



FEDERAL ELECTION COMMISSION
WASHINGTON, DC 20463

THIS IS THE BEGINNING OF MUR # 3202

DATE FILMED 2/7/91 CAMERA NO. 4

CAMERAMAN AS

21040323697



Office of Thrift Supervision

Department of the Treasury

Seventh District Office

111 East Wacker Drive, Chicago, Illinois 60601-4360 • (312) 565-5300

July 30, 1990

90 AUG 15 AM 10:03

Federal Election Commission
Office of General Counsel
1325 K Street, N.W.
Washington, D.C. 20005

Re: Germania Bank, F.S.B.

Dear Sir or Madam:

The above named financial institution is a federally insured savings and loan association based in Alton, Illinois and under the regulatory jurisdiction of the Office of Thrift Supervision's Seventh District (Chicago) Office. The corporate headquarters and executive offices are located at 101 Market Street, Suite 201, St. Louis Missouri 63101.

90 AUG 15 PM 12:05

RECEIVED
FEDERAL ELECTION COMMISSION
OFFICE OF GENERAL COUNSEL

Summary

On December 4, 1989, Director and President, Jim New, requested and authorized Germania Bank, FSB to make a \$1,500 contribution to the Citizens for Buss Westfall ("Westfall"). The contribution was for one couple to attend a political dinner held on December 10, 1989. Westfall is currently the St. Louis County prosecutor and has filed to run for St. Louis County Executive in the November 1990 election.

The Federal Election Campaign Act of 1971 (2 U.S.C. § 441b(b)(2) (1976), in part, prohibits federally chartered savings and loans to make contributions or expenditures in connection with any election to any political office. The purchase of political dinner tickets is political advertising, which is a specifically prohibited activity. The statute also

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makes it unlawful for any officer or director of a federal savings and loan association to consent to any such contribution or expenditure (2 U.S.C. Section 441b(a) (1976)).

Particulars

Prior to December 4, 1989, Jim New ("New"), Director and President of Germania Bank, F.S.B ("Germania"), received an invitation which stated that "Messrs. James Davis and Adolphus A. Busch IV cordially invites you to share an evening of cocktails, dinner and dancing with Lauri and Buzz Westfall." (See Attachment A for a copy of the invitation.)

On December 4, 1989, New requested and authorized Germania to pay the Citizens for Buzz Westfall ("Westfall") \$1,500 for one couple to attend a political dinner. Westfall is currently the St. Louis County Prosecutor and has filed to run for St. Louis County Executive in the November 1990 election. On a check request, dated December 4, 1989, New made the following notation: "Attendance at this function was requested by Joe Mason, Germania's CEO and Chairman of the Board, who is currently negotiating Jim Davis, host of campaign dinner, as a potential investor with Germania." (See Attachment B for copies of the check request and the check payable to the Citizens for Buzz Westfall.)

On December 10, 1989, New and his wife attended the black tie function for Westfall at the St. Louis Club, 7701 Forsyth, St. Louis, Missouri.

On March 21, 1990, the suspected violation was discovered. Office of Thrift Supervision Field Manager, Roy Eagle, was notified.

On April 12, 1990, the suspected violation was brought to the attention of Mason and New. New stated that the contribution was made because Davis was hosting the function and is a potential investor in Germania. New also stated that he intended to have the contribution made through a service corporation (any service corporation) but, he had erred in not making this clear in his check request. New stated that management feels that the service corporation is permitted to make a contribution of this nature, however, if it is illegal the institution will be reimbursed. (See Attachment C for copies of discussion sheets signed by New.)

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On April 20, 1990, New, in his personal capacity and not as a director or officer, reimbursed Germania for \$1,500. In a letter to the Office of Thrift Supervision, New stated that the reimbursement is not to be construed as an admission of any liability in regard to the Federal Election Campaign Act of 1971, by whom liability is hereby expressly denied. New stated that the political contribution was inadvertently made by Germania and that it was intended to be expensed through one of Germania's service corporations. (See Attachment D for copies of New's letter to the Office of Thrift Supervision and the personal check which New reimbursed Germania.)

The following is a list of potential witnesses who might have information about the suspected violation and describe their position or employment:

- 21040823700
- a. **Name:** Joe Mason
Position: Former CEO, Chairman of the Board - Germania Bank
Address: 13057 Coco Plum Lane, Naples, Florida
 - b. **Name:** Joe Ecklkamp
Position: Controller - Germania Bank
Address: 1614 Rockhill, St. Louis, Missouri 63119
 - c. **Name:** James Davis
Position: N/A
Address: 2315 Gate Royal, St. Louis, Missouri 63131
 - d. **Name:** "Buzz" Westfall
Position: St. Louis County Prosecutor
Address: Unknown
 - d. **Name:** James New (Suspect)
Position: Former President - Germania Bank
Address: 16371 Wilson Farm Drive, Chesterfield, MO 63017

The personnel of the Office of Thrift Supervision, who are authorized to provide additional information are listed as follows:

Roy Eagle, Field Manager	(217) 544-0434
Steve Taylor, Examiner	(217) 544-0434
Gail Lebkuecher, Examiner	(217) 544-0434

**Federal Election Commission
July 30, 1990
Page three**

In keeping with District policy, if you find it necessary to contact any of the above Office of Thrift Supervision individuals, we request that you first inform the undersigned at (312) 565-5727 or Jerry L. Gosse, Investigations Supervisor at (312) 565-5854.

Very truly yours,



**P. Stacy Powers
District Counsel**

PSP:JLG:pb

**cc: Rosemary Stewart, Esq., OTS - Office of Enforcement
Mr. David J. Kalina, Senior Manager
Mr. Anthony Redmond, Case Manager
Mr. Roy Eagle, Field Manager**

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91040323702

S 30

James P. Davis
and
Adolphus A. Busch IV
cordially invite you to share
an evening of cocktails, dinner and dancing
with

Laurie and Buzzy Westfall
on Sunday, the Tenth of December
Nineteen Hundred and Eighty-Nine
at Six-Thirty in the Evening

St. Louis Club
7701 Forsyth
St. Louis, Missouri

Black Tie

R.S.V.P. by December 8, 1929
Michael W. Flynn, Treasurer
Corporate checks are acceptable

\$1500 per couple
Make checks payable to
Entireties for Buzzy Westfall

(A)



843 E. BROADWAY • ALTON, IL 62002

70-7070/2810

DATE December 4, 1989

PAY ▶ \$ 1,500.00

PAY ***Fifteen Hundred dollars and 00/100***

THE ***Citizens for Buss Westfall***
DER 2315 Gateroyal.
St. Louis, MO 63131

NOT NEGOTIABLE

Buss Westfall

JP

PLEASE RETAIN THIS VOUCHER

108715

P 1 0 4 0 3 2 3 7 0 3

CANDIDATE FOR COUNTY EXECUTIVE. Currently County Prosecutor (check title)

Corporate checks are acceptable

Checks payable to
Citizens for Buss Westfall

B

lease return

to me.

thanks -

Shelly

CHECK REQUEST

Date 12/14/89

Payable to Citizens for Buzz Westfall

2315 Gateroyal, St. Louis, MO 63131

Drawn on Germania Bank
(bank)

For Charitable Contribution - Dinner for Buzz Westfall

Amount \$1,500.00

Requested by Jim New

Approved by James W. New

Acct. No. Amt.

~~4899-00-10000~~ \$1,500.00

at the fraction was requested by
Mr. [unclear] as manager of the Bank in [unclear]
negotiation with M. Dorn as a potential investor in the
[unclear] and M. Dorn in [unclear] the fraction
Jim New 12/14/89

St. Louis Check
7701 Forsyth
St. Louis, Missouri

Black Tie

R.P.V.P. by December 31, 1989
Michael W. Flynn, Treasurer
Corporate checks are acceptable

BYEM/ [unclear]
Michele [unclear]
Citizens for Buzz Westfall

2104033

B

FEDERAL HOME LOAN BANK OF CHICAGO
EXAMINATIONS DIVISION
DISCUSSION SHEET

page 1 of 1

Interviewee: Jim New

Date: 3-26-90

Interviewer: GAIL Lebkuecher

Time:
Place:

Others Individuals Present:

Workpaper
Reference

Subject Citizens for Buzz Westfall - Contribution

On December 4, 1989, you requested and authorized a \$1,500 payment to the Citizens for Buzz Westfall.

This was for one couple to attend a black tie dinner and dance for Buzz Westfall. The Federal Election Campaign

Act of 1971 (2 USC Section 441b), in part, prohibits

federal savings and loans from making contributions or expenditures in connection with any election to any

political office. ^{(11 CFR 114.2(a))} Additionally, no officer or director of

any corporation shall consent to any contribution or expenditure by the corporation. (11 CFR 114.2(d))

1) Please explain why this contribution was made?

2) Who attended this function?

2) Did the couple who attended the function reimburse Germania (either in full or part)?

4) Who was the invitation extended to?

Signature GAZ

3-26-90
Date

21040323705

FEDERAL HOME LOAN BANK OF CHICAGO
EXAMINATIONS DIVISION
DISCUSSION SHEET

page 2 of 1

Interviewees: Jim New / Joe Mason

Date: 4-12-90

Interviewer: G. Lobkuecher

Time: 1:30

Place: downtown - board room

Others Individuals Present: Steve Taylor - STS
Gale Evans FNIC
Kurt Stumpb FNIC

Workpaper

Reference

Management Response Political Contribution

1) The contribution was made because Jim Davis was hosting the function, and Mr. Davis is a potential investor in GermaniaBank.

2) Mr. New and ~~his wife~~ ^{his wife} attended the dinner.

3) The institution has not been reimbursed. MGT FEELS THE SERVICE CORPORATION IS PERMITTED TO MAKE A CONTRIBUTION IF THIS NATURE, HOWEVER IF IT IS ILLEGAL WILL REIMBURSE THE INSTITUTION.

4) The invitation was extended to GermaniaBank / Jim New

Mr. New stated that the contribution was not posted to the correct account. It should have been charged to a service corporation (i.e. one service corporation in particular). Mr.

New stated that it was not illegal for a service corporation to contribute to candidates for state and local offices). Mr.

Mason and Mr. New stated that Germania does not contribute to political offices as a practice. This contribution was an

isolated incident, given by the politics of pursuing an investor for

the Bank. See Attached. Signature [Signature] Date 4/12/90
(Copy of CHECK)

21040323706

April 20, 1990

Office of Thrift Supervision
3 North Old State Capitol Plaza
Springfield, IL 62701
Attn: Mr. Steve Taylor

Gentlemen:

Enclosed is a copy of the check of Jimmie W. New in the amount of One Thousand Five Hundred Dollars (\$1,500) made payable to Germania Bank, A Federal Savings Bank ("Germania"). Said sum is paid by the undersigned in order to reimburse Germania for a political contribution inadvertently made by Germania as of December 4, 1989.

This reimbursement is not to be construed as an admission of any liability by the undersigned with regard to the Federal Election Campaign Act of 1971, by whom liability is hereby expressly denied.

This reimbursement is made by the undersigned in his personal capacity, and not in his capacity as an officer or director of a federally chartered depository institution.

Very truly yours,

Jimmie W. New

Jimmie W. New

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(D)

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	JIMMIE W. OR DARLENE A. NEW 16371 WILSON FARM DR. 537-0609 CHESTERFIELD, MO. 63005		5002
	<i>April 20 1990</i>		88-7357 2810
<small>MARLAND</small>	Pay to the Order of <i>Germania Bank, A Federal Savings Bank</i>	<div style="border: 1px solid black; padding: 2px; display: inline-block;"> <i>\$1,500</i> ⁰⁰/₁₀₀ </div>	
	<i>One - Thousand Five Hundred Dollars and 00/100</i> Dollars		
	<div style="display: flex; align-items: center;">  Roosevelt Bank <small>A Federal Savings Bank CHESTERFIELD, MO 63017</small> </div>		
	For	<i>Jimmie W. New</i>	
	⑆ 28 107357 ⑆ 5002 ⑆ 020 1006 ⑆ 4 ⑆ ⑆		

Received this 20th day of
April, 1990

J. P. Kelly

 J. P. & CONTROLLER
 GERMANIA BANK

(D)



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

August 24, 1990

P. Stacy Powers, Esq.
Office of Thrift Supervision
111 East Wacker Drive
Chicago, Illinois 60601-4360

RE: Pre-MUR 236

Dear Ms. Powers:

This is to acknowledge receipt of your letter dated July 30, 1990, advising us of the possibility of a violation of the Federal Election Campaign Act of 1971, as amended ("the Act") by the Germania Bank, F.S.B. We are currently reviewing the matter and will advise you of the Commission's determination.

If you have any questions or additional information, please call Mary Mastrobattista, the attorney assigned to this matter, at (202) 376-8200. Our file number for this matter is Pre-MUR 236.

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

Sincerely,

Lawrence M. Noble
General Counsel

BY:


Lois G. Lerner
Associate General Counsel

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90 NOV 29 PM 12:10

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

SENSITIVE

FIRST GENERAL COUNSEL'S REPORT

Pre-MUR # 236
STAFF MEMBER Mary Mastrobattista

SOURCE: INTERNALLY GENERATED

RESPONDENTS: Germania Bank, F.S.B.
Jimmie W. New
Joseph L. Mason
Citizens for Buzz Westfall and Michael W. Flynn,
as treasurer

RELEVANT STATUTE: 2 U.S.C. § 441b(a)

INTERNAL REPORTS CHECKED: None

FEDERAL AGENCIES CHECKED: None

I. GENERATION OF MATTER

This matter was referred to the Commission from the Office of Thrift Supervision.

II. FACTUAL AND LEGAL ANALYSIS

Factual Analysis

By letter dated July 30, 1990, the Office of Thrift Supervision notified the Commission of the possibility of a violation of the Federal Election Campaign Act by Germania Bank, F.S.B. This referral concerns a \$1500 contribution from Germania Bank to a candidate for a local election on December 4, 1989. The alleged violation was discovered by bank examiners during the course of a routine bank examination. The Office of Thrift Supervision field manager was notified of the suspected violation on March 21, 1990. On April 12, 1990, the Office of

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Thrift Supervision conducted an interview with bank executives concerning the suspected violation. A summary of the interview was enclosed with the referral letter, in addition to other related materials and correspondence.

Germania Bank is a federal savings and loan association based in Alton, Illinois, under the regulatory jurisdiction of the Office of Thrift Supervision, Seventh District.¹ The corporate headquarters and executive offices of Germania Bank are located in St. Louis, Missouri.

2 1 0 4 0 3 2 3 7 1 1
According to information contained in the referral, Jim New, Director and President of Germania Bank, received an invitation to a political dinner for Buzz Westfall sometime prior to December 4, 1989. Mr. Westfall was the St. Louis County prosecutor, and was also a candidate for St. Louis County Executive in the November 1990 election. The invitation apparently was extended jointly to Germania Bank and Jim New, and was issued on behalf of James P. Davis and Adolphus A. Busch IV.

On December 4, 1989, Mr. New requested and authorized a check drawn on Germania Bank's account for \$1500 payable to the

1. According to the Office of Thrift Supervision, Germania Bank was closed approximately two months ago and was transferred to the Resolution Trust Corporation (RTC). The RTC is an agency of the United States which manages and resolves cases of savings associations in conservatorship or receivership. 12 U.S.C. §§ 1441a(b)(1) and (b)(3). The RTC is acting as managing agent for Germania Bank and should complete the sale of the bank within the next eight months. The Office of Thrift Supervision also indicated that there are criminal investigations currently pending in both Illinois and Missouri against several individuals associated with Germania Bank.

Citizens for Buzz Westfall. The purpose of the check was listed as "Charitable Contribution - Dinner for Buzz Westfall."

Mr. New made the following notation on the check request:

"attendance at this function was requested by Mr. Mason as management of the Bank is currently negotiating with Mr. Davis as a potential investor in the Bank and Mr. Davis is chairing this function." (Attachment 1, page 7). Joseph L. Mason was Germania Bank's Chief Executive Officer and Chairman of the Board.

As requested by Mr. New, a Germania Bank check was issued on December 4, 1989 to the "Citizens for Buzz Westfall" in the amount of \$1500. Mr. New later stated that the contribution was not posted to the correct account. Mr. New stated that the contribution should have been charged to a "service corporation." Apparently, Germania Bank takes the position that contributions to candidates for state and local offices through one of the bank's service corporations are permissible under state and federal law.

It is not clear whether the check was mailed to the Citizens for Buzz Westfall or hand delivered. Regardless of the method of delivery, the check reached the committee and subsequently was cashed. Mr. New and his wife attended the dinner for Buzz Westfall on December 10, 1989 at the St. Louis Country Club.

During the interview with representatives from the Office of Thrift Supervision, Mr. New characterized the contribution as an isolated incident. Mr. New stated that the bank does not

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make contributions to candidates for political office as a regular course of practice.

On April 20, 1990, Mr. New personally reimbursed the bank in the amount of \$1500 for a "political contribution inadvertently made by Germania as of December 4, 1989." (Attachment 1, page 10). In a letter to the Office of Thrift Supervision, Mr. New stated that his personal reimbursement to the bank was not to be regarded as an admission of liability under the Federal Election Campaign Act of 1971.

Legal Analysis

Under 2 U.S.C. § 441b(a) it is unlawful for a national bank, or any corporation organized by authority of any law of Congress, to make a contribution or expenditure in connection with an election to any political office. Furthermore, 2 U.S.C. § 441b(a) also makes it unlawful for an officer or director of a corporation or national bank to consent to such a contribution or expenditure.

As stated earlier, Germania Bank is a federal savings and loan association. The Commission has held that federal savings and loan associations are regulated under section 441b(a) as corporations organized by authority of any law of Congress. "Federal savings and loan associations organized under the authority of a Federal statute, 12 U.S.C. § 1464(a), are covered by [the section 441b(a)] prohibition since they become corporations once they receive charters from the Federal Home Loan Bank Board." A.O. 1981-33. Therefore, Germania Bank falls within the scope of 2 U.S.C. § 441b(a).

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The prohibition against contributions from national banks and corporations organized by authority of any law of Congress in 2 U.S.C. § 441b(a) applies to contributions made in connection with an election to any political office. This prohibition is broader than that applicable to other corporations and labor organizations. The regulations make clear that the prohibition against contributions by national banks and corporations organized by authority of any law of Congress extends not only to federal elections, but to state and local elections as well. 11 C.F.R. § 114.2(a). Thus, the prohibition of section 441b(a) applies to the contribution from Germania Bank to Citizens for Buzz Westfall.

From the information received from the Office of Thrift Supervision, it is evident that Germania Bank, with the consent of Mr. Mason and Mr. New, made a contribution in connection with a local election on December 4, 1989. The check request clearly shows that the purpose of the check was a dinner for Buzz Westfall, a candidate for local office. Attendance at the dinner was specifically requested by Mr. Mason, Germania Bank's Chief Executive Officer and Chairman of the Board. The check request was signed and approved by Jimmie W. New, President of Germania Bank. Therefore, this Office recommends that the Commission find reason to believe that Germania Bank, F.S.B. violated 2 U.S.C. § 441b(a) and that Jimmie W. New and Joseph L. Mason violated 2 U.S.C. § 441b(a) by consenting to the prohibited contribution. Furthermore, because Germania Bank was closed and transferred to the Resolution Trust Corporation

subsequent to the events alleged in this matter, this Office recommends that the Commission take no further action against Germania Bank, F.S.B.

Under 2 U.S.C. § 441b(a) it is also unlawful for a candidate, political committee, or other person knowingly to accept or receive a contribution from a national bank or a corporation organized by authority of any law of Congress. It appears that the Citizens for Buzz Westfall received the \$1500 contribution from Germania Bank in December of 1989. The check was drawn on the account of Germania Bank and was made payable to "Citizens for Buzz Westfall", as requested by the invitation. For these reasons, this Office recommends that the Commission find reason to believe that Citizens for Buzz Westfall and Michael W. Flynn, as treasurer, violated 2 U.S.C. § 441b(a).

III. RECOMMENDATIONS

1. Open a MUR.
2. Find reason to believe that Jimmie W. New, Joseph L. Mason, and Citizens for Buzz Westfall, Michael W. Flynn, as treasurer, violated 2 U.S.C. § 441b(a).
3. Find reason to believe that Germania Bank, F.S.B. violated 2 U.S.C. § 441b(a), take no further action against Germania Bank, F.S.B and close the file as to this Respondent.

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4. Approve the appropriate letters and attached Factual and Legal Analyses.

Lawrence M. Noble
General Counsel

11/28/90
Date

BY: 
Lois G. Lerner
Associate General Counsel

Attachments:

1. Referral Materials
2. Factual and Legal Analyses

21040323716



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

MEMORANDUM

TO: LAWRENCE M. NOBLE
GENERAL COUNSEL

FROM: MARJORIE W. EMMONS/ DONNA ROACH *DR*
COMMISSION SECRETARY

DATE: DECEMBER 3, 1990

SUBJECT: Pre-MUR 236 - FIRST GENERAL COUNSEL'S REPORT
DATED NOVEMBER 28, 1990

The above-captioned document was circulated to the
Commission on THURS., NOVEMBER 29, 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	XXXXX
Commissioner McDonald	XXXXX
Commissioner McGarry	_____
Commissioner Thomas	XXXXX

This matter will be placed on the meeting agenda
for TUESDAY, DECEMBER 11, 1990.

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

91040323717



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

90 DEC -6 PM 12:40

MEMORANDUM

TO: Marjorie W. Emmons
Commission Secretary

FROM: Danny L. McDonald *DLM*
Commissioner

RE: Pre-MUR 236

DATE: December 6, 1990

I would like to withdraw my objection to Pre-MUR 236
and cast my vote in the affirmative.

Thank you for your assistance in this matter.

91040323718

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of
Germania Bank, F.S.B.;
Jimmie W. New;
Joseph L. Mason;
Citizens for Buzz Westfall and
Michael W. Flynn, as treasurer.

)
) Pre-MUR 236
) (MUR 3202)
)
)
)
)

CERTIFICATION

I, Marjorie W. Emmons, recording secretary for the Federal Election Commission executive session on December 11, 1990, do hereby certify that the Commission decided by a vote of 6-0 to take the following actions with respect to Pre-MUR 236:

1. Open a MUR.
2. Find reason to believe that Jimmie W. New, Joseph L. Mason, and Citizens for Buzz Westfall, Michael W. Flynn, as treasurer, violated 2 U.S.C. § 441b(a), but take no further action.
3. Find reason to believe that Germania Bank, F.S.B. violated 2 U.S.C. § 441b(a), but take no further action.
4. Close the file.

(continued)

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5. Direct the Office of General Counsel to send appropriate Factual and Legal Analyses and letters.

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

Attest:

12-14-90
Date

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

21040323720



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

December 27, 1990

P. Stacy Powers, Esq.
Office of Thrift Supervision
111 East Wacker Drive
Chicago, Illinois 60601-4360

RE: MUR 3202

Dear Ms. Powers:

This is in reference to the matter involving Germania Bank, F.S.B. which your office referred to the Federal Election Commission on August 15, 1990.

On December 11, 1990, the Commission reviewed the information contained in the referral and found that there was reason to believe that: Germania Bank, F.S.B. violated 2 U.S.C. § 441b(a) by making a prohibited contribution; Jimmie W. New and Joseph L. Mason violated 2 U.S.C. § 441b(a) by consenting to the prohibited contribution; and Citizens for Buzz Westfall and Michael W. Flynn, as treasurer, violated 2 U.S.C. § 441b(a) by accepting the prohibited contribution. However, after considering the status of Germania Bank, F.S.B. and all the circumstances of this matter, the Commission also determined to take no further action and closed the file. The file in this matter will be made part of the public record within 30 days.

We appreciate your cooperation in helping the Commission meet its enforcement responsibilities under the Federal Election Campaign Act of 1971, as amended (the "Act"). Please be assured that we consider contributions by national banks or banks organized by authority of any law of Congress in connection with an election to any political office to be serious violations of the Act.

21040323721

P. Stacy Powers
Page 2

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

Sincerely,

Lawrence M. Noble
General Counsel



BY: Lois G. Lerner
Associate General Counsel

91040323722



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

December 27, 1990

**Managing Officer
Germania Bank, F.S.B.
701 Market Street
Suite 120
St. Louis, MO 63101**

**RE: MUR 3202
Germania Bank, F.S.B.**

Dear Sir:

In the normal course of carrying out its supervisory responsibilities, the Federal Election Commission ascertained that there was a possibility that Germania Bank, F.S.B. may have violated the Federal Election Campaign Act of 1971, as amended.

On December 11, 1990, the Commission found reason to believe that Germania Bank, F.S.B. violated 2 U.S.C. § 441b(a). The Factual and Legal Analysis, which formed a basis for the Commission's finding, is attached for your information. However, after considering the circumstances of this matter, the Commission also determined to take no further action and closed the file.

The Commission reminds you that under 2 U.S.C. § 441b(a), it is unlawful for a federal savings bank to make a contribution in connection with an election to any political office. You should take immediate steps to insure that this activity does not occur in the future.

The file will be made part of the public record within 30 days. Should you wish to submit any materials to appear on the public record, please do so within ten days of your receipt of this letter. Such materials should be sent to the Office of the General Counsel.

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Germania Bank, F.S.B.
Page 2

If you have any questions, please direct them to
Mary P. Mastrobattista, the attorney assigned to this matter, at
(202) 376-8200.

Sincerely,


Lee Ann Elliott
Chairman

Enclosure
Factual and Legal Analysis

21040323724

FEDERAL ELECTION COMMISSION

FACTUAL AND LEGAL ANALYSIS

RESPONDENT: Germania Bank, F.S.B. MUR: 3202

In the normal course of carrying out its supervisory responsibilities, the Commission ascertained that there was a possibility of a violation of the Federal Election Campaign Act by Germania Bank, F.S.B. This possible violation concerns a \$1500 contribution from Germania Bank to a candidate for a local election on December 4, 1989.

Germania Bank is a federal savings and loan association based in Alton, Illinois. The corporate headquarters and executive offices of Germania Bank are located in St. Louis, Missouri.

According to information ascertained by the Commission, Jim New, Director and President of Germania Bank, received an invitation to a political dinner for Buzz Westfall sometime prior to December 4, 1989. Mr. Westfall was the St. Louis County prosecutor, and was also a candidate for St. Louis County Executive in the November 1990 election. The invitation apparently was extended jointly to Germania Bank and Jim New, and was issued on behalf of James P. Davis and Adolphus A. Busch IV.

On December 4, 1989, Mr. New requested and authorized a check drawn on Germania Bank's account for \$1500 payable to the Citizens for Buzz Westfall. The purpose of the check was listed as "Charitable Contribution - Dinner for Buzz Westfall."

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Mr. New made the following notation on the check request:
"attendance at this function was requested by Mr. Mason as management of the Bank is currently negotiating with Mr. Davis as a potential investor in the Bank and Mr. Davis is chairing this function." Joseph L. Mason was Germania Bank's Chief Executive Officer and Chairman of the Board.

As requested by Mr. New, a Germania Bank check was issued on December 4, 1989 to the "Citizens for Buzz Westfall" in the amount of \$1500. It is not clear whether the check was mailed to the Citizens for Buzz Westfall or hand delivered. Regardless of the method of delivery, the check reached the committee and subsequently was cashed. Mr. New and his wife attended the dinner for Buzz Westfall on December 10, 1989 at the St. Louis Country Club.

On April 20, 1990, Mr. New personally reimbursed the bank in the amount of \$1500 for a "political contribution inadvertently made by Germania as of December 4, 1989."

Under 2 U.S.C. § 441b(a) it is unlawful for a national bank, or any corporation organized by authority of any law of Congress, to make a contribution or expenditure in connection with an election to any political office.

As stated earlier, Germania Bank is a federal savings and loan association. The Commission has held that federal savings and loan associations are regulated under section 441b(a) as corporations organized by authority of any law of Congress. "Federal savings and loan associations organized under the authority of a Federal statute, 12 U.S.C. § 1464(a), are covered

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by [the section 441b(a)] prohibition since they become corporations once they receive charters from the Federal Home Loan Bank Board." A.O. 1981-33. Therefore, Germania Bank falls within the scope of 2 U.S.C. § 441b(a).

The prohibition against contributions from national banks and corporations organized by authority of any law of Congress in 2 U.S.C. § 441b(a) applies to contributions made in connection with an election to any political office. This prohibition is broader than that applicable to other corporations and labor organizations. The regulations make clear that the prohibition against contributions by national banks and corporations organized by authority of any law of Congress extends not only to federal elections, but to state and local elections as well. 11 C.F.R. § 114.2(a). Thus, the prohibition of section 441b(a) applies to the contribution from Germania Bank to Citizens for Buzz Westfall.

From the information ascertained thus far, it is evident that Germania Bank made a contribution in connection with a local election on December 4, 1989. The check request clearly shows that the purpose of the check was a dinner for Buzz Westfall, a candidate for local office. Attendance at the dinner was specifically requested by Mr. Mason, Germania Bank's Chief Executive Officer and Chairman of the Board. The check request was signed and approved by Jimmie W. New, President of Germania Bank. Therefore, there is reason to believe Germania Bank, F.S.B. violated 2 U.S.C. § 441b(a). Subsequent to the events alleged in this matter, Germania Bank was closed and

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transferred to the Resolution Trust Corporation. Accordingly, no further action will be taken against Germania Bank, F.S.B. and the file will be closed as to Germania Bank, F.S.B.

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

December 27, 1990

Michael W. Flynn
Citizens for Buzz Westfall
2315 Gate Royal
St. Louis, MO 63131

RE: MUR 3202
Citizens for Buzz Westfall
and Michael W. Flynn,
as treasurer

Dear Mr. Flynn:

In the normal course of carrying out its supervisory responsibilities, the Federal Election Commission ascertained that there was a possibility that Citizens for Buzz Westfall and Michael W. Flynn, as treasurer, may have violated the Federal Election Campaign Act of 1971, as amended.

On December 11, 1990, the Commission found reason to believe that Citizens for Buzz Westfall and Michael W. Flynn, as treasurer, violated 2 U.S.C. § 441b(a). The Factual and Legal Analysis, which formed a basis for the Commission's finding, is attached for your information. However, after considering the circumstances of this matter, the Commission also determined to take no further action and closed the file.

The Commission reminds you that under 2 U.S.C. § 441b(a), it is unlawful for a candidate, political committee, or other person knowingly to accept or receive a contribution from a federal savings bank. You should take immediate steps to insure that this activity does not occur in the future.

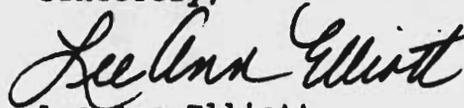
The file will be made part of the public record within 30 days. Should you wish to submit any materials to appear on the public record, please do so within ten days of your receipt of this letter. Such materials should be sent to the Office of the General Counsel.

21040823729

Michael W. Flynn
Page 2

If you have any questions, please direct them to
Mary P. Mastrobattista, the attorney assigned to this matter, at
(202) 376-8200.

Sincerely,



Lee Ann Elliott
Chairman

Enclosure
Factual and Legal Analysis

21040323730

FEDERAL ELECTION COMMISSION

FACTUAL AND LEGAL ANALYSIS

RESPONDENT: Citizens for Buzz Westfall and
Michael W. Flynn, as treasurer

MUR: 3202

In the normal course of carrying out its supervisory responsibilities, the Commission ascertained that there was a possibility of a violation of the Federal Election Campaign Act by Citizens for Buzz Westfall. This possible violation concerns a \$1500 contribution received from Germania Bank, F.S.B. on December 4, 1989.

Germania Bank is a federal savings and loan association based in Alton, Illinois. The corporate headquarters and executive offices of Germania Bank are located in St. Louis, Missouri.

According to information ascertained by the Commission, Jim New, Director and President of Germania Bank, received an invitation to a political dinner for Buzz Westfall sometime prior to December 4, 1989. Mr. Westfall was the St. Louis County prosecutor, and was also a candidate for St. Louis County Executive in the November 1990 election. The invitation apparently was extended jointly to Germania Bank and Jim New, and was issued on behalf of James P. Davis and Adolphus A. Busch IV.

On December 4, 1989, Mr. New requested and authorized a check drawn on Germania Bank's account for \$1500 payable to the Citizens for Buzz Westfall. The purpose of the check was listed

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as "Charitable Contribution - Dinner for Buzz Westfall."

Mr. New made the following notation on the check request:

"attendance at this function was requested by Mr. Mason as management of the Bank is currently negotiating with Mr. Davis as a potential investor in the Bank and Mr. Davis is chairing this function." Joseph L. Mason was Germania Bank's Chief Executive Officer and Chairman of the Board.

As requested by Mr. New, a Germania Bank check was issued on December 4, 1989 to the "Citizens for Buzz Westfall" in the amount of \$1500. It is not clear whether the check was mailed to the Citizens for Buzz Westfall or hand delivered. Regardless of the method of delivery, the check reached the committee and subsequently was cashed. Mr. New and his wife attended the dinner for Buzz Westfall on December 10, 1989 at the St. Louis Country Club.

Under 2 U.S.C. § 441b(a) it is unlawful for a national bank, or any corporation organized by authority of any law of Congress, to make a contribution or expenditure in connection with an election to any political office. Under 2 U.S.C. § 441b(a) it is also unlawful for a candidate, political committee, or other person knowingly to accept or receive a contribution from a national bank or a corporation organized by authority of any law of Congress. The prohibition against contributions from national banks and corporations organized by authority of any law of Congress in 2 U.S.C. § 441b(a) applies to contributions made in connection with an election to any political office. This prohibition is broader than that

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applicable to other corporations and labor organizations. The regulations make clear that the prohibition against contributions by national banks and corporations organized by authority of any law of Congress extends not only to federal elections, but to state and local elections as well. 11 C.F.R. § 114.2(a). Thus, the prohibition of section 441b(a) applies to the contribution from Germania Bank to Citizens for Buzz Westfall.

It appears that the Citizens for Buzz Westfall received the \$1500 contribution from Germania Bank in December of 1989. The check was drawn on the account of Germania Bank and was made payable to "Citizens for Buzz Westfall", as requested by the invitation. Therefore, there is reason to believe that Citizens for Buzz Westfall and Michael W. Flynn, as treasurer, violated 2 U.S.C. § 441b(a).

21040323733



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

December 27, 1990

Jimmie W. New
16371 Wilson Farm Drive
Chesterfield, MO 63017

RE: MUR 3202
Jimmie W. New

Dear Mr. New:

In the normal course of carrying out its supervisory responsibilities, the Federal Election Commission ascertained that there was a possibility that you may have violated the Federal Election Campaign Act of 1971, as amended.

On December 11, 1990, the Commission found reason to believe that you violated 2 U.S.C. § 441b(a). The Factual and Legal Analysis, which formed a basis for the Commission's finding, is attached for your information. However, after considering the circumstances of this matter, the Commission also determined to take no further action and closed the file.

The Commission reminds you that under 2 U.S.C. § 441b(a), it is unlawful for a federal savings bank to make a contribution in connection with an election to any political office, or for an officer or director thereof to consent to such a contribution. You should take immediate steps to insure that this activity does not occur in the future.

The file will be made part of the public record within 30 days. Should you wish to submit any materials to appear on the public record, please do so within ten days of your receipt of this letter. Such materials should be sent to the Office of the General Counsel.

91040823734

Jimmie W. New
Page 2

If you have any questions, please direct them to
Mary P. Mastrobattista, the attorney assigned to this matter, at
(202) 376-8200.

Sincerely,



Lee Ann Elliott
Chairman

Enclosure
Factual and Legal Analysis

21040323735

FEDERAL ELECTION COMMISSION
FACTUAL AND LEGAL ANALYSIS

RESPONDENT: Jimmie W. New

MUR: 3202

In the normal course of carrying out its supervisory responsibilities, the Commission ascertained that there was a possibility of a violation of the Federal Election Campaign Act by Jimmie W. New. This possible violation concerns a \$1500 contribution from Germania Bank, F.S.B. to a candidate for a local election on December 4, 1989.

Germania Bank is a federal savings and loan association based in Alton, Illinois. The corporate headquarters and executive offices of Germania Bank are located in St. Louis, Missouri.

According to information ascertained by the Commission, Jim New, Director and President of Germania Bank, received an invitation to a political dinner for Buzz Westfall sometime prior to December 4, 1989. Mr. Westfall was the St. Louis County prosecutor, and was also a candidate for St. Louis County Executive in the November 1990 election. The invitation apparently was extended jointly to Germania Bank and Jim New, and was issued on behalf of James P. Davis and Adolphus A. Busch IV.

On December 4, 1989, Mr. New requested and authorized a check drawn on Germania Bank's account for \$1500 payable to the Citizens for Buzz Westfall. The purpose of the check was listed as "Charitable Contribution - Dinner for Buzz Westfall."

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Mr. New made the following notation on the check request:
"attendance at this function was requested by Mr. Mason as management of the Bank is currently negotiating with Mr. Davis as a potential investor in the Bank and Mr. Davis is chairing this function." Joseph L. Mason was Germania Bank's Chief Executive Officer and Chairman of the Board.

As requested by Mr. New, a Germania Bank check was issued on December 4, 1989 to the "Citizens for Buzz Westfall" in the amount of \$1500. It is not clear whether the check was mailed to the Citizens for Buzz Westfall or hand delivered. Regardless of the method of delivery, the check reached the committee and subsequently was cashed. Mr. New and his wife attended the dinner for Buzz Westfall on December 10, 1989 at the St. Louis Country Club.

On April 20, 1990, Mr. New personally reimbursed the bank in the amount of \$1500 for a "political contribution inadvertently made by Germania as of December 4, 1989."

Under 2 U.S.C. § 441b(a) it is unlawful for a national bank, or any corporation organized by authority of any law of Congress, to make a contribution or expenditure in connection with an election to any political office. Furthermore, 2 U.S.C. § 441b(a) also makes it unlawful for an officer or director of a corporation or national bank to consent to such a contribution or expenditure.

From the information thus far, it is evident that Germania Bank, with the consent of Mr. New, made a contribution in connection with a local election on December 4, 1989. The check

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request clearly shows that the purpose of the check was a dinner for Buzz Westfall, a candidate for local office. The check request was signed and approved by Jimmie W. New, President of Germania Bank. Therefore, there is reason to believe Jimmie W. New violated 2 U.S.C. § 441b(a) by consenting to the prohibited contribution.

21040323738



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

December 27, 1990

CLOSED

Joseph L. Mason
13057 Coco Plum Lane
Naples, Florida 33999

RE: MUR 3202
Joseph L. Mason

Dear Mr. Mason:

In the normal course of carrying out its supervisory responsibilities, the Federal Election Commission ascertained that there was a possibility that you may have violated the Federal Election Campaign Act of 1971, as amended.

On December 11, 1990, the Commission found reason to believe that you violated 2 U.S.C. § 441b(a). The Factual and Legal Analysis, which formed a basis for the Commission's finding, is attached for your information. However, after considering the circumstances of this matter, the Commission also determined to take no further action and closed the file.

The Commission reminds you that under 2 U.S.C. § 441b(a), it is unlawful for a federal savings bank to make a contribution in connection with an election to any political office, or for an officer or director thereof to consent to such a contribution. You should take immediate steps to insure that this activity does not occur in the future.

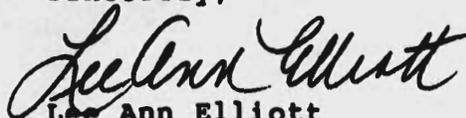
The file will be made part of the public record within 30 days. Should you wish to submit any materials to appear on the public record, please do so within ten days of your receipt of this letter. Such materials should be sent to the Office of the General Counsel.

91040323739

Joseph L. Mason
Page 2

If you have any questions, please direct them to
Mary P. Mastrobattista, the attorney assigned to this matter, at
(202) 376-8200.

Sincerely,



Lee Ann Elliott
Chairman

Enclosure
Factual and Legal Analysis

21040323740

FEDERAL ELECTION COMMISSION

FACTUAL AND LEGAL ANALYSIS

RESPONDENT: Joseph L. Mason

MUR: 3202

In the normal course of carrying out its supervisory responsibilities, the Commission ascertained that there was a possibility of a violation of the Federal Election Campaign Act by Joseph L. Mason. This possible violation concerns a \$1500 contribution from Germania Bank, F.S.B. to a candidate for a local election on December 4, 1989.

Germania Bank is a federal savings and loan association based in Alton, Illinois. The corporate headquarters and executive offices of Germania Bank are located in St. Louis, Missouri.

According to information ascertained by the Commission, Jim New, Director and President of Germania Bank, received an invitation to a political dinner for Buzz Westfall sometime prior to December 4, 1989. Mr. Westfall was the St. Louis County prosecutor, and was also a candidate for St. Louis County Executive in the November 1990 election. The invitation apparently was extended jointly to Germania Bank and Jim New, and was issued on behalf of James P. Davis and Adolphus A. Busch IV.

On December 4, 1989, Mr. New requested and authorized a check drawn on Germania Bank's account for \$1500 payable to the Citizens for Buzz Westfall. The purpose of the check was listed as "Charitable Contribution - Dinner for Buzz Westfall."

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Mr. New made the following notation on the check request:
"attendance at this function was requested by Mr. Mason as management of the Bank is currently negotiating with Mr. Davis as a potential investor in the Bank and Mr. Davis is chairing this function." Joseph L. Mason was Germania Bank's Chief Executive Officer and Chairman of the Board.

As requested by Mr. New, a Germania Bank check was issued on December 4, 1989 to the "Citizens for Buzz Westfall" in the amount of \$1500. It is not clear whether the check was mailed to the Citizens for Buzz Westfall or hand delivered. Regardless of the method of delivery, the check reached the committee and subsequently was cashed. Mr. New and his wife attended the dinner for Buzz Westfall on December 10, 1989 at the St. Louis Country Club.

Under 2 U.S.C. § 441b(a) it is unlawful for a national bank, or any corporation organized by authority of any law of Congress, to make a contribution or expenditure in connection with an election to any political office. Furthermore, 2 U.S.C. § 441b(a) also makes it unlawful for an officer or director of a corporation or national bank to consent to such a contribution or expenditure.

From the information received thus far, it appears that Germania Bank, with the consent of Mr. Mason, made a contribution in connection with a local election on December 4, 1989. The check request clearly shows that the purpose of the check was a dinner for Buzz Westfall, a candidate for local office. Attendance at the dinner was specifically requested by

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Mr. Mason, Germania Bank's Chief Executive Officer and Chairman of the Board. Therefore, there is reason to believe Joseph L. Mason violated 2 U.S.C. § 441b(a) by consenting to the prohibited contribution.

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JOSEPH L. MASON
5020 Tamiami Trail North, Suite 110
Naples, Florida 33940
(813)-434-8200

06-C 9801

January 2, 1991

RECEIVED
FEDERAL ELECTION COMMISSION
WASHINGTON, D.C.
91 JAN 11 PM 12:38

Lee Ann Elliott, Chairman
Federal Election Commission
Washington, D.C. 20463

RE: MUR 3202
Joseph L. Mason

Dear Chairman Elliott:

Please be advised that I am in receipt of your letter of December 27, 1990. The course of events with respect to the referenced matter have been only partially stated and should be corrected to reflect all of the facts.

I did have a conversation with Mr. Jim New, President of Germania Bank, with respect to the political fund raiser for Mr. Westfall on some date prior to December 4, 1989. During the conversation I asked Mr. New if Germania Bank could legally and properly make such a contribution. Mr. New advised me that Germania Bank could not do so but that a separately capitalized subsidiary corporation could properly make a contribution. A decision was made to attend the political function for Mr. Westfall and the details were left to Mr. New. I gave no more thought to that matter.

Some months later the matter was brought up by the Office of Thrift Supervision. During that meeting Mr. New cited the provision of law which allowed the contribution. When he was advised the check and payment were remitted directly from the bank and not a subsidiary corporation, he was visibly surprised and shocked. I was advised by Mr. New that he immediately repaid the bank with personal funds. This was done with the O.T.S. was still in Germania Bank completing its examination.

Although there is no excuse for this error I consider it to be an honest oversight and one which was corrected immediately.

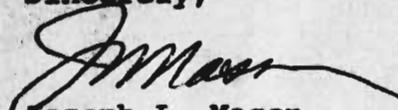
RECEIVED
FEDERAL ELECTION COMMISSION
OFFICE OF LEGAL COUNSEL
91 JAN 11 PM 4:16

9104032744

Lee Ann Elliott, Chairman
January 2, 1991
Page two

Thank you for your letter and for including this response as
a matter of record.

Sincerely,



Joseph L. Mason

JLM:ldm

cc Jimmie W. New
Mary P. Mastrobattista

21040323745



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

THIS IS THE END OF MUR # 3208

DATE FILMED 2/7/91 CAMERA NO. 4

CAMERAMAN AS

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FEDERAL ELECTION COMMISSION
WASHINGTON, D C 20463

THE FOLLOWING DOCUMENTATION IS ADDED TO
THE PUBLIC RECORD IN CLOSED MUR 3202 .

91040330150



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

January 16, 1991

RECEIVED

Joseph L. Mason
5020 Tamiami Trail North
Suite 110
Naples, FL 33940

RE: MUR 3202
Joseph L. Mason

Dear Mr. Mason:

This is to acknowledge receipt of your letter dated January 2, 1991, regarding the above referenced matter, in which you explain the circumstances related to the contribution from Germania Bank, F.S.B. to Citizens for Buzz Westfall. We have placed your letter on the public record in connection with this matter.

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

Sincerely,

Lawrence M. Noble
General Counsel

BY: Lois G. Lerner
Associate General Counsel

21040330151

JOSEPH L. MASON
5020 Tamiami Trail North, Suite 110
Naples, Florida 33940
(813)-434-8200

06C 9791
RECEIVED
FEDERAL ELECTION COMMISSION
MAIL ROOM

91 JAN 11 AM 11:12

January 2, 1991

Lee Ann Elliott, Chairman
Federal Election Commission
Washington, D.C. 20463

RE: MUR 3202
Joseph L. Mason

Dear Chairman Elliott:

Please be advised that I am in receipt of your letter of December 27, 1990. The course of events with respect to the referenced matter have been only partially stated and should be corrected to reflect all of the facts.

I did have a conversation with Mr. Jim New, President of Germania Bank, with respect to the political fund raiser for Mr. Westfall on some date prior to December 4, 1989. During the conversation I asked Mr. New if Germania Bank could legally and properly make such a contribution. Mr. New advised me that Germania Bank could not do so but that a separately capitalized subsidiary corporation could properly make a contribution. A decision was made to attend the political function for Mr. Westfall and the details were left to Mr. New. I gave no more thought to that matter.

Some months later the matter was brought up by the Office of Thrift Supervision. During that meeting Mr. New cited the provision of law which allowed the contribution. When he was advised the check and payment were remitted directly from the bank and not a subsidiary corporation, he was visibly surprised and shocked. I was advised by Mr. New that he immediately repaid the bank with personal funds. This was done with the O.T.S. was still in Germania Bank completing its examination.

Although there is no excuse for this error I consider it to be an honest oversight and one which was corrected immediately.

91 JAN 11 PM 12:04

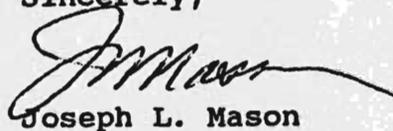
RECEIVED
FEDERAL ELECTION COMMISSION
OFFICE OF THE CHIEF COUNSEL

2104030152

Lee Ann Elliott, Chairman
January 2, 1991
Page two

Thank you for your letter and for including this response as
a matter of record.

Sincerely,



Joseph L. Mason

JLM:ldm

cc Jimmie W. New
✓ Mary P. Mastrobattista

21040830153