



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

THIS IS THE BEGINNING OF MUR # 2655

DATE FILMED 6/1/90 CAMERA NO. 4

CAMERAMAN A.S.

00040764891

REPUBLICAN STATE COMMITTEE

P. O. BOX 1624 • HARRISBURG 17105



OF PENNSYLVANIA

TELEPHONE (717) 234-4901

@CC#9941

Mar 26 55

EARL M. BAKER
Chairman

July 27, 1988

Lawrence Noble
Office of General Counsel
Federal Election Commission
999 E Street, N.W.
Washington, D.C. 20004

Dear Mr. Noble:

Attached you will find a complaint being filed against David Edward Landau, Friends of David Landau, Inc., by Earl M. Baker, Chairman of the Republican State Committee of Pennsylvania.

I would appreciate your forwarding a receipt to me to verify this filing.

Sincerely,

Lowman S. Henry
Political Director

HAND DELIVERED

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BEFORE THE FEDERAL ELECTION COMMISSION
OF THE UNITED STATES OF AMERICA

In the matter of:)
)
Earl M. Baker, Chairman)
Pennsylvania Republican Party)
)
v.)
)
David Edward Landau, Friends of)
David Landau, Inc.)
)
)
_____)

COMPLAINT

Earl M. Baker, Chairman of the Pennsylvania Republican Party files this complaint and accompanying exhibits pursuant to 2 U.S.C. section 437g(a) against David Edward Landau, 11 Oak Knoll Drive, Wallingford, Pennsylvania 19063 and the Friends of David Landau, Inc. P.O. Box 1762, Media, Pennsylvania 19063.

I. FACTS.

David Edward Landau ("Landau") was an unsuccessful candidate for the 1986 Democratic nomination for the 7th Congressional District in Pennsylvania. The Friends of David Landau, Inc. served as Landau's principal campaign committee. During the course of his unsuccessful campaign, Landau incurred a substantial debt. In an attempt to avoid responsibility for the debt, Landau

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developed a scheme which engendered illegal private and corporate contributions.

II. ARGUMENTS.

A. Landau has accepted contributions from individuals in excess of the legal limits.

No person shall make contributions to any candidate, his or her authorized political committees or agents with respect to any election for Federal office which, in the aggregate, exceeds \$1,000.^{1/} Additionally, no candidate or political committee shall accept any contribution in excess of the legal limits.^{2/}

A debt owed by a political committee which is forgiven or settled for less than the amount owed is a contribution unless such debt is settled in accordance with the following standards:^{3/}

(1) The initial extension of credit was made in the ordinary course of business and the terms are substantially similar to extensions of credit to non-political debtors which are of similar risk and size of obligation;

1/ 11 C.F.R. section 110.1(b)(1).

2/ 11 C.F.R. section 110.9(a).

3/ 11 C.F.R. section 100.7(a)(4).

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(2) The candidate or political committee or person has undertaken all commercially reasonable efforts to satisfy the outstanding debt;

(3) The creditor has pursued its remedies in a manner similar in intensity to that employed in pursuit of a non-political debtor, including lawsuits if filed in similar circumstances; and

(4) The individual and/or debtor files a statement of settlement with the Commission including the initial terms of credit, the steps taken to satisfy the debt, and the remedies pursued by the creditor. Such settlement is subject to Commission approval.^{4/}

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As indicated in the attached August 18, 1987 article from the Delaware County Daily Times, and confirmed by Landau's mid-year report for the period covering January 1, 1987 to June 30, 1987, Landau "settled" debts to three individuals for nominal amounts. A \$4,758.00 debt to Patricia Ewing was "settled" for a mere \$800.00; a \$6,700.00 debt to Anne Bullock was "settled" for only \$1,000.00; while two debts to the Estate of John Zimmerman totalling \$15,520.00 was "settled" for a purported token amount. However, there is no evidence that such settlements were reached pursuant to the above cited procedure; no evidence that these proposed settlements were proffered to the Commission for approval.

Therefore, since these individuals did not treat their

^{4/} 11 C.F.R. section 114.10.

debts in a reasonable fashion, as evidenced by the extreme discount accepted, the amount over and above the amount settled for must be treated as contributions. Since the remaining amounts exceed \$1,000.00 they represent illegal individual contributions.^{5/}

B. Landau has accepted illegal corporate contributions.

1. Landau has accepted illegal contributions from corporations.

A corporation is prohibited from making a "contribution or expenditure in connection with any [Federal] election;" "contribution or expenditure" includes "any services, or anything of value . . . to any candidate, campaign committee or political party or organization, in connection with any [Federal] election."^{6/} Extension of credit by corporation for a length of time beyond normal business or trade practice or

^{5/} One could also make the argument that since these individuals have extended credit for a length of time beyond normal business or trade practice (i.e. for _____ months), the amount owed would equal contributions (11 C.F.R section 100.7(a)(4). Since these contributions exceed the \$1,000.00 limit, they are therefore illegal.

^{6/} 2 U.S.C. section 441b; also see Advisory Opinion 1975-39, Federal Election Camp. Fin. Guide (CCH) para. 5167, and the Informational Letter to Arthur J. Finkelstein, President, DIRACTION Services, Federal Election Camp. Fin. Guide (CCH) para. 6058.

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the forgiveness or settlement of corporate debt for less than the amount owed represent illegal corporate contributions unless the above-cited procedure is followed.

Also indicated by the Delaware County Daily Times and confirmed by the mid-year report, Landau "settled" a \$10,844.00 direct mail preparation debt to Schlackman, Fazio & Assoc. for a mere \$.20 on the dollar. Earlier records with the FEC indicate that a \$6768.00 debt for polling to Scott Wolf and Associates was "settled" for only \$3,200. No evidence exists to indicate that the procedures set forth in 11 C.F.R. section 114.10 were followed. The mere fact that Schlackman, Fazio & Assoc. forgave 80% of the money owed is evidence in itself that reasonable commercial practices were not followed. The same argument holds true for the settlement by Scott Wolf and Associates of their debt for approximately \$.47 on the dollar.

These "settlements" indicate a pattern of incurring corporate debt with an understanding with the corporation that the debt would not be repaid in full. Such a scheme engenders a situation where illegal corporate contributions are made to the Friends of David Landau. As an indication that the above-cited corporations are

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willing participants in the scheme, is the fact that despite losing thousands of dollars through "settlement," both vendors have agreed to work on Landau's current campaign.^{7/}

2. Landau has accepted illegal corporate contributions from a National bank.

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National banks are prohibited from making a contribution or expenditure in connection with election to any political office, including local, State and Federal offices, or in connection with any primary election or political convention or caucus held to select candidates for any political office, including any local, State or Federal office.^{8/} A loan by a National bank is not a contribution from that lending institution if such loan is made in accordance with applicable banking laws and regulations and is made in the ordinary course of business. A loan is deemed to be made in the ordinary course of business if it: bears the usual and customary interest rate of the lending institution for the category

^{7/} As evidence of the agreement to provide services to Landau during the current campaign, see the attached excerpt from Landau's PAC kit.

^{8/} 11 C.F.R. section 114.2(a).

of loan involved; is made on a basis which assures repayment; is evidenced by a written instrument; and is subject to a due date or amortization schedule.^{9/}

The converse of the above is equally true. That is, if a National bank makes a loan outside of the ordinary course of business, then an illegal contribution develops.

As indicated from the FEC reports from the Friends of David Landau, Inc., Landau has borrowed a considerable amount of money from three National banks (i.e. \$9,000.00 from Jefferson Bank, \$9,000.00 from Continental Bank, \$20,000.00 from PNB and an additional \$40,000.00 from PNB). During the same time period Landau loaned an additional \$60,000.00 of his own money to the campaign. All this loan activity occurred at the same time Landau was reporting income of only in the range of \$50,000.00 to \$60,000.00.^{10/}

These facts can only indicate one of two things.

^{9/} 11 C.F.R. section 100.7(b)(11).

^{10/} See the attached copies of Financial Disclosure Statements filed by Landau.

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Either Landau has under stated his income in violation of Federal law or he has insufficient collateral to justify loans totaling \$78,000.00. If the loans in question were made without sufficient collateral, then they would be made outside of ordinary business practices and therefore constitute illegal contributions.

C. Landau has illegally treated an outstanding debt as a contribution.

In Attachment A to Landau's 1987 mid-year report, Landau states the following:

Adriana Babior performed fundraising consulting services for the Committee in June, 1985. After repeated attempts by mail and telephone the Committee is treating any remaining amount owed to her [i.e. \$500.00] as an in-kind contribution.

The Regulations issued by the FEC are replete with requirements that only a contributor can designate a contribution for a particular election, redesignate a contribution for a different election, or reattribute a contribution to a different contributor.^{11/} No where do the Regulations give a candidate or his committee the power to designate a contribution, much less treat a debt

^{11/} 11 C.F.R. section 110.1(b).

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as an in-kind contribution, without the specific authorization of the contributor. Landau's unauthorized actions are therefore illegal.

III. PRAYER FOR RELIEF.

Earl M. Baker respectfully requests that the FEC investigate these violations and enforce the Federal Election Campaign Act and the Commission's regulations.

Earl M. Baker further requests that the FEC seek the maximum fines for each violation set forth above, and take all steps necessary to prevent Landau from continuing his illegal activities.

IV. VERIFICATION.

The undersigned swears that the allegations and facts

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set forth in this complaint are true to the best of his
knowledge, information and belief.

Earl M Baker

Subscribed and sworn before me this 27 day of July, 1988.

Jane R. Gordon
Notary Public

JANE R. GORDON, NOTARY PUBLIC
MY COMMISSION EXPIRES APRIL 6, 1992

My Commission Expires: HARRISBURG, PA DAUPHIN COUNTY

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

August 4, 1988

Earl M. Baker, Chairman
Republican State Committee
of Pennsylvania
PO Box 1524
Harrisburg, PA 17105

RE: MUR 2555

Dear Mr. Baker:

This letter acknowledges receipt of your complaint, received on July 28, 1988, alleging possible violation of the Federal Election Campaign Act of 1971, as amended ("Act"), by Friends of David Landau, Inc., and David Edward Landau. The respondents will be notified of this complaint within five days.

You will be notified as soon as the Federal Election Commission takes final action on your complaint. Should you receive any additional information in this matter, please forward it to the Office of the General Counsel. Such information must be exact to do the same matter as the original complaint. We have assigned this matter MUR 2555. Please refer to this number in all future correspondence. For your information, we have established a strict implementation of the Commission's procedures for handling complaints. If you have any questions, please contact Peter J. Doherty, General Counsel, at (202) 452-1110.

Sincerely,

Lawrence N. Noble
General Counsel

* Original letter was signed

By: Lois E. Lerner
Associate General Counsel

Enclosure
Procedures

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

August 4, 1988

Mr. David Edward Landau
11 Oak Knoll Drive
Wallingford, PA 19086

RE: MUR 2655
David Edward Landau

Dear Mr. Landau:

The Federal Election Commission received a complaint which alleges that you may have violated the Federal Election Campaign Act of 1971, as amended (the "Act"). A copy of the complaint is enclosed. We have numbered this matter MUR 2655. Please refer to this number in all future correspondence.

Under the Act, you have the opportunity to demonstrate in writing that no action should be taken against you in this matter. Please submit any factual or legal materials which you believe are relevant to the Commission's analysis of this matter. Where appropriate, statements should be submitted under oath. Your response, which should be addressed to the General Counsel's Office, must be submitted within 15 days of receipt of this letter. If no response is received within 15 days, the Commission may take further action based on the available information.

This matter will remain confidential in accordance with Section 437g(a)(4)(B) and Section 437g(a)(12)(A) of Title 2 unless you notify the Commission in writing that you wish the matter to be made public. 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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If you have any questions, please contact Phillip Wise, the attorney assigned to this matter, at (202) 376-8200. For your information, we have attached a brief description of the Commission's procedures for handling complaints.

Sincerely,

Lawrence M. Noble
General Counsel



By: Lois G. Lerner
Associate General Counsel

Enclosures

1. Complaint
1. Procedures
1. Designation of Counsel Statement

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David
Landau
for United States Congress

GCC# 117

FEDERAL ELECTION COMMISSION

88 AUG 15 AM 9:47

Bob Edgar, Honorary Chairman

August 9, 1988

Phillip Wise, Esq.
Federal Election Commission
999 E Street, NW
Washington, DC 20463

Dear Mr. Wise:

Enclosed you will find the statement of designation
of counsel concerning MUR 2655.

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RECEIVED
FEDERAL ELECTION COMMISSION

Sincerely,

Janice M. Bianco
Landau for Congress

21649704000

"For a congressman you can count on"

Landau for Congress Committee • P.O. Box 1762 • Media, Pennsylvania 19063 • (215) 566-0914

STATEMENT OF DESIGNATION OF COUNSEL

RECEIVED
FEDERAL BUREAU OF INVESTIGATION
COMMISSION

MUR 2655

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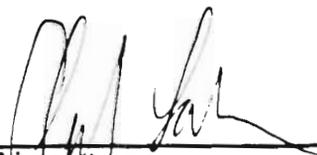
NAME OF COUNSEL: Jonathan Sallet

ADDRESS: Miller, Cassidy, Larocca & Lewin
2555 M Street, Suite 500
Washington, DC 20037

TELEPHONE: 202-293-6400

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 9, 1988
Date


Signature

RESPONDENT'S NAME: David E. Landau, Esq.

ADDRESS: 11 Oak Knoll Drive
Wallingford, PA 19086

HOME PHONE: 215-566-2348

BUSINESS PHONE: 215-981-5730

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RECEIVED
FEDERAL ELECTION COMMISSION
OFFICE OF GENERAL COUNSEL

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August 23, 1988

Lawrence Noble
General Counsel
Federal Election Commission
999 E Street, N.W.
Washington D.C. 20463

Re: MUR 2655

Dear Mr. Noble:

In this letter, Friends of David Landau, Inc., through its undersigned counsel, demonstrates that no action should be taken as a result of the complaint filed by Earl Baker, Chairman of the Pennsylvania Republican Party.

As a review of the complainant's allegations will demonstrate, the complaint is based on errors of fact and ignorance of the law. Indeed, the factual misstatements are so obvious and so egregious that the Commission would be well justified in investigating whether the complainant believed his own allegations, made under penalty of perjury, when he swore to the complaint.

The purpose of this letter is, however, to shorten -- not prolong -- this administrative process. Accordingly, we will address each of the allegations of impropriety raised in the complaint in order to demonstrate that the Commission should speedily determine that no reason to believe exists for the initiation of an investigation under Section 437g. See 2 U.S.C. § 437g.

I. No Improper Debt Settlements Were Made

Friends of David Landau, Inc. served as the principal campaign committee for David Landau's campaign for the Democratic nomination for Congress in Pennsylvania's 7th District in

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Lawrence Noble
August 23, 1988
Page 2

1986. ^{1/} The complaint alleges that three individuals (Patricia Ewing, Anne Bullock, and the Estate of John Zimmerman) and two corporations, (Schlackman, Fazio & Assoc. and Scott Wolf & Associates), made improper contributions to the Landau campaign when the Landau campaign purportedly settled their outstanding debts without following the debt-settlement procedures set forth in Section 114.10 of the Commission's regulations. See Complaint at 3 ("However, there is no evidence that [the individual] settlements were reached pursuant to the above cited procedure; no evidence that these proposed settlements were proffered to the Commission for approval."); *id.* at 5 ("No evidence exists to indicate that the procedures set forth in 11 C.F.R. section 114.10 were followed.")

In fact, the procedures of Section 114.10 were rigorously followed in each of the debt settlements made by Friends of Landau. Enclosed are copies of the debt settlement agreements -- each approved by the Commission -- that concern Anne Bullock, Patricia M. Ewing, Schlackman-Fazio and Associates, Inc., and Scott Wolf & Associates (attached as Exhibits A & B). The fact that these agreements were submitted to the Commission appear in the committee's reports, which are publicly available. As the debt settlement agreements show, each of the requirements of Section 114.10 was expressly followed and, as the letters from the Commission indicate, there is no reason to believe that any settlement results in violations of the Federal Election Campaign Act of 1971, as amended, or the Commission's regulations. ^{2/}

Because the only basis for the complaint is that the settlements were not approved, the fact that all of the settlements were reviewed and approved by the Commission by

^{1/} Landau is currently the Democratic candidate for the same Congressional seat in the 1988 election.

^{2/} The Complaint alleges, based on a newspaper account, that a settlement with the Estate of John Zimmerman has been made. At the time that the complaint was filed, no settlement with the Estate of John Zimmerman had been entered into. (Mr. Zimmerman was a consultant to the campaign who died in February, 1987). There is no basis, therefore, for the allegation that a settlement was improper. Negotiations concerning a settlement with the estate have now been completed. Friends of Landau will submit the details of that agreement to the Commission for its review as soon as the agreement is signed by both parties.

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itself gives lie to the allegations of impropriety. Complainant offers no evidence whatsoever to suggest that the Commission's review of these debt settlements was unreasonable or should be set aside.^{3/} He offers no evidence not before the Commission at the time it reviewed and approved these settlements. The complainant offers absolutely no facts to challenge the veracity of the signed debt settlement agreements in which both the vendor and Friends of Landau state unequivocally that the initial extension of credit was commercially reasonable and that the vendor took all commercially reasonable steps to collection the full amount owing. See Exhibits A & B. In short, there is no evidence that these settlements are anything but proper, both substantively and procedurally.

II. Bank Loans Made to Friends of Landau
Have Been Made on Commercially Reasonable
Terms And Are Entirely Proper

In its first allegation, the complainant ignored the facts -- that the debt settlement agreements were approved by the Commission. In its second allegation, the complainant simply misrepresents the facts. The complaint alleges that Friends of Landau has outstanding bank loans of \$78,000 and that no collateral other than Mr. Landau's personal pledge has been posted to secure any of these loans. Complaint at 7-8. These allegations are not true.

Three short-term bank loans, totalling \$40,347.08, were taken out by Friends of Landau during the 1986 primary campaign:

- * \$10,000 was borrowed on April 9, 1986 from the Jefferson Bank of Downingtown, Pennsylvania. This was a loan payable on demand, subject to an interest rate of 1% above the lender's highest base rate of interest, guaranteed by David Landau personally and guaranteed, up to \$1,000, by Cyrus Landau. See Exhibit C (the cancelled note). By the end of September, the principal on the loan had

^{3/} The Commission's approval of a debt settlement should establish at least a presumptive, if not conclusive, finding of its validity. This presumption should not be subsequently set aside absent compelling evidence not before the Commission at the time of its ruling.

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been paid and the note was thereafter cancelled.

- * \$10,347.08 was borrowed on April 24, 1986 from the Continental Bank of Norristown, Pennsylvania for one hundred and nineteen days at an interest rate of 10 1/2% and renewed for ninety days (in a slightly smaller amount) at an interest rate of 10% on August 20, 1986. As Exhibit D (the cancelled note) demonstrates, the loan was guaranteed personally by David Landau and was paid in full when due in November, 1986.
- * \$20,000 was borrowed from the Philadelphia National Bank on August 26, 1986 at an interest rate of 9-9 1/2%. This short-term loan was guaranteed personally by David Landau and was paid off in full on September 12, 1986. See Exhibit E (bank record).

The fourth loan, for \$40,000, was for a four-year term. It was made by the Philadelphia National Bank on September 12, 1986. See Exhibit E. It is guaranteed personally by David Landau and fully secured by a second lien against Mr. Landau's residence. See Exhibit F (bank record).

The only question raised by the complaint concerns the requirement that bank loans be "made on a basis which assures repayment . ." 11 C.F.R. 110.7(b)(11). The best evidence of the commercial reasonableness of these three loans is, of course, the fact that they were promptly repaid. The complainants allege that \$78,000 in bank loans could not reasonably have been based on the personal credit of Mr. Landau alone. But that allegation misstates the facts. The entire amount was not collateralized simply by Mr. Landau's credit. Mr. Landau, who practices law in Philadelphia, was entirely capable of guaranteeing the first \$40,000 in short-terms loans. The final loan for \$40,000 was fully collateralized by a lien on Mr. Landau's residence. The facts amply demonstrate that there is simply no basis on which to question the plain conclusion that each loan was made on a basis that assured repayment.

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III. The Treatment of One \$500 Debt Is Correct
And Has Been Known To The Commission

Finally, the complaint alleges that Friends of Landau erred in its treatment of a \$500 that could not be repaid. As the campaign report filed with the Commission on September 10, 1987 (attached as Exhibit G) demonstrates, Friends of Landau owed \$500 to Adrianna Babior for fundraising activities but, because she could not be located, the committee determined to treat the \$500 as an in-kind contribution from her, rather than continue to carry it as a debt. The Commission has never questioned the treatment of that debt. ^{4/}

Indeed, the committee's action was the responsible course. The alternative, to treat the debt as owing even though it could not be repaid, would seem to ignore the reality of the situation. And the complainant fails to produce any legal authority to support the view that the treatment of this debt was improper. He relies only on a provision of the Commission's regulation dealing with the re-designation of a contribution to different elections, or from different contributors. See 11 C.F.R. § 110.1(b). But that regulation has nothing to do at all with the situation presented here.

CONCLUSION

The filing of this complaint by the Chairman of the Pennsylvania Republican Party against a Democratic candidate for Congress is an obvious attempt to use the Commission's processes for partisan political gain. ^{5/} No reasonable person could have alleged that debt settlement procedures had been ignored when a simple review of public records would have shown the opposite. No fair-minded complainant could have alleged the existence of \$78,000 in outstanding loans when committee reports showed that the total indebtedness at any time never was more than half that amount. No careful student of the Commission's regulations could

^{4/} Treated as a contribution, the amount is still within the applicable contribution limit.

^{5/} We note that the Commission's regulations require that "no complaint filed with the Commission . . . shall be made public by . . . any person or entity without the written consent of the respondent . . ." 11 C.F.R. § 111.21(a). Notwithstanding this provision, the complainant held a press conference at the time of the filing of the complaint.

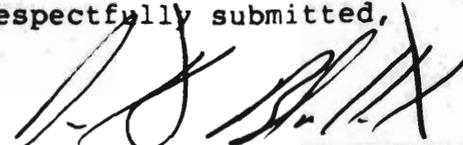
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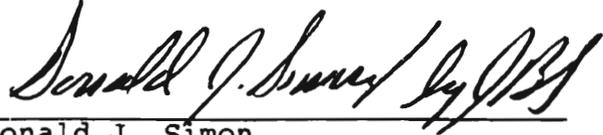
Lawrence Noble
August 23, 1988
Page 6

have alleged that the responsible treatment of a \$500 loan violates the law.

In sum, the Commission should determine, in an expeditious manner, that the complaint should be dismissed, and that no further action should be taken in this matter.

Respectfully submitted,


Jonathan B. Sallet
2555 M Street, N.W.
Suite 500
Washington, D.C. 20037
(202) 293-6400


Donald J. Simon
1250 Eye Street, N.W.
Suite 1000
Washington, D.C. 20005
(202) 682-0240

Attorneys for Friends of
David Landau, Inc.

cc: Phillip Wise

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EXHIBIT A



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

June 11, 1987

Lawrence M. Goodman, Treasurer
Friends of David Landau, Inc.
P.O. Box 1762
Media, Pennsylvania 19063

RE: DSR 87-05

Dear Mr. Goodman:

The Commission has reviewed the debt settlement materials submitted on behalf of Friends of David Landau, Inc. with regard to its debt settlements with H. Landau & Co., Robert Landau, and Scott Wolf & Associates. This review is limited in scope and only addresses itself to the following considerations:

(1) whether the credit was extended in the ordinary course of the creditor's business practices and the terms were substantially similar to extensions of credit to non-political debtors of similar risk and size of obligation;

(2) whether the debtor has undertaken all commercially reasonable efforts to satisfy the outstanding debt;

(3) whether the creditor has pursued its remedies in a manner similar in intensity to that employed by the creditor in pursuit of a non-political debtor, including lawsuits if filed in similar circumstances; and

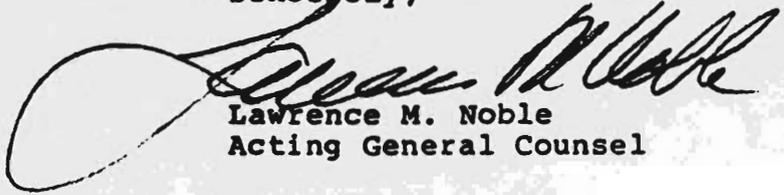
(4) whether the debtor has filed a statement of settlement with the Commission which includes the initial terms of credit, the steps taken by the debtor to satisfy the debt, and the collection remedies pursued by the creditor.

Based upon this limited review, the Commission has concluded that the proposed settlements with the Friends of David Landau Inc. and H. Landau & Co., and Scott Wolf & Associates not result in apparent violations of the Federal Election Campaign Act of 1971, as amended, or the Commission's Regulations. The debt outstanding to Robert Landau would be considered a contribution, thus not subject to debt settlement.

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This letter, together with the debt settlement materials submitted will be placed on the public record.

Sincerely,

A handwritten signature in cursive script, appearing to read "Lawrence M. Noble".

Lawrence M. Noble
Acting General Counsel

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BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of
Friends of David Landau
Debt Settlement

COMMITTEE NO.
116556

DEBT SETTLEMENT AGREEMENT

1. Pursuant to 11 C.F.R. 114.10(c), Friends of David Landau (FDL) and Scott Wolf and Associates (Vendor) hereby enter into a debt settlement agreement and request Commission approval of the same.
2. FDL's current obligation to Vendor is \$6768.00.
3. This obligation was incurred for polling.
4. Being unable to meet its obligation to Vendor, FDL offers, and Vendor hereby agrees to accept, the following as settlement in full for FDL's outstanding obligation to Vendor: \$3200.00.
5. Vendor verifies that the initial extension of credit to FDL was commercially reasonable and that it has taken all commercially reasonable steps to collect the full amount owing.
6. This agreement is conditioned on approval by the Federal Election Commission.

FOR VENDOR:

FOR FRIENDS OF DAVID LANDAU:

Scott Wolf
Name: Scott Wolf
Title: President, Scott Wolf and Associates
Date: August 29, 1986

Lawrence M. Goodman
Lawrence Goodman, CPA
Treasurer
Date:

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BEFORE THE FEDERAL ELECTION COMMISSION

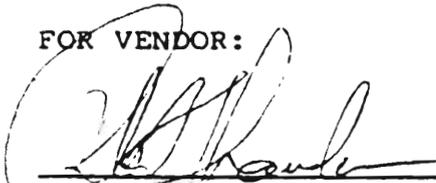
In the Matter of)
Friends of David Landau)
Debt Settlement)

COMMITTEE NO.
116556

DEBT SETTLEMENT AGREEMENT

1. Pursuant to 11 C.F.R. 114.10(c), Friends of David Landau (FDL) and Robert Landau (Vendor) hereby enter into a debt settlement agreement and request Commission approval of the same.
2. FDL's current obligation to Vendor is \$176.00.
3. This obligation was incurred for postage.
4. Being unable to meet its obligation to Vendor, FDL offers, and Vendor hereby agrees to accept, the following as settlement in full for FDL's outstanding obligation to Vendor: \$17.60.
5. Vendor verifies that the initial extension of credit to FDL was commercially reasonable and that it has taken all commercially reasonable steps to collect the full amount owing.
6. This agreement is conditioned on approval by the Federal Election Commission.

FOR VENDOR:


Name: _____
Title: _____
Date: 9/4/86

FOR FRIENDS OF DAVID LANDAU:


Lawrence Goodman, CPA
Treasurer
Date: _____

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EXHIBIT B



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

05 November 1987

Lawrence M. Goodman, Treasurer
Friends of David Landau, Inc.
P.O. Box 1762
Media, PA 19063

RE: DSR 87-19

Dear Mr. Goodman:

The Commission has reviewed the debt settlement materials submitted on behalf of Friends of David Landau, Inc. with regard to its debt settlements with Anne Bullock, Patricia M. Ewing and Schlackman-Fazio and Associates, Inc. This review is limited in scope and only addresses itself to the following considerations:

(1) whether the credit was extended in the ordinary course of the creditor's business practices and the terms were substantially similar to extensions of credit to non-political debtors of similar risk and size of obligation;

(2) whether the debtor has undertaken all commercially reasonable efforts to satisfy the outstanding debt;

(3) whether the creditor has pursued its remedies in a manner similar in intensity to that employed by the creditor in pursuit of a non-political debtor, including lawsuits if filed in similar circumstances; and

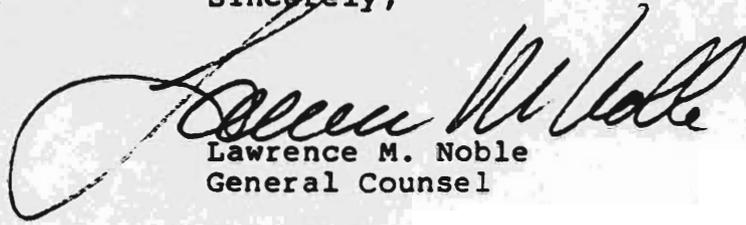
(4) whether the debtor has filed a statement of settlement with the Commission which includes the initial terms of credit, the steps taken by the debtor to satisfy the debt, and the collection remedies pursued by the creditor.

Based upon this limited review, the Commission has concluded that the proposed settlements between the above-listed creditors and Friends of David Landau, Inc. would not result in apparent violations of the Federal Election Campaign Act of 1971, as amended, or the Commission's Regulations.

00040704920

This letter, together with the debt settlement materials submitted will be placed on the public record.

Sincerely,



Lawrence M. Noble
General Counsel

90040784927

Box 1762
Media, Pennsylvania 19063

July 28, 1987

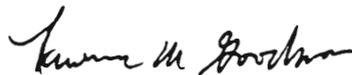
Lawrence Noble, Esquire
General Counsel
Federal Election Commission
Washington, D.C. 20463

Re: Debt Settlement for Committee No. 116556

Dear Mr. Noble:

On behalf of the Friends of David Landau I hereby submit for Federal Election Commission approval the enclosed debt settlement agreements with vendors from the 1986 campaign.

Sincerely yours,



Lawrence Goodman
Treasurer

90040764923

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of)
Friends of David Landau)
Debt Settlement)

COMMITTEE NO.
116556

DEBT SETTLEMENT AGREEMENT

1. Pursuant to 11 C.F.R. 114.10(c), Friends of David Landau (FDL) and Anne Bullock, 3713 West Country Club, Philadelphia, Pennsylvania 19128, (Vendor) hereby enter into a debt settlement agreement and request Commission approval of the same.
2. FDL's current obligation to Vendor is \$6700.00.
3. This obligation was incurred for consulting services.
4. Vendor verifies that the initial extension of credit to FDL was commercially reasonable and that it has taken all commercially reasonable steps to collect the full amount owing. Vendor has frequently and regularly contacted FDL by mail, telephone and in-person to make collection.
5. FDL has attempted to raise funds to meet this obligation through fundraising events, direct mail, and in-person solicitations. However, after one year FDL has been unable to raise funds sufficient to meet its obligation to Vendor.
6. Being unable to meet its obligation to Vendor, FDL offers, and Vendor hereby agrees to accept, the following as settlement in full for FDL's outstanding obligation to Vendor: \$1000.00.
7. This agreement is conditioned on approval by the Federal Election Commission.

FOR VENDOR:

FOR FRIENDS OF DAVID LANDAU:

[Signature]
Name:
Title:
Date: June 30, 1987

Lawrence Goodman
Lawrence Goodman, CPA
Treasurer
Date: June 30, 1987

00040704927

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of)
Friends of David Landau)
Debt Settlement)
_____)

COMMITTEE NO.
116556

DEBT SETTLEMENT AGREEMENT

1. Pursuant to 11 C.F.R. 114.10(c), Friends of David Landau (FDL) and Schlackman, Fazio and Associates (Vendor) hereby enter into a debt settlement agreement and request Commission approval of the same.
2. FDL's current obligation to Vendor is \$10,844.33.
3. This obligation was incurred for graphics and printing.
4. Vendor verifies that the initial extension of credit to FDL was commercially reasonable and that it has taken all commercially reasonable steps to collect the full amount owing. Vendor has frequently and regularly contacted FDL by mail, telephone and in person to make collection.
5. FDL has attempted to raise funds to meet this obligation through fundraising events, direct mail, and in-person solicitations. However, after one year FDL has been unable to raise funds sufficient to meet its obligation to Vendor.
6. Being unable to meet its obligation to Vendor, FDL offers, and Vendor hereby agrees to accept, the following as settlement in full for FDL's outstanding obligation to Vendor: \$2000.00.
7. This agreement is conditioned on approval by the Federal Election Commission.

FOR VENDOR:

FOR FRIENDS OF DAVID LANDAU:

Richard M. Schlackman CEO
Name:
Title:
Date: 6/30/77

Lawrence Goodman, CPA
Lawrence Goodman, CPA
Treasurer
Date: 6/30/77

00040704930

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of)
Friends of David Landau)
Debt Settlement)

COMMITTEE NO.
116556

DEBT SETTLEMENT AGREEMENT

1. Pursuant to 11 C.F.R. 114.10(c), Friends of David Landau (FDL) and Patricia Ewing (Vendor) hereby enter into a debt settlement agreement and request Commission approval of the same.
2. FDL's current obligation to Vendor is \$4758.00.
3. This obligation was incurred for consulting services.
4. Vendor verifies that the initial extension of credit to FDL was commercially reasonable and that it has taken all commercially reasonable steps to collect the full amount owing. Vendor has frequently and regularly contacted FDL by mail, telephone and in person to make collection.
5. FDL has attempted to raise funds to meet this obligation through fundraising events, direct mail, and in-person solicitations. However, after one year FDL has been unable to raise funds sufficient to meet its obligation to Vendor.
6. Being unable to meet its obligation to Vendor, FDL offers, and Vendor hereby agrees to accept, the following as settlement in full for FDL's outstanding obligation to Vendor: \$1000.00.
7. This agreement is conditioned on approval by the Federal Election Commission.

FOR VENDOR:

FOR FRIENDS OF DAVID LANDAU:

Patricia M. Ewing

Name:

Title:

Date: 6/10/87

Lawrence M. Goodman

Lawrence Goodman, CPA

Treasurer

Date: 6/10/87

00040764931



00040704932

EXHIBIT C



**JEFFERSON
BANK**

December 16, 1986

David E. Landau
11 Oak Knoll Drive
Wallingford, PA 19086

Dear Mr. Landau:

Your loan number 006667 has been paid. Enclosed please
find your cancelled note.

Thank you for giving us the opportunity to be of service
to you.

Sincerely,

Bruce E. Roeder
Vice President

BER/isp

Enclosure

90040704933

INTEREST, LATE CHARGE, ACCELERATION

any installment of principal and/or interest or any other payment is not paid when due, the undersigned shall thereafter bear interest at a rate which shall be two percent (2%) per annum higher than the rate specified hereinabove until paid. In addition, if any installment of principal and/or interest or any other payment is not paid within 10 days after the date on which payment is due, a late charge shall be immediately due and payable, equal to five percent (5%) of the total amount of the delinquent payment.

It being further understood, however, that should any default be made in the payment of any installment of principal and/or interest or any other payment on the date on which it shall fall due, or in the performance of any of the agreements, conditions, covenants, terms, provisions or stipulations contained in this Note, or in the Agreements, or upon the occurrence of any Event of Default hereunder, then Payee, at its option and without notice to Maker, may declare immediately due and payable the entire unpaid balance of principal with interest accrued thereon at the rate specified hereinabove to the date of default and thereafter at a rate which shall be two percent (2%) per annum higher than the rate specified hereinabove and all other sums due by Maker hereunder or under the Agreements, anything herein or in the Agreements to the contrary notwithstanding; and payment thereof may be enforced and recovered in whole or in part at any time by one or more of the remedies provided to Payee in this Note, in the Agreements, at law or in equity. In such case Payee may also recover all costs of suit and other expenses in connection therewith, together with attorney's fees actually incurred but in no event less than twenty percent (20%) of the total amount then due by Maker or any endorser, surety or guarantor to Payee, together with interest on any judgment obtained by Payee at a rate which shall be two percent (2%) per annum higher than the rate hereinabove specified including but not limited to interest at that rate from and after the date of any sheriff's or trustee's sale until actual payment is made to Payee of the full amount due Payee.

(i) CONFESSION OF JUDGMENT

Each Maker and endorser, jointly and severally, hereby irrevocably authorizes and empowers the Prothonotary, Clerk of Court, or any attorney of any court of record in the Commonwealth of Pennsylvania, or elsewhere, to immediately or hereafter appear at any time for each undersigned Maker and endorser with or without default and with or without demand hereunder, to waive the issuance and service of process and therein to confess or enter judgment against any Maker and endorser for the entire unpaid principal balance of this Note and all other sums paid by Payee to or on behalf of any Maker and endorser pursuant to the terms of this Note or the Agreements, and all arrearages of interest thereon, together with costs of suit, and other expenses in connection therewith, together with attorney's fees actually incurred but in no event less than twenty percent (20%) of the total amount due by Maker and endorser to Payee.

The authority granted herein to confess judgment shall not be exhausted by any exercise thereof but shall continue from time to time and at all times until payment in full of all the amounts due hereunder. The remedies of Payee as provided herein, or in the Agreements, shall be cumulative and concurrent, and may be pursued singularly, successively, or together at the sole discretion of Payee, and may be exercised as often as occasion therefor shall occur; and the failure to exercise any such right or remedy shall in no event be construed as a waiver or release thereof.

(j) WAIVER AND RELEASE

Each Maker and endorser, jointly and severally, hereby waives and releases all errors, defects and imperfections in any proceedings instituted by Payee under the terms of this Note or the Agreements, as well as all benefit that might accrue to each Maker and endorser by virtue of any present or future laws exempting any property, real or personal, securing this Note or the Agreements, or any part of the proceeds arising from any sale of such property, from attachment, levy, or sale under execution, or providing for any stay of execution, homestead exemption, exemption from civil process, or extension of time for payment; and each Maker and endorser, jointly and severally, agrees that any real or personal property that may be levied upon pursuant to a judgment obtained by virtue hereof, in any writ of execution issued thereon, may be sold upon any such writ in whole or in part in any order desired by Payee. Each Maker and endorser hereby consents to immediate execution of any judgment.

Each Maker and endorser hereby, jointly and severally, waives presentment for payment, demand, notice of demand, notice of nonpayment or dishonor, protest and notice of protest of this Note, and all other notices in connection with the delivery, acceptance, performance, default or enforcement of the payment of this Note, and they agree that the liability of each of them shall be joint and several, unconditional, without regard to the liability of any other party, and shall not be affected in any manner by any indulgence, extension of time, renewal, waiver or modification granted or consented to by Payee. Each Maker and endorser hereby consents to any and all extensions of time, renewals, waivers, or modifications that may be granted by Payee with respect to the payment or other provisions of this Note, and to the release of the collateral security or any part thereof, with or without substitution, and agree that additional makers, endorsers, sureties or guarantors may become bound by the terms of this Note without notice to them or affecting their liability hereunder.

Each Maker and endorser hereby consents to the jurisdiction of any state or federal court within the Commonwealth of Pennsylvania having jurisdiction over the County of Philadelphia for all purposes in connection with any action or proceeding commenced between the parties hereto, the subject matter of which relates to any controversy or claim arising out of, under or relating to this Note, the Agreements or the breach thereof, and further consents that any process or notice in connection therewith may be served by certified mail, return receipt requested, or personal service, within or without the Commonwealth of Pennsylvania, provided a reasonable time for appearance is allowed; and that such service upon any Maker or endorser shall constitute service upon all of them, each hereby appointing the other their attorney-in-fact for the purpose of acceptance of such service.

(k) WAIVER BY PAYEE

Payee shall not be deemed, by any act of omission or commission, to have waived any of its rights or remedies hereunder unless such waiver is in writing and signed by Payee, and then only to the extent specifically set forth in writing. A waiver by Payee with respect to one event shall not be construed as continuing or as a bar to or waiver of any right or remedy with respect to a subsequent event.

(l) LIMITATION OF INTEREST TO MAXIMUM LAWFUL RATE

In the event the total liability for payments of interest, or in the nature of interest is found to exceed the limits under the applicable usury law including the choice of law rules, Payee, at its option, without notice to Maker, may declare immediately due and payable the entire unpaid balance of principal with accrued interest thereon and all other sums due hereunder or under the Agreements, or may reduce the payments of interest, or in the nature of interest, to an amount so as not to exceed the usury limits. In the event of the acceleration of this Note, the total charges for interest and in the nature of interest shall not exceed the maximum amount allowed by law, and any excess portion of such charges that may have been prepaid shall be refunded to the Maker hereof. Such refund may be made by application of the amount involved against the sums due hereunder, but such crediting shall not cure or waive the default occasioning acceleration.

(m) SEVERABILITY

In the event that any one or more of the provisions contained in this Note or in the Agreements shall for any reason be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provision of this Note or the Agreements, but this Note and the Agreements shall be construed as if such invalid, illegal or unenforceable provision had never been contained herein or therein, and Payee may, at its option and without notice to Maker, declare immediately due and payable the entire unpaid balance of principal with accrued interest thereon and all other sums due hereunder or under the Agreements.

(n) AMENDMENT OR MODIFICATION

The provisions of this Note may be changed only by a written agreement signed by Maker and Payee.

(o) GOVERNING LAW

This instrument shall be governed by and construed according to the laws of the Commonwealth of Pennsylvania, to the extent not preempted by federal law.

(p) TERMINOLOGY

Whenever used, the singular number shall include the plural, the plural the singular, the use of any gender shall be applicable to all genders, and the words "Payee", "Maker", "endorser", "surety" or "guarantor" shall be deemed to include their respective heirs, personal representatives, successors and assigns. The term "Payee" shall be deemed to include the Payee specifically named herein as "Payee" or any subsequent holder or assignee of this Note.

IN WITNESS WHEREOF, Maker, intending to be legally bound hereby, has duly executed this Note, under seal, the day and year first above written.

Witness _____ (Seal)
or _____
Attest _____ (Seal)
David E. Landau
Witness _____ (Seal)
or _____
Attest _____ (Seal)

ENDORSEMENT

In consideration of the making at the request of the undersigned, of the loan evidenced by the above Note upon the terms thereof, which are hereby agreed to by the undersigned, and of the sum of one dollar, the receipt of which is acknowledged, and intending to be legally bound, the undersigned (and if more than one, each of them jointly and severally) hereby guarantee to Jefferson Bank, its successors, endorsees and assigns, the payment of the above Note and hereby consent (i) that the collateral security for the above Note may be exchanged, surrendered or sold from time to time, (ii) that the payment of the above Note or any of the liabilities of the Maker thereof, or of any of the collateral security for the above Note, may be extended in whole or in part, and (iii) that any of the provisions of the above Note may be modified, all without notice to or further assent and without limiting or modifying the liability of the undersigned as endorser and guarantor. The undersigned hereby waive demand of payment from the Maker, and also waive notice of nonpayment thereof, notice of sale of any of the collateral security therefor and all other notices in connection therewith.

Witness _____ (Seal)
or _____
Attest _____ (Seal)
Witness _____ (Seal)
or _____
Attest _____ (Seal)

90040764935

00090704930

EXHIBIT D



CONTINENTAL BANK

NORRISTOWN, PENNSYLVANIA

COMMERCIAL LOAN NOTICE

11/19/86

728 130153095-0

ACCOUNT NUMBER

NOTE NO.	DATE OF NOTE	ORIGINAL AMOUNT
2	08/20/86	10,250.00

DAVID LANDAU
 11 OAK KNOLL DR
 WALLINGFORD PA 19086

ENCLOSED PLEASE FIND YOUR CANCELLED NOTE AS DESCRIBED ABOVE. WE WISH TO THANK YOU FOR YOUR VALUED BUSINESS AND HOPE THAT CONTINENTAL MAY CONTINUE TO SERVE YOUR BANKING NEEDS.



CONTINENTAL BANK

NORRISTOWN, PENNSYLVANIA

COMMERCIAL LOAN NOTICE

9/03/86

728 130153095-0

ACCOUNT NUMBER

NOTE NO.	DATE OF NOTE	ORIGINAL AMOUNT
1	04/24/86	10,347.08

DAVID LANDAU
 11 OAK KNOLL DR
 WALLINGFORD PA 19086

ENCLOSED PLEASE FIND YOUR CANCELLED NOTE AS DESCRIBED ABOVE. WE WISH TO THANK YOU FOR YOUR VALUED BUSINESS AND HOPE THAT CONTINENTAL MAY CONTINUE TO SERVE YOUR BANKING NEEDS.

1 2 6 7 8 2 0 7 0 0 0

Biaccount Note

Due November 18, 1986

\$ 10,250.00

Norristown, Pennsylvania August 20

1986

Due Within Ninety Days ----- after date, the undersigned ("Borrower"), jointly and severally, promises to pay to the order of Continental Bank (hereinafter, together with any holder hereof, called the "Bank"), Ten Thousand Two Hundred Fifty and 00/100 ----- Dollars

The term "Collateral" as used herein, shall include all securities, tangible and intangible property, accounts, claims and evidence or representations thereof (including all cash, stock and other dividends and other rights to subscribe for securities incident to, declared or granted in connection with such property), which Collateral has been or is hereby delivered, pledged, assigned and transferred to Bank and which is more fully described in a certain schedule in Bank's possession.

"Collateral" shall also include all tangible or intangible property of any kind, including not only such property, title and ownership of which is in Borrower, but also such property as to which Borrower has any power of pledge, hypothecation or other disposition, which Bank may now or hereafter have in its possession or control, or which is in transit to it, in any capacity whatsoever. Without limiting the generality of the foregoing, such property shall include deposit accounts, savings accounts, securities, bonds, life insurance policies, evidences of indebtedness, accounts receivable, mortgages, titles to motor vehicles, real estate, merchandise and all other property of any nature, similar or dissimilar, and all proceeds and increments thereof.

Borrower agrees that the Bank shall have a lien upon and a security interest in the Collateral to secure the payment of this Note and all other obligations due or to become due or that may be hereafter contracted or acquired of Borrower (including Borrower and any other person) to Bank, whether direct or contingent, and whether incurred before or after making, transfer or negotiation of this Note to the holder hereof, and whether such holder be the payee or transferee, solely or jointly and severally with others, and whether or not such obligations or liabilities of Borrower to Bank are primary, secondary, direct, contingent, sole, joint or several and all costs and expenses including but not limited to reasonable attorneys fees however incurred by Bank in connection with any of such obligations or liabilities ("Liabilities").

This Note shall evidence and secure payment of all Liabilities.

The satisfaction or surrender of this Note shall not affect the right of the Bank to retain the Collateral or its interest therein for any other debts, obligations or liabilities of Borrower to Bank.

In addition to all other rights possessed by it, the Bank may, at any time, whether before or after Liabilities shall become due and payable (a) repledge all or any part of the Collateral, (b) transfer all or any part of the Collateral into the name of Bank or its nominee; (c) notify the parties obligated on any of the Collateral to make payment to the Bank of any amounts due or to become due thereunder; (d) enforce collection of any of the Collateral by suit or otherwise and surrender, release or exchange all or any part thereof, or any promise or extend or renew for any period (whether or not longer than the original period) any indebtedness evidenced thereby; (e) take control of any proceeds of the Collateral; and (f) exercise such additional rights and powers, if any, with respect to any security for or guaranty of the Liabilities as may be provided in any written instrument (in addition to this Note). If the Collateral shall at any time become unsatisfactory to the Bank, Borrower shall immediately, upon demand, pledge with Bank as part of the Collateral additional property satisfactory to the Bank.

The occurrence of any of the following events or conditions shall, without notice or demand, constitute an event of default hereunder: (a) default in the payment by Borrower to Bank when due of any Liabilities; (b) breach by Borrower or any obligor, guarantor or other person liable for Liabilities or one who has pledged property as security for Liabilities ("Obligor") of any warranty, covenant, or agreement herein or in any other agreement now or hereafter existing between Borrower and/or Obligor and Bank; (c) death of Borrower or Obligor, or any action of Borrower or Obligor in connection with or in contemplation of dissolution, liquidation, merger, consolidation or termination of existence; (d) attachment or seizure of or levy upon any property of Borrower or Obligor; (e) institution of any proceedings by or against Borrower or Obligor under any Bankruptcy or insolvency statute or Obligor's assignment for the benefit of creditors or the appointment of a receiver, trustee, conservator or other judicial representative for Borrower, Obligor, Borrower's property or Obligor's property; (f) if the Liabilities evidenced hereby shall fail to comply at any time with the regulations of the Federal Reserve Board as now or hereafter in effect; (g) if any statement in the credit application or in any financial or other statement furnished from time to time by Borrower to Bank shall be false, incomplete, incorrect, or misleading, in any respect whatsoever, or if Borrower shall fail to furnish financial statements satisfactory in substance or form to Bank upon request by Bank; or (h) Bank, in good faith, deems itself insecure.

Upon the occurrence of any default hereunder: (a) all of the Liabilities shall, at the option of Bank, without notice, become immediately due and payable and Bank shall thereupon have all rights and remedies provided hereunder, in any other agreement between Bank and Borrower or otherwise available at law or in equity, and (b) Bank shall have the right immediately and without further action by it, to set-off against the Liabilities any indebtedness, claims or obligations of Bank in any capacity to Borrower, whether or not due, and Bank shall be deemed to have exercised such right of set-off and to have made a charge against any such indebtedness, liabilities or obligations immediately upon the occurrence of such default even though such charge is made or entered on the books of Bank subsequent thereto, all of which rights and remedies shall be cumulative.

Any notice by Bank sent to Borrower at the address specified below, or such other address of Borrower as may from time to time be shown on Bank's records, at least five (5) days prior to the action contemplated in such notice, shall constitute reasonable notice to Borrower.

Borrower irrevocably authorizes and empowers any attorney of any Court of Record to appear for Borrower in any and all actions and (1) to enter judgment against Borrower for the principal sum thereof and/or (2) to sign for Borrower an agreement for entering in any competent court an amicable action or actions to confess judgment against Borrower for all or any part of the Liabilities; and in either case for interest and costs together with a 15% collection fee or \$100, whichever is greater. Borrower further irrevocably authorizes and empowers any attorney of any Court of Record to appear for and enter judgment against Borrower and in favor of Bank in an amicable action of replevin or any other action to recover possession of any of the Collateral. Such confessions of judgment or amicable actions shall be with release of errors, waiver of appeals, without stay of execution and Borrower waives all relief from any and all enforcement or exemption laws now in force or hereafter enacted. If a copy of this agreement, verified by affidavit of an officer of Bank, shall be filed in any proceeding or action wherein judgment is to be confessed, it shall not be necessary to file the original hereof and such verified copy shall be sufficient warrant for any attorney of any Court of Record to appear for and confess judgment against Borrower as provided herein. Judgment may be confessed from time to time under the aforesaid powers which shall not be exhausted by one exercise thereof.

Waiver by Bank of any event of default hereunder shall not constitute a waiver of any subsequent event of default.

Bank assumes no responsibility for the custody and preservation of Collateral in its possession other than the use of reasonable care which the parties by agreement determine as follows: Borrower will give Bank at least ten (10) days' prior written notice of any act or acts to be done or notice or notices to be served which are necessary to preserve rights against any parties to instruments, securities or documents constituting Collateral, necessary to collect money thereunder, or any act which is necessary, advisable, or desirable to preserve interests against third parties, exercise rights or options which Borrower may have in the Collateral or to preserve its value or to take any other act or action, similar or dissimilar; and, unless so notified, Bank or any holder will not be responsible for any loss or impairment of such interest, rights, options or benefits in connection therewith. Neither Bank nor any holder will be required to see to the collection of any principal payments or interest due or which may become due under any Collateral, nor to give any notice to the Borrower or anyone else in respect thereto, if securities in bearer form or registered in the name of Borrower or any other person constitute Collateral or portion thereof, neither Bank nor any holder shall have any obligation to give notice to Borrower or to any other person or to consult with him or them or it regarding any rights or options which Borrower may at any time have to vote, tender, sell, convert or otherwise deal with such securities or to purchase, obtain or receive any securities or other property by virtue of ownership of said securities constituting Collateral. Bank or any holder of Collateral may at any time require Borrower to replace all or any part of the Collateral or to furnish additional Collateral as it may deem necessary, in the event of (1) any notice to take action given by Borrower, (2) any merger, consolidation, reorganization, purchase or sale of assets, (3) any amendment to corporate charter, or any other action which may, in any way, affect rights, privileges, designations, preferences, qualifications, value or nature of the Collateral. A transfer of this Note and of the Collateral shall relieve the transferor absolutely from any responsibility with respect to Collateral.

Borrower hereby waives presentment for payment, notice of demand, notice of nonpayment or dishonor, protest, notice of protest and all other notices in connection with the delivery, acceptance, performance, default or enforcement of payment of the Note, and hereby waives all notice or right of approval of any extensions, renewals, modifications or forbearances which may be allowed.

Borrower authorizes Bank to date this Note as of the day when the loan evidenced hereby is made and to complete this Note in any other particulars according to the terms of said loan. The loan evidenced hereby has been made, and this Note has been delivered, in the Commonwealth of Pennsylvania and shall be governed by the laws of that State.

Borrower agrees to the exclusive jurisdiction of the Courts of Common Pleas of Philadelphia, Pennsylvania in all disputes which may arise between Bank and Borrower, and Borrower irrevocably empowers any employee of Bank as his or their agent for service of process in any and all such actions which may be instituted against them by Bank, provided that such process be reasonably, promptly forwarded by said agent to Borrower.

All rights of Bank hereunder shall inure to the benefit of its successors and assigns and all obligations of Borrower shall bind its heirs, executors, administrators, successors and assigns.

Any provision hereof found to be illegal, invalid or unenforceable for any reason whatsoever shall not affect the validity, legality or enforceability of the remainder hereof.

90040704938

(SEAL) David Landau (SEAL)
(SEAL) (SEAL)
(SEAL) (SEAL)

Address: 11 Oak Knoll Drive
Wallingford, PA 19086

Discount Note

Due April 1986

\$ 10,347.08

Norristown, Pennsylvania April 24

19 86

Due within One Hundred and Nineteen Days----- after date, the undersigned ("Borrower"), jointly and severally, promises to pay to the order of Continental Bank (hereinafter, together with any holder hereof, called the "Bank"), **Ten Thousand Three Hundred Fourty Seven and 8/100**----- Dollars

The term "Collateral" as used herein, shall include all securities, tangible and intangible property, accounts, claims and evidences or representations hereof (including all cash, stock and other dividends and other rights to subscribe for securities incident to, declared or granted in connection with such property), which Collateral has been or is hereby delivered, pledged, assigned and transferred to Bank and which is more fully described in a certain schedule in Bank's possession.

"Collateral" shall also include all tangible or intangible property of any kind, including not only such property, title and ownership of which is in Borrower, but also such property as to which Borrower has any power of pledge, hypothecation or other disposition, which Bank may now or hereafter have in its possession or control, or which is in transit to it, in any capacity whatsoever. Without limiting the generality of the foregoing, such property shall include deposit accounts, savings accounts, securities, bonds, life insurance policies, evidences of indebtedness, accounts receivable, mortgages, titles to motor vehicles, real estate, merchandise and all other property of any nature, similar or dissimilar, and all proceeds and increments thereof.

Borrower agrees that the Bank shall have a lien upon and a security interest in the Collateral to secure the payment of this Note and of all other obligations due or to become due or that may be hereafter contracted or acquired of Borrower (including Borrower and any other person) to Bank, whether direct or contingent, and whether incurred before or after making, issue or negotiation of this Note to the holder hereof, and whether such holder be the payee or transferee, solely or jointly and severally with others, and whether or not such obligations or liabilities of Borrower to Bank are primary, secondary, direct, contingent, sole, joint or several and all costs and expenses including but not limited to reasonable attorneys fees however incurred by Bank in connection with any of such obligations or liabilities ("Liabilities").

This Note shall evidence and secure payment of all Liabilities.

The satisfaction or surrender of this Note shall not affect the right of the Bank to retain the Collateral or its interest therein for any other debts, obligations or liabilities of Borrower to Bank.

In addition to all other rights possessed by it, the Bank may, at any time, whether before or after Liabilities shall become due and payable (a) repledge all or any part of the Collateral, (b) transfer all or any part of the Collateral into the name of Bank or its nominee; (c) notify the parties obligated on any of the Collateral to make payment to the Bank of any amounts due or to become due thereunder; (d) enforce collection of any of the Collateral by suit or otherwise and surrender, release or exchange all or any part thereof, or compromise or extend or renew for any period (whether or not longer than the original period) any indebtedness evidenced thereby; (e) take control of any proceeds of the Collateral; and (f) exercise such additional rights and powers, if any, with respect to any security for or guaranty of the Liabilities as may be provided in any written instrument in addition to this Note. If the Collateral shall at any time become unsatisfactory to the Bank, Borrower shall immediately, upon demand, pledge with Bank as part of the Collateral additional property satisfactory to the Bank.

The occurrence of any of the following events or conditions shall, without notice or demand, constitute an event of default hereunder: (a) default in the payment by Borrower to Bank when due of any Liabilities, (b) breach by Borrower or any obligor, surety, guarantor or other person liable for Liabilities or one who has pledged property as security for Liabilities ("Obligor") of any warranty, covenant, or agreement herein or in any other agreement now or hereafter existing between Borrower and/or Obligor and Bank; (c) death of Borrower or Obligor, or any action of Borrower or Obligor in connection with or in contemplation of dissolution, liquidation, merger, consolidation or termination of existence; (d) attachment or seizure of any property of Borrower or Obligor; (e) institution of any proceedings by or against Borrower or Obligor under any Bankruptcy or insolvency statute or Borrower's or Obligor's assignment for the benefit of creditors or the appointment of a receiver, trustee, conservator or other judicial representative for Borrower, Obligor, Borrower's property or Obligor's property; (f) if the Liabilities evidenced hereby shall fail to comply at any time with the regulations of the Federal Reserve Board as now or hereafter in effect; (g) if any statement in the credit application or in any financial or other statement furnished from time to time by Borrower to Bank shall be false, incomplete, incorrect, or misleading, in any respect whatsoever, or if Borrower shall fail to furnish financial statements satisfactory in substance or form to Bank upon request by Bank; or (h) Bank, in good faith, deems itself insecure.

Upon the occurrence of any default hereunder: (a) all of the Liabilities shall, at the option of Bank, without notice, become immediately due and payable and Bank shall thereupon have all rights and remedies provided hereunder, in any other agreement between Bank and Borrower or otherwise available at law or in equity, and (b) Bank shall have the right immediately and without further action by it, to set-off against the Liabilities any indebtedness, liabilities or obligations of Bank in any capacity to Borrower, whether or not due, and Bank shall be deemed to have exercised such right of set-off and to have made a charge against any such indebtedness, liabilities or obligations immediately upon the occurrence of such default even though such charge is made or entered on the books of Bank subsequent thereto, all of which rights and remedies shall be cumulative.

Any notice by Bank sent to Borrower at the address specified below, or such other address of Borrower as may from time to time be shown on Bank's records, at least five (5) days prior to the action contemplated in such notice, shall constitute reasonable notice to Borrower.

Borrower irrevocably authorizes and empowers any attorney of any Court of Record to appear for Borrower in any and all actions and (1) to enter judgment against Borrower for the principal sum thereof and/or (2) to sign for Borrower an agreement for entering an any competent court an amicable action or actions to confess judgment against Borrower for all or any part of the Liabilities, and in some case for interest and costs together with a 1% attorney's fee or less upon any property of Borrower or Obligor. (3) irrevocably authorizes and empowers any attorney of any Court of Record to appear for and enter judgment against Borrower and in favor of Bank in an amicable action of replevin or any other action to recover possession of any of the Collateral. Such confessions of judgment or amicable actions shall be with release of errors, waiver of appeals, without stay of execution and Borrower waives all relief from any and all appraisement or exemption laws now in force or hereafter enacted. If a copy of this agreement, verified by affidavit of an officer of Bank, shall be filed in any proceeding or action wherein judgment is to be confessed, it shall not be necessary to file the original hereof and such verified copy shall be sufficient warrant for any attorney of any Court of Record to appear for and confess judgment against Borrower as provided herein. Judgment may be confessed from time to time under the aforesaid powers which shall not be exhausted by one exercise thereof.

Waiver by Bank of any event of default hereunder shall not constitute a waiver of any subsequent event of default.

Bank assumes no responsibility for the custody and preservation of Collateral in its possession other than the use of reasonable care which the parties by agreement determine as follows: Borrower will give Bank at least ten (10) days prior written notice of any act or acts to be done or notice or notices to be served which are necessary to preserve rights against any parties to instruments, securities or documents constituting Collateral, necessary to collect money thereunder, or any act which is necessary, advisable, or desirable to preserve interests against third parties, exercise rights or options which Borrower may have in the Collateral or to preserve its value or to take any other act or action, similar or dissimilar, and, unless so notified, Bank or any holder will not be responsible for any loss or impairment of such interest, rights, options or benefits in connection therewith. Neither Bank nor any holder will be required to see to the collection of any principal payments or interest due or which may become due under any Collateral, nor to give any notice to the Borrower or anyone else in respect thereto. If securities in bearer form or registered in the name of Borrower or any other person constitute Collateral or portion thereof, neither Bank nor any holder shall have any obligation to give notice to Borrower or to any other person or to consult with him or them or if regarding any rights or options which Borrower may at any time have to vote, tender, sell, convert or otherwise deal with such securities or to purchase, obtain or receive any securities or other property by virtue of ownership of said securities constituting Collateral. Bank or any holder of Collateral may at any time require Borrower to replace all or any part of the Collateral or to furnish additional Collateral as it may deem necessary, in the event of (1) any notice to take action given by Borrower, (2) any merger, consolidation, reorganization, purchase or sale of assets, (3) any amendment to corporate charter, or any other action which may, in any way, affect rights, privileges, designations, preferences, qualifications, value or nature of the Collateral. A transfer of this Note and/or the Collateral shall relieve the transferor absolutely from any responsibility with respect to Collateral.

Borrower hereby waives presentment for payment, notice of demand, notice of nonpayment or dishonor, protest, notice of protest and all other notices in connection with the delivery, acceptance, performance, default or enforcement of payment of the Note, and hereby waives all notice or right of approval of any extensions, renewals, modifications or forbearances which may be allowed.

Borrower authorizes Bank to date this Note as of the day when the loan evidenced hereby is made and to complete this Note in any other particulars according to the terms of said loan. The loan evidenced hereby has been made, and this Note has been delivered, in the Commonwealth of Pennsylvania and shall be governed by the laws of that State.

Borrower agrees to the exclusive jurisdiction of the courts of Common Pleas of Philadelphia, Pennsylvania in all disputes which may arise between Bank and Borrower, and Borrower irrevocably empowers any employee of Bank as his or their agent for service of process in any and all such actions which may be instituted against them by Bank, provided that such process be reasonably, promptly forwarded by said agent to Borrower.

All rights of Bank hereunder shall inure to the benefit of its successors and assigns and all obligations of Borrower shall bind its heirs, executors, administrators, successors and assigns.

Any provision hereof found to be illegal, invalid or unenforceable for any reason whatsoever shall not affect the validity, legality or enforceability of the remainder hereof.

This Loan was Renewed by Note
Dated AUG 2 1986
_____(SEAL) David L. Lintau_____(SEAL)
_____(SEAL)_____(SEAL)
_____(SEAL)_____(SEAL)

Address Continental Bank Address 11 Oak Knoll Drive
Address _____ Address Wallingford, PA 19086

2559-1076

Payable at any office of CONTINENTAL BANK

90040704940

00040764942

EXHIBIT E



A CoreStates Bank

Member FD

DAVID LANDAU

CUSTOMER NUMBER 0022524

STATEMENT NUMBER 0149191
 BILLING DATE 09/24/86

PAGE 1

OBLGN NUMBER	ACTIVITY	EFFECTIVE DATES		ANNUAL PERCENTAGE RATE	PRINCIPAL BALANCE	INTEREST DUE	FEES DUE	PRINCIPAL DUE
		FROM	THROUGH					
022377	PRIOR BILL			9.5000	20,000.00	161.37		
	LOAN					1.64-		
	INTRST ADJ	08/26/86						
	RATE CHNG	09/01/86		9.0000				
	INTRST DUE	09/01/86	09/11/86	9.0000	20,000.00	54.24		
	PAYMENT	09/12/86			20,000.00-			
	INTRST ADJ	09/15/86				161.37-		
	INTRST ADJ	09/15/86				52.60-		
	INTRST DUE	09/12/86	09/24/86	9.0000		.00		
	INTRST DUE	09/25/86	09/30/86	9.0000		.00		
022377	TOTAL							
026656	NEW LOAN	09/12/86			40,000.00			
LOAN	PRINC DUE		09/30/86		40,000.00			833.33
	INTRST ADJ	09/15/86				213.97		
	INTRST DUE	09/12/86	09/30/86	8.5000	40,000.00	176.09		
026656	TOTAL					390.96		833.33
	GRAND TOTAL	10/01/86				390.96	.00	833.33

RETAIN THIS PORTION FOR YOUR RECORD

00040764944

EXHIBIT F



**Philadelphia
National Bank**

September 5, 1986

Mr. David Landau
11 Oak Knoll Drive
Wallingford, PA 19086

Dear David:

Enclosed are the documents required for a \$40,000, four year term loan secured by a second lien against your residence in Wallingford. You will note that I have ^{changed} the amount of total interest paid on the disclosure. Because interest payments differ monthly as principal reduces, I had to order an amortization schedule from a financial programming company. I will send you a copy of the schedule as soon as I receive it.

I need from you the following two items:

1. The legal description of the property as written on the deed (All that certain property....)
2. You must order an endorsed fire insurance policy listing PNB as 2nd mortgagee. We will accept a copy of the policy but it must be signed by an agent of the insurance company.

When you return the executed documents, please send me the amount for which you have your home insured. (Just the dwelling). Also send a check payable to PNB for the mortgage recording fee in Delaware County, the property search and the amortization schedule totaling \$38.50

Feel free to call me at 629-4569 if you have any questions about the loan.

Yours truly,

Joanne Leibovitz
Commercial Officer

1. Fixed rate
2. Unknown
3.

JLL/ac
Enclosures

00040754945

90040764940

EXHIBIT G

REPORT OF RECEIPTS AND DISBURSEMENTS

For An Authorized Committee
(Summary Page)

USE FEC MAILING LABEL OR TYPE OR PRINT

1. NA' <u>000000220</u> <u>000397</u> LAWRENCE M GOODMAN FRIENDS OF DAVID LANDAU INC PO BOX 1767 MEDIA PA 19047	2. FEC IDENTIFICATION NUMBER <u>116556</u>
CITY: _____	3. IS THIS REPORT AN AMENDMENT? <input checked="" type="checkbox"/> YES <input type="checkbox"/> NO

4. TYPE OF REPORT

<input type="checkbox"/> April 15 Quarterly Report	<input type="checkbox"/> Twelfth day report preceding _____ (Type of Election)
<input type="checkbox"/> July 15 Quarterly Report	election on _____ in the State of _____
<input type="checkbox"/> October 15 Quarterly Report	<input type="checkbox"/> Thirtieth day report following the General Election on _____
<input type="checkbox"/> January 31 Year End Report	_____ in the State of _____
<input checked="" type="checkbox"/> July 31 Mid-Year Report (Non-election Year Only)	<input type="checkbox"/> Termination Report

This report contains activity for Primary Election General Election Special Election Runoff Election

SUMMARY

	COLUMN A This Period	COLUMN B Calendar Year-to-Date
5. Covering Period <u>January 1, 1987</u> through <u>June 30, 1987</u>		
6. Net Contributions (other than loans)		
(a) Total Contributions (other than loans) (from Line 11(e))	8106	8106
(b) Total Contribution Refunds (from Line 20(d))	1000	1000
(c) Net Contributions (other than loans) (subtract Line 6(b) from 6(a))	7106	7106
7. Net Operating Expenditures		
(a) Total Operating Expenditures (from Line 17)	8677	8677
(b) Total Offsets to Operating Expenditures (from Line 14)	-	-
(c) Net Operating Expenditures (subtract Line 7(b) from 7(a))	8677	8677
8. Cash on Hand at Close of Reporting Period (from Line 27)	87	
9. Debts and Obligations Owed TO the Committee (Itemize all on Schedule C and/or Schedule D)		
10. Debts and Obligations Owed BY the Committee (Itemize all on Schedule C and/or Schedule D)	107,714.20	

For further information contact:
 Federal Election Commission
 999 E Street, NW
 Washington, DC 20463
 Toll Free 800-424-9530
 Local 202-376-3120

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

Type or Print Name of Treasurer Lawrence M. Goodman, CPA	
Signature of Treasurer <i>Lawrence M Goodman, CPA</i>	Date 9/10/87

NOTE: Submission of false, erroneous, or incomplete information may subject the person signing this Report to the penalties of 2 U.S.C. §437g.

00040704947

FILED SUMMARY PAGE

of Receipts and Disbursements
(Page 2, FEC FORM 3)

Name of Committee (in full) **Friends of David Landau** Report Covering the Period:
From **1/1/87** To **6/30/87**

I. RECEIPTS	COLUMN A Total This Period	COLUMN B Calendar Year-To-Date
11. CONTRIBUTIONS (other than loans) FROM:		
(a) Individuals/Persons Other Than Political Committees		
(i) Itemized (use Schedule A)	1500	
(ii) Unitemized	5981	
(iii) Total of contributions from individuals	7481	7481
(b) Political Party Committees	100	100
(c) Other Political Committees (such as PACs)	525	525
(d) The Candidate		
(e) TOTAL CONTRIBUTIONS (other than loans) (add 11(a)(iii), (b), (c) and (d))	8106	8106
12. TRANSFERS FROM OTHER AUTHORIZED COMMITTEES.		
13. LOANS:		
(a) Made or Guaranteed by the Candidate	6651	6651
(b) All Other Loans		
(c) TOTAL LOANS (add 13(a) and (b))		
14. OFFSETS TO OPERATING EXPENDITURES (Refunds, Rebates, etc.)		
15. OTHER RECEIPTS (Dividends, Interest, etc.)		
16. TOTAL RECEIPTS (add 11(e), 12, 13(c), 14 and 15)	14757	14757
II. DISBURSEMENTS		
17. OPERATING EXPENDITURES	8677	8677
18. TRANSFERS TO OTHER AUTHORIZED COMMITTEES.		
19. LOAN REPAYMENTS		
(a) Of Loans Made or Guaranteed by the Candidate	5000	5000
(b) Of All Other Loans		
(c) TOTAL LOAN REPAYMENTS (add 19(a) and (b))		
20. REFUNDS OF CONTRIBUTIONS TO		
(a) Individuals/Persons Other Than Political Committees	1000	1000
(b) Political Party Committees		
(c) Other Political Committees (such as PACs)		
(d) TOTAL CONTRIBUTION REFUNDS (add 20(a), (b) and (c))	1000	1000
21. OTHER DISBURSEMENTS		
22. TOTAL DISBURSEMENTS (add 17, 18, 19(c), 20(d), and 21)	14677	14677

III. CASH SUMMARY

23. CASH ON HAND AT BEGINNING OF REPORTING PERIOD	\$ 7
24. TOTAL RECEIPTS THIS PERIOD (from Line 16)	\$ 14757
25. SUBTOTAL (add Line 23 and Line 24)	\$ 14764
26. TOTAL DISBURSEMENTS THIS PERIOD (from Line 22)	\$ 14677
27. CASH ON HAND AT CLOSE OF THE REPORTING PERIOD (subtract Line 26 from 25)	\$ 87

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SCHEDULE A

ITEMIZED RECEIPTS

Use this Schedule(s) for the category of the Detailed Summary Page

Any information copied from such Reports and Statements may not be sold or used by any person for the purpose of soliciting contributions or for commercial purposes, other than using the name and address of any political committee to solicit contributions from such committee.

NAME OF COMMITTEE (in Full)
FRIENDS OF DAVID LANDAU

90040764943

A. Full Name, Mailing Address and ZIP Code	Name of Employer	Date (month, day, year)	Amount of Each Receipt this Period
Steven Solms The Touraine 1520 Spruce Street, Apt. 1207 Philadelphia, PA 19102		6/26/87	1000.00
Receipt For: <input checked="" type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify):	Occupation Real Estate Developer		
	Aggregate Year-to-Date > \$ 1000.00		
B. Full Name, Mailing Address and ZIP Code	Name of Employer	Date (month, day, year)	Amount of Each Receipt this Period
Adrianna Babior (current address unknown)		6/30/87	500* in-kind
Receipt For: <input checked="" type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify):	Occupation Consultant		
	Aggregate Year-to-Date > \$ 500.00		
C. Full Name, Mailing Address and ZIP Code	Name of Employer	Date (month, day, year)	Amount of Each Receipt this Period
Receipt For: <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify):	Occupation		
	Aggregate Year-to-Date > \$		
D. Full Name, Mailing Address and ZIP Code	Name of Employer	Date (month, day, year)	Amount of Each Receipt this Period
Receipt For: <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify):	Occupation		
	Aggregate Year-to-Date > \$		
E. Full Name, Mailing Address and ZIP Code	Name of Employer	Date (month, day, year)	Amount of Each Receipt this Period
Receipt For: <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify):	Occupation		
	Aggregate Year-to-Date > \$		
F. Full Name, Mailing Address and ZIP Code	Name of Employer	Date (month, day, year)	Amount of Each Receipt this Period
Receipt For: <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify):	Occupation		
	Aggregate Year-to-Date > \$		
G. Full Name, Mailing Address and ZIP Code	Name of Employer	Date (month, day, year)	Amount of Each Receipt this Period
Receipt For: <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify):	Occupation		
	Aggregate Year-to-Date > \$		

SUBTOTAL of Receipts This Page (optional)	
TOTAL This Period (last page this line number only)	1500.00

SCHEDULE A

ITEMIZED RECEIPTS

Use this schedule(s) for each category of the Detailed Summary Page

POLITICAL PARTY COMMITTEES

Any information copied from such Reports and Statements may not be sold or used by any person for the purpose of soliciting contributions or for commercial purposes, other than using the name and address of any political committee to solicit contributions from such committee.

NAME OF COMMITTEE (in Full)

FRIENDS OF DAVID LANDAU

A. Full Name, Mailing Address and ZIP Code	Name of Employer	Date (month, day, year)	Amount of Each Receipt this Period
Swarthmore Democratic Committee Swarthmore, PA		5/1/87	100.00
Receipt For: <input checked="" type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify):	Occupation	Aggregate Year-to-Date > \$ 100.00	
B. Full Name, Mailing Address and ZIP Code	Name of Employer	Date (month, day, year)	Amount of Each Receipt this Period
Receipt For: <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify):	Occupation	Aggregate Year-to-Date > \$	
C. Full Name, Mailing Address and ZIP Code	Name of Employer	Date (month, day, year)	Amount of Each Receipt this Period
Receipt For: <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify):	Occupation	Aggregate Year-to-Date > \$	
D. Full Name, Mailing Address and ZIP Code	Name of Employer	Date (month, day, year)	Amount of Each Receipt this Period
Receipt For: <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify):	Occupation	Aggregate Year-to-Date > \$	
E. Full Name, Mailing Address and ZIP Code	Name of Employer	Date (month, day, year)	Amount of Each Receipt this Period
Receipt For: <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify):	Occupation	Aggregate Year-to-Date > \$	
F. Full Name, Mailing Address and ZIP Code	Name of Employer	Date (month, day, year)	Amount of Each Receipt this Period
Receipt For: <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify):	Occupation	Aggregate Year-to-Date > \$	
G. Full Name, Mailing Address and ZIP Code	Name of Employer	Date (month, day, year)	Amount of Each Receipt this Period
Receipt For: <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify):	Occupation	Aggregate Year-to-Date > \$	
SUBTOTAL of Receipts This Page (optional)			
TOTAL This Period (last page this line number only)			100.00

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UNIFORMED SERVICES POLITICAL COMMITTEES

for each page of the Detail Schedule Page

1 1 FOR LINE NUMBER 11(C)

Any information copied from such Reports and Statements may not be sold or used by any person for the purpose of soliciting contributions or for commercial purposes, other than using the name and address of any political committee to solicit contributions from such committee.

NAME OF COMMITTEE (in Full)

FRIENDS OF DAVID LANDAU

A. Full Name, Mailing Address and ZIP Code
Amalgamated Transit Union-COPE
5025 Wisconsin Ave., N.W.
Washington, D.C. 20016

Name of Employer

Date (month, day, year)
6/8/87

Amount of Each Receipt this Period
500.00

Occupation

Receipt For: [X] Primary [] General
[] Other (specify):

Aggregate Year-to-Date > \$ 500.00

B. Full Name, Mailing Address and ZIP Code
BIG PAC Federal
29982 Ivy Glenn Drive
Laguna Niguel, CA 92677

Name of Employer

Date (month, day, year)
6/30/87

Amount of Each Receipt this Period
25.00

Occupation

Receipt For: [X] Primary [] General
[] Other (specify):

Aggregate Year-to-Date > \$ 25.00

C. Full Name, Mailing Address and ZIP Code

Name of Employer

Date (month, day, year)

Amount of Each Receipt this Period

Occupation

Receipt For: [] Primary [] General
[] Other (specify):

Aggregate Year-to-Date > \$

D. Full Name, Mailing Address and ZIP Code

Name of Employer

Date (month, day, year)

Amount of Each Receipt this Period

Occupation

Receipt For: [] Primary [] General
[] Other (specify):

Aggregate Year-to-Date > \$

E. Full Name, Mailing Address and ZIP Code

Name of Employer

Date (month, day, year)

Amount of Each Receipt this Period

Occupation

Receipt For: [] Primary [] General
[] Other (specify):

Aggregate Year-to-Date > \$

F. Full Name, Mailing Address and ZIP Code

Name of Employer

Date (month, day, year)

Amount of Each Receipt this Period

Occupation

Receipt For: [] Primary [] General
[] Other (specify):

Aggregate Year-to-Date > \$

G. Full Name, Mailing Address and ZIP Code

Name of Employer

Date (month, day, year)

Amount of Each Receipt this Period

Occupation

Receipt For: [] Primary [] General
[] Other (specify):

Aggregate Year-to-Date > \$

SUBTOTAL of Receipts This Page (optional)

TOTAL This Period (last page this line number only)

525.00

00040709951

SCHEDULE A

ITEMIZED RECEIPTS

for each category of the
Detailed Summary Page

FOR LINE NUMBER
13a

LOANS FROM CANDIDATE

Any information copied from such Reports and Statements may not be sold or used by any person for the purpose of soliciting contributions or for commercial purposes, other than using the name and address of any political committee to solicit contributions from such committee.

NAME OF COMMITTEE (In Full)
FRIENDS OF DAVID LANDAU

A. Full Name, Mailing Address and ZIP Code	Name of Employer	Date (month, day, year)	Amount of Each Receipt this Period
David Landau 11 Oak Knoll Drive Wallingford, PA 19086	Hoyle, Morris & Kerr	1/2/87 2/2/87 3/1/87	1150.00 1174.00 1068.00
Receipt For: <input checked="" type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify):	Occupation Attorney	Aggregate Year-to-Date > \$ 6651.00	
B. Full Name, Mailing Address and ZIP Code David Landau 11 Oak Knoll Drive Wallingford, PA 19086	Hoyle, Morris & Kerr	4/2/87 5/1/87 6/2/87	1086.00 1080.00 1093.00
Receipt For: <input checked="" type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify):	Occupation Attorney	Aggregate Year-to-Date > \$ 6651.00	
C. Full Name, Mailing Address and ZIP Code	Name of Employer	Date (month, day, year)	Amount of Each Receipt this Period
Receipt For: <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify):	Occupation	Aggregate Year-to-Date > \$	
D. Full Name, Mailing Address and ZIP Code	Name of Employer	Date (month, day, year)	Amount of Each Receipt this Period
Receipt For: <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify):	Occupation	Aggregate Year-to-Date > \$	
E. Full Name, Mailing Address and ZIP Code	Name of Employer	Date (month, day, year)	Amount of Each Receipt this Period
Receipt For: <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify):	Occupation	Aggregate Year-to-Date > \$	
F. Full Name, Mailing Address and ZIP Code	Name of Employer	Date (month, day, year)	Amount of Each Receipt this Period
Receipt For: <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify):	Occupation	Aggregate Year-to-Date > \$	
G. Full Name, Mailing Address and ZIP Code	Name of Employer	Date (month, day, year)	Amount of Each Receipt this Period
Receipt For: <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify):	Occupation	Aggregate Year-to-Date > \$	

SUBTOTAL of Receipts This Page (optional)	
TOTAL This Period (last page this line number only)	6651.00

01040704932

Any information copied from such Reports and Statements may not be sold or used by any person for the purpose of soliciting contributions or for commercial purposes, other than using the name and address of any political committee to solicit contributions from such committee.

NAME OF COMMITTEE (in Full)
FRIENDS OF DAVID LANDAU

A. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement	Date (month, day, year)	Amount of Each Disbursement This Period
Fine Arts Gallery 2 E. Lancaster Rd. Ardmore, PA	Art for Auction	3/5/87	2075.00
	Disbursement for: <input checked="" type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify)		
B. Full Name, Mailing Address and ZIP Code NCNB South Carolina Greenville, SC	Purpose of Disbursement Printing, Travel	2/2/87	75.00
	Disbursement for: <input checked="" type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify)	3/4/87 4/2/87	74.00 72.00
C. Full Name, Mailing Address and ZIP Code NCNB South Carolina Greenville, SC	Purpose of Disbursement Printing, Travel	5/2/87	66.00
	Disbursement for: <input checked="" type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify)	6/2/87	75.00
D. Full Name, Mailing Address and ZIP Code Susan Bulkin Houghton Place Philadelphia, PA 19128	Purpose of Disbursement Photography	3/12/87	150.00
	Disbursement for: <input checked="" type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify)	6/3/87	100.00
E. Full Name, Mailing Address and ZIP Code Kennedy Printing 5534 Baltimore Avenue Philadelphia, PA 19143	Purpose of Disbursement Printing	3/24/87	750.00
	Disbursement for: <input checked="" type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify)	6/8/87	250.00
F. Full Name, Mailing Address and ZIP Code Patricia Ewing Surrey Road Media, PA 19063	Purpose of Disbursement Debt Settlement Consulting Services	6/12/87	500.00
	Disbursement for: <input checked="" type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify)	6/30/87	300.00
G. Full Name, Mailing Address and ZIP Code Anne Bullock 3713 West Country Club Philadelphia, PA	Purpose of Disbursement Debt Settlement Consulting Services	6/30/87	1000.00
	Disbursement for: <input checked="" type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify)		
H. Full Name, Mailing Address and ZIP Code ADV. Co. Sussex Blvd. Broomall, PA 19008	Purpose of Disbursement Media Consulting	6/2/87	250.00
	Disbursement for: <input checked="" type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify)		
I. Full Name, Mailing Address and ZIP Code Adrianna Babior (current address unknown)	Purpose of Disbursement Consulting Fee	6/30/87	500.00*
	Disbursement for: <input checked="" type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify)		(in-kind)

SUBTOTAL of Disbursements This Page (optional) 6237.00

TOTAL This Period (last page this line number only)

*See Attachment A

SCHEDULE B

ITEMIZED DISBURSEMENTS

Use separate line(s) for each category of the Detailed Summary Page

Any information copied from such Reports and Statements may not be sold or used by any person for the purpose of soliciting contributions or for commercial purposes, other than using the name and address of any political committee to solicit contributions from such committee.

NAME OF COMMITTEE (In Full)

FRIENDS OF DAVID LANDAU

A. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement	Date (month, day, year)	Amount of Each Disbursement This Period
PNB Philadelphia, PA	Interest (candidate loans)	1/2/87	272.00
	Disbursement for: <input checked="" type="checkbox"/> Primary <input type="checkbox"/> General	2/2/87	266.00
	Other (specify)	3/2/87	235.00
B. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement	Date (month, day, year)	Amount of Each Disbursement This Period
PNB Philaladelphia	Interest (candidate loans)	4/2/87	253.00
	Disbursement for: <input checked="" type="checkbox"/> Primary <input type="checkbox"/> General	5/2/87	245.00
	Other (specify)	6/2/87	260.00
C. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement	Date (month, day, year)	Amount of Each Disbursement This Period
	Disbursement for: <input type="checkbox"/> Primary <input type="checkbox"/> General		
	Other (specify)		
D. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement	Date (month, day, year)	Amount of Each Disbursement This Period
	Disbursement for: <input type="checkbox"/> Primary <input type="checkbox"/> General		
	Other (specify)		
E. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement	Date (month, day, year)	Amount of Each Disbursement This Period
	Disbursement for: <input type="checkbox"/> Primary <input type="checkbox"/> General		
	Other (specify)		
F. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement	Date (month, day, year)	Amount of Each Disbursement This Period
	Disbursement for: <input type="checkbox"/> Primary <input type="checkbox"/> General		
	Other (specify)		
G. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement	Date (month, day, year)	Amount of Each Disbursement This Period
	Disbursement for: <input type="checkbox"/> Primary <input type="checkbox"/> General		
	Other (specify)		
H. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement	Date (month, day, year)	Amount of Each Disbursement This Period
	Disbursement for: <input type="checkbox"/> Primary <input type="checkbox"/> General		
	Other (specify)		
I. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement	Date (month, day, year)	Amount of Each Disbursement This Period
	Disbursement for: <input type="checkbox"/> Primary <input type="checkbox"/> General		
	Other (specify)		

SUBTOTAL of Disbursements This Page (optional)	1531.00
TOTAL This Period (last page this line number only)	7768.00

SCHEDULE B

ITEMIZED DISBURSEMENTS

LOAN REPAYMENTS

Use separate schedule(s) for each category of the Detailed Summary Page

PAGE 1 OF 1
FOR LINE NUMBER 19(a)

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NAME OF COMMITTEE (In Full)

FRIENDS OF DAVID LANDAU

00040704950

A. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement	Date (month, day, year)	Amount of Each Disbursement This Period
PNB Philadelphia, PA	loan repayment	1/2/87	833.00
	Disbursement for: <input checked="" type="checkbox"/> Primary <input type="checkbox"/> General	2/2/87	833.00
	<input type="checkbox"/> Other (specify)	3/3/87	834.00
PNB Philadelphia, PA	loan repayment	4/2/87	833.00
	Disbursement for: <input checked="" type="checkbox"/> Primary <input type="checkbox"/> General	5/2/87	833.00
	<input type="checkbox"/> Other (specify)	6/2/87	834.00
C. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement	Date (month, day, year)	Amount of Each Disbursement This Period
	Disbursement for: <input type="checkbox"/> Primary <input type="checkbox"/> General		
	<input type="checkbox"/> Other (specify)		
D. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement	Date (month, day, year)	Amount of Each Disbursement This Period
	Disbursement for: <input type="checkbox"/> Primary <input type="checkbox"/> General		
	<input type="checkbox"/> Other (specify)		
E. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement	Date (month, day, year)	Amount of Each Disbursement This Period
	Disbursement for: <input type="checkbox"/> Primary <input type="checkbox"/> General		
	<input type="checkbox"/> Other (specify)		
F. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement	Date (month, day, year)	Amount of Each Disbursement This Period
	Disbursement for: <input type="checkbox"/> Primary <input type="checkbox"/> General		
	<input type="checkbox"/> Other (specify)		
G. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement	Date (month, day, year)	Amount of Each Disbursement This Period
	Disbursement for: <input type="checkbox"/> Primary <input type="checkbox"/> General		
	<input type="checkbox"/> Other (specify)		
H. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement	Date (month, day, year)	Amount of Each Disbursement This Period
	Disbursement for: <input type="checkbox"/> Primary <input type="checkbox"/> General		
	<input type="checkbox"/> Other (specify)		
I. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement	Date (month, day, year)	Amount of Each Disbursement This Period
	Disbursement for: <input type="checkbox"/> Primary <input type="checkbox"/> General		
	<input type="checkbox"/> Other (specify)		

SUBTOTAL of Disbursements This Page (optional)	
TOTAL This Period (last page this line number only)	5000.00

IDENTIFIED DISBURSEMENTS
REFUND CONTRIBUTION

for each page of the
Detailed Summary Page

FOR LINE NUMBER
20(a)

Any information copied from such Reports and Statements may not be sold or used by any person for the purpose of soliciting contributions or for commercial purposes, other than using the name and address of any political committee to solicit contributions from such committee.

NAME OF COMMITTEE (in Full)
FRIENDS OF DAVID LANDAU

00040704950

A. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement	Date (month, day, year)	Amount of Each Disbursement This Period
Emanuel Landau 657 Revere Road Merion, PA 19066	Refund of contribution Disbursement for: <input checked="" type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify)	6/30/87	1000.00
B. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement	Date (month, day, year)	Amount of Each Disbursement This Period
C. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement	Date (month, day, year)	Amount of Each Disbursement This Period
D. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement	Date (month, day, year)	Amount of Each Disbursement This Period
E. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement	Date (month, day, year)	Amount of Each Disbursement This Period
F. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement	Date (month, day, year)	Amount of Each Disbursement This Period
G. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement	Date (month, day, year)	Amount of Each Disbursement This Period
H. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement	Date (month, day, year)	Amount of Each Disbursement This Period
I. Full Name, Mailing Address and ZIP Code	Purpose of Disbursement	Date (month, day, year)	Amount of Each Disbursement This Period

SUBTOTAL of Disbursements This Page (optional)

TOTAL This Period (last page this line number only)

1000.00

Name of Committee (in Full) FRIENDS OF DAVID LANDAU			
A. Full Name, Mailing Address and ZIP Code of Loan Source PNB Philadelphia, PA	Original Amount of Loan 40,000	Cumulative Payment To Date 8333	Balance Outstanding at Close of This Period 32500
Election: <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify):			
Terms: Date Incurred <u>9/86</u> Date Due <u>9/90</u> Interest Rate <u>p+1</u> %(apr) <input checked="" type="checkbox"/> Secured			
List All Endorsers or Guarantors (if any) to Item A			
1. Full Name, Mailing Address and ZIP Code David Landau 11 Oak Knoll Drive Wallingford, PA	Name of Employer Hoyle, Morris & Kerr		
	Occupation Attorney		
	Amount Guaranteed Outstanding: \$ 32500		
2. Full Name, Mailing Address and ZIP Code	Name of Employer		
	Occupation		
	Amount Guaranteed Outstanding: \$		
3. Full Name, Mailing Address and ZIP Code	Name of Employer		
	Occupation		
	Amount Guaranteed Outstanding: \$		
B. Full Name, Mailing Address and ZIP Code of Loan Source			
David Landau (From Personal Fund) 11 Oak Knoll Drive Wallingford, PA 19086	Original Amount of Loan as of 12/31/86 12899	Cumulative Payment To Date 1500.	Balance Outstanding at Close of This Period 18050
Election: <input type="checkbox"/> Primary <input type="checkbox"/> General <input type="checkbox"/> Other (specify)			
Terms: Date Incurred <u>VAR</u> Date Due <u>none</u> Interest Rate _____ %(apr) <input type="checkbox"/> Secured			
List All Endorsers or Guarantors (if any) to Item B			
1. Full Name, Mailing Address and ZIP Code David Landau 11 Oak Knoll Drive Wallingford, PA	Name of Employer		
	Occupation		
	Amount Guaranteed Outstanding: \$ 18050		
2. Full Name, Mailing Address and ZIP Code	Name of Employer		
	Occupation		
	Amount Guaranteed Outstanding: \$		
3. Full Name, Mailing Address and ZIP Code	Name of Employer		
	Occupation		
	Amount Guaranteed Outstanding: \$		
SUBTOTALS This Period This Page (optional)			
TOTALS This Period (last page in this line only)			50550

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SCHEDULE D
(Revised 3/80)

DEBTS AND OBLIGATIONS
excluding Loans

LINE NUMBER c10
separate schedules
for each numbered line)

Name of Committee (In Full)	Outstanding Balance Beginning This Period	Amount Incurred This Period	Payment This Period	Outstanding Balance at Close of This Period
FRIENDS OF DAVID LANDAU				
A. Full Name, Mailing Address and Zip Code of Debtor or Creditor MCI Telecommunications 230 Schilling Place Hunt Valley, MD 21031	190.08	-0-	190.08	-0-
Nature of Debt (Purpose): Telephone				
B. Full Name, Mailing Address and Zip Code of Debtor or Creditor Delaware Valley Office Supply State Street Media, PA 19063	78.50	-0-	78.50	-0-
Nature of Debt (Purpose): office supplies				
C. Full Name, Mailing Address and Zip Code of Debtor or Creditor Patricia Ewing Surrey Lane Media, PA 19063	4758.00	-0-	800.00	3958.00
Nature of Debt (Purpose): Consulting Fee				
D. Full Name, Mailing Address and Zip Code of Debtor or Creditor Anne Bullock 3713 West Country Club Philadelphia, PA 19128	6700.00	-0-	1000	5700.00
Nature of Debt (Purpose):				
E. Full Name, Mailing Address and Zip Code of Debtor or Creditor Schlackman, Fazio & Assoc. 288 7th Street San Francisco, CA 94109	10,844.33	-0-	-0-	10844.33
Nature of Debt (Purpose): graphics, printing				
F. Full Name, Mailing Address and Zip Code of Debtor or Creditor Estate of John Zimmerman Winneconne, WI	13,600	-0-	-0-	13,600
Nature of Debt (Purpose): consulting fee				
1) SUBTOTALS This Period This Page (optional)				34102.33
2) TOTAL This Period (last page this line only)				
3) TOTAL OUTSTANDING LOANS from Schedule C (last page only)				
4) ADD 2) and 3) and carry forward to appropriate line of Summary Page (last page only)				

SCHEDULE D
(Revised 3/80)

DEBTS AND OBLIGATIONS
Excluding Loans

LINE NUMBER 10
(See separate schedules
for each numbered line)

Name of Committee (in Full)	Outstanding Balance Beginning This Period	Amount Incurred This Period	Payment This Period	Outstanding Balance at Close of This Period
FRIENDS OF DAVID LANDAU				
A. Full Name, Mailing Address and Zip Code of Debtor or Creditor Estate of John Zimmerman Winneconne, WI	1916.84	-0-	-0-	1916.84
Nature of Debt (Purpose): Travel, phone expenses				
B. Full Name, Mailing Address and Zip Code of Debtor or Creditor Kennedy Printing 5534 Baltimore Avenue Philadelphia, PA 19143	11,446	-0-	1000.00	10,446
Nature of Debt (Purpose): Printing				
C. Full Name, Mailing Address and Zip Code of Debtor or Creditor ADV. Co. Sussex Blvd. Broomall, PA 19008	4800.00	-0-	250.00	4550.00
Nature of Debt (Purpose): Media Consulting				
D. Full Name, Mailing Address and Zip Code of Debtor or Creditor Susan Bulkin 5413 Houghton Place Philadelphia, PA 19128	687.57	-0-	250.00	437.57
Nature of Debt (Purpose): Photography				
E. Full Name, Mailing Address and Zip Code of Debtor or Creditor David Landau 11 Oak Knoll Drive Wallingford, PA 19086	4911.21	-0-	175.00	4736.21
Nature of Debt (Purpose): Expenses - travel, printing				
F. Full Name, Mailing Address and Zip Code of Debtor or Creditor Adrianna Babior (Address Unknown)	500.00	-0-	500 (in kind)	-0-
Nature of Debt (Purpose): consulting fee				
1) SUBTOTALS This Period This Page (optional)				22,086.62
2) TOTAL This Period (last page this line only)				
3) TOTAL OUTSTANDING LOANS from Schedule C (last page only)				
4) ADD 2) and 3) and carry forward to appropriate line of Summary Page (last page only)				

SCHEDULE D
(Revised 3/80)

DEBTS AND OBLIGATIONS
excluding Loans

LINE NUMBER _____
Use separate schedules
for each numbered line)

Name of Committee (in Full) FRIENDS OF DAVID LANDAU	Outstanding Balance Beginning This Period	Amount Incurred This Period	Payment This Period	Outstanding Balance at Close of This Period
A. Full Name, Mailing Address and Zip Code of Debtor or Creditor Ridder Braden Union Station Suite 310 17th & Wynkoop Denver, CO 08070	615.32	-0-	-0-	615.32
Nature of Debt (Purpose): Consulting Fee				
B. Full Name, Mailing Address and Zip Code of Debtor or Creditor D&P Printing 5641 G Washington Drive Washington, D.C.	86.93	-0-	-0-	86.93
Nature of Debt (Purpose): Printing				
C. Full Name, Mailing Address and Zip Code of Debtor or Creditor Media Inn Baltimore Pike & Providence Rd. Media, PA 19063	273.00	-0-	-0-	273.00
Nature of Debt (Purpose): Room rental				
D. Full Name, Mailing Address and Zip Code of Debtor or Creditor				
Nature of Debt (Purpose):				
E. Full Name, Mailing Address and Zip Code of Debtor or Creditor				
Nature of Debt (Purpose):				
F. Full Name, Mailing Address and Zip Code of Debtor or Creditor				
Nature of Debt (Purpose):				
1) SUBTOTALS This Period This Page (optional)				975.25
2) TOTAL This Period (last page this line only)				5,7164.20
3) TOTAL OUTSTANDING LOANS from Schedule C (last page only).				50,550.00
4) ADD 2) and 3) and carry forward to appropriate line of Summary Page (last page only)				107,714.20

ATTACHMENT A

Adrianna Babior performed fundraising consulting services for the Committee in June, 1985. After repeated attempts by mail and telephone the Committee has been unable to locate her. Therefore, the Committee is treating any remaining amount owed to her as an in-kind contribution.

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OGC
407
RECEIVED
FEDERAL ELECTION COMMISSION
MAIL ROOM

88 SEP 19 PM 11:05

RECEIVED
FEDERAL ELECTION COMMISSION
88 SEP 19 PM 12:38

September 16, 1988

Phillip Wise
Office of the General Counsel
Federal Election Commission
999 E Street, N.W.
Washington, D.C. 20463

Re: MUR 2655

Dear Mr. Wise:

The Friends of David Landau, Inc., through its undersigned counsel, submits this supplemental information further demonstrating that the complaint filed by Earl Baker, Chairman of the Pennsylvania Republican Party, should be speedily dismissed.

As our earlier letter stated, the Landau campaign settled outstanding debts with Schlackman-Fazio and Scott Wolf & Associates in accordance with the Commission's regulations. Those settlements dispose of the allegation in the complaint that debt settlements were not approved by the Commission.

Both Schlackman-Fazio and Scott Wolf & Associates have provided services to the Landau campaign in the 1988 race for Pennsylvania's 7th Congressional District. (In 1986, Mr. Landau was a candidate for the Democratic nomination in that district. This year he is the Democratic nominee).

The fact that both vendors would deal with the Landau Committee in 1988, after settling debts with the Committee in 1986, in no way casts doubt on the validity of the 1986 debt settlements. Indeed, both vendors made arrangements with the Committee this year that ensured that they would be fully paid. Schlackman-Fazio has provided services both to Mr. Landau's 1988 primary and general election campaigns. Before it began either stage of its efforts, that company was paid its fee in full.

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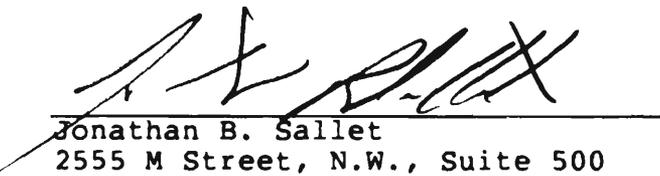
Phillip Wise
September 16, 1988
Page 2

Similarly, Scott Wolf & Associates has provided some consulting services to the 1988 Committee. It too was paid in full at the time that it transferred material to the campaign.

There is no provision of law that restricts or prohibits a vendor, having once settled a debt with a political committee, from dealing with that committee again. The fact, however, that both of these vendors took steps to assure their payment by the Landau Committee demonstrates the arms-length nature and commercial reasonableness of their dealings with the campaign. In this light, there is no reason whatsoever to question the 1986 debt settlements already approved by the Commission.

We trust that this additional information will demonstrate, again, why the complaint should be dismissed. As we noted before, it is critically important that the complaint should be dismissed quickly, so that these baseless charges cannot influence the outcome of the current campaign.

Respectfully submitted,


Jonathan B. Sallet
2555 M Street, N.W., Suite 500
Washington, D.C. 20037
(202) 293-6400


Donald J. Simon
1250 Eye Street, N.W., Suite 1000
Washington, D.C. 20005
(202) 682-0240

Attorneys for Friends of
David Landau, Inc.

JBS/DJS/aa

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

FIRST GENERAL COUNSEL'S REPORT

MUR # 2655
DATE COMPLAINT RECEIVED
BY OGC July 28, 1988
DATE OF NOTIFICATION TO
RESPONDENTS August 4, 1988
STAFF MEMBER Phillip L. Wise

COMPLAINANT: Earl M. Baker, Chairman of the Republican
State Committee of Pennsylvania

RESPONDENTS: David Edward Landau
Friends of David Landau, Inc. and Lawrence M.
Goodman, as treasurer

RELEVANT STATUTES: 2 U.S.C. § 441a(a) (1) (A)
2 U.S.C. § 441a(f)
2 U.S.C. § 441b(a)
11 C.F.R. § 114.10(c)
11 C.F.R. § 100.7(b) (11)

I. GENERATION OF MATTER

This matter is based on a complaint from Earl M. Baker,
Chairman of the Republican State Committee of Pennsylvania.

II. FACTUAL AND LEGAL ANALYSIS

Earl M. Baker alleges that David Edward Landau, and the
Friends of David Landau, Inc. ("Respondents"),^{1/} in an attempt to
avoid responsibility for debts, developed a scheme which
engendered illegal private and corporate contributions.

Mr. Baker contends, basing his allegations on an August 18,
1987 article from the Delaware County Daily Times, and

^{1/} David Edward Landau was an unsuccessful candidate for the
1986 Democratic nomination for the 7th Congressional District in
Pennsylvania. The Friends of David Landau, Inc. was Mr. Landau's
principal campaign committee.

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Respondents' 1987 Mid-Year report, that "Landau settled debts to three individuals for nominal amounts." "A \$4,758.00 debt to Patricia Ewing was settled for a mere \$800.00; a \$6,700.00 debt to Anne Bullock was settled for only \$1,000.00; while two debts to the Estate of John Zimmerman totalling \$15,520.00 were settled for a purported token amount." Mr. Baker indicates that there is no evidence the settlements were in accordance with the requirements of 11 C.F.R. § 114.10(c), or evidence that the settlements were proffered to the Commission for approval.

Mr. Baker also contends that the settlement of a \$10,844.00 debt with Schlackman, Fazio and Associates for \$2,000.00, and the settlement of a \$6,768.00 debt with Scott Wolf and Associates for \$3,200.00 were not reached pursuant to 11 C.F.R. § 114.10(c).

Mr. Baker further contends that Mr. Landau borrowed money totalling \$78,000 from three (3) banks without sufficient collateral to support such loans, therefore not in the regular course of business. Finally, Mr. Baker alleges that Mr. Landau illegally treated an outstanding debt as a contribution.

On August 23, 1988, the Friends of David Landau, Inc., and David Landau through counsel responded to the allegations presented in the complaint. (Attachment 1). On September 19, 1988, Counsel for Respondents submitted a supplemental response containing additional information. (Attachment 1 Supp.).

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A. Debt Settlement

In Debt Settlements 87-05 and 87-19 the Commission examined the settlement of the above debts in the amounts indicated. Ms. Bullock and Ms. Ewing provided campaign consulting services to the Committee. Scott Wolf and Associates, a non-corporate entity, provided polling services. Schlackman, Fazio and Associates, a corporate entity, provided printing and graphics. Because these services were provided in the ordinary course of business, these debts all came within the purview of the Commission's regulations. The Commission examined all the debt settlements contained in the complaint and found no apparent violation of the Federal Election Campaign Act or of the Commission's regulations. Attachments furnished by Respondents included a copy of the Commission's approval of the above Debt Settlement agreements. The debt owed to the Estate of John Zimmerman is still included on reports filed with the Commission.^{2/}

Pursuant to 2 U.S.C. § 441b(a), it is unlawful for any corporation to make a contribution or expenditure in connection with any federal election or for any political committee

^{2/} Respondents contend that when the complaint was filed no settlements with the Estate of John Zimmerman had been entered into. On December 9, 1988 Respondents submitted a proposed Debt Settlement Agreement with the Zimmerman Estate. Respondents informed RAD the Committee was financially unable to pay any of the proposed amount, therefore, RAD did not forward this submission for consideration by the Commission.

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knowingly to accept or receive any contribution prohibited by this section. Under 2 U.S.C. § 441a(a)(1)(A), no person shall make contributions to any candidate and his authorized political committee with respect to any election for Federal office which, in the aggregate, exceed \$1,000.00. Pursuant to 2 U.S.C. § 441a(f), no candidate or political committee shall knowingly accept any contribution or make any expenditure in violation of the provisions of this section.

The debt settlement with the corporate creditor, Schlackman, Fazio and Associate, was examined to determine, pursuant to 11 C.F.R. § 114.10(c), whether:

1. the initial extension of credit was in the ordinary course of the corporation's business practices;
2. the debtors had taken all commercially reasonable efforts to satisfy the outstanding debts; and
3. the corporate creditors had pursued customary remedies to collect the debts.

The Committee submitted a settlement agreement with its corporate creditor stating that the initial extension of credit was made in accordance with 11 C.F.R. § 114.10(a) and that the creditor had taken all commercially reasonable steps to collect the sums outstanding. As noted above, the Commission found no apparent violation with regard to this settlement.

The Commission also examined the settlements with the non-corporate creditors. Commission policy is to permit non-corporate creditors to forgive debts without being charged with a

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contribution provided that the debt was incurred in connection with the provision of goods and/or services to a campaign by a non-corporate entity or individual creditor in the ordinary course of a business or professional enterprise. Such forgiveness is subject to Commission review if it exceeds the creditor's contribution limitation or if the creditor notified the Commission that he or she wishes the entire amount of forgiveness to be treated as a debt settlement and not as a contribution-in-kind. In such cases the Committee or creditor is also required to submit a statement of settlement. The corollary to this policy is that debts owed for services not rendered in the ordinary course of the non-corporate creditor's business are contributions by the creditor involved until the debts are repaid.

Again, the non-corporate creditors in this matter, Scott Wolf and Associates, Ms. Bullock and Ms. Ewing, had apparently provided services in the ordinary course of business and the Commission found that the settlements would not violate the Act or regulations.

The complaint in the present matter furnishes additional information that was not before the Commission when the debt settlements at issue were approved. The new information is that, even though there was considerable financial loss in the settlements, both Scott Wolf and Associates and Schlackman, Fazio and Associates have agreed to work on Respondents' current

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campaign. Complainant's allegation apparently is that if these vendors were participants in a scheme with Respondents to provide services at a financial loss, the debt settlements would have resulted in an illegal corporate contribution by the corporate entity, and an excessive contribution by the non-corporate entity.

In response to this allegation Respondents contend that both vendors, for the present campaign, took steps to assure their payment by the Landau Committee. The response specifies that the vendors were paid their fees in full before any services or materials were given to the campaign committee. The reports filed by the Committee show that Scott Wolf and Associates received \$500.00 on both January 1 and 25, 1988.

The filed reports do not reveal any amounts paid specifically to Schlackman, Fazio and Associates, however, the reports contain evidence that the vendor was paid. In Debt Settlement 87-19, Richard Schlackman was the CEO of Schlackman, Fazio and Associates located at 288 7th Street, San Francisco, California. The present reports reveal that Richard Schlackman is employed by Campaign Performance Group located at 288 7th Street, San Francisco, California; that from July 1 to September 26, 1988 the Respondent paid \$8,187.25 to the Campaign Performance Group, and that the services rendered by Campaign Performance Group in the instant matter are the same type as

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rendered by Schlackman, Fazio and Associates for the previous campaign.

Based on the facts that Richard Schlackman is involved with both vendors, the address is the same for both vendors, and both vendors offered printing services, it is the opinion of this Office there is probably only one vendor, be it named Schlackman, Fazio and Associates or Campaign Performance Group. Therefore it appears said vendor was paid for services as alleged by the Respondents.

Because the Commission has already approved the settlements of the debts in question, it appears the vendors were paid in full before performing any work on the present campaign, and that no other new information was presented regarding those debts, there appear to have been no violations of 2 U.S.C. §§ 441b(a), 441a(a)(1)(A) and 441a(f).

B. Bank Loans

Pursuant to 11 C.F.R. § 100.7(b)(11), a loan by a bank is not a contribution if such loan is made in accordance with applicable banking laws and regulations and is made in the ordinary course of business. A loan will be deemed to be made in the ordinary course of business if it bears the usual and customary interest rate of the lending institution for the category of loan involved, is made on a basis which assures repayment, is evidenced by a written instrument, and is subject to a due date or amortization schedule.

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The allegation by Mr. Baker that the bank loans totalling \$78,000 were given to the Committee without sufficient collateral raises the issue of whether the loans were in the ordinary course of business. Respondents, through Counsel, contend that the allegations are not true. According to Respondents, three short-term bank loans, totalling \$40,347.08, were taken out by Friends of Landau during the 1986 primary:

(1) \$10,000.00 was borrowed on April 9, 1986 from the Jefferson Bank of Downingtown, Pennsylvania. This was a loan payable on demand, subject to an interest rate of 1% above the lender's highest base rate of interest, guaranteed by David Landau personally and allegedly guaranteed, up to \$1,000.00 by Cyrus Landau. (Attachment 1, Exhibit C.) By the end of September, the principal on the loan had been paid and the note was thereafter cancelled.

(2) \$10,347.08 was borrowed on April 24, 1986 from the Continental Bank of Norristown, Pennsylvania for one hundred and nineteen days at an interest rate of 10 1/2% and renewed for ninety days (in a slightly smaller amount) at an interest rate of 10% on August 20, 1986. "As Exhibit D (the cancelled note) demonstrates, the loan was guaranteed personally by David Landau and was paid in full when due in November, 1986." (Attachment 1, Exhibit D).

(3) \$20,000.00 was borrowed from the Philadelphia National Bank on August 26, 1986 at an interest rate of 9-9 1/2%. This short-term loan was guaranteed personally by David Landau and was paid off in full on September 12, 1986. (Attachment 1, Exhibit E).

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According to Respondents, a fourth loan for \$40,000.00 with a four-year term was received on September 12, 1986, from the Philadelphia National Bank. It was guaranteed personally by David Landau and secured by a second mortgage on his residence. (Attachment 1, Exhibit F).

The loan agreements furnished by Respondents for the \$10,000 loan from Jefferson Bank on April 9, 1986, and the \$10,347.08 loan on April 24, 1986 from Continental Bank appear to satisfy the ordinary course of business test for loans established under 11 C.F.R. § 100.7(b)(11). In each case the loan bore a set rate of interest, was guaranteed by the candidate and was evidenced by a written instrument. The fact that these agreements specifically contain provisions on confessions of judgment, the liability of the parties, default, etc., shows the loans were made on a basis which would assure repayment.

The Jefferson Bank loan agreement of April 9, 1986 also indicates that it has the "Personal Guarantee of Cyrus Landau." Respondents contend that Cyrus Landau had guaranteed the loan to the limit of \$1,000. The \$1,000 limit of liability is not on the loan agreement. Absent such written limit it appears that Cyrus Landau has guaranteed the loan in its full amount of \$10,000, thereby exceeding his contribution limit. The term "contribution" includes a loan, loan includes a guarantee, a loan which exceeds contribution limits of 2 U.S.C. § 441a and

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11 C.F.R. § 110 shall be unlawful whether or not it is repaid.

11 C.F.R. § 100.7(a)(1).

Pursuant to 2 U.S.C. § 441a(a)(1)(A), no person shall make contributions to any candidate and his authorized political committees with respect to any election for Federal office which, in the aggregate, exceed \$1,000.00. Under 2 U.S.C. § 441a(f) no candidate or political committee shall knowingly accept any contribution in violation with the provisions of this section. Accordingly, this Office recommends that the Commission find reason to believe David Edward Landau and the Committee violated 2 U.S.C. § 441a(f) and that Cyrus Landau violated 2 U.S.C. § 441a(a)(1)(A). This Office has proposed questions to determine the circumstances of the guarantee.

Respondents did not furnish a copy of the loan agreements for the \$20,000 borrowed from Philadelphia National Bank on August 26, 1986 or the \$40,000.00 loan on September 12, 1986 from Philadelphia National Bank. Without such agreements one cannot determine whether these loans were in the ordinary course of business. Therefore, the two loans from Philadelphia National Bank appear to be in violation of 2 U.S.C. § 441b(a). This Office proposes requesting the promissory notes for these loans from Philadelphia National Bank.

C. Debt as In-Kind Contribution

The complainant points out that in Attachment A to the Committee's 1987 mid-year report the following is stated:

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"Adriana Babior performed fundraising consulting services for the Committee in June, 1985. After repeated attempts by mail and telephone, the Committee is treating any remaining amount owed to her [i.e. \$500.00] as an in-kind contribution."

Complainant alleges that this is a violation of 11 C.F.R. § 110.1(b) because the regulations do not give a candidate or his committee power to designate a contribution, or treat a debt as an in-kind contribution, without the specific authorization of the contributor.

This allegation by Mr. Baker is without merit. According to the response from the Committee, respondents understood that it had received something of value from Ms. Babior, but, despite good-faith attempts were unable to locate her to make payment. This debt owed to Ms. Babior appears to be unpayable; therefore, the Committee's reporting of it as an in-kind contribution is no apparent violation of the Act or Regulations.

III. RECOMMENDATIONS

1. Find no reason to believe that David Edward Landau, and the Friends of David Landau, Inc. and Lawrence M. Goodman, as treasurer, violated 2 U.S.C. § 441b(a) as it concerns the settlement of a \$10,844.00 debt with Schlackman, Fazio and Associates for \$2,000.00.
2. Find no reason to believe that David Edward Landau, and the Friends of David Landau, Inc. and Lawrence M. Goodman, as treasurer, violated 2 U.S.C. § 441a(f) as it concerns the settlements of debts owed Scott Wolf and Associates, Anne Bullock and Patricia Ewing.

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3. Find no reason to believe that David Landau, Friends of David Landau, Inc. and Lawrence M. Goodman, as treasurer, violated 2 U.S.C. § 441b(a) with regard to the bank loans received from Jefferson Bank and Continental Bank.
 4. Find reason to believe that David Edward Landau, and the Friends of David Landau, Inc. and Lawrence M. Goodman, as treasurer violated 2 U.S.C. § 441a(f) with regard to the personal guarantee of Cyrus Landau of the April 9, 1986 loan from Jefferson Bank for \$10,000 by David Landau.
 5. Find reason to believe Cyrus Landau violated 2 U.S.C. § 441a(a)(1)(A) with regard to his personal guarantee of the April 9, 1986 loan from Jefferson Bank for \$10,000 by David Landau.
 6. Find reason to believe that David Edward Landau, the Friends of David Landau, Inc. and Lawrence M. Goodman, as treasurer, violated 2 U.S.C. § 441b(a) with regard to the \$20,000.00 loan from Philadelphia National Bank on August 26, 1986, and the \$40,000.00 loan from Philadelphia National Bank on September 12, 1986.
 7. Find reason to believe the Philadelphia National Bank violated 2 U.S.C. § 441b(a) with regard to the August 26, 1986 \$20,000.00 loan and the September 12, 1986 \$40,000.00 loan to David Edward Landau.
 8. Find no reason to believe that David Edward Landau, the Friends of David Landau, Inc. and Lawrence M. Goodman, as treasurer, violated 11 C.F.R. § 110.1(b)
 9. Approve the attached letters, Factual and Legal Analyses, and interrogatories and request for production of documents.

Lawrence M. Noble
General Counsel

May 18, 1989
Date

By:

George F. Riskel
George F. Riskel, Acting
Associate General Counsel

Attachments

1. Response to Complaint
2. Proposed letters (4),
Factual and Legal Analyses (4)
and Interrogatories and
Request for Production of
Documents (2)



FEDERAL ELECTION COMMISSION
WASHINGTON D.C. 20463

MEMORANDUM

TO: LAWRENCE M. NOBLE
GENERAL COUNSEL

FROM: MARJORIE W. EMMONS / JOSHUA MCFADDEN
COMMISSION SECRETARY

DATE: MAY 23, 1989

SUBJECT: OBJECTION TO MUR 2655 - FIRST G.C. REPORT
SIGNED MAY 18, 1989

The above-captioned document was circulated to the Commission on Friday, May 19, 1989 at 12:00 p.m.

Objection(s) have been received from the Commissioner(s) as indicated by the name(s) checked below:

Commissioner Aikens	<u> X </u>
Commissioner Elliott	<u> </u>
Commissioner Josefiak	<u> </u>
Commissioner McDonald	<u> </u>
Commissioner McGarry	<u> </u>
Commissioner Thomas	<u> X </u>

This matter will be placed on the meeting agenda for meeting date have not been assigned.

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

90040764970

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of)
)
David Edward Landau)
Friends of David Landau, Inc.) MUR 2655
and Lawrence M. Goodman, as)
treasurer)

CERTIFICATION

I, Marjorie W. Emmons, recording secretary for the Federal Election Commission executive session of June 1, 1989, do hereby certify that the Commission decided by a vote of 5-0 to take the following actions in MUR 2655:

1. Find no reason to believe that David Edward Landau, and the Friends of David Landau, Inc. and Lawrence M. Goodman, as treasurer, violated 2 U.S.C. § 441b(a) as it concerns the settlement of a \$10,844.00 debt with Schlackman, Fazio, and Associates for \$2,000.00.
2. Find no reason to believe that David Edward Landau, and the Friends of David Landau, Inc. and Lawrence M. Goodman, as treasurer, violated 2 U.S.C. § 441a(f) as it concerns the settlements of debts owed Scott Wolf and Associates, Anne Bullock and Patricia Ewing.

(continued)

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3. Find no reason to believe that David Landau, Friends of David Landau, Inc. and Lawrence M. Goodman, as treasurer, violated 2 U.S.C. § 441b(a) with regard to the bank loans received from Jefferson Bank and Continental Bank.
4. Find reason to believe that David Edward Landau, and the Friends of David Landau, Inc. and Lawrence M. Goodman, as treasurer, violated 2 U.S.C. § 441a(f) with regard to the personal guarantee of Cyrus Landau of the April 9, 1986 loan from Jefferson Bank for \$10,000 by David Landau.
5. Find reason to believe Cyrus Landau violated 2 U.S.C. § 441a(a)(1)(A) with regard to his personal guarantee of the April 9, 1986 loan from Jefferson Bank for \$10,000 by David Landau.
6. Take no action at this time on the General Counsel's recommendation to find reason to believe that David Edward Landau, the Friends of David Landau, Inc. and Lawrence M. Goodman, as treasurer, violated 2 U.S.C. § 441b(a) with regard to the \$20,000.00 loan from Philadelphia National Bank on August 26, 1986, and the \$40,000.00 loan from Philadelphia National Bank on September 12, 1986.
7. Take no action at this time on the General Counsel's recommendation to find reason to believe the Philadelphia National Bank violated 2 U.S.C. § 441b(a) with regard to the August 26, 1986 \$20,000.00 loan and the September 12, 1986 \$40,000.00 loan to David Edward Landau.

(continued)

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8. Find no reason to believe that David Edward Landau, the Friends of David Landau, Inc. and Lawrence M. Goodman, as treasurer, violated 11 C.F.R. § 110.1(b).
9. Direct the Office of General Counsel to send appropriate letters, appropriate Factual and Legal Analyses, and appropriate interrogatories and request for production of documents pursuant to the actions noted above.

Commissioners Aikens, Elliott, Josefiak, McGarry, and Thomas voted affirmatively for the decision; Commissioner McDonald was not present at the time of the vote.

Attest:

June 2, 1989
Date

Marjorie W. Emmons
Marjorie W. Emmons
Secretary of the Commission

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

June 20, 1989

Jonathan B. Sallet, Esquire
2555 M Street, N.W.
Washington, D.C. 20037

RE: MUR 2655
David Edward Landau

Dear Mr. Sallet:

On August 4, 1988, the Federal Election Commission notified your client, David Edward Landau, of a complaint alleging violations of certain sections of the Federal Election Campaign Act of 1971, as amended ("the Act"). A copy of the complaint was forwarded to your client at that time.

Upon further review of the allegations contained in the complaint, and information supplied by you, the Commission, on June 1, 1989, found that there is reason to believe David Landau violated 2 U.S.C. § 441a(f), a provision of the Act. On that same date the Commission found no reason to believe your client violated 2 U.S.C. §§ 441b(a) and 441a(f) with respect to certain debt settlements and certain bank loans; and no reason to believe your clients violated 11 C.F.R. § 110.1(b), a provision of the Commission's regulations. 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 David Edward Landau. 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 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 David Landau, the Commission may find probable cause to believe that a violation has occurred and proceed with conciliation.

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Jonathan B. Sallet, Esquire
Page 2

In the absence of any additional information demonstrating that no further action should be taken against Friends of David Landau, Inc. and Lawrence M. Goodman, as treasurer, the Commission may find probable cause to believe that a violation has occurred and proceed with conciliation.

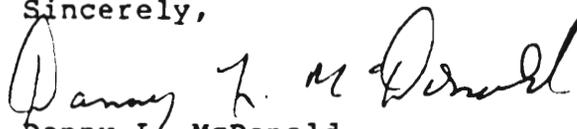
If you are interested in pursuing pre-probable cause conciliation, you should so request in writing. See 11 C.F.R. § 111.18(d). Upon receipt of the request, the Office of the General Counsel will make recommendations to the Commission either proposing an agreement in settlement of the matter or recommending declining that pre-probable cause conciliation be 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.

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 matter to be made public.

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

Sincerely,


Danny L. McDonald
Chairman

Enclosures
Questions
Factual and Legal Analysis

03040703931



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

June 20, 1989

Jonathan B. Sallet, Esquire
2555 M Street, N.W.
Washington, D.C. 20037

RE: MUR 2655
Friends of David Landau, Inc.
and Lawrence M. Goodman, as
treasurer

Dear Mr. Sallet:

On August 4, 1988, the Federal Election Commission notified your clients, Friends of Edward Landau, Inc. and Lawrence M. Goodman, as treasurer, of a complaint alleging violations of certain sections of the Federal Election Campaign Act of 1971, as amended ("the Act"). A copy of the complaint was forwarded to your client at that time.

Upon further review of the allegations contained in the complaint, and information supplied by you, the Commission, on June 1, 1989, found that there is reason to believe Friends of David Landau, Inc. and Lawrence M. Goodman, as treasurer violated 2 U.S.C. § 441a(f), a provision of the Act. On that same date the Commission found no reason to believe your clients violated 2 U.S.C. §§ 441b(a) and 441a(f) with respect to certain debt settlements and certain bank loans; and no reason to believe your clients violated 11 C.F.R. § 110.1(b), a provision of the Commission's regulations. 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 Friends of David Edward Landau, Inc. and Lawrence M. Goodman, 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 receipt of this letter. Where appropriate, statements should be submitted under oath.

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Jonathan B. Sallet, Esquire
Page 2

In the absence of any additional information demonstrating that no further action should be taken against Friends of David Landau, Inc. and Lawrence M. Goodman, as treasurer, the Commission may find probable cause to believe that a violation has occurred and proceed with conciliation.

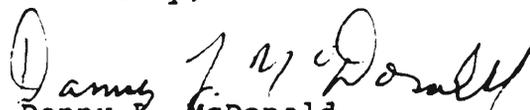
If you are interested in pursuing pre-probable cause conciliation, you should so request in writing. See 11 C.F.R. § 111.18(d). Upon receipt of the request, the Office of the General Counsel will make recommendations to the Commission either proposing an agreement in settlement of the matter or recommending declining that pre-probable cause conciliation be 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.

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 matter to be made public.

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

Sincerely,


Danny E. McDonald
Chairman

Enclosures
Factual and Legal Analysis

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FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

June 20, 1989

Cyrus Landau
4 E. Montgomery Avenue
Bala Cynwyd, PA 19004

RE: MUR 2655
Cyrus Landau

Dear Mr. Landau:

On June 1, 1989, the Federal Election Commission found that there is reason to believe you violated 2 U.S.C. § 441a(a)(1)(A), 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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Cyrus Landau
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 Phillip L. Wise, the attorney assigned to this matter, at (202) 376-8200.

Sincerely,


Danny L. McDonald
Chairman

Enclosures

Factual and Legal Analysis
Procedures
Designation of Counsel Form
Questions

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LAW OFFICES

MILLER, CASSIDY, LARROCA & LEWIN

2885 M STREET, N. W. SUITE 800
WASHINGTON, D. C. 20037

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WILLIAM H. JEFFRESS, JR.
R. STAN MORTENSON
THOMAS B. CARR
JAMIE S. GORELICK
JAMES E. ROCAP, III
SETH P. WAXMAN
JONATHAN B. SALLET
RANDALL J. TURK
STEPHEN L. BRAGA

J. R. CALDWELL, JR.
SCOTT L. NELSON
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JULIA E. GUTTMAN
NIKI KUCKES
ANNE M. COUGHLIN
JAY L. ALEXANDER
STEVANE BUNNELL
DAVID I. GELFAND

COURTNEY A. EVANS
WILLIAM W. GREENHALGH
OF COUNSEL

*NOT ADMITTED IN D. C.

June 28, 1989

VIA HAND-DELIVERY

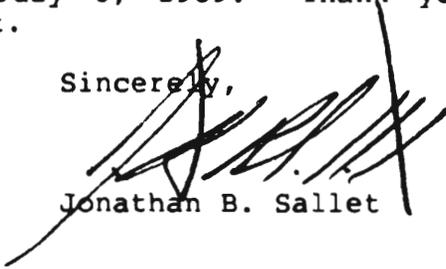
Phillip L. Wise
Office of the General Counsel
Federal Election Commission
999 E Street, N.W.
Room 657
Washington, D.C. 20463

Re: MUR 2655 - David Edward Landau and
Friends of David Landau, Inc. and
Lawrence M. Goodman, as treasurer

Dear Mr. Wise:

I am writing to request an extension of time until Friday, July 14, to submit our response to the Commission's factual and legal analysis and to answer the Interrogatories and Request for Production of Documents propounded by the Commission to my clients in connection with MUR 2655. We are now in the process of collecting documents for the response. I have a previously scheduled vacation for the week of July 3-7. Our response is currently due July 6, 1989. Thank you for your consideration of this request.

Sincerely,


Jonathan B. Sallet

JBS/aa

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RECEIVED
FEDERAL ELECTION COMMISSION
OFFICE OF THE GENERAL COUNSEL
09 JUN 29 PM 5:46



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

June 30, 1989

Jonathan B. Sallet, Esquire
2555 M Street, N.W.
Washington, D.C. 20037

RE: MUR 2655
Friends of David Landau,
Inc. and Lawrence M.
Goodman, as treasurer

Dear Mr. Sallet:

This is in response to your letter dated June 28, 1989, which we received on June 28, 1989, requesting an extension until July 14, 1989 to respond to the Commission's factual and legal analysis and to answer the 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 July 14, 1989.

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

Sincerely,

Lawrence M. Noble
General Counsel

A handwritten signature in cursive script, appearing to read "LGL", is written over a horizontal line.

BY: Lois G. Lerner
Associate General Counsel

00040704987



LAW OFFICES

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2555 M STREET, N. W. SUITE 500
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JAY L. ALEXANDER
STEVEN E. BUNNELL
DAVID I. GELFAND

COURTNEYA EVANS
WILLIAM W. GREENHALGH
OF COUNSEL

*NOT ADMITTED IN D. C.

July 5, 1989

VIA HAND-DELIVERY

Phillip L. Wise
Office of the General Counsel
Federal Election Commission
999 E Street, N.W.
Room 657
Washington, D.C. 20463

Re: MUR 2655 - David Edward Landau and
Friends of David Landau, Inc. and
Lawrence M. Goodman, as treasurer

Dear Mr. Wise:

This is to confirm our telephone conversation of July 3, 1989 in which you informed me that the Commission had granted our request for an extension of time until July 14, 1989 and in which you informed me that confirmation of the Commission's decision would be sent to us by mail.

We appreciate the Commission's consideration of this request.

Sincerely,

Jonathan B. Sallet/aa
Jonathan B. Sallet

JBS/aa

RECEIVED
FEDERAL ELECTION COMMISSION
OFFICE OF THE GENERAL COUNSEL
09 JUL -5 PM 2:11

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LAW OFFICES

MILLER, CASSIDY, LARROCA & LEWIN

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JAY L. ALEXANDER
STEVEN E. BUNNELL
DAVID I. GELFAND
PAUL F. ENZINNA

COURTNEY A. EVANS
WILLIAM W. GREENHALGH
OF COUNSEL

NOT ADMITTED IN D.C.

July 14, 1989

VIA HAND-DELIVERY

Danny L. McDonald
Chairman
Federal Election Commission
999 E Street, N.W.
Washington, D.C. 20463

Re: MUR 2655

Dear Mr. McDonald:

David E. Landau and the Friends of David Landau, Inc., through their undersigned counsel, submit this joint response to the Commission's letters of June 29, 1989. (The Commission granted an extension of time in which to file this response).

As the attached interrogatory response and documents demonstrate, there is no basis for further Commission action in this matter. First, the attached guarantee of Cyrus Landau clearly indicates that he guaranteed only \$1,000 of the \$10,000 loan received from the Jefferson Bank. The Commission's suggestion to the contrary was based on the fact that the loan agreement itself does not specify the extent of Cyrus Landau's guarantee. But any ambiguity in that document is entirely erased by the guarantee itself.

Second, the Commission has stated that it did not have sufficient information to judge whether a \$20,000 loan and a \$40,000 loan made by the Philadelphia National bank were made in the ordinary course of business. See 11 C.F.R. § 100.7(b)(11). Although copies of the loan agreements are not now available to the respondents, the attached interrogatory response demonstrates that this legal requirement was fully satisfied. Mr. Landau attests to the fact that both loans were made in the ordinary

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FEDERAL ELECTION COMMISSION
OFFICE OF THE SECRETARY

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Doc 3460

RESPONSE TO INTERROGATORIES POSED TO
DAVID EDWARD LANDAU IN RE: MUR 2655

A.

1. As the attached document, marked Exhibit A, indicates, Cyrus Landau guaranteed only \$1,000 of the \$10,000.

2. Exhibit A, described in the answer to question one, evidences that Cyrus Landau guaranteed \$1,000 of the \$10,000 loan.

3. See Exhibit A.

4. See Exhibit A and Exhibit C to the August 23, 1988 submission of Friends of David Landau, Inc., a copy of which is attached.

B. The only documents in the possession of the respondent concerning the \$20,000 loan on August 26, 1986 from the Philadelphia National Bank are found at Exhibit E to the August 23, 1988 submission, a copy of which is attached hereto. The respondent is now in the process of attempting to secure copies of additional documents concerning this loan from the Philadelphia National Bank.

Despite the current absence of certain documents, the respondent states that the loan was made in the ordinary course of business. The loan bore a set rate of interest, was guaranteed by the candidate, was evidenced by a written instrument and carried with it conditions, such as provisions dealing with confessions of judgment, the liability of the parties and default, that demonstrate that the loan was made on a basis that would assure repayment.

00040704991

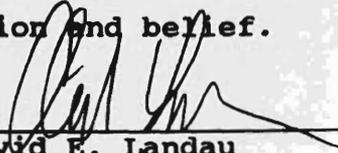
C. The only documents in the possession of the respondent concerning the \$40,000 loan on September 12, 1986 from the Philadelphia National Bank are found at Exhibits E and F to the August 23, 1988 submission, a copy of which is attached hereto, and in Exhibit B to this response, which is a mortgage executed by the candidate and his wife on their family residence securing the loan in its entirety. The respondent is no win the process of attempting to secure copies of additional documents concerning this loan from the Philadelphia National Bank.

Despite the current absence of certain documents, the mortgage demonstrates that the loan was made in the ordinary course of business in a manner that would secure repayment. Moreover, the respondent states that the loan bore a set rate of interest, was guaranteed by the candidate, was evidenced by a written instrument and carried with it conditions, such as provisions dealing with confessions of judgment, the liability of the parties and default, that also demonstrate that the loan was made on a basis that would assure repayment.

00040764992

VERIFICATION

I hereby verify that the foregoing Response to Interrogatories Posed to David E. Landau are true and correct to the best of my knowledge, information and belief.



David E. Landau

Sworn to and subscribed before me this 13th day of July, 1989.



Notary Public

My commission expires:

NOTARIAL SEAL
HELEN J. DESKIEWICZ, Notary Public
City of Philadelphia, Phila. County
My Commission Expires Feb. 15, 1993

0374076499

LOAN GUARANTEE

TO:

THE JEFFERSON BANK
Downing Center, Downingtown, Pa. 19335

The undersigned, intending to be legally bound hereby, and in consideration of loans heretofore or hereafter made by you to David E. Landau (hereinafter called "Borrower") or the incurring by Borrower of any indebtedness to you, do(es) hereby unconditionally guarantee the prompt and punctual payment to you, your successors and assigns, of any and all present and future indebtedness, and of any and all extensions and renewals thereof.

The undersigned waives notice of the incurring of such indebtedness and consent(s) to any extensions, renewals and forbearances granted by you with respect to any such indebtedness or evidences thereof and to your release of any security now or hereafter held by you with respect thereto, and agree(s) that you may grant such extensions, renewals, forbearances, and releases, without further authority from the undersigned and without affecting or impairing this guarantee.

The undersigned do(es) hereby authorize and empower the Prothonotary or any attorney for any Court of record of Pennsylvania or elsewhere to appear for the undersigned and enter judgment against me, us, or any of us, in the amount of said loan or loans, or the balance thereof, with interest, costs of suit, release of errors, without stay of execution, and with 20.00 per cent added for collection fees. The undersigned waives the benefit of any laws or rules of Court now or hereafter in effect relating to exemption, appraisal or stay of execution and authorizes sale of real estate pursuant to Writ of Execution or like legal process.

This guarantee may be terminated only by written notice to you from the undersigned to make no further loans to and accept no further indebtedness of Borrower on the faith hereof. After receipt of such notice, this guarantee shall continue as to all indebtedness of Borrower to you then in existence, absolute and contingent, and to all extensions and renewals of such indebtedness, but shall not extend to other indebtedness of Borrower thereafter incurred.

If this guarantee is signed by more than one party, the obligations hereunder shall be the joint and several obligations of the undersigned.

Witnesses:

[Handwritten Signature]

Signature:

[Handwritten Signature]
David E. Landau

Limiting Provisions - This guarantee extends solely to the loan made to Borrower in the amount of \$1,000.00 this 9 day of April, 1986.

JEFFERSON BANK

BY

[Handwritten Signature]

BORROWER

Current File



THIS MORTGAGE, made the 5th day of September 1986

by ... DAVID LANDAU AND STEPHANIE KLEIN

(whether one or more the "Mortgagor") to THE PHILADELPHIA NATIONAL BANK, a national banking association (the "Mortgagee") with its main office at the Northeast corner of Broad and Chestnut Streets, Philadelphia, Pennsylvania 19101.

Mortgagor hereby grants and conveys to Mortgagee:

ALL the lot(s) or piece(s) of ground, situate in the County of Delaware State of Pennsylvania more specifically described in Exhibit "A" attached hereto and made a part hereof.

TOGETHER with all the buildings and improvements now or hereafter erected on said premises, and all easements, rights and appurtenances thereto belonging, and the rents, issues and profits which are hereby assigned to Mortgagee, with the right to collect the same, and all fixtures, machinery, equipment and appliances now or hereafter attached to said premises, or used in connection therewith, all of which, including replacements and additions thereto, shall be deemed to be and remain a part of the property covered by this Mortgage; and all of the foregoing premises and property are herein referred to as the "Mortgaged Property".

TO HAVE AND TO HOLD the Mortgaged Property unto Mortgagee, its successors and assigns forever, in fee.

1. This Mortgage and the rights in the Mortgaged Property hereby granted shall secure Mortgagor's obligation to pay or perform the following:

(a) A fixed or contingent obligation of Mortgagor, or any one or more of them, to Mortgagee evidenced by a certain written note, instrument, agreement or other writing dated ... September 5 1986 in the principal amount of ... FORTY THOUSAND AND 00/100 Dollars (\$ 40,000.00), or creating a liability, fixed or contingent, in such principal amount, together with any renewals, extensions or modifications thereof (herein called the "Obligation").

(b) All other obligations of Mortgagor, or any one or more of them, to Mortgagee, fixed or contingent, whether now or hereafter incurred or created pursuant to this Mortgage, the Obligation or otherwise, and whether in excess of the principal amount set forth above.

(c) All amounts expended by Mortgagee in the performance by it of any duty of Mortgagor contained in this Mortgage or the Obligation which Mortgagee may elect to expend on account of the failure of Mortgagor to perform the same, together with interest thereon and all costs, expenses and actual attorney's fees incurred in the collection of the sums secured hereby, and in the perfection or enforcement of the Mortgagee's rights hereunder and under the Obligation.

2. Until the Obligation and all other sums secured by this Mortgage are paid in full, Mortgagor (and if more than one, jointly and severally) covenants and agrees with the Mortgagee as follows:

(a) To pay when due the principal of and interest on, and to perform and observe all of the agreements contained in, the Obligation, together with all other sums now or hereafter payable under the terms of the Obligation or this Mortgage or secured hereby.

(b) To pay at least thirty (30) days prior to the accrual of any interest or penalty thereon, all taxes, water and sewer rents, assessments and all other charges or claims which may be assessed or levied upon the Mortgaged Property at any time and to deliver to Mortgagee within fifteen (15) days after such payment evidence thereof satisfactory to Mortgagee.

(c) To maintain at all times with respect to the Mortgaged Property insurance, against such hazards, in such amounts, and with insurers as are satisfactory to Mortgagee; and to pay as they shall become due all premiums for such insurance. In the event of any loss or damage to the Mortgaged Property, Mortgagor will immediately notify Mortgagee thereof in writing and Mortgagee may file proof of loss if not filed promptly by Mortgagor. Mortgagor hereby authorizes and directs any insurance company concerned to pay directly to Mortgagee any proceeds (not in excess of the total amount due Mortgagee hereunder) which may be payable under such insurance, including return of unearned premiums, subject however to the rights of the holder of any prior mortgage under any policy of insurance, and Mortgagee at its option may apply such proceeds or any part thereof to the indebtedness secured hereby or to the repair and restoration of the property damaged.

(d) To maintain the Mortgaged Property in good condition, order and repair and to make restorations and replacements reasonably required by Mortgagee and not to make or permit to be made, any alterations, demolition, addition or improvement to the Mortgaged Property without first obtaining the written consent of Mortgagee which consent Mortgagee reserves the right to refuse to grant; and to permit Mortgagee and its representatives to enter the Mortgaged Property and inspect the same at all reasonable times.

70L 0 3 9 7 2 6 2 0 2 0

(e) To pay when due all sums payable under, and to perform and observe all agreements contained in any mortgage or other lien which may be placed over the lien of this Mortgage, and to deliver to Mortgagee promptly satisfactory evidence of such payment and performance.

(f) To execute and deliver to Mortgagee upon request such documents and statements as Mortgagee may require to perfect, protect or extend the lien or priority of this Mortgage on the Mortgaged Property and to pay all costs of recording or filing such documents or statements in such public offices as Mortgagee may require.

3. The occurrence of any of the following events shall constitute a default hereunder:

(a) Failure of Mortgagor to pay when due any of the sums required to be paid on account of the Obligation or under the terms of this Mortgage.

(b) Failure of Mortgagor to observe and perform any covenant or agreement contained in the Obligation or this Mortgage.

(c) Any representation, warranty, financial statement or other information made or furnished by Mortgagor or any one or more of them to Mortgagee in compliance with or in connection with any obligation or indebtedness secured hereby, shall prove to have been false or erroneous in any material respect when made or furnished.

(d) Mortgagor, or any one or more of them or any other person directly or contingently liable on the Obligation, shall be adjudicated bankrupt or insolvent or make an assignment for the benefit of creditors or otherwise commit an act of bankruptcy (as defined in the Bankruptcy Act) or shall suffer the institution against Mortgagor, or any of them, of proceedings, or apply for relief, under any law relating to bankruptcy, insolvency or moratorium or to the reorganization or relief of debtors and if any such proceedings are contested, the same shall not be dismissed within 90 days.

(e) Commencement of any action or proceeding to foreclose or issue execution on any lien upon the Mortgaged Property or any part thereof other than the lien of this Mortgage.

(f) Mortgagor shall convey the Mortgaged Property without first obtaining the written consent of Mortgagee which consent Mortgagee hereby reserves the right to refuse.

4. The unpaid principal indebtedness of the Obligation and all other sums secured by this Mortgage, together with accrued interest thereon, shall become due and payable immediately at the option of Mortgagee, without notice or demand, upon the occurrence of a default specified in paragraph 3 and thereupon Mortgagee may immediately exercise its rights to:

(a) Institute an appropriate action(s) or proceeding(s) to foreclose this Mortgage and may proceed therein to judgment and execution for the entire amount secured hereby.

(b) Become a Mortgagee in possession of the Mortgaged Property, with or without legal action, and exercise all rights as such; and Mortgagor hereby authorizes and empowers any attorney or attorneys of any competent court in the Commonwealth of Pennsylvania or elsewhere from time to time whenever Mortgagee shall deem it advisable to appear for Mortgagor and as attorney for Mortgagor to sign an agreement for entering an amicable action in ejectment for possession of the Mortgaged Property, and to confess judgment therein against Mortgagor in favor of Mortgagee, whereupon a writ of possession may immediately issue for the possession of the Mortgaged Property, without any prior writ or proceedings whatsoever; and for so doing this Mortgage or copy thereof verified by affidavit shall be sufficient warrant.

(c) Take such other action at law or in equity for the enforcement hereof and recovery of sums secured hereby.

The remedies of Mortgagee as provided herein, or in the Obligation, shall be cumulative and concurrent and may be pursued singly, successively, or together against Mortgagor or the Mortgaged Property, or both, at the sole discretion of Mortgagee. The waiver of any default or failure to enforce any right or pursue any remedy at any time, shall not be a waiver of any subsequent default or preclude such enforcement or pursuit at another time.

If Mortgagor shall observe all the covenants and agreements on Mortgagor's part contained in the Obligation and this Mortgage, then this Mortgage shall become void.

This Mortgage shall inure to the benefit of Mortgagee, its successors and assigns.

IN WITNESS WHEREOF, Mortgagor intending to be legally bound hereby, has caused this Mortgage to be duly executed and delivered the day and year first above written.

WITNESS-ATTEST:

[Signature]
.....

[Signature]
.....

[Signature]
David Landau (Seal)

[Signature]
Stephanie Klein (Seal)

..... (Seal)

..... (Seal)

On September 5, 1986 before me, personally appeared

David Landau and Stephanie Klein

For Corporation:

who acknowledged himself to be of the corporation named as the Mortgagor in the foregoing instrument, and that he, as such officer, being authorized to do so, executed the foregoing instrument for the purpose therein contained by signing the name of the corporation by himself as such officer.

For Individual(s):

satisfactorily proven to me to be the person(s) whose name(s) is (are) subscribed to the foregoing instrument as the Mortgagor, and acknowledged that he (they) executed the same for the purposes therein contained.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal.

Notary Public, Phila., Phila. Co.

My commission expires: My Commission Expires May 19, 1987 Notarial Seal

James Kutler Notary Public

00040702919615

Mortgage

From (Insert Name of Mortgagor)

David Landau & Stephanie Klein

TO

THE PHILADELPHIA NATIONAL BANK

Return to The Philadelphia National Bank at: P O Box 7618 FC 1-19-2 Phila., PA 19101

Address of Mortgaged Property:

11 Oak Knoll Drive Wallingford, PA 19086

Address of the within-named Mortgagor:

Broad & Chestnut Streets Phila., PA 19107

Handwritten notes and signatures on a document fragment, including 'James Kutler' and '68-00-17'.



Certified on behalf of the Bank by [Signature]

Recorded in the office for Recording of Deeds in and for

in Mortgage Book

No.

Page

&c.

Witness my hand and seal of Office this

A.D. 19

Recorder

Deputy Recorder

day of

RECORDED OF DEEDS WARE CO.

Uct 7 10 47 '86



A CoreStates Bank

Member FDIC

DAVID LANDAU

CUSTOMER NUMBER 0022524

STATEMENT NUMBER 0149191

BILLING DATE 09/24/86

PAGE 1

OBLGN NUMBER	ACTIVITY	EFFECTIVE DATES		ANNUAL PERCENTAGE RATE	PRINCIPAL BALANCE	INTEREST DUE	FEES DUE	PRINCIPAL DUE
		FROM	THROUGH					
002377	PRIOR BILL			9.5000	20,000.00	161.37		
LOAN	INTRST ADJ	08/26/86				1.64-		
	RATE CHNG	09/01/86		9.0000				
	INTRST DUE	09/01/86	09/11/86	9.0000	20,000.00	54.24		
	PAYMENT	09/12/86			20,000.00-			
	INTRST ADJ	09/15/86				161.37-		
	INTRST ADJ	09/15/86				52.60-		
	INTRST DUE	09/12/86	09/24/86	9.0000		.00		
	INTRST DUE	09/25/86	09/30/86	9.0000		.00		
002377	TOTAL							
002656	NEW LOAN	09/12/86			40,000.00			
LOAN	PRINC DUE		09/30/86		40,000.00			833.33
	INTRST ADJ	09/15/86				213.97		
	INTRST DUE	09/12/86	09/30/86	8.5000	40,000.00	176.09		
002656	TOTAL					390.96		833.33
	GRAND TOTAL	10/01/86				390.96	.00	833.33

RETAIN THIS PORTION FOR YOUR RECORD



**Philadelphia
National Bank**

September 5, 1986

Mr. David Landau
11 Oak Knoll Drive
Wallingford, PA 19086

Dear David:

Enclosed are the documents required for a \$40,000, four year term loan secured by a second lien against your residence in Wallingford. You will note that I have ^{computed} the amount of total interest paid on the disclosure. Because interest payments differ monthly as principal reduces, I had to order an amortization schedule from a financial programming company. I will send you a copy of the schedule as soon as I receive it.

I need from you the following two items:

1. The legal description of the property as written on the deed (All that certain property....)
2. You must order an endorsed fire insurance policy listing PNB as 2nd mortgagee. We will accept a copy of the policy but it must be signed by an agent of the insurance company.

When you return the executed documents, please send me the amount for which you have your home insured. (Just the dwelling). Also send a check payable to PNB for the mortgage recording fee in Delaware County, the property search and the amortization schedule totaling \$38.50.

Feel free to call me at 629-4569 if you have any questions about the loan.

Yours truly,

Joanne Leibovitz
Joanne Leibovitz
Commercial Officer

1. - Fred route
2. - Edmont
3.

JLL/ac
Enclosures

EXHIBIT F

00040765000

0603577

LAW OFFICES

MILLER, CASSIDY, LARROCA & LEWIN

2555 M STREET, N. W. SUITE 800
WASHINGTON, D. C. 20037

TELEPHONE
(202) 293-6400

TELECOPIER
(202) 293-1627

HERBERT J. MILLER, JR.
JOHN JOSEPH CASSIDY
RAYMOND G. LARROCA
NATHAN LEWIN
MARTIN D. MINSKER
WILLIAM H. JEFFRESS, JR.
R. STAN MORTENSON
THOMAS S. CARR
JAMIE S. GORELICK
JAMES E. ROCAP, III
SETH P. WAXMAN
JONATHAN B. SALLET
RANDALL J. TURK
STEPHEN L. BRAGA

J. R. CALDWELL, JR.
SCOTT L. NELSON
CYNTHIA A. THOMAS
DAVID G. WEBBERT
JULIA E. GUTTMAN
NIKI KUCKES
ANNE M. COUGHLIN
JAY L. ALEXANDER
STEVEN E. BUNNELL
DAVID I. GELFAND
PAUL F. ENZINNA

COURTNEY A. EVANS
WILLIAM W. GREENHALGH
OF COUNSEL

*NOT ADMITTED IN D. C.

July 26, 1989

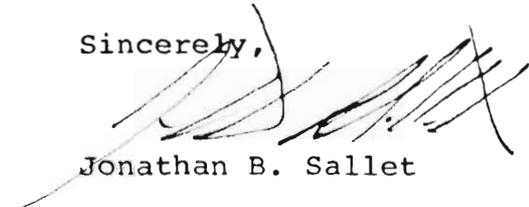
Phillip L. Wise
Office of the General Counsel
Federal Election Commission
999 E Street, N.W.
Room 657
Washington, DsC. 20463

Re: MUR 2655 - David Edward Landau and
Friends of David Landau, Inc., and
Lawrence M. Goodman, as treasurer

Dear Mr. Wise:

Enclosed are copies of the two bank notes from the
Philadelphia National Bank as supplied to us by the bank.

Sincerely,


Jonathan B. Sallet

JBS/aa
Enclosure

RECEIVED
FEDERAL ELECTION COMMISSION
OFFICE OF THE GENERAL COUNSEL
89 JUL 28 PM 3:30

RECEIVED
FEDERAL ELECTION COMMISSION
OFFICE SERVICES BRANCH
89 JUL 28 AM 11:12

100597040008

SENT BY: Xerox Telecopier 7021 : 12:13PM ;

FOR COMMERCIAL LOAN DEPARTMENT USE ONLY

RESP. CENTER NO.	ACCOUNT NUMBER	NOTE NUMBER	EFFECTIVE DATE	APPROVING OFFICER SIGNATURES
				<i>Janice Anthony</i>

Philadelphia National Bank
A CoreStates Bank

CONSUMER PROMISSORY NOTE

\$ 40,000.00

September 3, 1986

"You" means each person who signs this Note. If more than one person signs this Note, each of you is jointly and severally liable to the Bank for any amount due.

PROMISE TO PAY

You promise to pay to the order of The Philadelphia National Bank (the "Bank") at any of its banking offices the sum of

~~..FORTY..THOUSAND..AND~~ 00/100 dollars.

plus interest on the unpaid principal balance hereof from the date hereof until this note is paid in full at a per annum rate equal to 1% in excess of the prime rate of interest charged by the Bank from time to time. Said principal and interest shall be payable on demand, but if no demand be made, then said principal shall be paid in 47 consecutive equal monthly installments, each in the amount of \$833.33, payable on the first day of each month beginning on October 1, 1986, and a final installment of \$833.49 on September 1, 1990, plus interest at the aforesaid rate on each said date fixed for payments in reduction of principal. Said per annum rate of interest shall change each time the Bank's prime rate shall change effective on and as of the date of the change. Despite the foregoing installment repayment provisions and the payment and acceptance of one or more of such installments the Bank shall have the right to demand the repayment in full of the principal and interest hereof at any time. Interest shall be calculated on the basis of a 365 day year for each day of the year actually outstanding. All payments shall be made in lawful money of the United States of America. In the absence of manifest error, the Bank's records of advances, disbursements and repayments shall be deemed correct and shall establish the

PREPAYMENTS

amounts of any loans, payments, reborrowings and repayments made under or with* If this Note is payable on demand or at the end of a fixed term, you may prepay it in whole at any time or in part from time to time without penalty. If this Note is payable in installments, you may prepay one or more installments on any payment date. Any such prepayment will be applied against the remaining principal installments in the reverse order of their maturity. A partial prepayment does not relieve you of the obligation to pay an installment on each subsequent payment date.

PAYMENT OF COSTS

In addition to the principal and interest payments specified above, you agree to pay on demand the Bank's costs and expenses (including reasonable legal expenses) for administering your loan or enforcing this Note.

SECURITY INTEREST

To secure payment of the Liabilities, you give the Bank a lien on and security interest in any amounts the Bank owes you, including deposit accounts, and any other property pledged to the Bank as security for the payment of the Liabilities. You agree that this security interest is independent of the Bank's right of set-off. You agree that if any property securing this Note becomes unsatisfactory to the Bank at any time, you will upon demand deliver or assign to the Bank such additional property as the Bank may direct. "Liabilities" means this Note and any renewals, extensions and modifications of it and all of your other existing and future liabilities, absolute or contingent, to the Bank regardless of type or origin.

DEFAULT AND ACCELERATION

If this Note is payable other than on demand, you agree that the Bank may without notice declare the entire balance of your loan due and payable if any Obligor: (a) fails to make a required payment when due, (b) files for bankruptcy, (c) dies, (d) has his or her property seized by another creditor, (e) has made any false statements in applying for this loan, (f) fails to keep any promise in this Note or any security agreement or mortgage given in connection with this Note or (g) experiences a materially adverse change in financial condition.

*"Obligor" means you and any person who is secondarily liable for the Note, such as a guarantor. The undersigned hereby irrevocably authorizes the Bank, if and to the extent payment is not otherwise made, to charge any account or accounts of the undersigned with the Bank in an amount or amounts equal to the sums due and payable from time to

0 7 0 4 0 7 0 0 0 2

DEMAND

If this Note is payable on demand, the Bank may without notice at any time and for any reason or for no reason make demand and accelerate the maturity of this Note.

MISCELLANEOUS

The Bank will not lose any of its rights by not enforcing them on a particular occasion or by delaying enforcement. This Note is governed by the laws of Pennsylvania.

WITNESS	<i>Jeanne Leung</i>	NAME	<i>David Landau</i> David Landau
WITNESS	<i>Jeanne Leung</i>	NAME	<i>Stephanie H Klein</i> Stephanie Klein
WITNESS		NAME	
WITNESS		NAME	

0004070300

You are being asked to guarantee this debt. Think carefully before you do. If the borrower doesn't pay the debt, you will have to. Be sure you can afford to pay if you have to, and that you want to accept this responsibility.

You may have to pay up to the full amount of the debt if the borrower does not pay. You may also have to pay late fees or collection costs, which increase this amount.

The bank can collect this debt from you without first trying to collect from the borrower. The bank can use the same collection methods against you that can be used against the borrower, such as suing you, garnishing your wages, etc. If this debt is ever in default, that fact may become a part of your credit record.

This notice is not the contract that makes you liable for the debt.

SENT BY: Xerox Telecopier 7021
FOR COMMERCIAL LOAN DEPARTMENT USE ONLY

12:14PM

NEP CENTER NO.	ACCOUNT NUMBER	NOTE NUMBER	EFFECTIVE DATE	APPROVING OFFICER SIGNATURE
				<i>D. J. [Signature]</i>

Philadelphia National Bank
A One-States Bank

CONSUMER PROMISSORY NOTE

\$ 20,000-⁰⁰/₁₀₀ May 7, 1986

"You" means each person who signs this Note. If more than one person signs this Note, each of you is jointly and severally liable to the Bank for any amount due.

PROMISE TO PAY

You promise to pay to the order of The Philadelphia National Bank (the "Bank") at any of its banking offices the sum of

Twenty Thousand - ⁰⁰/₁₀₀ dollars,

plus interest on the unpaid principal balance hereof from the date hereof until this note is paid in full at the per annum rate equal to $1\frac{1}{2}\%$ in excess of the prime rate of interest charged by the Bank from time to time. Said principal and interest shall be payable on demand, but, if no demand be made, then on Sept 1, 1986. Said per annum rate of interest shall change each time the Bank's prime rate shall change effective on and as of the date of the change. Interest shall be calculated on the basis of a 365 day year for each day of the year actually outstanding. All payments shall be made in lawful money of the United States of America.

In the absence of manifest error, the Bank's records of advances, disbursements and repayments shall be deemed correct and shall establish the amounts of any loans, payments, reborrowings and repayments made under or with respect to this note.

** with a ceiling of $11\frac{1}{2}\%$*

PREPAYMENTS

If this Note is payable on demand or at the end of a fixed term, you may prepay it in whole at any time or in part from time to time without penalty. If this Note is payable in installments, you may prepay one or more installments on any payment date. Any such prepayment will be applied against the remaining principal installments in the reverse order of their maturity. A partial prepayment does not relieve you of the obligation to pay an installment on each subsequent payment date.

PAYMENT OF COSTS

In addition to the principal and interest payments specified above, you agree to pay on demand the Bank's costs and expenses (including reasonable legal expenses) for administering your loan or enforcing this Note.

SECURITY INTEREST

To secure payment of the Liabilities, you give the Bank a lien on and security interest in any amounts the Bank owes you, including deposit accounts, and any other property pledged to the Bank as security for the payment of the Liabilities. You agree that this security interest is independent of the Bank's right of set-off. You agree that if any property securing this Note becomes unsatisfactory to the Bank at any time, you will upon demand deliver or assign to the Bank such additional property as the Bank may direct. "Liabilities" means this Note and any renewals, extensions and modifications of it and all of your other existing and future liabilities, absolute or contingent, to the Bank regardless of type or origin.

DEFAULT AND ACCELERATION

If this Note is payable other than on demand, you agree that the Bank may without notice declare the entire balance of your loan due and payable if any Obligor: (a) fails to make a required payment when due, (b) files for bankruptcy, (c) dies, (d) has his or her property seized by another creditor, (e) has made any false statements in applying for this loan, (f) fails to keep any promise in this Note or any security agreement or mortgage given in connection with this Note or (g) experiences a materially adverse change in financial condition. "Obligor" means you and any person who is secondarily liable for the Note, such as a guarantor.

DEMAND

If this Note is payable on demand, the Bank may without notice at any time and for any reason or for no reason make demand and accelerate the maturity of this Note.

MISCELLANEOUS

The Bank will not lose any of its rights by not enforcing them on a particular occasion or by delaying enforcement. This Note is governed by the laws of Pennsylvania.

WITNESS	<i>John D. Ligejtz</i>	X	<i>Robert J. ...</i>
		NAME	
WITNESS	<i>John D. Ligejtz</i>	X	<i>Melanie Klein</i>
		NAME	
WITNESS			
		NAME	
WITNESS			
		NAME	

007900

You are being asked to guarantee this debt. Think carefully before you do. If the borrower doesn't pay the debt, you will have to. Be sure you can afford to pay if you have to, and that you want to accept this responsibility.

You may have to pay up to the full amount of the debt if the borrower does not pay. You may also have to pay late fees or collection costs, which increase this amount.

The bank can collect this debt from you without first trying to collect from the borrower. The bank can use the same collection methods against you that can be used against the borrower, such as suing you, garnishing your wages, etc. If this debt is ever in default, that fact may become a part of your credit record.

This notice is not the contract that makes you liable for the debt.

OGC 3665

LAW OFFICES

MILLER, CASSIDY, LARROCA & LEWIN

2555 M STREET, N. W. SUITE 800
WASHINGTON, D. C. 20037

TELEPHONE
(202) 293-6400

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JOHN JOSEPH CASSIDY
RAYMOND G. LARROCA
NATHAN LEWIN
MARTIN D. MINSKER
WILLIAM H. JEFFRESS, JR.
R. STAN MORTENSON
THOMAS B. CARR
JAMIE S. GORELICK
JAMES E. ROCAP, III
SETH P. WAXMAN
JONATHAN B. SALLET
RANDALL J. TURK
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NIKI KUCKES
ANNE M. COUGHLIN
JAY L. ALEXANDER
STEVANE BUNNELL
DAVID I. GELFAND
PAUL F. ENZINNA

COURTNEY A. EVANS
WILLIAM W. GREENHALGH
OF COUNSEL

*NOT ADMITTED IN D. C.

August 3, 1989

Danny L. McDonald
Chairman
Federal Election Commission
999 E Street, N.W.
Washington, D.C. 20463

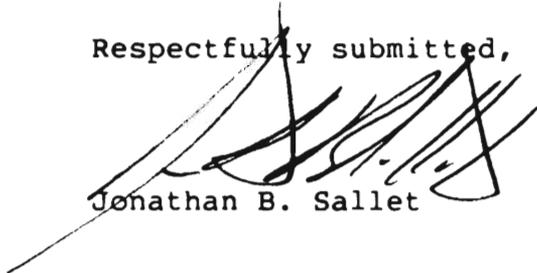
Re: MUR 2655 - David Edward Landau and
Friends of David Landau, Inc., and
Lawrence M. Goodman, as treasurer

Dear Mr. McDonald:

As of today, we were retained by Cyrus Landau, a respondent in the above-captioned proceeding. Mr. Landau, the father of David Landau, believed that his duty to respond was subsumed within the duty of David Landau and the Friends of David Landau, Inc. to supply information to the Commission. Moreover, because he did not return from a two-week trip outside the United States until July 16, he did not have an opportunity to consult with counsel before the filing of the joint reponse and interrogatory answers of David Landau and Friends of David Landau, Inc., on July 14, 1989.

Accordingly, Mr. Landau now requests the Commission's permission to file this reponse and to join in the materials filed earlier with the Commission by David Landau and Friends of David Landau, Inc., including the request for pre-probable cause conciliation. In addition, attached hereto are the interrogatory answers of Cyrus Landau, which adopt the answers already filed with the Commission by David Landau.

Respectfully submitted,


Jonathan B. Sallet

JBS/aa
cc: Philip Wise

RECEIVED
FEDERAL ELECTION COMMISSION
OFFICE OF FEDERAL COUNSEL
89 AUG -4 PM 1:00

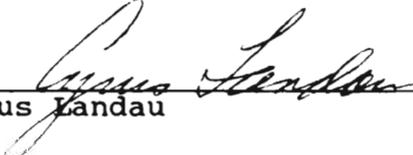
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RESPONSE TO INTERROGATORIES POSED TO
CYRUS LANDAU IN RE: MUR 2655

1. As Exhibit A to the interrogatory answers of my son David Landau demonstrates, I only guaranteed \$1,000 of the \$10,000.
2. See Exhibit A to the interrogatory answers of David Landau.
3. There was a \$1,000 limit. See Exhibit A to the interrogatory answers of David Landau.
4. See Exhibit A to the interrogatory answers of David Landau.
5. I have no documents concerning this transaction. However, David Landau has furnished the Commission with the relevant documents including the guarantee.

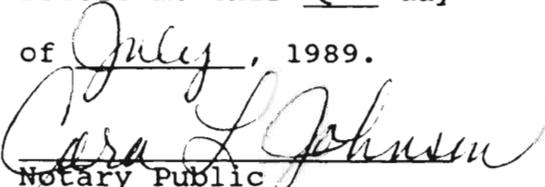
VERIFICATION

I hereby verify that the foregoing Response to Interrogatories Posed to Cyrus Landau are true and correct to the best of my knowledge, information and belief.



Cyrus Landau

Sworn to and subscribed
before me this 31st day
of July, 1989.



Notary Public

My commission expires:

NOTARY PUBLIC STATE OF FLORIDA
MY COMMISSION EXP. FEB. 23, 1993
BONDED THRU GENERAL INS. LTD.

90040705007

89 SEP -6 AM 11:03

BEFORE THE FEDERAL ELECTION COMMISSION

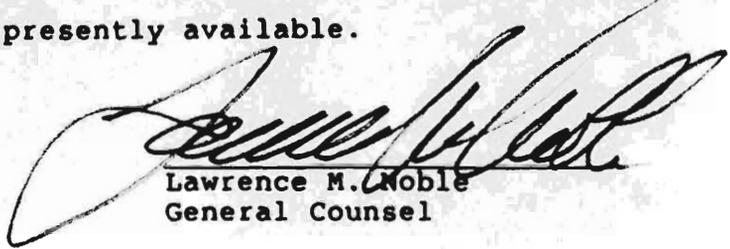
SENSITIVE

In the Matter of)
Cyrus Landau) MUR 2655)

GENERAL COUNSEL'S REPORT

The Office of the General Counsel is prepared to close the investigation in this matter as to Cyrus Landau, based on the assessment of the information presently available.

9/5/89
Date _____



Lawrence M. Noble
General Counsel

90040765005

89 SEP 13 AM 10:32

BEFORE THE FEDERAL ELECTION COMMISSION

SENSITIVE

In the Matter of)
)
Cyrus Landau) MUR 2655
)

GENERAL COUNSEL'S REPORT

This Office is currently circulating a brief with respect to the Respondent Cyrus Landau in which we are recommending a no probable cause finding based on our conclusion that he guaranteed only \$1,000 of the \$10,000 loan in question and thus did not exceed the contribution limitations. The response from counsel for Cyrus Landau also included a request for preprobable cause conciliation. In view of this Office's recommendation of no probable cause in the brief, it is not necessary to act on the preprobable cause conciliation request. The letter accompanying the brief points this out to counsel.

Lawrence M. Noble
General Counsel

BY:


Lois G. Lerner
Associate General Counsel

9/11/89
Date

011475793



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

September 13 1989

Jonathan B. Sallet, Esquire
Miller, Cassidy, Larroca & Lewin
2555 M Street, N.W., Suite 500
Washington, D.C. 20037

RE: MUR 2655
Cyrus Landau

Dear Mr. Sallet:

Based on a complaint filed with the Federal Election Commission on July 28, 1988, the Commission, on June 1, 1989, found that there was reason to believe your client, violated 2 U.S.C. § 441a(a)(1)(A), and instituted an investigation of 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 no probable cause to believe that a violation has occurred. Therefore, it is not necessary to respond to your request for preprobable cause conciliation.

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.

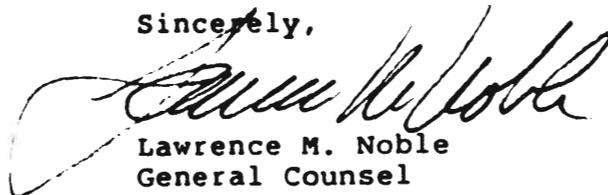
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Jonathan B. Sallet
Page 2

A finding of probable cause to believe requires that the Office of the General Counsel attempt for a period of not less than 30, but not more than 90 days, to settle this matter through a conciliation agreement.

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

Sincerely,



Lawrence M. Noble
General Counsel

Enclosure
Brief

00040705011

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of)
Cyrus Landau) MUR 2655

GENERAL COUNSEL'S BRIEF

I. STATEMENT OF THE CASE

This matter was initiated by a complaint from Earl M. Baker, chairman of the Republican State Central Committee of Pennsylvania. On June 1, 1989, the Commission found reason to believe Cyrus Landau violated 2 U.S.C. § 441a(a)(1)(A) with regard to his personal guarantee of the April 9, 1986, loan from the Jefferson Bank for \$10,000 to David Landau and initiated an investigation in this matter.

II. ANALYSIS

Pursuant to 2 U.S.C. § 441a(a)(1)(A), no person shall make contributions to any candidate and his authorized political committees with respect to any election for Federal office which, in the aggregate, exceed \$1,000. The Federal Election Campaign Act of 1971, as amended ("the Act"), defines "contribution" to exclude any loan by a state bank, federally chartered depository institution, or a depository institution the deposits or accounts of which are insured by the Federal Deposit Insurance Corporation, Federal Savings and Loan Insurance Corporation, or the National Credit Union Administration, but such loan shall be considered a loan by each endorser or guarantor in that proportion of the unpaid balance that each endorser or guarantor bears to the total number of endorsers or guarantors. 2 U.S.C.

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§ 431(8)(B)(vii). Commission regulations further explain that a loan is a contribution by each endorser or guarantor. 11 C.F.R. § 100.7(a)(1)(i)(C). The regulation further states that each endorser or guarantor shall be deemed to have contributed that portion of the total amount of the loan for which he or she agreed to be liable in a written agreement. The regulation also explains that in the event the written agreement does not stipulate the portion of the loan for which each endorser or guarantor is liable, the loan shall be considered a loan by each endorser or guarantor in the same proportion to the unpaid balance that each endorser or guarantor bears to the total number of endorsers or guarantors.

The Jefferson Bank loan agreement of April 9, 1986, indicated that it had the "Personal Guarantee of Cyrus Landau." It was contended that Cyrus Landau had only guaranteed the loan to the limit of \$1,000.00. This alleged \$1,000.00 limit of liability was written on the loan agreement. Absent such written limit it appeared that Cyrus Landau guaranteed the loan in its full amount of \$10,000.00, thereby exceeding his contribution limit. In response to interrogatories and request for documents, the Respondent provided a copy of the loan agreement he signed on April 9, 1986, limiting his guarantee to \$1,000.00

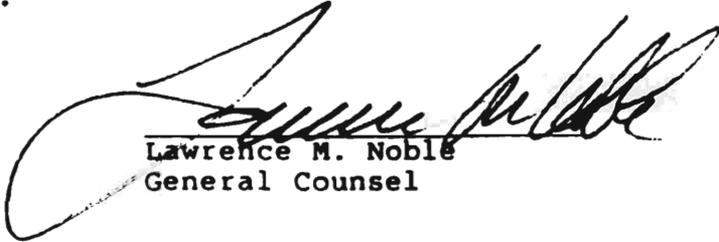
This written agreement with the Jefferson Bank shows that Cyrus Landau's guarantee was limited to \$1,000 of the \$10,000 loan. In addition, there is no evidence on file at the Commission indicating that Cyrus Landau made any other contribution to the 1986 Landau campaign. Therefore, the

guarantee by Cyrus Landau of \$1,000 of the \$10,000 loan does not exceed the contribution limitations of 2 U.S.C. § 441a(a)(1)(A).

III. GENERAL COUNSEL'S RECOMMENDATION

Find no probable cause to believe that Cyrus Landau violated 2 U.S.C. § 441a(a)(1)(A).

Date 9/12/87


Lawrence M. Noble
General Counsel

00040705017

SGC 4004
MUR 2655



LAW OFFICES



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STEVEN E. BUNNELL
DAVID I. GELFAND
PAUL F. ENZINNA

COURTNEY A. EVANS
WILLIAM W. GREENHALGH
OF COUNSEL

*NOT ADMITTED IN

September 14, 1989

RECEIVED
FEDERAL ELECTION COMMISSION
OFFICE OF GENERAL COUNSEL
09 SEP 14 PM 1:46

Phillip L. Wise, Esq.
Office of the General Counsel
Federal Election Commission
999 E Street, N.W.
Room 657
Washington, D.C. 20463

Dear Mr. Wise:

In response to the questions that you posed in our telephone conversation, we would like to provide the following additional information:

- * Stephanie Klein is David Landau's wife.
- * Mr. Landau believes that in 1986 his residence had an equity value of at least \$80,000. That is based on the fact that he and his wife owed \$109,000 in a first mortgage, and that a nearby home, which was smaller and on a smaller lot, sold in that year for \$185,000.
- * Our original submission erroneously stated that the \$20,000 loan from Philadelphia National Bank was taken out on August 26, 1986 when, in fact, the loan was taken out on May 7, 1986. The copy of the note included with my July 26th letter shows the May 7th date. At the time of our original submission of August 23, 1988, we did not have a copy of the note and we erroneously believed that a date appearing on a bank

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MILLER, CASSIDY, LARROCA & LEWIN

Phillip L. Wise, Esq.
September 14, 1989
Page 2

statement, which was attached as Exhibit E, accurately showed the loan origination date. We apologize for the error.

If we can provide you with any further information, please call.

Sincerely,

Jonathan B. Sallet/aa
Jonathan B. Sallet

JBS/aa

01040705710

AFFIDAVIT OF DAVID E. LANDAU

I, DAVID E. LANDAU, hereby state and depose:

1. I am the respondent in this matter.

2. On or about May, 1986, I arranged to borrow \$20,000 from Philadelphia National Bank ("PNB"). The purpose of the loan was to provide additional financing for my 1986 campaign for Congress. This loan was unsecured.

3. On or about September, 1986, I arranged with PNB to refinance that loan and take out an additional loan of \$20,000 for a total loan of \$40,000. The purpose of of the was to service my campaign debt. The second loan was secured by a second mortgage on my home.

4. Stephanie Klein, my wife, signed both of the notes.

5. She signed both of the notes because we own all of our property jointly. The bank requested her signature to ensure adequate and timely relief should a default occur.

6. At the time of the first loan, we owned a home in Wallingford, Pennsylvania, the value of which we estimated to be at least \$190,000.

7. At the time we had a principal balance of \$ remaining on the mortgage of the house.

8. We had additional assets worth at least \$ including an automobile worth \$7,000.

9. At the time of the first loan, the bank required us to submit an application for the loan. To the best of my recollection, the application included a statement of our assets

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and information necessary for a credit report. The application also asked for the value of our personal property and the value we had our personal property and our home insured for.

10. We arrived at the estimated value of our home by looking at the value of the most recent house on our street. That house sold for \$185,000 at the same time we had applied for the loan. The condition of the houses were similar, however, our house was larger and on a nicer piece of property because it included a stream. We conservatively estimated the value of our home to be \$190,000.

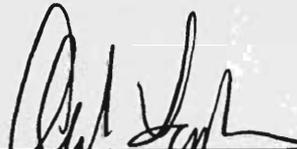
11. The current value is now in excess of \$280,000 because of the rapid rise in property values in our neighborhood.

12. In response to a request by my attorneys in this matter, I recently telephoned the bank to inquire about their verification of our valuation of our home. I was informed that the loan officer who handled my loan account was no longer with the bank.

13. The person I spoke with informed me that in taking out a second mortgage, the bank does not routinely conduct an independent appraisal of the home unless the application for the second mortgage on its face raises a question about the valuation that has been placed on a particular piece of property. She informed me the bank looks at the application, the home in question, the particular neighborhood the home is in, the property values in that area, the income of the applicant and the value for which the home is insured.

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14. To the best of my knowledge and recollection, both loans were granted in the ordinary course of business and through the routine procedures of the bank.



David E. Landau

Sworn ^{to} and subscribed

before me on this

16th day of November, 1989



Notary Public

Notary Seal
Maureen H. McHarty, Notary Public
Philadelphia - Philadelphia County
My Commission Expires May 7, 1990

Member, Pennsylvania Association of Notaries

90040765020

SENSITIVE

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SECRETARIAT

89 DEC -4 AM 11:22

BEFORE THE FEDERAL ELECTION COMMISSION

**EXECUTIVE SESSION
DEC 12 1989**

In the Matter of)
)
Cyrus Landau) MUR 2655

GENERAL COUNSEL'S REPORT

I. BACKGROUND

This matter was initiated by a complaint from Earl M. Baker, chairman of the Republican State Central Committee of Pennsylvania. On June 1, 1989, the Commission found reason to believe Cyrus Landau violated 2 U.S.C. § 441a(a)(1)(A) with regard to his personal guarantee of the April 9, 1986, loan from the Jefferson Bank for \$10,000 to David Landau.

The Jefferson Bank loan agreement of April 9, 1986, indicated that it had the "Personal Guarantee of Cyrus Landau." It was contended that Cyrus Landau had only guaranteed the loan to the limit of \$1,000.00. This alleged \$1,000.00 limit of liability was not written on the loan agreement. Absent such written limit it appeared that Cyrus Landau guaranteed the loan in its full amount of \$10,000.00, thereby exceeding his contribution limit. In response to interrogatories and request for documents, the Respondents provided a copy of the loan agreement Cyrus Landau signed on April 9, 1986, limiting his guarantee to \$1,000.00.

This written agreement with the Jefferson Bank shows that Cyrus Landau's guarantee was limited to \$1,000 of the \$10,000 loan. In addition, there is no evidence on file at the Commission indicating that Cyrus Landau made any other contribution to the 1986 Landau campaign. Therefore, the

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guarantee by Cyrus Landau of \$1,000 of the \$10,000 loan does not exceed the contribution limitations of 2 U.S.C. § 441a(a)(1)(A). On September 13, 1989, this Office mailed respondent's counsel the General Counsel's Brief. This brief informed him that the General Counsel intended to recommend that the Commission find no probable cause to believe that Cyrus Landau violated 2 U.S.C. § 441a(a)(1)(A). There was no response to the General Counsel's brief.

II. ANALYSIS

This Office relies on its analysis set forth in the General Counsel's Brief signed September 12, 1989.

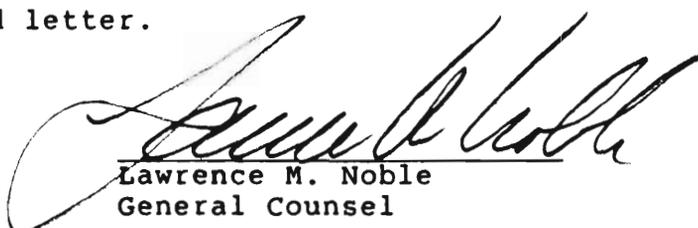
III. RECOMMENDATIONS

1. Find no probable cause to believe that Cyrus Landau violated 2 U.S.C. § 441a(a)(1)(A).
2. Close the file as it pertains to Cyrus Landau.
3. Approve the attached letter.

Date

12/1/89

Lawrence M. Noble
General Counsel



Attachments

1. Letter to respondent

00040765022

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of
Cyrus Landau

)
) MUR 2655
)

CERTIFICATION

I, Hilda Arnold, recording secretary for the Federal Election Commission executive session of December 12, 1989, do hereby certify that the Commission decided by a vote of 6-0 to take the following actions with respect to MUR 2655:

1. Find no probable cause to believe that Cyrus Landau violated 2 U.S.C. § 441a(a)(1)(A).
2. Close the file as it pertains to Cyrus Landau.
3. Approved the letter as recommended in the General Counsel's report dated December 1, 1989.

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

Attest:

12/12/89
Date

Hilda Arnold
Hilda Arnold
Administrative Assistant

00040705025



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

December 15, 1989

Jonathan B. Sallet, Esquire
Miller, Cassidy, Larroca & Lewin
2555 M Street, N.W.
Suite 500
Washington, D.C. 20037

RE: MUR 2655
Cyrus Landau

Dear Mr. Sallet:

This is to advise you that on December 12, 1989, the Federal Election Commission found that there is no probable cause to believe your client violated 2 U.S.C. § 441a(a)(1)(A). Accordingly, the file in this matter has been closed as it pertains to your client.

This matter will become part of the public record within 30 days after it 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. Such materials should be sent to the Office of the General Counsel.

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.

If you have any questions, please contact Phillip L. Wise, 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

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SO MAR 23 AM 11:21

BEFORE THE FEDERAL ELECTION COMMISSION

SENSITIVE

In the Matter of)
)
 David Edward Landau,) MUR 2655
 Friends of David Landau, Inc. and)
 Lawrence M. Goodman, as treasurer)

GENERAL COUNSEL'S REPORT

I. BACKGROUND

This matter is based on a complaint from Earl M. Baker, Chairman of the Republican State Committee of Pennsylvania. Mr. Baker alleged that David Edward Landau, and the Friends of David Landau, Inc. and Lawrence M. Goodman, as treasurer, did not settle debts in accordance with the requirements of 11 C.F.R. § 114.10(c); that Mr. Landau borrowed money totaling \$78,000 from three (3) banks without sufficient collateral to support such loans, therefore not in the regular course of business; and that Mr. Landau illegally treated an outstanding debt as a contribution.

On June 1, 1989, the Commission found no reason to believe that David Landau and his Committee violated the Act with regard to the debt settlements mentioned in the complaint; no reason to believe that Mr. Landau and his Committee violated 2 U.S.C. § 441b(a) with regard to the bank loans received from Jefferson Bank and Continental Bank; and no reason to believe that David Landau, and his Committee, violated 11 C.F.R. § 110.1(b) with regard to treating an outstanding debt as a contribution.

On that same date the Commission found reason to believe that David Edward Landau, and the Friends of David Landau, Inc.

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MAR 28 AM 11:21

and Lawrence M. Goodman, as treasurer, violated 2 U.S.C. § 441a(f), and Cyrus Landau violated 2 U.S.C. § 441a(a)(1)(A) with regard to the personal guarantee of Cyrus Landau of the April 9, 1986 loan from Jefferson Bank for \$10,000.00 by David Landau.¹

On June 1, 1989, the Commission decided to take no action at that time on this Office's recommendation to find reason to believe that David Edward Landau, the Friends of David Landau, Inc. and Lawrence M. Goodman, as treasurer, and the Philadelphia National Bank, each violated 2 U.S.C. § 441b(a) with regard to the \$20,000.00 loan from Philadelphia National Bank on August 26, 1986,² and the \$40,000.00 loan from Philadelphia National Bank on September 12, 1986. The Commission, however, directed this Office to request copies of the agreements for the loans at issue in this matter.

Respondents furnished the requested loan agreements; however, a review of the documents indicated that the candidate's spouse was a cosigner on the loans. On January 8, 1990, this Office circulated a report to the Commission addressing the issue as to whether the spouse was a contributor or was exempt under the spousal exemption of 11 C.F.R.

1. On December 12, 1989, the Commission found no probable cause to believe that Cyrus Landau violated 2 U.S.C. § 441a(a)(1)(A) with regard to his personal guarantee of the April 9, 1986 loan from Jefferson Bank for \$10,000.00 by David Landau.

2. Counsel contends that in his original response to the complaint filed in this matter that he erroneously stated that this loan was entered into On August 26, 1986, when, in fact it was entered into on May 7, 1986.

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§ 100.7(a)(1)(i)(D). On January 30, 1990, at the Commission's Executive Session, the report was withdrawn for further analysis of whether the spousal exemption is applicable when the loan used for the campaign is unsecured and signed by both candidate and spouse. This report is submitted in response to the Commission's instructions.

II. FACTUAL AND LEGAL ANALYSIS

1. The Bank.

Pursuant to 2 U.S.C. § 441b(a), it is unlawful for any national bank to make a contribution or expenditure in connection with any federal election or for any political committee knowingly to accept or receive any contribution prohibited by this section.

Pursuant to 2 U.S.C. § 431(8)(B)(vii), a loan by a bank is not a contribution if such loan is made in accordance with applicable banking laws and regulations and is made in the ordinary course of business. A loan will be deemed to be made in the ordinary course of business if it bears the usual and customary interest rate of the lending institution for the category of loan involved; is made on a basis which assures repayment; is evidenced by a written instrument; and is subject to a due date or amortization schedule. See, 11 C.F.R. § 100.7(b)(11).

In response to the interrogatories and request for production of documents counsel for David Edward Landau, and the Friends of David Landau, Inc. and Lawrence M. Goodman, as treasurer, furnished copies of the agreements for the loans from

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Philadelphia National Bank. (Attachment 1). In each case the loan bore a set interest rate, was evidenced by a written agreement, was subject to a due date or amortization schedule, and each contained provisions on the liabilities of the parties, security interest, default, etc. Therefore, it was made on a basis which would assure repayment. In view of the foregoing it is the opinion of this Office that the loans were made in the ordinary course of business by the Philadelphia National Bank. Therefore, the loans were not a prohibited contribution in violation of 2 U.S.C. § 441b(a).

2. The Candidate and Spouse.

The agreements furnished by the Respondents show that David Landau and Stephanie Klein both signed these agreements, thereby creating joint and several liability on the part of both. One loan was in the amount of \$20,000.00 and the other in the amount of \$40,000. Therefore, the issue arises as to whether there was an excessive contribution by Ms. Klein as a result of her signing as a joint obligator for these loans.

Pursuant to 2 U.S.C. § 441a(a)(1)(A), no person shall make contributions to any candidate and his authorized political committees with respect to any election for Federal office which, in the aggregate, exceed \$1,000. Pursuant to 2 U.S.C. § 441a(f), no candidate or political committee shall knowingly accept any contribution or make any expenditure in violation of the provisions of this section. The Federal Election Campaign Act of 1971, as amended ("the Act"), defines "contribution" to exclude any loan by a state bank, federally chartered depository

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institution, or a depository institution the deposits or accounts of which are insured by the Federal Deposit Insurance Corporation, Federal Savings and Loan Insurance Corporation, or the National Credit Union Administration, but such loan shall be considered a loan by each endorser or guarantor in that proportion of the unpaid balance that each endorser or guarantor bears to the total number of endorsers or guarantors. 2 U.S.C. § 431(8)(B)(vii). Commission regulations further explain that a loan is a contribution by each endorser or guarantor. 11 C.F.R. § 100.7(a)(1)(i)(C). The regulation further states that each endorser or guarantor shall be deemed to have contributed that portion of the total amount of the loan for which he or she agreed to be liable in a written agreement. The regulation also explains that in the event the written agreement does not stipulate the portion of the loan for which each endorser or guarantor is liable, the loan shall be considered a loan by each endorser or guarantor in the same proportion to the unpaid balance that each endorser or guarantor bears to the total number of endorsers or guarantors.

According to 11 C.F.R. § 100.7(a)(1)(i)(D) a candidate may obtain a loan on which his or her spouse's signature is required when jointly owned assets are used as collateral or security for the loan. The spouse shall not be considered a contributor to the candidate's campaign if the value of the candidate's share of the property used as collateral equals or exceeds the amount of the loan which is used for the candidate's campaign. The Explanation and Justification of 11 C.F.R. § 100.7(a)(1)(i)(D)

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includes within the meaning of the regulation the concept of a candidate's property as a basis for the loan, as well as the strict concept of collateral. "...[A] signatory spouse will not be considered a contributor if the value of the candidates share of the property used as collateral or as a basis for the loan equals or exceeds the amount of the loan to be used for the candidate's campaign." Explanation and Justification of Regulations Concerning a Candidate's Use of Property in Which Spouse has an Interest, [48 FR 19020, April 27, 1983]. See also, Notice of Proposed rulemaking, 47 FR 31390, July 20, 1982.

A candidate may use a portion of assets jointly owned with his or her spouse as personal funds. The portion of the jointly owned assets that shall be considered as personal funds of the candidate shall be that portion which is the candidate's under the instrument of conveyance or ownership. If no specific share is indicated by an instrument of conveyance or ownership, the value of one-half of the property used shall be considered as personal funds of the candidate. 11 C.F.R. § 110.10(b)(3).

Counsel for Respondents stated that Stephanie Klein is the wife of David Landau and that the \$40,000 loan agreement signed by Mr. Landau and Ms. Klein was secured by a mortgage on their home which, in 1986, Mr. Landau asserts had an equity value of at least \$80,000.00. Therefore, Mr. Landau's interest in the jointly owned home was at least equal to the \$40,000.00 loan used for his campaign.

With regard to the \$20,000.00 loan counsel asserted that Mr. Landau had sufficient separate assets when entering into

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this agreement. By affidavit Mr. Landau stated that both he and his wife, Ms. Klein, signed the notes because all of their property is owned jointly. Mr. Landau asserted that when the \$20,000.00 loan was received, he and his wife owned a home which they estimated to have a value of at least \$190,000.00. He stated that they also had at least in additional assets, which included an automobile worth \$7,000.00. (Attachment 1(22) through 1(24)).

Although in his affidavit, Mr. Landau refers to the \$20,000.00 loan as unsecured, he further states that the bank required them to submit an application which included a statement of their assets, and other information necessary for a credit report. Mr. Landau also asserted that the application asked for the value of their personal property. In addition, according to Mr. Landau, the bank's application requested the amount of insurance on their personal and real property. Thus the bank's requirement that they submit a statement of assets indicates that the bank was looking to specific property as the basis for the loan.

In MUR 2292 (Andrew Stein, Stein for Congress) Mr. Stein obtained a \$24,000.00 unsecured loan from Bank Leumi Trust Company of New York. The only documentation for this loan was a promissory note. Mrs. Stein signed the promissory note as a co-maker of the loan. Respondents asserted that Mr. Stein's "creditworthiness, wealth, and established relationship with the bank" were basis for the loan. In addition Respondents asserted that it was bank policy to require a spouse's signature in such

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loan agreements to avoid evasion of repayment by transferring assets. Despite repeated efforts, respondents in the Stein matter failed to provide any information that Bank Leumi looked to any specific property as the basis for the loan but continued to assert only Mr. Stein's wealth and reputation. Thus, they were not able to bring this unsecured loan within the spousal exemption of 11 C.F.R. § 100.7(a)(1)(i)(D).³ Therefore, the Commission found probable cause to believe this loan resulted in an acceptance of an excessive contribution from Mrs. Stein.⁴

In MUR 2558 (Citizens for Laurenti, Inc.) the candidate,

3. During the Commission's Executive Session on January 30, 1990, questions arose as to whether the conciliation agreement entered into in Stein was consistent with the analysis that basis for the loan was sufficient criterion to apply the spousal exemption. The specific language in question at paragraph IV.8. stated in pertinent part that, "Lynn Stein, Andrew Stein's wife, signed the Promissory Note for the Bank Leumi loan as a Co-Maker. The Bank Leumi loan was not secured with collateral of either Mr. Stein or Mrs. Stein. Thus, Andrew Stein, Stein for Congress and J. Randolph Peyton, as treasurer, accepted a contribution from Lynn Stein in excess of limitations...." Section 100.7(a)(1)(i)(D) of the Commission's regulations provides that a candidate may obtain a loan which requires the spouse's signature where jointly owned assets are used as collateral or security. The spouse will not be considered to have contributed to the candidate's campaign, if the value of the candidate's share of such property equals or exceeds the amount of the loan used by the campaign. As noted, the Commission has interpreted the regulation to include within its meaning the concept of a candidate's property as a basis for the loan, as well as the strict concept of collateral. Thus in situations where specific assets are looked to as a basis for the loan the spousal exemption is applicable. In reference to the Bank Leumi loan, counsel for Stein stated in his Reply Brief that, "The loan was a signature loan; no collateral was demanded, and none was supplied." Therefore, the language in the Stein conciliation agreement is consistent with the analysis in this matter and the Commission's actions in other matters.

4. The Commission had earlier found no reason to believe Mrs. Stein had violated 2 U.S.C. § 441a. Therefore, the probable cause finding related solely to the Committee.

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Jeffrey Laurenti, and his wife obtained an unsecured personal loan of \$10,000.00 from the New Jersey National Bank and deposited the proceeds into the committee's campaign depository. This loan was refinanced; however, neither the original loan documents nor the refinanced loan documents had any information listed in the collateral section. In addition the respondents never presented any information as to what property the bank used or whether it looked to any property as a basis for issuing this loan. Accordingly, the Commission found reason to believe that the cosigning of the loan by Ms. Laurenti resulted in an excessive contribution on her part. Yuki Moore Laurenti, the wife of candidate Jeffrey K. Laurenti, signed a conciliation agreement admitting the violation, and paid a \$350.00 civil penalty.

In MUR 2239 (Friends of Steve Swendiman), the Commission found no probable cause to believe that the candidate's wife made an excessive contribution by cosigning an unsecured agreement for a line of credit which was used in the campaign. In MUR 2239, husband and wife furnished the bank with a list of assets and liabilities to show what available property they had against which the bank could take action if they failed to repay the line of credit. When the Commission decided MUR 2239, the text of the regulation, then as now, spoke of collateral or security for the loan, thus implying the need for a formal security agreement. However, in line with the interpretation of the concept property used as collateral including property used as the basis for the loan as expressed in the Explanation &

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Justification of the regulation, the Commission applied the spousal exemption to the loan, since there was evidence the bank had looked to specific assets.

This matter along with Stein, Laurenti, and Swendiman are similar in that they all involved loans without formal security. The present matter is, however distinguishable from Stein and Laurenti, and similar to Swendiman as regards whether the bank looked to certain assets as the basis for the loan. In both Stein and Laurenti no evidence was provided to show the bank had looked to any specific assets. In fact, in Stein, counsel specifically denied the bank had looked to any assets. In Landau and Swendiman, respondents have produced evidence that the bank did look at specific assets or property as the basis for the loan. Thus, it is the view of this Office that the recommendations in this matter are consistent with the Commission's actions in prior matters.

As noted above, the copies of the loan agreements furnished by the respondents indicated that the loans were made in the ordinary course of business by the bank. Therefore, they were not prohibited contributions in violation of 2 U.S.C. § 441b(a). Neither the Act nor the Commission's Regulations imposes a limit on the amount of personal funds a candidate for the House of Representatives can contribute to his campaign. Mr. Landau appears to have had sufficient interest in joint assets to serve as collateral or basis for the loans, without considering the share in these assets of his wife, Ms. Klein. Therefore, there appears to be no excessive contribution in violation of

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2 U.S.C. §§ 441a(f) and 441a(a)(1)(A).

III. GENERAL COUNSEL'S RECOMMENDATION

1. Find no reason to believe that David Edward Landau, and the Friends of David Landau, Inc. and Lawrence M. Goodman, as treasurer, violated 2 U.S.C. § 441b(a) and 441a(f) with regard to the loans from Philadelphia National Bank signed jointly by David Landau and Stephanie Klein.

2. Find no reason to believe that the Philadelphia National Bank violated 2 U.S.C. § 441b(a) and close the file as it pertains to Philadelphia National Bank.

3. Find no reason to believe that Stephanie Klein violated 2 U.S.C. § 441a(a)(1)(A) and close the file as it pertains to Stephanie Klein.

4. Approve the attached letters.

Lawrence M. Noble
General Counsel

Date 3/26/90

BY: 
Lois G. Lerner
Associate General Counsel

Attachments

- 1. Respondent's Response
- 2. Letters

Staff assigned: Phillip L. Wise

5. To date the only reason to believe findings in this matter have been a 2 U.S.C. § 441a(f) violation against David Landau and his committee, and a 2 U.S.C. § 441a(a)(1)(A) violation against Cyrus Landau. Both of these findings were the result of the personal guarantee by Cyrus Landau of the April 9, 1986 \$10,000.00 loan from Jefferson Bank received by David Landau. As noted at Footnote #1, the Commission found no probable cause to believe that Cyrus Landau's guarantee resulted in a violation of the Act. The Office of the General Counsel has postponed briefing the issue of this guarantee, with respect to David Landau and his committee, until the Commission has resolved the issues regarding the loans from Philadelphia National Bank. Accordingly, there is no recommendation to close this file as pertains to David Edward Landau, and the Friends of David Landau, Inc. and Lawrence M. Goodman, as treasurer.

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FEDERAL ELECTION COMMISSION
WASHINGTON D.C. 20463

MEMORANDUM

TO: LAWRENCE M. NOBLE
GENERAL COUNSEL

FROM: MARJORIE W. EMMONS/DELORES HARRIS *DH*
COMMISSION SECRETARY

DATE: MARCH 30, 1990

SUBJECT: MUR 2655 - GENERAL COUNSEL'S REPORT
DATED MARCH 26, 1990

The above-captioned document was circulated to the Commission on Wednesday, March 28, 1990 at 4:00 p.m.

Objection(s) have been received from the Commissioner(s) as indicated by the name(s) checked below:

Commissioner Aikens _____

Commissioner Elliott _____

Commissioner Josefiak _____

Commissioner McDonald _____

Commissioner McGarry _____

Commissioner Thomas XXXXX

This matter will be placed on the meeting agenda for Tuesday, April 3, 1990.

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

*Objection received: 3/29 at 5:12 p.m.

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BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of)
David Edward Landau) MUR 2655
Friends of David Landau, Inc. and)
Lawrence M. Goodman, as treasurer)

CERTIFICATION

I, Marjorie W. Emmons, recording secretary for the Federal Election Commission executive session of April 3, 1990, do hereby certify that the Commission decided by a vote of 6-0 to take the following actions in MUR 2655:

1. Find no reason to believe that David Edward Landau, and the Friends of David Landau, Inc. and Lawrence M. Goodman, as treasurer, violated 2 U.S.C. § 441b(a) and 441a(f) with regard to the loans from Philadelphia National Bank signed jointly by David Landau and Stephanie Klein.
2. Find no reason to believe that the Philadelphia National Bank violated 2 U.S.C. § 441b(a) and close the file as it pertains to Philadelphia National Bank.
3. Find no reason to believe that Stephanie Klein violated 2 U.S.C. § 441a(a)(1)(A) and close the file as it pertains to Stephanie Klein.

(continued)

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Federal Election Commission
Certification for MUR 2655
April 3, 1990

Page 2

4. Approve the letters attached to the
General Counsel's report dated March 26,
1990.

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

Attest:

N-5-90
Date

Marjorie W. Emmons
Marjorie W. Emmons
Secretary of the Commission

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

April 10, 1990

Jonathan B. Sallet, Esquire
2555 M Street, N.W.
Washington, D.C. 20037

RE: MUR 2655
David Edward Landau,
Friends of David Landau,
Inc. and Lawrence M.
Goodman, as treasurer

Dear Mr. Sallet:

In the normal course of carrying out its supervisory responsibilities, the Federal Election Commission considered the issue of whether your clients violated 2 U.S.C. §§ 441b(a) and 441a(f) provisions of the Federal Election Campaign Act of 1971, as amended ("the Act") by David Edward Landau signing as co-maker of two loans from Philadelphia National Bank, in the amounts of \$20,000.00 and \$40,000.00, in 1986, along with his wife Stephanie Klein and using the funds for his campaign. On April 3, 1990, the Commission found no reason to believe that your clients violated 2 U.S.C. §§ 441b(a) and 441a(f).

If you have any questions, please contact Phillip L. Wise, 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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FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

April 10, 1990

Ms. Stephanie Klein
11 Oak Knoll Drive
Wallingford, PA 19086

RE: MUR MUR 2655
Stephanie Klein

Dear Ms. Klein:

In the normal course of carrying out its supervisory responsibilities, the Federal Election Commission considered the issue of whether you violated 2 U.S.C. § 441a(a)(1)(A), a provision of the Federal Election Campaign Act of 1971, as amended ("the Act") by your signing as co-maker of two loans from Philadelphia National Bank, in the amounts of \$20,000.00 and \$40,000.00, in 1986, along with your husband David Edward Landau. On April 3, 1990, the Commission found no reason to believe that you violated 2 U.S.C. § 441a(a)(1)(A). Accordingly, the Commission has closed the file in this matter as it pertains to you.

This matter will become part of the public record within 30 days after it has been closed with respect to all other respondents involved. 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 submit any materials to appear on the public record in this matter, please do so within ten days of your receipt of this letter. Such materials should be sent to the Office of the General Counsel.

Sincerely,

Lawrence M. Noble
General Counsel

BY: 
Lois G. Lerner
Associate General Counsel

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FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

April 10, 1990

Philadelphia National Bank
Private Banking Department
Suite 1900, P.O. Box 7618
Philadelphia, PA 19101-7618

RE: MUR 2655
Philadelphia National Bank

Dear Sir or Madam:

In the normal course of carrying out its supervisory responsibilities, the Federal Election Commission considered the issue of whether the Philadelphia National Bank violated 2 U.S.C. § 441b(a), a provision of the Federal Election Campaign Act of 1971, as amended ("the Act") with regard to two loans in the amounts of \$20,000.00 and \$40,000.00 to David Edward Landau, in 1986. Pursuant to 2 U.S.C. § 441b(a), it is unlawful for any national bank to make a contribution or expenditure in connection with any federal election. On April 3, 1990, the Commission found no reason to believe that Philadelphia National Bank violated 2 U.S.C. § 441b(a). Accordingly, the Commission has closed the file in this matter as it pertains to Philadelphia National Bank.

This matter will become part of the public record within 30 days after it has been closed with respect to all involved. 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 submit any materials to appear on the public record in this matter, please do so within ten days of your receipt of this letter. Such materials should be sent to the Office of the General Counsel.

Sincerely,

Lawrence M. Noble
General Counsel

BY: Lois G. Lerner
Associate General Counsel

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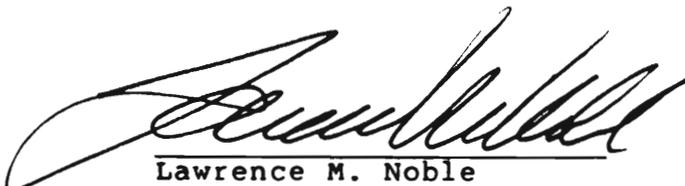
BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of)	
)	
David Edward Landau)	
Friends of David Landau,)	MUR 2655
Inc. and Lawrence M.)	
Goodman, as treasurer)	

GENERAL COUNSEL'S REPORT

The Office of the General Counsel is prepared to close the investigation in this matter as to David Edward Landau, and Friends of David Landau, Inc. and Lawrence M. Goodman, as treasurer, based on the assessment of the information presently available.

4/10/90
Date


Lawrence M. Noble
General Counsel

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FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

April 13, 1990

Jonathan B. Sallet, Esquire
Miller, Cassidy, Larroca & Lewin
2555 M Street, N.W.
Suite 500
Washington, D.C. 20037

RE: MUR 2655
David Edward Landau
Friends of David Landau,
Inc. and Lawrence M.
Goodman, as treasurer

Dear Mr. Sallet:

Based on a complaint filed with the Federal Election Commission on July 28, 1989, and information supplied by your clients, the Commission, on June 1, 1989, found that there was reason to believe your clients, violated 2 U.S.C. § 441a(f), and instituted an investigation of 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 no probable cause to believe that a 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.

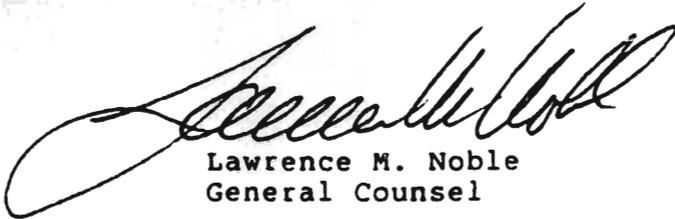
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Jonathan B. Sallet
Page 2

A finding of probable cause to believe requires that the Office of the General Counsel attempt for a period of not less than 30, but not more than 90 days, to settle this matter through a conciliation agreement.

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

Sincerely,



Lawrence M. Noble
General Counsel

Enclosure
Brief

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BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of)
)
David Edward Landau,) MUR 2655
Friends of David Landau, Inc. and)
Lawrence M. Goodman, as treasurer)

GENERAL COUNSEL'S BRIEF

I. STATEMENT OF THE CASE

This matter was initiated by a complaint from Earl M. Baker, chairman of the Republican State Central Committee of Pennsylvania. On June 1, 1989, the Commission found reason to believe David Edward Landau, and the Friends of David Landau, Inc. and Lawrence M. Goodman, as treasurer violated 2 U.S.C. § 441a(f) with regard to the personal guarantee of Cyrus Landau on the April 9, 1986, loan from the Jefferson Bank for \$10,000 to David Landau and initiated an investigation in this matter.

II. ANALYSIS

Pursuant to 2 U.S.C. § 441a(a)(1)(A), no person shall make contributions to any candidate and his authorized political committees with respect to any election for Federal office which, in the aggregate, exceed \$1,000. Pursuant to 2 U.S.C. § 441a(f), no candidate or political committee shall knowingly accept any contribution or make any expenditure in violation of the provisions of this section. The Federal Election Campaign Act of 1971, as amended ("the Act"), defines "contribution" to exclude any loan by a state bank, federally chartered depository institution, or a depository institution the deposits or

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accounts of which are insured by the Federal Deposit Insurance Corporation, Federal Savings and Loan Insurance Corporation, or the National Credit Union Administration, but such loan shall be considered a loan by each endorser or guarantor in that proportion of the unpaid balance that each endorser or guarantor bears to the total number of endorsers or guarantors. 2 U.S.C. § 431(8)(B)(vii). Commission regulations further explain that a loan is a contribution by each endorser or guarantor. 11 C.F.R. § 100.7(a)(1)(i)(C). The regulation further states that each endorser or guarantor shall be deemed to have contributed that portion of the total amount of the loan for which he or she agreed to be liable in a written agreement. The regulation also explains that in the event the written agreement does not stipulate the portion of the loan for which each endorser or guarantor is liable, the loan shall be considered a loan by each endorser or guarantor in the same proportion to the unpaid balance that each endorser or guarantor bears to the total number of endorsers or guarantors.

The Jefferson Bank loan agreement of April 9, 1986, indicated that it had the "Personal Guarantee of Cyrus Landau." It was contended that Cyrus Landau had only guaranteed the loan to the limit of \$1,000.00. This alleged \$1,000.00 limit of liability was not written on the loan agreement. Absent such written limit it appeared that Cyrus Landau guaranteed the loan in its full amount of \$10,000.00, thereby exceeding his contribution limit. In response to interrogatories and request for documents, the Respondents provided a copy of the loan

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agreement Cyrus Landau signed on April 9, 1986, limiting his guarantee to \$1,000.00

This written agreement with the Jefferson Bank showed that Cyrus Landau's guarantee was limited to \$1,000 of the \$10,000 loan. Therefore, on December 12, 1989, the Commission found no probable cause to believe that Cyrus Landau violated 2 U.S.C. § 441a(a)(1)(A) with regard to his personal guarantee of the April 9, 1986 loan from Jefferson Bank for \$10,000.00 by David Landau. Accordingly, this Office recommends that the Commission find no probable cause to believe that the respondents violated 2 U.S.C. § 441a(f) by acceptance of this guarantee from Cyrus Landau.

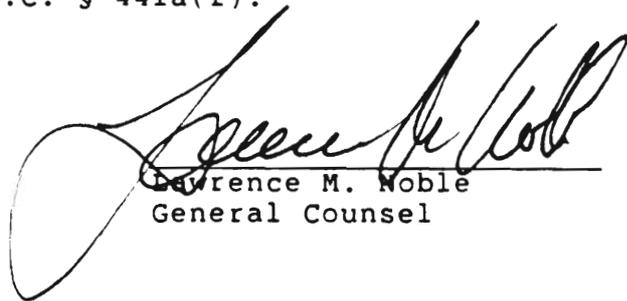
III. GENERAL COUNSEL'S RECOMMENDATION

Find no probable cause to believe that David Edward Landau, and the Friends of David Landau, Inc. and Lawrence M. Goodman, as treasurer violated 2 U.S.C. § 441a(f).

Date

4/13/90

Lawrence M. Noble
General Counsel



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LAW OFFICES

MILLER, CASSIDY, LARROCA & LEWIN

2555 M STREET, N. W.
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R. STAN MORTENSON
THOMAS B. CARR
JAMIE S. GORELICK
JAMES E. ROCAP, III
SETH P. WAXMAN
JONATHAN B. SALLET
RANDALL J. TURK
STEPHEN L. BRAGA

J. R. CALDWELL, JR.
SCOTT L. NELSON
CYNTHIA A. THOMAS
DAVID G. WEBBERT
JULIA E. GUTTMAN
NIKI KUCKES
ANNE M. COUGHLIN*
JAY L. ALEXANDER
STEVEN E. BUNNELL
DAVID I. GELFAND
PAUL F. ENZINNA
DOUGLAS F. CURTIS
BRADFORD M. BERRY*
D. BRADLEY CLEMENTS
MICHAEL S. BARTA*

COURTNEY A. EVANS
WILLIAM W. GREENHALGH
OF COUNSEL

*NOT ADMITTED IN D.C.

May 3, 1990

Lawrence M. Noble
General Counsel
Federal Election Commission
999 E Street, N.W.
Washington, D.C. 20463

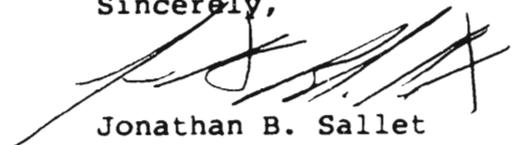
Re: MUR 2655

Dear Mr. Noble:

By letter dated April 13, 1990, you informed me that the General Counsel's office was prepared to recommend that the Commission find no probable cause to believe that a violation has occurred in MUR 2655. My clients concur in your recommendation.

I apologize for the delay in commenting on your letter.

Sincerely,



Jonathan B. Sallet

JBS/aa

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OFFICE OF GENERAL COUNSEL

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BEFORE THE FEDERAL ELECTION COMMISSION

SENSITIVE

MAY 22 1990

In the Matter of)
)
David Edward Landau,) MUR 2655
Friends of David Landau, Inc. and)
Lawrence M. Goodman, as treasurer)

EXECUTIVE SESSION

GENERAL COUNSEL'S REPORT

I. BACKGROUND

This matter was initiated by a complaint from Earl M. Baker, chairman of the Republican State Central Committee of Pennsylvania. On June 1, 1989, the Commission found reason to believe David Edward Landau, and the Friends of David Landau, Inc. and Lawrence M. Goodman, as treasurer violated 2 U.S.C. § 441a(f) with regard to the personal guarantee of Cyrus Landau, on the April 9, 1986 loan, from the Jefferson Bank for \$10,000 to David Landau and initiated an investigation in this matter.

The Jefferson Bank loan agreement of April 9, 1986, indicated that it had the "Personal Guarantee of Cyrus Landau." It was contended that Cyrus Landau had only guaranteed the loan to the limit of \$1,000.00. This alleged \$1,000.00 limit of liability was not written on the loan agreement. Absent such written limit it appeared that Cyrus Landau guaranteed the loan in its full amount of \$10,000.00, thereby exceeding his contribution limit. In response to interrogatories and request for documents, the Respondents provided a copy of the agreement Cyrus Landau signed on April 9, 1986, limiting his guarantee to \$1,000.00. (Attachment 1).

On December 12, 1989, the Commission found no probable

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cause to believe that Cyrus Landau violated 2 U.S.C. § 441a(a)(1)(A) with regard to his personal guarantee of the April 9, 1986 loan from Jefferson Bank for \$10,000.00 by David Landau. On April 13, 1990, this Office mailed a brief and letter to the respondents notifying them of the General Counsel's intent to recommend to the Commission a finding of no probable cause to believe on this issue. On May 3, 1990, by letter respondents concurred with the General Counsel's recommendation. (Attachment 2). Accordingly, this Office recommends that the Commission find no probable cause to believe that the respondents violated 2 U.S.C. § 441a(f) by acceptance of this guarantee from Cyrus Landau.

II. ANALYSIS

This Office relies on its analysis set forth in the General Counsel's Brief signed April 13, 1990.

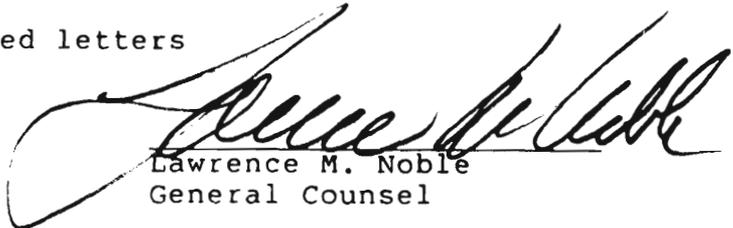
III. RECOMMENDATIONS

1. Find no probable cause to believe that David Edward Landau, and the Friends of David Landau, Inc. and Lawrence M. Goodman, as treasurer violated 2 U.S.C. § 441a(f).
2. Close the file.
3. Approve the attached letters

Date

5/14/90

Lawrence M. Noble
General Counsel



Attachments

1. Guarantee agreement
2. Response to brief
3. Letter to respondent
4. Letter to complainant
5. Letter to Philadelphia Bank
6. Letter to Ms. Klein

Staff person: Phillip L. Wise

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BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of)
) MUR 2655
David Edward Landau)
Friends of David Landau, Inc. and)
Lawrence M. Goodman, as treasurer)

CERTIFICATION

I, Marjorie W. Emmons, recording secretary of the Federal Election Commission executive session on May 22, 1990, do hereby certify that the Commission decided by a vote of 6-0 to take the following actions in MUR 2655:

1. Find no probable cause to believe that David Edward Landau, and the Friends of David Landau, Inc. and Lawrence M. Goodman, as treasurer, violated 2 U.S.C. § 441a(f).
2. Close the file.
3. Approve the letters attached to the General Counsel's report dated May 14, 1990.

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

Attest:

May 23, 1990
Date

Marjorie W. Emmons
Marjorie W. Emmons
Secretary of the Commission

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FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

May 30, 1990

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Earl M. Baker, Chairman
Republican State Committee
Of Pennsylvania
P.O. Box 1624
Harrisburg, PA 17105

RE: MUR 2655

Dear Mr. Baker:

This is in reference to the complaint you filed with the Federal Election Commission on July 28, 1988, concerning David Edward Landau, and Friends of David Landau, Inc. and Lawrence M. Goodman, as treasurer.

Based on your complaint and information received from respondents, on June 1, 1989, the Commission found that there was no reason to believe that David Edward Landau, and the Friends of David Landau, Inc. and Lawrence M. Goodman, as treasurer, violated 2 U.S.C. § 441b(a) as it concerns the settlement of a \$10,844.00 debt with Schlackman, Fazio, and Associates for \$2,000.00. The Commission also found no reason to believe that respondents violated 2 U.S.C. § 441a(f) as it concerns the settlements of debts owed Scott Wolf and Associates, Anne Bullock, and Patricia Ewing. Furthermore, the Commission found no reason to believe that respondents violated 2 U.S.C. § 441b(a) with regard to the bank loans received from Jefferson Bank and Continental Bank.

On June 1, 1989, the Commission found that there was reason to believe that David Edward Landau, and the Friends of David Landau, Inc. and Lawrence M. Goodman, as treasurer, violated 2 U.S.C. § 441a(f) a provision of the Federal Election Campaign Act of 1971, as amended, with regard to the personal guarantee of Cyrus Landau, on the April 9, 1986 loan, from Jefferson Bank for \$10,000.00 to David Landau and instituted an investigation of this matter.

On April 3, 1990, the Commission found no reason to believe that David Edward Landau, and the Friends of David Landau, Inc. and Lawrence M. Goodman, treasurer, violated 2 U.S.C. §§ 441b(a) and 441a(f) with regard to the loans from Philadelphia National Bank signed jointly by David Landau and Stephanie Klein. On April 3, 1990, the Commission also found no reason to believe that the Philadelphia National Bank violated 2 U.S.C. § 441b(a). After an investigation was conducted and the General Counsel's

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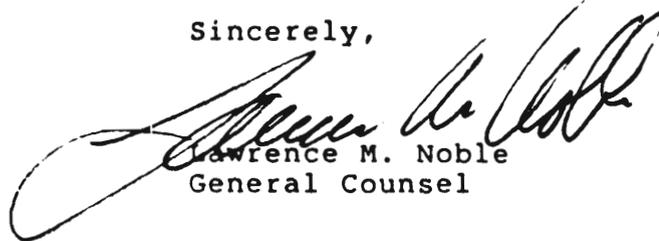
Earl M. Baker, Chairman
Page 2

brief and the respondents' responses were considered, the Commission, on May 22, 1990, found that there was no probable cause to believe that respondents violated 2 U.S.C. § 441a(f). Accordingly, the entire file in this matter was closed on May 22, 1990.

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 Phillip L. Wise, the attorney assigned to this matter, at (202) 376-8200.

Sincerely,



Lawrence M. Noble
General Counsel

Enclosure
General Counsel's Reports

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

May 30, 1990

Ms. Stephanie Klein
11 Oak Knoll Drive
Wallingford, PA 19086

RE: MUR 2655

Dear Ms. Klein:

This is to advise you that the entire file in this matter has now been closed and will become part of the public record within 30 days. Should you wish to submit any legal or factual materials to be placed on the public record in connection with this matter, please do so within ten days. Such materials should be sent to the Office of the General Counsel.

Should you have any questions, contact Phillip L. Wise, the attorney assigned to this matter, at (202) 376-8200.

Sincerely,

Lawrence M. Noble
General Counsel

A handwritten signature in black ink, appearing to read "Lois G. Lerner".

BY:

Lois G. Lerner
Associate General Counsel

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

May 30, 1990

Philadelphia National Bank
Private Banking Department
Suite 1900, P.O. Box 7618
Philadelphia, PA 19101-7618

RE: MUR 2655

Dear Sir or Madam:

This is to advise you that the entire file in this matter has now been closed and will become part of the public record within 30 days. Should you wish to submit any legal or factual materials to be placed on the public record in connection with this matter, please do so within ten days. Such materials should be sent to the Office of the General Counsel.

Should you have any questions, contact Phillip L. Wise, the attorney assigned to this matter, at (202) 376-8200.

Sincerely,

Lawrence M. Noble
General Counsel

A handwritten signature in black ink, appearing to be "Lois G. Lerner", written over a horizontal line.

BY:

Lois G. Lerner
Associate General Counsel

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FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

May 30, 1990

CLOSED

Jonathan B. Sallet, Esquire
Miller, Cassidy, Larroca & Lewin
2555 M Street, N.W.
Suite 500
Washington, D.C. 20037

RE: MUR 2655
David Edward Landau,
Friends of David Landau,
Inc. and Lawrence M.
Goodman, as treasurer
and Cyrus Landau

Dear Mr. Sallet:

This is to advise you that on May 22, 1990, the Federal Election Commission found that there is no probable cause to believe your clients violated 2 U.S.C. § 441a(f). Accordingly, the entire file in this matter has been closed.

This matter will become part of the public record within 30 days. Should 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.

If you have any questions, please contact Phillip L. Wise, 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

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

THIS IS THE END OF MUR # 26.55

DATE FILMED 6/1/90 CAMERA NO. 4

CAMERAMAN AS

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