, please do so as soon as possible. While the file may be placed on the public record before receipt of your additional materials, any permissible submissions will be added to the public record when received.

If you have any questions, please contact me at (202) 219-3690.

Sincerely,

*Abigail G. Shaine*  
Abigail Shaine  
Assistant General Counsel

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FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

OCTOBER 18, 1993

Robert L. Folks, Esquire  
Rivkin, Radler, Dunne & Bayh  
EAB Plaza  
Uniondale, NY 11556-0111

RE: MUR 2576  
Stephen Lampel  
Ava Lampel  
Michael Newman  
Sherry Newman

Dear Mr. Folks:

This is to advise you that this matter is now closed. The confidentiality provisions at 2 U.S.C. § 437g(a)(12) no longer apply and this matter is now public.

Although the complete file must be placed on the public record within 30 days, this could occur at any time following certification of the Commission's vote. If you wish to submit any factual or legal materials to appear on the public record, please do so as soon as possible. While the file may be placed on the public record before receipt of your additional materials, any permissible submissions will be added to the public record when received.

If you have any questions, please contact me at (202) 219-3690.

Sincerely,

*Abigail A. Shaine*  
Abigail Shaine  
Assistant General Counsel

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FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

OCTOBER 18, 1993

James A. Pascarella, Esquire  
Pascarella, DeVito & Clarey  
170 Old Country Road  
Mineola, NY 11501

RE: MUR 2576  
William J. Levitt  
Rowenroy Limited, Inc.

Dear Mr. Pascarella:

This is to advise you that this matter is now closed. The confidentiality provisions at 2 U.S.C. § 437g(a)(12) no longer apply and this matter is now public.

Although the complete file must be placed on the public record within 30 days, this could occur at any time following certification of the Commission's vote. If you wish to submit any factual or legal materials to appear on the public record, please do so as soon as possible. While the file may be placed on the public record before receipt of your additional materials, any permissible submissions will be added to the public record when received.

If you have any questions, please contact me at (202) 219-3690.

Sincerely,

*Abigail Shaine*  
Abigail Shaine  
Assistant General Counsel

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FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

OCTOBER 18, 1993

Edward G. Donnelly  
Michelle Donnelly  
9 Priory Court  
Melville, NY 11768

RE: MUR 2576

Dear Mr. and Mrs. Donnelly:

This is to advise you that this matter is now closed. The confidentiality provisions at 2 U.S.C. § 437g(a)(12) no longer apply and this matter is now public.

Although the complete file must be placed on the public record within 30 days, this could occur at any time following certification of the Commission's vote. If you wish to submit any factual or legal materials to appear on the public record, please do so as soon as possible. While the file may be placed on the public record before receipt of your additional materials, any permissible submissions will be added to the public record when received.

If you have any questions, please contact me at (202) 219-3690.

Sincerely,

*Abigail Shaine*

Abigail Shaine  
Assistant General Counsel

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FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

OCTOBER 18, 1993

Aerienne Flynn  
51 Friends Lane  
Westbury, NY 11590

RE: MUR 2576

Dear Ms. Flynn:

This is to advise you that this matter is now closed. The confidentiality provisions at 2 U.S.C. § 437g(a)(12) no longer apply and this matter is now public.

Although the complete file must be placed on the public record within 30 days, this could occur at any time following certification of the Commission's vote. If you wish to submit any factual or legal materials to appear on the public record, please do so as soon as possible. While the file may be placed on the public record before receipt of your additional materials, any permissible submissions will be added to the public record when received.

If you have any questions, please contact me at (202) 219-3690.

Sincerely,

*Abigail Shaine*

Abigail Shaine  
Assistant General Counsel

930 0961691



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

OCTOBER 18, 1993

Jennifer Flynn  
51 Friends Lane  
Westbury, NY 11590

RE: MUR 2576

Dear Ms. Flynn:

This is to advise you that this matter is now closed. The confidentiality provisions at 2 U.S.C. § 437g(a)(12) no longer apply and this matter is now public.

Although the complete file must be placed on the public record within 30 days, this could occur at any time following certification of the Commission's vote. If you wish to submit any factual or legal materials to appear on the public record, please do so as soon as possible. While the file may be placed on the public record before receipt of your additional materials, any permissible submissions will be added to the public record when received.

If you have any questions, please contact me at (202) 219-3690.

Sincerely,

*Abigail Shaine*  
Abigail Shaine  
Assistant General Counsel

93020961692



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

OCTOBER 18, 1993

Henry Fox  
Laurel Woods Drive  
Upper Brookville, NY 11771

RE: MUR 2576

Dear Mr. Fox:

This is to advise you that this matter is now closed. The confidentiality provisions at 2 U.S.C. § 437g(a)(12) no longer apply and this matter is now public.

Although the complete file must be placed on the public record within 30 days, this could occur at any time following certification of the Commission's vote. If you wish to submit any factual or legal materials to appear on the public record, please do so as soon as possible. While the file may be placed on the public record before receipt of your additional materials, any permissible submissions will be added to the public record when received.

If you have any questions, please contact me at (202) 219-3690.

Sincerely,

*Abigail Shaine*

Abigail Shaine  
Assistant General Counsel

930840961693



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

OCTOBER 18, 1993

Robert S. Gersten  
84 Leamington Road  
Lido Beach, NY 11561

RE: MUR 2576

Dear Mr. Gersten:

This is to advise you that this matter is now closed. The confidentiality provisions at 2 U.S.C. § 437g(a)(12) no longer apply and this matter is now public.

Although the complete file must be placed on the public record within 30 days, this could occur at any time following certification of the Commission's vote. If you wish to submit any factual or legal materials to appear on the public record, please do so as soon as possible. While the file may be placed on the public record before receipt of your additional materials, any permissible submissions will be added to the public record when received.

If you have any questions, please contact me at (202) 219-3690.

Sincerely,

*Abigail Shaine*

Abigail Shaine  
Assistant General Counsel

93080961694



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

OCTOBER 18, 1993

CERTIFIED MAIL  
RETURN RECEIPT REQUESTED

Pamela A. Mann  
Assistant Attorney General in  
Charge of Charities Bureau  
State of New York  
Department of Law  
120 Broadway  
New York, NY 10271

RE: MUR 2576

Dear Ms. Mann:

This is in reference to the complaint you filed with the Federal Election Commission on September 25, 1987, concerning William J. Levitt, et al.

Based on that complaint, on February 1, 1988, the Commission found that there was reason to believe that Gaby L. Altman, Edward Cortese, Frieda Cortese, Joan Della Ratta, Ralph Della Ratta, Edward Donnelly, Michelle Donnelly, Jennifer Flynn, Adrienne Flynn, Robert Gersten, Harold Kellman, Marilyn Kellman, Ava Lampel, Stephen Lampel, Nicole Levitt, Simone Levitt, Michael Newman, Sherry Newman, Stanley Ogonowski, Fanny Ogonowski, Lisette Stern, and Lou Stern violated 2 U.S.C. § 441f, a provision of the Federal Election Campaign Act of 1971, as amended, and instituted an investigation of this matter. On that same date, the Commission found that there was reason to believe that William J. Levitt knowingly and willfully violated 2 U.S.C. §§ 441b and 441f. Also on that same date, the Commission found reason to believe that Rowenroy Limited, Inc. knowingly and willfully violated 2 U.S.C. §§ 441b, 441e and 441f.

On May 17, 1988, the Commission found reason to believe that Robert Gersten violated 2 U.S.C. § 441a(a)(8) and on July 9, 1991, the Commission found reason to believe that J. Stanley Shaw knowingly and willfully violated 2 U.S.C. § 441f.

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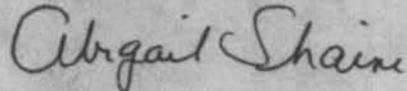
Ms. Mann  
Page 2

After considering the circumstances of this matter, the Commission determined to take no further action against Joan Della Ratta, Michelle Donnelly, Edward Donnelly, Jennifer Flynn, Simone Levitt, Michael Newman, Robert Gersten, and J. Stanley Shaw, and closed the file in this matter. The Commission accepted signed conciliation agreements from the following persons: Gaby L. Altman, Edward Cortese, Frieda Cortese, Ralph Della Ratta, Adrienne Flynn, Harold Kellman, Marilyn Kellman, Ava Lampel, Stephen Lampel, Nicole Levitt, Sherry Newman, Stanley Ogonowski, Fanny Ogonowski, Lisette Stern, Lou Stern, Robert Gersten, William Levitt, and Rowenroy Limited, Inc. A copy of these agreements are enclosed for your information.

This matter will become part of the public record within 30 days. The Federal Election Campaign Act of 1971, as amended, allows a complainant to seek judicial review of the Commission's dismissal of this action. See 2 U.S.C. § 437g(a)(8).

If you have any questions, please contact me at (202) 219-3690.

Sincerely,



Abigail Shaine  
Assistant General Counsel

Enclosures  
Conciliation Agreements

93080961696



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

THIS IS THE END OF MUR # 2576

DATE FILMED 10-27-93 CAMERA NO. 4

CAMERAMAN JMG

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