



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

THIS IS THE BEGINNING OF MUR # 2578

DATE FILMED 11-18-88 CAMERA NO. 3

CAMERAMAN PC

93040723703



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

November 20, 1987

MEMORANDUM

TO: LAWRENCE M. NOBLE
GENERAL COUNSEL

THROUGH: JOHN C. SURINA
STAFF DIRECTOR

FROM: JOHN D. GIBSON
ASSISTANT STAFF DIRECTOR
REPORTS ANALYSIS DIVISION

SUBJECT: REFERRAL OF THE INTERFIRST CORPORATION GOOD
GOVERNMENT FUND

This is a referral of the Interfirst Corporation Good Government Fund ("the Committee") for failing to file the 1987 Mid-Year Report

According to the 1987-1988 RAD Review and Referral Procedures for Unauthorized Committees (Standard 3), further examination is required by your office.

If you have any questions, please contact Alva E. Smith at 376-2480.

Attachment

83040723704

REPORTS ANALYSIS REFERRAL

TO

OFFICE OF GENERAL COUNSEL

DATE: November 20, 1987

ANALYST: Alva E. Smith

I. COMMITTEE: Interfirst Corporation Good Government Fund
(C00035725)
John W. Beeman, Treasurer^{1/}
P.O. Box 660020
Dallas, TX 75266

II. RELEVANT STATUTE: 2 U.S.C. §434(a)(4)(A)(iv)
11 CFR 104.5(c)(2)(i)(A)

III. BACKGROUND:

Failure to Timely File the 1987 Mid-Year Report

The Interfirst Corporation Good Government Fund ("the Committee") failed to timely file the 1987 Mid-Year Report of Receipts and Disbursements covering the period from January 1, 1987 to June 30, 1987. The Committee was notified on July 7, 1987 that the report was due on July 31, 1987 (Attachment 2). A Non-Filer Notice was sent to the Committee on August 20, 1987 (Attachment 3).

On September 14, 1987, the Reports Analyst Division ("RAD") analyst attempted to call the treasurer of the Committee, Mr. Beeman. The RAD analyst left a message for him to return the call. Ms. Engles, a committee representative, returned the call and stated that the report would be sent via certified mail on September 18, 1987 (Attachment 4).

On September 23, 1987, the Committee filed the 1987 Mid-Year Report (Attachment 5).

^{1/}The political action committees for Interfirst Corporation and First Republican Corporation (FRB) became affiliated when their corporations merged June 8, 1987. At present, Denise R. Engles, treasurer of the FRB Fund, appears to be acting as treasurer for the Interfirst Corporation Good Government Fund as well. Additionally, the Non-Filer Notice was sent to Interfirst's former address of record.

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INTERFIRST CORPORATION GOOD
GOVERNMENT FUND
REPORTS ANALYSIS OGC REFERRAL
PAGE 3

IV. OTHER PENDING MATTERS INITIATED BY RAD:

None.

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FEDERAL ELECTION COMMISSION
1987-1988

DATE 16NOV87

COMMITTEE INDEX OF DISCLOSURE DOCUMENTS - (C)

PAGE 1

COMMITTEE	DOCUMENT	RECEIPTS	DISBURSEMENTS	MICROFILM	
				COVERAGE DATES	# OF PAGES LOCATION
				TYPE OF FILER	
INTERFIRST CORPORATION GOOD GOVERNMENT FUND				ID #C00035725 NON-PARTY QUALIFIED	
CONNECTED ORGANIZATION: FIRST INTERNATIONAL BANCSHARES INC					
	1987 MID-YEAR REPORT	14,671	23,860	1JAN87 -30JUN87	11 87FEC/486/0935
	MID-YEAR REPORT - AMENDMENT	14,671	23,860	1JAN87 -30JUN87	11 87FEC/486/2551
	NOTICE OF FAILURE TO FILE			1JAN87 -30JUN87	1 87FEC/484/0831
	TOTAL	14,671	0 23,860 0		23 TOTAL PAGES

All reports have been reviewed.
Cash-on-hand as of 6/30/87: \$8,275
Debts owed to or by the committee as of 6/30/87: \$0

83040723707

FEDERAL ELECTION COMMISSION
1985-1986
COMMITTEE INDEX OF DISCLOSURE DOCUMENTS - (C)

DATE 16NOV87

PAGE 2

COMMITTEE	DOCUMENT	RECEIPTS	DISBURSEMENTS	COVERAGE DATES	# OF PAGES	MICROFILM LOCATION
						TYPE OF FILER
INTERFIRST CORPORATION GOOD GOVERNMENT FUND				ID #C00035725 NON-PARTY QUALIFIED		
CONNECTED ORGANIZATION: FIRST INTERNATIONAL BANCSHARES INC						
1985	MID-YEAR REPORT	15,469	12,691	1JAN85 -30JUN85	8	85FEC/379/1131
	POST-RUN-OFF	3,742	4,500	1JUL85 -23AUG85	6	85FEC/386/5146
	YEAR-END	10,526	20,750	24AUG85 -31DEC85	8	86FEC/394/4930
1986	APRIL QUARTERLY	14,412	6,150	1JAN86 -31MAR86	7	86FEC/407/2605
	PRE-RUN-OFF	5,239	7,385	1APR86 -18MAY86	7	86FEC/415/2494
	JULY QUARTERLY	4,698	500	19MAY86 -30JUN86	8	86FEC/419/1690
	OCTOBER QUARTERLY	10,106	12,250	1JUL86 -30SEP86	13	86FEC/433/0320
	PRE-GENERAL	1,506	5,000	1OCT86 -15OCT86	12	86FEC/439/4552
	1 ST LETTER INFORMATIONAL NOTICE			1OCT86 -15OCT86	1	86FEC/444/4830
	POST-GENERAL	2,963	3,000	16OCT86 -24NOV86	11	86FEC/450/4506
	YEAR-END	4,374	0	25NOV86 -31DEC86	9	87FEC/454/0309
	TOTAL	73,035	0	72,226	0	90 TOTAL PAGES

All reports have been reviewed.
Cash-on-hand as of 12/31/86: \$17,464
Debts owed to or by the committee as of 12/31/86: \$0

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SEMI-ANNUAL

REPORT NOTICE

FEDERAL ELECTION COMMISSION

PARTIES AND PACS

July 7, 1987

WHO MUST FILE

ALL PARTY COMMITTEES AND PACS (NONCONNECTED COMMITTEES AND SEPARATE SEGREGATED FUNDS) must file a report in July.

REPORTING DATES

Semiannual. The Mid-Year Report is due July 31 and must disclose financial activity that occurred from January 1 through June 30, 1987. Committees which have previously filed 1987 reports should only report activity from the closing date of the last report filed.

Monthly. If the committee chooses to file on a monthly basis, the next monthly report is due July 20 and must disclose financial activity from June 1 through June 30, 1987. Monthly reports are due by the 20th of each month and cover all financial activity of the previous month.

WHAT MUST BE REPORTED

A report must disclose all receipts and disbursements (not previously reported) that occurred during the reporting period. A newly registered political committee filing its first report should also include all amounts received and expended before the committee registered. See 11 CFR 104.3. For more detailed information on reporting instructions, consult your Campaign Guide.

WHERE AND HOW TO FILE

Committees should consult the instructions on the enclosed FEC FORM 3X for details. Affix the peel-off label from the envelope to line 1 of the report. Any corrections should be made directly on the label.

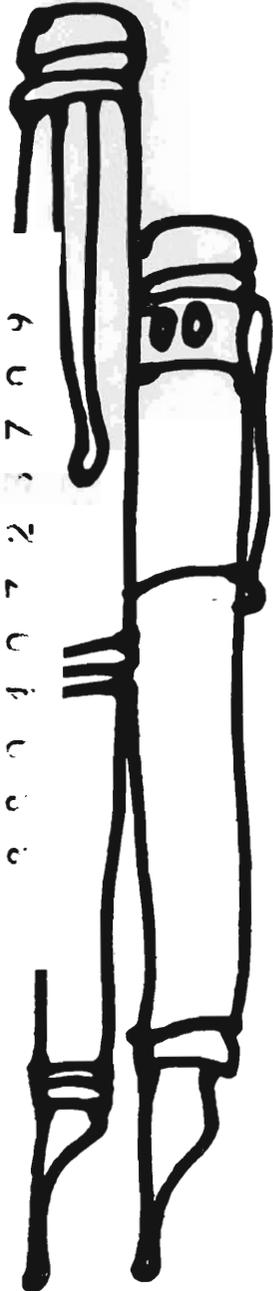
CHANGE IN FILING FREQUENCY

Committees that wish to change their reporting schedule (for example, from monthly to semiannual) must notify the Commission by sending a letter with the next report due under their current reporting schedule. Committees may change their filing frequency only once a year.

COMPLIANCE

Political committees are responsible for filing all reports required under the Act in a timely fashion. Committees and treasurers who file late reports, or fail to file reports, are subject to enforcement action. Illegible reports and reports submitted on non-FEC forms will not be accepted; committees filing such documents will be required to refile.

(over)



**1987 UPCOMING FILING SCHEDULE
PARTIES AND PACS**

Retain this report notice for future reference. The next notice will be sent December 18, 1987. Also, see the January 1987 issue of the FEC Record, which lists 1987 reporting dates.

SEMIANNUAL FILERS

<u>Report</u>	<u>Period Covered 1/</u>	<u>Reg./Cert. Mailing Date 2/</u>	<u>Filing Date 2/ ..</u>
Mid-Year	01/01 - 06/30	07/31/87	07/31/87
Year-End	07/01 - 12/31	01/31/88	01/31/88

MONTHLY FILERS

<u>Report</u>	<u>Period Covered 1/</u>	<u>Reg./Cert. Mailing Date 2/</u>	<u>Filing Date 2/</u>
July	06/01 - 06/30	07/20/87	07/20/87
August	07/01 - 07/31	08/20/87	08/20/87
September	08/01 - 08/31	09/20/87	09/20/87
October	09/01 - 09/30	10/20/87	10/20/87
November	10/01 - 10/31	11/20/87	11/20/87
December	11/01 - 11/30	12/20/87	12/20/87
Year-End	12/01 - 12/31	01/31/88	01/31/88

1/ A newly registered committee should refer to "WHAT MUST BE REPORTED," on the reverse side.

2/ Reports sent by certified or registered mail must be postmarked by the mailing date. Reports mailed first class or hand delivered must be received by the filing date.

FOR INFORMATION, Call: Information Services Division
202/376-3120 or 800/424-9530

88040723710



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

RQ-7

AUG 20 1987

Mr. John W. Beeman, Treasurer
Interfirst Corporation Good
Government Fund
1201 Elm Street, P.O. Box 83000
Dallas, TX 75283

Identification Number: C00035725

Reference: Mid-Year Report (1/1/87-6/30/87)

Dear Mr. Beeman:

It has come to the attention of the Federal Election Commission ("the Commission") that your committee may be in violation of 2 U.S.C. §434(a) for failing to file the above referenced Report of Receipts and Disbursements. You were notified previously of the due date for this report.

It is important that you file this report immediately with the Federal Election Commission, 999 E Street, NW, Washington, DC 20463 (or with the Clerk of the House or the Secretary of the Senate, as appropriate). A copy of the report or the relevant portions should also be filed with the Secretary of State or equivalent State officer. See 2 U.S.C. §439.

Although the Commission may initiate an audit or legal enforcement action concerning this matter, your prompt response and a letter of explanation will be taken into consideration.

If you have any questions, please contact Mike Tangney on our toll-free number (800) 424-9530. Our local number is (202) 376-2480.

Sincerely,

John D. Gibson
Assistant Staff Director
Reports Analysis Division

93040725711

TELECON

ANALYST: Alva E. Smith

CONVERSATION WITH: Secretary

COMMITTEE: Interfirst Corporation Good Government Fund (214) 922-5542

DATE: September 14, 1987

SUBJECT(S): Mid Year non-filer

Ms. Engles, the treasurer, returned my call from earlier during the day. I explained that as of this day the committee's Mid Year Report has not been received. She stated that the report will be sent certified on September 18, 1987.

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FRB FUND

For Effective Government
First RepublicBank Corporation
Political Action Committee

RECEIVED
FEDERAL ELECTION COMMISSION
MAIL ROOM

Attachment 5

(Page 1 of 2)

87 SEP 23 AM 10: 59

FRB Fund
P O Box 660020
Dallas, Texas 75266-0020
Phone (214) 922-5743

Finance Committee

Chairman

Lee Drain

Treasurer

Denise R Engles

Thomas G Barksdale

Joe D Denton

Andrew C Elliott

Joseph C Bowles

Kathy Thomas

September 21, 1987

Mr. John D. Gibson
Assistant Staff Director
Reports Analysis Division
Federal Election Commission
999 E Street
Washington, D.C. 20463

RE: Mid-Year Report (1/1/87-6/30/87) for
InterFirst Corporation Good Government Fund
Identification Number: C00035725

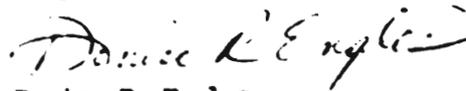
Dear Mr. Gibson:

Enclosed is the mid-year report for the above referenced Fund. As I explained to Mike Tangney when I spoke to him about two weeks ago, RepublicBank Corporation and InterFirst Bank Corporation merged effective 6-8-87 and became First RepublicBank Corporation. At that time, RepublicBank's PAC and InterFirst's PAC became affiliate PACs. RepublicBank's PAC changed its name to FRB Fund for Effective Government and will be the one surviving PAC. Effective 6-8-87, no more disbursements will be made from the above referenced InterFirst fund. Contributions will continue to be received from PAC members until 12-31-87 at which time the InterFirst Corporation Good Government Fund will be terminated.

The merger of the two corporations has caused much attrition of employees and disruption. Much of the InterFirst information lay abandoned for several months after the merger date. I am the Treasurer of the FRB Fund for Effective Government and will also be filing the reports of the InterFirst Corporation Good Government Fund until it is terminated as of 12-31-87.

If you have any questions or need any further information, please contact me at 214-922-5542. Thank you for your consideration.

Very truly yours,



Denise R. Engles
Treasurer

DRE:dew

Inclosure

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

RECEIVED
FEDERAL ELECTION COMMISSION

88 JAN 29 AM 9:28

FIRST GENERAL COUNSEL'S REPORT

RAD REFFERAL: 87NF-137
STAFF MEMBER: CURRY

SENSITIVE

SOURCE OF MUR: INTERNALLY GENERATED

RESPONDENTS: Interfirst Corporation Good Government Fund and
Denise R. Engles, as treasurer

RELEVANT STATUTE: 2 U.S.C. § 434(a)(4)(A)(iv)

INTERNAL REPORTS CHECKED: Disclosure Reports

FEDERAL AGENCIES CHECKED: None

I. GENERATION OF MATTER

This matter was generated by the Reports Analysis Division ("RAD") after a review of the disclosure reports of Interfirst Corporation Good Government Fund. The RAD referral reveals that Interfirst Corporation Good Government Fund and Denise R. Engles,^{1/} as treasurer, may have violated 2 U.S.C. § 434(a)(4)(A)(iv) by failing to file the 1987 Mid-Year Report in a timely manner.

II. FACTUAL AND LEGAL ANALYSIS

The Interfirst Corporation Good Government Fund ("the Committee") failed to timely file the 1987 Mid-Year Report of Receipts and Disbursements covering the period from January 1, 1987 to June 30, 1987. The Committee was notified on July 7,

^{1/} The RAD referral lists John W. Beeman, as treasurer. (Attachment 1, page 2). However, Footnote 1 on page 2 of the referral notes that the political action committees of Interfirst Corporation and First Republican Corporation (FRB) became affiliated when the two corporations merged on June 8, 1987. Consequently, Denise R. Engles, treasurer of FRB Fund, has also become treasurer of the Committee until termination of the Committee in the near future. (Attachment 1, page 10).

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1987, that the report was due on July 31, 1987. (Attachment 1, page 6-7). A Non-Filer Notice was sent to the Committee on August 20, 1987.^{2/} (Attachment 1, page 8).

On September 14, 1987, the RAD Analyst attempted to call the former treasurer of the Committee, Mr. Beeman. The RAD Analyst left a message for him to return the call. Ms. Engles, the present treasurer, returned the call and stated that the report would be sent via certified mail on September 18, 1987. (Attachment 1, page 9). On September 23, 1987, the Committee filed the 1987 Mid-Year Report. (Attachment 1, page 10-11).

2 U.S.C. § 434(a)(4)(A)(iv), requires that political committees, other than authorized committees of a candidate, shall file a mid-year report covering the period beginning January 1 and ending June 30 during years in which general elections are not held. Such report is required to be filed no later than July 31 of the calendar year.

The Committee was required to file the 1987 Mid-Year Report by July 31, 1987. The Committee, however, did not file the 1987 Mid-Year Report until September 23, 1987. In view of the Committee's failure to file the 1987 Mid-Year Report by the required filing date, the Office of General Counsel recommends that the Commission open a MUR and find reason to believe the Committee and Denise R. Engles, as treasurer, violated 2 U.S.C. § 434(a)(4)(A)(iv).

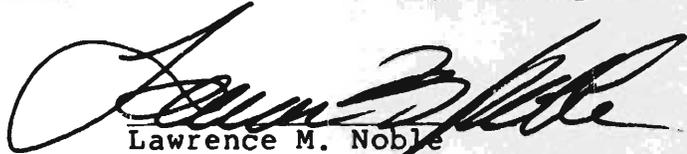
^{2/} Non-Filer notices were sent to Interfirst's former address of record.

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III. RECOMMENDATIONS

1. Open a MUR.
2. Find reason to believe Interfirst Corporation Good Government Fund and Denise R. Engles, as treasurer, violated 2 U.S.C. § 434(a)(4)(A)(iv).
3. Approve the attached letter and Factual and Legal Analysis.

Date 1/28/88


Lawrence M. Noble
General Counsel

Attachments

1. Referral Materials
2. Proposed Letter and Factual and Legal Analysis

89740723717

BEFORE THE FEDERAL ELECTION COMMISSION

(MUR 2578)

In the Matter of)
Interfirst Corporation Good Government Fund and)
Denise R. Engles, as treasurer)

RAD Ref. 87NF-137

CERTIFICATION

I, Marjorie W. Emmons, Secretary of the Federal Election Commission, do hereby certify that on February 2, 1988, the Commission decided by a vote of 6-0 to take the following actions in RAD Ref. 87NF-137:

1. Open a MUR.
2. Find reason to believe Interfirst Corporation Good Government Fund and Denise R. Engles, as treasurer, violated 2 U.S.C. § 434(a)(4)(A)(iv).
3. Approve the letter and Factual and Legal Analysis, as recommended in the First General Counsel's report signed January 28, 1988.

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

Attest:

2/2/88

Date

Marjorie W. Emmons

Marjorie W. Emmons
Secretary of the Commission

Received in the Office of Commission Secretary:	Fri.,	1-29-88,	9:28
Circulated on 48 hour tally basis:	Fri.,	1-29-88,	12:00
Deadline for vote:	Tues.,	2-02-88,	4:00

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FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

February 9, 1988

Denise R. Engles
Interfirst Corporation Good Government Fund
P.O. Box 660020
Dallas, TX 75266

RE: MUR 2578
Interfirst Corporation Good
Government Fund and
Denise R. Engles, as treasurer

Dear Ms. Engles:

On February 2, 1988, the Federal Election Commission found that there is reason to believe Interfirst Corporation Good Government Fund ("Committee") and you, as treasurer, violated 2 U.S.C. § 434(a)(4)(A)(iv), a provision of the Federal Election Campaign Act of 1971, as amended ("the Act"). The Factual and Legal Analysis, which formed a basis for the Commission's finding, is attached for your information.

Under the Act, you have an opportunity to demonstrate that no action should be taken against the Committee and you, as treasurer. 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 within 15 days of your receipt of this letter. Where appropriate, statements should be submitted under oath.

In the absence of any additional information demonstrating that no further action should be taken against the Committee and you, as treasurer, 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

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Letter to Denise R. Engles
Page 2

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.

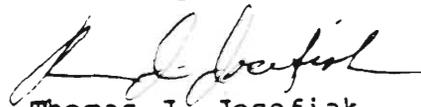
Requests for extensions of time will not be routinely granted. Requests must be made in writing at least five days prior to the due date of the response and specific good cause must be demonstrated. In addition, the Office of the General Counsel ordinarily will not give extensions beyond 20 days.

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 Deborah Curry, 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

99040723720

HAND DELIVERED

RECEIVED
FEDERAL ELECTION COMMISSION
MAIL ROOM

88 FEB 29 AM 9: 26



February 25, 1988

Ms. Alva Smith
RAD Analyst
Reports Analysis Division
Federal Election Commission
999 E Street, N.W.
Washington, D.C. 20463

FEDERAL EXPRESS

Re: InterFirst Corporation Good Government Fund
MUR 2578
Denise R. Engles, as treasurer
(FEC #C00035725)

Dear Ms. Smith:

To follow up on our telephone conversation yesterday, attached please find a Statement of Designation of Counsel, an appointment of Ms. Holli Ball of First RepublicBank Corporation as a substitute treasurer for the InterFirst Corporation Good Government PAC ("PAC"), and a copy of our request for an extension of time in which to respond to the pending MUR 2578 which is addressed to Ms. Deborah Curry of the FEC legal division.

I have been asked to represent the PAC in this matter. The Statement of Designation of Counsel dated February 25, 1988 so indicates.

On December 24, 1987 Ms. Denise R. Engles (married name is now Wall) resigned from First RepublicBank Corporation. Prior to that time she prepared and filed with the FEC a Report of Receipts and Disbursements for the PAC for the period from July 1, 1987 to December 22, 1987. The Report was dated December 22, 1987. With the Report she also filed an Affidavit of Dissolution For General-Purpose Committees for the PAC also dated December 22, 1987. It was her intention and it remains First RepublicBank Corporation's intention to dissolve the PAC (InterFirst Corporation Good Government Fund) and keep the First RepublicBank (FRB) Fund for Effective Government. I understand from our telephone conversation that your Reports Analysis Division has received the dissolution documentation, but that dissolution is being held up by the FEC legal division pending resolution of MUR 2578.

Please note that with the merger of InterFirst Corporation and RepublicBank Corporation on June 6, 1987 to form First RepublicBank Corporation, the corporate need for the InterFirst Corporation Good Government Fund (FEC #C00035725) disappeared. The intention has been to dissolve that fund through disbursements to the First RepublicBank (FRB) Fund for Effective Government (FEC #C0007830), which is intended to be the surviving political action committee of First RepublicBank Corporation.

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Ms. Alva Smith
February 25, 1988
Page 2

Once the pending MUR proceeding is resolved, please contact me if additional filings are necessary to accomplish the dissolution. I may be reached directly at (214) 922-7606.

Sincerely yours,



Ralph H. Richardson
Vice President and
Assistant General Counsel

RHR/lb

Attachments

cc: Ms. Deborah Curry
Legal Division
Federal Election Commission
Washington, D.C. 20463

Ms. Holli Ball
Treasurer
First RepublicBank (FRB) Fund for Effective Government
P. O. Box 660020
Dallas, Texas 75266-0020

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HAND DELIVERED

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FEDERAL ELECTION COMMISSION
MAIL ROOM



88 FEB 29 AM 9:26

February 25, 1988

Ms. Deborah Curry
Legal Division
Federal Election Commission
999 E Street, N.W.
Washington, D.C. 20463

FEDERAL EXPRESS

RECEIVED
FEDERAL ELECTION COMMISSION
88 FEB 29 AM 12:47

Re: MUR 2578
InterFirst Corporation Good Government Fund
FEC #C00035725
Denise R. Engles, as treasurer

REQUEST FOR EXTENSION OF TIME TO RESPOND TO MUR

Dear Ms. Curry:

I am a First RepublicBank Corporation staff lawyer who has been asked to respond to the MUR issued by your office and the Commission dated February 9, 1988. Attached please find a copy of a designation of counsel form filed with the Reports Analysis Division indicating my representational status.

The existence of the pending MUR was first brought to my attention February 24, 1988 by Ms. Holli Ball who is treasurer of the First RepublicBank (FRB) fund for Effective Government (#C0007830). Ms. Ball now is also trying to resolve issues related to the InterFirst Corporation Good Government Fund, a political action committee which she thought was dissolved effective December 22, 1987.

We are currently researching the facts and circumstances concerning the InterFirst Corporation Good Government Fund June 30, 1987 report filing.

We anticipate being able to respond fully with respect to that report filing shortly.

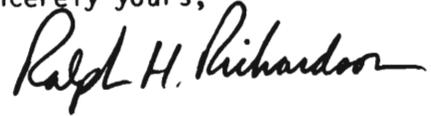
Due to the turnover in the treasurer's position, three treasurers within a 6 month period, and Ms. Ball's duties in filing current reports for the First RepublicBank (FRB) Fund for Effective Government, an adequate response to the MUR has not been made.

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Ms. Deborah Curry
February 25, 1988
Page 2

We hereby respectfully request an extension of time to respond to the MUR. Should an extension be granted we will respond to the issue presented in MUR 2578 within 20 days of the date of this letter.

Sincerely yours,



Ralph H. Richardson
Vice President and
Assistant General Counsel

RHR/lb

Attachments

cc: Ms. Alva Smith
RAD Analyst
Federal Election Commission
Washington, D.C. 20463

Ms. Holli Ball
Treasurer
First RepublicBank (FRB) Fund for Effective Government
P. O. Box 660020
Dallas, Texas 75266-0020

93740723724

STATEMENT OF DESIGNATION OF COUNSEL

MUR 2578

NAME OF COUNSEL: Ralph H. Richardson - First Republic Bank Corporation

ADDRESS: 19th Floor, Tower I

P. O. Box 660020 300 North Ervay

Dallas, Texas or Dallas, TX 75201
75266-0020

TELEPHONE: (214)922-7606

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

Holli Ball
Signature Holli Ball

RESPONDENT'S NAME: InterFirst Corporation Good Government Fund

ADDRESS: P. O. Box 660020

Dallas, TX 75266-0020

HOME PHONE: _____

BUSINESS PHONE: (214)922-3793

28040723725

STATEMENT OF ORGANIZATION

(See reverse side for instructions)

RECEIVED
FEDERAL ELECTION COMMISSION
MAIL ROOM

1. (a) NAME OF COMMITTEE IN FULL <input type="checkbox"/> (Check if name is changed) InterFirst Corporation Good Government Fund	2. DATE 2-25-88 88 FEB 29 AM 9: 26
(b) Number and Street Address <input type="checkbox"/> (Check if address is changed) P. O. Box 660020	3. FEC IDENTIFICATION NUMBER C00035725
(c) City, State and ZIP Code Dallas, TX 75266-0020	4. IS THIS STATEMENT AN AMENDMENT? <input checked="" type="checkbox"/> YES <input type="checkbox"/> NO

5. TYPE OF COMMITTEE (Check one)

- (a) This committee is a principal campaign committee. (Complete the candidate information below.)
- (b) This committee is an authorized committee, and is NOT a principal campaign committee. (Complete the candidate information below.)
- | | | | |
|-------------------|-----------------------------|---------------|----------------|
| Name of Candidate | Candidate Party Affiliation | Office Sought | State/District |
|-------------------|-----------------------------|---------------|----------------|
- (c) This committee supports/opposes only one candidate _____ and is NOT an authorized committee.
(name of candidate)
- (d) This committee is a _____ committee of the _____ Party.
(National, State or subordinate) (Democratic, Republican, etc.)
- (e) This committee is a separate segregated fund.
- (f) This committee supports/opposes more than one Federal candidate and is NOT a separate segregated fund or a party committee.

Name of Any Connected Organization or Affiliated Committee	Mailing Address and ZIP Code	Relationship
First RepublicBank Corporation	P. O. Box 660020 Dallas, TX 75266-0020	Connected

Type of Connected Organization
 Corporation Corporation w/o Capital Stock Labor Organization Membership Organization Trade Association Cooperative

7. Custodian of Records: Identify by name, address (phone number -- optional) and position of the person in possession of committee books and records.

Full Name	Mailing Address	Title or Position
Treasurer		

8. Treasurer: List the name and address (phone number -- optional) of the treasurer of the committee; and the name and address of any designated agent (e.g., assistant treasurer).

Full Name	Mailing Address	Title or Position
Holli Ball	P. O. Box 660020 Dallas, TX 75266-0020	Government Affairs Office

9. Banks or Other Depositories: List all banks or other depositories in which the committee deposits funds, holds accounts, rents safety deposit boxes or maintains funds.

Name of Bank, Depository, etc.	Mailing Address and ZIP Code
First RepublicBank Dallas	P. O. Box 655961 Dallas, TX 75265-5961

I certify that I have examined this Statement and to the best of my knowledge and belief it is true, correct and complete.

TYPE OR PRINT NAME OF TREASURER Holli Ball	SIGNATURE OF TREASURER <i>Holli Ball</i>	DATE 2-25-88
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NOTE: Submission of false, erroneous, or incomplete information may subject the person signing this Statement to the penalties of 2 U.S.C. §437g. ANY CHANGE IN INFORMATION SHOULD BE REPORTED WITHIN 10 DAYS.

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For further information contact:
 Federal Election Commission
 Toll-free 800-424-9530
 Local 202-376-3120

FEC FORM 1
(revised 4/87)

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FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

March 3, 1988

Ralph H. Richardson, Esquire
First RepublicBank Corporation
19th Floor, Tower I
300 North Ervay
Dallas, TX 75201

RE: MUR 2578
Interfirst Corporation
Good Government Fund
and Holli Ball, as
treasurer

Dear Mr. Richardson:

This is in response to your letter dated February 25, 1988, which we received on February 29, 1988, requesting an extension until March 15, 1988 to respond to the Commission's notification of reason to believe. After considering the circumstances presented in your letter, I have granted the requested extension. Accordingly, your response is due by close of business on March 15, 1988.

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

Sincerely,

Lawrence M. Noble
General Counsel

By: Lois G. Lerner
Associate General Counsel

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CCC# 6767

RECEIVED
FEDERAL ELECTION COMMISSION
MAIL ROOM



88 MAR 14 AM 10:30

March 7, 1988

Ms. Deborah Curry
Legal Division
Federal Election Commission
999 E Street, N.W.
Washington, D.C. 20463

RECEIVED
FEDERAL ELECTION COMMISSION
OFFICE OF GENERAL COUNSEL
88 MAR 14 PM 3:07

Re: MUR 2578
InterFirst Corporation Good Government Fund ("PAC")
FEC #C00035725

Dear Ms. Curry:

This is a response to the MUR 2578 finding in a letter signed by Chairman Thomas J. Josefiak addressed to Ms. Denise Engles dated February 9, 1988. By our previous letter to you of February 25, 1988 we have asked for an extension of time in which to file this response and we also enclosed an appropriate designation of counsel form. This response is on behalf of the PAC and First RepublicBank Corporation and should not be taken to be an answer by Ms. Denise Engles (married name is now Wall) in her individual capacity.

The February 9 letter cites a violation of 2 U.S.C. 434(a)(4)(A)(iv), the section of the Federal Election Campaign Act which calls for political action committee reports to be filed no later than July 31 for the period from January 1 to June 30, and no later than January 31 of the following year for the July 31 to December 31 reporting period. Two such reports are required in non-election years by the Act.

There is no question that the InterFirst Corporation Good Government Fund mid-year report for the period January 1, 1987 to June 30, 1987 was late. The treasurer of the PAC at the time was Ms. Denise Engles. Her report was mailed to the Commission September 21, 1987.

The PAC in question was affiliated with InterFirst Corporation, a Texas multi-bank holding company. This company was merged out of existence and its subsidiary banks acquired by RepublicBank Corporation on June 6, 1987. In Dallas two crosstown banks were merged and began conducting business from two locations effective June 8, 1987.

There have been three treasurers of the PAC in the last six months due in major part to resignation or realignment of corporate personnel as a result of the merger. At the time of the merger Mr. John W. Beeman was treasurer of the PAC, and his reports with state and local officials showing PAC contributions and distributions were timely filed until mid-May 1987 when there was an abrupt change in his responsibilities. The merger date brought several personnel changes for people familiar with the political campaign committee's activities.

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Ms. Deborah Curry
March 7, 1988
Page 2

The PAC unit had several affiliated committees on a statewide basis which were supported on a different employee payroll computer system, as well. Ms. Engles assumed responsibilities for the PAC at the time of merger in addition to her work with the real estate division's troubled loan section.

It should be noted at this time that Ms. Engles did talk to Federal Election Commission staff about the report and the steps needed to be taken to dissolve the InterFirst PAC and its affiliated committees. Due to the merger-related disruptions calls to the former treasurer may have gone unanswered. As an example of what kinds of disruptions were involved the August 20, 1987 non-filer notice was not received in the right department to be acted upon until August 31, 1987. With similar personnel disruptions and communications problems occurring statewide it was difficult to develop the detail needed for the mid-year report.

Ms. Engles noted the merger-related difficulties in her telephone conversations with Commission staff members and in her report transmittal letter of September 21, 1987. She stated, "The merger of the two corporations has caused much attrition of employees and disruption. Much of the InterFirst information lay abandoned for several months after the merger date. I am the Treasurer of the FRB Fund for Effective Government and will also be filing the reports of the InterFirst Corporation Good Government Fund until it is terminated as of 12-31-87."

It should also be noted at this time that the PAC treasurer's past filings prior to the merger were timely. A report for the period January 1, 1987 to April 8, 1987, and a report for the period April 9, 1987 to May 13, 1987 was filed with the Texas Secretary of State. Reports were also filed on the PAC with the City of Dallas' City Secretary for this period. It is also our belief that Ms. Engles' reporting practices with RepublicBank Corporation's political action committee were good ones prior to the merger.

We respectfully submit that the merger of RepublicBank Corporation and InterFirst Corporation in June 1987 to create First RepublicBank Corporation was an extraordinary event. This event resulted in a late filing of the PAC's mid-year report, but we believe this late filing was atypical and not an indication of either company's past filing practices, or the filing practices of First RepublicBank Corporation in the future.

We ask that the PAC not be fined based upon the occurrence described above and the extraordinary events surrounding the merger.

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Ms. Deborah Curry
March 7, 1988
Page 3

In the alternative, we ask that the Commission and its legal staff consider the mitigating factors described above, and we request appropriate probable cause conciliation.

Sincerely yours,



Ralph H. Richardson
Vice President and
Assistant General Counsel

RHR/lb

cc: Ms. Holli Ball
Treasurer First RepublicBank (FRB)
Fund for Effective Government
P. O. Box 660020
Dallas, Texas 75266-0020

Ms. Alva Smith
RAD Analyst
Federal Election Commission
Washington, D.C. 20463

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BEFORE THE FEDERAL ELECTION COMMISSION

88 APR 20 AM 11:29

In the Matter of)
)
InterFirst Corporation Good)
Government Fund and Holli Ball,)
as treasurer)

MUR 2578

SENSITIVE

GENERAL COUNSEL'S REPORT

I. BACKGROUND

On February 2, 1988, the Federal Election Commission found reason to believe InterFirst Corporation Good Government Fund ("InterFirst PAC") and Holli Ball, as treasurer, violated 2 U.S.C. § 434(a)(4)(A)(iv) by failing to file the 1987 Mid-Year Report in a timely manner.

On March 3, 1988, Respondents were granted an extension of time until March 15, 1988, to respond to the Commission's notification of reason to believe. On March 14, 1988, the Office of General Counsel received a response from Respondents. (Attachment 1). Respondents request that no civil penalty be assessed against InterFirst PAC, or in the alternative, Respondents request that the Commission consider the circumstances of the matter as mitigating factors and grant pre-probable cause conciliation.

Respondents contend that the merger of RepublicBank Corporation and InterFirst Corporation in June 1987 to create First RepublicBank Corporation was an extraordinary event that resulted in the late filing of the Mid-Year report. (Attachment 1, page 2). According to Respondents, due to the merger, the PAC has had three treasurers in six months. (Attachment 1, page 1). Additionally, Respondents note that abrupt changes in personnel caused communication problems among the state wide committees of

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the PAC as well as with the Commission. (Attachment 1, page 2). Respondents also note that much of the InterFirst PAC information lay abandoned until months after the merger. (Attachment 1, page 2). These circumstances, while perhaps mitigating in nature, do not negate the 2 U.S.C. § 434(a)(4)(A)(iv) violation.

II. DISCUSSION OF CONCILIATION PROVISIONS AND CIVIL PENALTY

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III. RECOMMENDATIONS

1. Enter into conciliation with InterFirst Corporation Good Government Fund and Holli Ball, as treasurer, prior to a finding of probable cause to believe.
2. Approve the attached proposed conciliation agreement and letter.

Lawrence M. Noble
General Counsel

4/19/88

Date

BY:



Lois G. Lerner
Associate General Counsel

Attachments

1. Response of PAC
2. Proposed Conciliation Agreement
3. Letter to Respondents

Staff Person: Deborah Curry

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BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of)	
)	
InterFirst Corporation Good)	MUR 2578
Government Fund and Holli Ball,)	
as treasurer)	

CERTIFICATION

I, Marjorie W. Emmons, Secretary of the Federal Election Commission, do hereby certify that on April 22, 1988, the Commission decided by a vote of 5-0 to take the following actions in MUR 2578:

1. Enter into conciliation with InterFirst Corporation Good Government Fund and Holli Ball, as treasurer, prior to a finding of probable cause to believe.
2. Approve the proposed conciliation agreement and letter, as recommended in the General Counsel's report signed April 19, 1988.

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

Attest:

4-22-88

Date

Marjorie W. Emmons

Marjorie W. Emmons
Secretary of the Commission

Received in the Office of Commission Secretary:	Wed.,	4-20-88,	11:29
Circulated on 48 hour tally basis:	Wed.,	4-20-88,	4:00
Deadline for vote:	Fri.,	4-22-88,	4:00

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FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

May 2, 1988

Ralph H. Richardson, Esquire
First RepublicBank Corporation
19th Floor, Tower I
300 North Ervay
Dallas, TX 75201

RE: MUR 2578
InterFirst Corporation
Good Government Fund
and Holli Ball, as
treasurer

Dear Mr. Richardson:

On February 2, 1988, the Federal Election Commission found reason to believe that InterFirst Corporation Good Government Fund and Holli Ball, as treasurer, violated 2 U.S.C. § 434(a)(4)(A)(iv). At your request, on April , 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

93740723735

Ralph H. Richardson, Esquire
Page 2

Deborah Curry, 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

83040723736

STATEMENT OF DESIGNATION OF COUNSEL

MUR 2578

NAME OF COUNSEL: George L. Stockwell - First RepublicBank Corporation
ADDRESS: 19th Floor, Tower I, 300 North Ervay
Dallas, Texas 75201
OR P. O. Box 660020
Dallas, Texas 75266-0020

TELEPHONE: (214) 922-6130

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

6/1/88
Date

Holli Ball
Signature Holli Ball, Treasurer

RESPONDENT'S NAME: InterFirst Corporation Good Government Fund
ADDRESS: P. O. Box 660020
Dallas, Texas 75266-0020
BUSINESS PHONE: (214) 922-3793

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August 29, 1988

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Texas

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88 SEP -2 PM 3:53

Ms. Lois G. Lerner
Associate General Counsel
Federal Election Commission
Washington, D.C. 20463

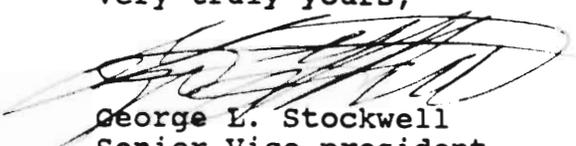
In Re: MUR2578-Interfirst Corporation Good Government Fund

Dear Ms. Lerner:

In line with my conversation earlier with Deborah Curry, I am enclosing herewith a copy of the conciliation agreement in this matter which I have signed, and a Cashier's Check payable to the Federal Election Commission in the amount of \$700.00.

If there are any further items to be concluded in this matter, please let me know. If no further documents are necessary, please send a signed copy of the conciliation agreement when it is completed.

Very truly yours,



George L. Stockwell
Senior Vice president
and General Counsel

GLS:eh

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BEFORE THE FEDERAL ELECTION COMMISSION

88 SEP 30 PM 3: 18

In the Matter of)
)
InterFirst Corporation Good)
Government Fund and Holli Ball,)
as treasurer)

MUR 2578

SENSITIVE

GENERAL COUNSEL'S REPORT

I. BACKGROUND

Attached is a conciliation agreement which has been signed by George L. Stockwell on behalf of InterFirst Corporation Good Government Fund and Holli Ball, as treasurer.

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

II. RECOMMENDATIONS

1. Accept the attached conciliation agreement with InterFirst Corporation Good Government Fund and Holli Ball, as treasurer.
2. Close the file.
3. Approve the attached letter.

Lawrence M. Noble
General Counsel

Date 9/30/88

BY: 
Lois G. Lerner
Associate General Counsel

Attachments

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

Staff Assigned: Deborah Curry

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BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of)	
)	
InterFirst Corporation Good)	MUR 2578
Government Fund and Holli Ball,)	
as treasurer)	

CERTIFICATION

I, Marjorie W. Emmons, Secretary of the Federal Election Commission, do hereby certify that on October 5, 1988, the Commission decided by a vote of 6-0 to take the following actions in MUR 2578:

1. Accept the conciliation agreement with InterFirst Corporation Good Government Fund and Holli Ball, as treasurer, as recommended in the General Counsel's report signed Septmeber 30, 1988.
2. Close the file.
3. Approve the letter, as recommended in the General Counsel's report signed September 30, 1988.

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

Attest:

Oct. 5, 1988

Date

Marjorie W. Emmons

Marjorie W. Emmons
Secretary of the Commission

Received in the Office of Commission Secretary:	Fri.,	9-30-88,	3:18
Circulated on 48 hour tally basis:	Mon.,	10-03-88,	11:00
Deadline for vote:	Wed.,	10-05-88,	11:00

jm

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

October 17, 1988

George L. Stockwell, Esquire
First Republic Bank Corporation
19th Floor Tower I
300 North Ervay
Dallas, Texas 75201

RE: MUR 2578
InterFirst Corporation Good
Government Fund and Holli
Ball, as treasurer

Dear Mr. Stockwell:

On October 5, 1988, the Federal Election Commission accepted the signed conciliation agreement and civil penalty submitted on your client's behalf in settlement of a violation of 2 U.S.C. § 434(a)(4)(A)(iv), 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. If you wish to submit any factual or legal materials to appear on the public record, please do so within ten days. Such materials should be sent to the Office of the General Counsel.

Please be advised that information derived in connection with any conciliation attempt will not become public without the written consent of the respondent and the Commission. See 2 U.S.C. § 437g(a)(4)(B). The enclosed conciliation agreement, however, will become a part of the public record.

Enclosed you will find a copy of the fully executed conciliation agreement for your files. If you have any questions, please contact Deborah Curry, 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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BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of)
)
InterFirst Corporation Good) MUR 2578
Government Fund and Holli Ball,)
as treasurer)

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 InterFirst Corporation Good Government Fund and its treasurer, ("Respondents") violated 2 U.S.C. § 434(a)(4)(A)(iv) by failing to file the 1987 Mid-Year Report in a timely manner.

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.

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IV. The pertinent facts in this matter are as follows:

1. InterFirst Corporation Good Government Fund was the separate segregated fund of InterFirst Corporation and as of June 6, 1987 of First RepublicBank Corporation.

2. Denise Engles was treasurer of InterFirst Corporation Good Government Fund at the time that the 1987 Mid-Year Report was filed with the Commission.

3. Holli Ball is currently treasurer of InterFirst Corporation Good Government Fund.

4. Respondents were required by 2 U.S.C. § 434(a)(4)(A)(iv) to file the 1987 Mid-Year Report on July 31, 1987.

5. Respondents failed to file the 1987 Mid-Year Report until September 23, 1987.

6. The 1987 Mid-Year Report was filed 54 days late.

V. Respondents failed to file the 1987 Mid-Year Report in a timely manner, in violation of 2 U.S.C. § 434(a)(4)(A)(iv).

VI. Respondents will pay a civil penalty to the Federal Election Commission in the amount of Seven Hundred dollars (\$700), 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.

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

FOR THE COMMISSION:

Lawrence M. Noble
General Counsel

By: 
Lois G. Lerner
Associate General Counsel

10/12/88
Date

FOR THE RESPONDENTS:


George L. Stockwell
Counsel for Respondents

August 29, 1988
Date

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

THIS IS THE END OF MUR # 2578

DATE FILMED 11-18-88 CAMERA NO. 3

CAMERAMAN PC

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