



FEDERAL ELECTION COMMISSION

*[Faint, illegible handwritten text on ruled lines]*

The above-described material was removed from this file pursuant to the following exemption provided in the Freedom of Information Act, 5 U.S.C. Section 552(b):

- |  |   |
|--|---|
| <input type="checkbox"/> (1) Classified Information                                | <input type="checkbox"/> (6) Personal privacy                             |
| <input type="checkbox"/> (2) Internal rules and practices                          | <input type="checkbox"/> (7) Investigatory files                          |
| <input type="checkbox"/> (3) Exempted by other statute                             | <input type="checkbox"/> (8) Banking Information                          |
| <input type="checkbox"/> (4) Trade secrets and commercial or financial information | <input type="checkbox"/> (9) Well Information (geographic or geophysical) |
| <input type="checkbox"/> (5) Internal Documents                                    |   |

Signed *[Handwritten Signature]*  
date *[Handwritten Date]*



FEDERAL ELECTION COMMISSION

1125 K STREET N.W.  
WASHINGTON, D.C. 20463

23 December 1977

Mr. Robert B. Serino, Director  
Enforcement and Compliance Division  
Comptroller of the Currency  
Administrator of National Banks  
Washington, D.C. 20219

Re: MUR 428 (77) &  
MUR 431 (77)

Dear Mr. Serino:

In response to your request of December 22nd, enclosed are copies of the reports and Conciliation Agreements in connection with MUR 428 and MUR 431.

If you have any questions please contact Suzanne Callahan (202/523-4166), the staff member assigned to these matters.

Sincerely,

A handwritten signature in cursive script, appearing to read "Charles N. Steele".

Charles N. Steele  
Associate General Counsel

enclosures





FEDERAL ELECTION COMMISSION

1100 K STREET, N.W.  
WASHINGTON, D.C. 20543

December 22, 1977

Mr. Calvin Koch, Jr.  
570 Kearny Avenue  
Kearny, New Jersey 03032

Re: MUR 428(77)

Dear Mr. Koch:

On December 21, 1977, the Commission voted to accept the conciliation agreement which your client, Robert Jones, signed.

Accordingly, upon my recommendation, the Commission has decided to close the file in this matter.

If you have any questions, please contact Suzanne Callahan (202-523-4166), the staff member assigned to this matter.

Sincerely yours,

A handwritten signature in cursive script, appearing to read "William C. Oldaker".

William C. Oldaker  
General Counsel



Mr. Calvin Koch, Jr.  
570 Kearny Avenue  
Kearny, New Jersey 03032

Re: MUR 428(77)

Dear Mr. Koch:

On December , 1977, the Commission voted to accept the conciliation agreement which your client, Robert Jones, signed.

Accordingly, upon my recommendation, the Commission has decided to close the file in this matter.

If you have any questions, please contact Suzanne Callahan (202-523-4166), the staff member assigned to this matter.

*W.C.O.  
12/15/77*

Sincerely yours,

William C. Oldaker  
General Counsel

7 8 0 4 0 0 5 4 6 9 :

400 2336

BEFORE THE FEDERAL ELECTION COMMISSION  
NOVEMBER 3, 1977

FEDERAL ELECTION COMMISSION

'77 DEC 12 4 2:02

In the Matter of )  
 )  
First National Bank & Trust ) MUR 428 (77)  
Co. of Kearny, New Jersey )

CONCILIATION AGREEMENT

This matter having been initiated on the basis of information ascertained in the normal course of carrying out its supervisory responsibilities, an investigation having been conducted, and the Commission having found reasonable cause to believe that respondent, First National Bank & Trust Co. of Kearny, New Jersey (hereinafter "bank") violated 2 U.S.C. §441b.

Now, therefore, the respective parties herein, the Federal Election Commission and respondent bank, having duly entered into conciliation pursuant to 2 U.S.C. §437g(a)(5), do hereby agree as follows:

I. That the Federal Election Commission has jurisdiction over respondent and the subject matter of this proceeding.

II. That respondent has had a reasonable opportunity to demonstrate that no action should be taken in this matter.

III. That the pertinent facts are as follows:

A. The bank issued a check for \$200 on or about April 13, 1977, and for \$60 on April 15, 1977, payable to the Democratic Organization of Kearny, New Jersey, a political organization. Said checks were issued to pay for dinner dance tickets for use by the Bank's employees.

B. The funds from which the checks were drawn were funds of the First National Bank & Trust Co. of Kearny.

Therefore, respondent bank agrees:

I. Respondent's action in using bank funds for political purposes is in violation of 2 U.S.C. §441b(a).

II. That it will pay a civil penalty in the amount of \$500 pursuant to 2 U.S.C. §437g(a)(6)(B)(i).

III. Respondent agrees that it will not undertake any activity which is in violation of the Federal Election Campaign Act, 2 U.S.C. §431, et seq.

GENERAL CONDITIONS

I. The Commission on request of anyone filing a complaint under 2 U.S.C. §437g(a)(1) concerning the matters at issue herein, or on its own motion, may review compliance with this agreement. If the Commission believes that this agreement or any requirement thereof has been violated, it may institute civil action for relief in the United States District Court for the District of Columbia.

II. It is mutually agreed that this agreement shall become effective as of the date that all parties hereto have executed same and the Commission has approved the entire agreement.

III. It is agreed that respondent bank shall have not more than thirty (30) days from the date of this agreement

to implement and comply with the requirements contained therein, or so notify the Commission.

12/22/77

DATED



WILLIAM C. OLDAKER  
GENERAL COUNSEL  
FEDERAL ELECTION COMMISSION



ROBERT JONES  
PRESIDENT  
FIRST NATIONAL BANK & TRUST  
CO. OF KEARNY, NEW JERSEY

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BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of )  
 )  
First National Bank & Trust ) MUR 428 (77)  
Co. of Kearny, New Jersey )

CERTIFICATION

I, Marjorie W. Emmons, Secretary to the Federal Election Commission, do hereby certify that on December 21, 1977, the Commission determined by a vote of 4-0 to approve the conciliation agreement submitted by the General Counsel in the above-captioned matter.

Voting for this determination were Commissioners Aikens, Harris, Thomson, and Tiernan. Commissioners Springer and Staebler were not present at the time of the vote.



Marjorie W. Emmons  
Secretary to the Commission





FEDERAL ELECTION COMMISSION

1225 K STREET, N.W.  
WASHINGTON, D.C. 20463

December 16, 1977

MEMORANDUM TO: Commissioners  
FROM: William Oldaker *Bill*  
SUBJECT: CONCILIATION AGREEMENT IN CONNECTION WITH  
MUR 428 (77)

Attached is a conciliation agreement signed by Robert J. Jones, President of the First National Bank and Trust Company of Kearny, New Jersey. Also attached is a copy of the \$500 civil penalty assessed by the Commission.

Please note that the respondent has added a sentence on page 1, III, sub-paragraph A.

We recommend acceptance of this conciliation agreement.





FEDERAL ELECTION COMMISSION

1120 K STREET, N.W.  
WASHINGTON, D.C. 20543

Mr. Calvin Koch, Jr.  
570 Kearny Avenue  
Kearny, New Jersey 03032

Re: MUR 428(77)

Dear Mr. Koch:

On December , 1977, the Commission voted to accept the conciliation agreement which your client, Robert Jones, signed.

Accordingly, upon my recommendation, the Commission has decided to close the file in this matter.

If you have any questions, please contact Suzanne Callahan (202-523-4166), the staff member assigned to this matter.

Sincerely yours,

William C. Oldaker  
General Counsel



200 2236

BEFORE THE FEDERAL ELECTION COMMISSION  
NOVEMBER 3, 1977

RECEIVED  
FEDERAL ELECTION  
COMMISSION

'77 DEC 12 PM 2:02

In the Matter of )  
 )  
First National Bank & Trust )  
Co. of Kearny, New Jersey )

MUR 428 (77)

7-2000

CONCILIATION AGREEMENT

This matter having been initiated on the basis of information ascertained in the normal course of carrying out its supervisory responsibilities, an investigation having been conducted, and the Commission having found reasonable cause to believe that respondent, First National Bank & Trust Co. of Kearny, New Jersey (hereinafter "bank") violated 2 U.S.C. §441b.

Now, therefore, the respective parties herein, the Federal Election Commission and respondent bank, having duly entered into conciliation pursuant to 2 U.S.C. §437g(a)(5), do hereby agree as follows:

I. That the Federal Election Commission has jurisdiction over respondent and the subject matter of this proceeding.

II. That respondent has had a reasonable opportunity to demonstrate that no action should be taken in this matter.

III. That the pertinent facts are as follows:

A. The bank issued a check for \$200 on or about April 13, 1977, and for \$60 on April 15, 1977, payable to the Democratic Organization of Kearny, New Jersey, a political organization. Said checks were issued to pay for dinner dance tickets for use by the Bank's employees.

B. The funds from which the checks were drawn were funds of the First National Bank & Trust Co. of Kearny.

Therefore, respondent bank agrees:

I. Respondent's action in using bank funds for political purposes is in violation of 2 U.S.C. §441b(a).

II. That it will pay a civil penalty in the amount of \$500 pursuant to 2 U.S.C. §437g(a)(6)(B)(i).

III. Respondent agrees that it will not undertake any activity which is in violation of the Federal Election Campaign Act, 2 U.S.C. §431, et seq.

GENERAL CONDITIONS

I. The Commission on request of anyone filing a complaint under 2 U.S.C. §437g(a)(1) concerning the matters at issue herein, or on its own motion, may review compliance with this agreement. If the Commission believes that this agreement or any requirement thereof has been violated, it may institute civil action for relief in the United States District Court for the District of Columbia.

II. It is mutually agreed that this agreement shall become effective as of the date that all parties hereto have executed same and the Commission has approved the entire agreement.

III. It is agreed that respondent bank shall have not more than thirty (30) days from the date of this agreement

to implement and comply with the requirements contained therein, or so notify the Commission.

\_\_\_\_\_  
DATED

\_\_\_\_\_  
WILLIAM C. OLDAKER  
GENERAL COUNSEL  
FEDERAL ELECTION COMMISSION

  
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ROBERT JONES  
PRESIDENT  
FIRST NATIONAL BANK & TRUST  
CO. OF KEARNY, NEW JERSEY

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**FIRST NATIONAL BANK**

AND TRUST COMPANY OF KENTUCKY  
200 N. 2ND ST. AND AVENUE 100, KENTON, KY 41021

55 384  
212

DATE	CHECK NO	GROSS	DISCOUNT	PAY	AMOUNT OF CHECK
12/6/77	12,786	500.00		\$ 500.00	\$ 500.00

TO THE ORDER OF U.S. Treasurer

EXPENSE CHECK

*[Handwritten signature]*

⑆026200368⑆



FEDERAL ELECTION COMMISSION

1125 K STREET N.W.  
WASHINGTON D.C. 20463

December 15, 1977

John G. Heimann  
Comptroller of the Currency  
Administrator of National Banks  
Washington, D.C. 20219

Re: MUR 428(77)  
MUR 431(77)

Dear Mr. Heimann:

On July 26 and August 2, 1977, the Commission received notification from Robert Serino of your office that routine audits of the First National Bank of Kearny and the First National Bank and Trust Company of Valparaiso indicated that possible violations of the Federal Election Campaign Act of 1971, as amended, may have been committed.

Based upon the information received from your office, the Commission determined that the two banks violated 2 U.S.C. §441b and has now entered into conciliation with the respondents.

We appreciate the information which your agency provided concerning possible violations of the Act.

Sincerely yours,

William C. Oldaker  
General Counsel



December 7, 1977

MEMORANDUM TO: Marge Emmons  
FROM: Elissa T. Garr  
SUBJECT: MUR 428 Team #2 Callahan

Please have the attached Interim Investigatory Report on MUR 428 distributed to the Commission and placed on the Compliance Agenda for the Commission meeting of December 15, 1977.

Thank you.

780477:170

BEFORE THE FEDERAL ELECTION COMMISSION  
December 6, 1977

In the Matter of )  
 )  
The First National Bank )  
and Trust Company of )  
Kearny, New Jersey )

MUR 428 (77)

INTERIM INVESTIGATORY REPORT

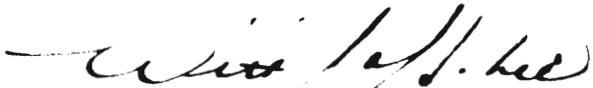
The facts of this case are detailed in the General Counsel's report to the Commission on November 16, 1977. On that date, the Commission found reasonable cause to believe that the respondent bank violated 2 U.S.C. § 441b.

On November 18, 1977, we notified the bank of this finding and enclosed a proposed conciliation agreement and on December 6, 1977 we received a response by phone. Respondent said he intended to sign the agreement but wanted to add a paragraph clarifying the facts. He said he would send us the signed agreement and a check for the proposed civil penalty that same day.

When the agreement is received we will present it to the Commission for its consideration.

DATE

12/7/77

  
WILLIAM G. OLDAKER  
GENERAL COUNSEL

KOCH AND KOCH

CO-CONSULTORS AT LAW

500 KEARNY AVENUE

KEARNY, N. J. 07030

201-991-1111

FRANK KOCH (5-18-1948)  
CALVIN S. KOCH  
CALVIN S. KOCH, JR.

WARREN COUNTY OFFICE  
HARDWICK TOWNSHIP  
R. D. 2  
BLAIRSTOWN, N. J. 07825

December 7, 1977

Federal Electric Commission  
1325 K Street N.W.  
Washington, D. C. 20463

ATT: William C. Oldaker, General Counsel

ATT: Miss Suzanne Callahan

Re: MUR 428 (77)

Dear Miss Callahan:

In accordance with our recent telephone conversation regarding the above matter, I enclose duly executed Conciliation Agreement from The First National Bank & Trust Co. of Kearny to your Commission. Please note the sentence I have added on page 1, III, sub-paragraph A.

In the event the Conciliation Agreement is acceptable to the Commission, will you have a fully executed copy of this Agreement returned to me for my file.

I enclose check to the order of the U. S. Treasurer in the amount of \$500.00 in full and final payment, in accordance with the Conciliation Agreement.

Yours very truly,

KOCH AND KOCH

  
Calvin S. Koch, Jr.

CSK:km  
Encs.



**FIRST NATIONAL BANK**

AND TRUST COMPANY OF KEARNY  
300 AND 302 AND AVENUES KEARNY

55 368  
212

DATE	CHECK NO	GROSS	DISCOUNT	PAY	AMOUNT OF CHECK
12/6/77	12,786	500.00		\$ 500.00	\$ 500.00

TO THE ORDER OF U.S. Treasurer

EXPENSE CHECK

*[Handwritten signature]*

⑆021200368⑆



Philip H. ...  
1000 ...  
Washington, D. C. ...

... ..



FEDERAL ELECTION COMMISSION

1325 K STREET, N.W.  
WASHINGTON, D.C. 20463

November 18, 1977

Mr. Calvin S. Koch, Jr.  
570 Kearny Avenue  
Kearny, New Jersey 03032

Re: MUR 428 (77)

Dear Mr. Koch:

This is to confirm the conversation you had on October 27, 1977, with Suzanne Callahan, a member of our staff, and to advise you of recent Commission action in this matter.

We noted that the bank's ledger page listing the \$200 political contribution on April 14, 1977, also listed a \$60 political contribution on April 15, 1977. On October 27, 1977, you responded to our phone call concerning this entry by stating that the check was to the Democratic Organization of the Town of Kearny, apparently the recipient of the \$200 check. You requested that this oral explanation suffice. If it is your intention to proceed with conciliation in this matter, the oral explanation will be sufficient.

On November 16, the Commission determined there was reasonable cause to believe that the First National Bank and Trust Co. of Kearny committed a violation of 2 U.S.C. §441b(a) of the Federal Election Campaign Act.

The Commission has a duty to correct such violations for a period of 30 days by informal methods of conference, conciliation and persuasion and to enter into a conciliation agreement, 2 U.S.C. §437g(a)(5)(A). If we are unable to reach an agreement during that period, the Commission may, upon a finding of probable cause to believe a violation has occurred, institute civil suit, 2 U.S.C. §437g(a)(5)(B).

The provisions of the Federal Election Campaign Act which allow the Commission to determine there is reasonable cause to believe that a violation has occurred and to enter into a conciliation agreement apply regardless of whether or not the violation is found to be knowing and willful. Upon



consideration of your case, the Commission has determined that a fine of \$500 should be made a part of the Conciliation Agreement. We have attached a copy of a Conciliation Agreement that this office would offer as settlement of the aforementioned violation.

If you decide to comply with the terms of this agreement, you should sign and return it to the Commission within 30 days. If you have any additional questions, you should contact Suzanne Callahan (telephone no. 202/523-4166).

Sincerely yours,

William C. Oldaker  
General Counsel

MUR 428 Callahan

PS Form 3811, Apr. 1977

RETURN RECEIPT, REGISTERED, INSURED AND CERTIFIED MAIL

● SENDER Complete items 1 through 6. Add your address in the "RETURN TO" space on reverse.

1. The following service is requested (check one):  
 Show to whom and date delivered  
 Show to whom, date, and address of delivery  
 RESTRICTED DELIVERY  
 Show to whom and date delivered  
 RESTRICTED DELIVERY  
 Show to whom, date, and address of delivery  
 (CONSULT POSTMASTER FOR FEES)

2. ARTICLE ADDRESSED TO:  
Calvin S. Koch, Jr.

3. ARTICLE DESCRIPTION:  
 REGISTERED NO. CERTIFIED NO. INSURED NO.  
 22578

(Always obtain signature of addressee or agent)

I have received the article described above.  
 SIGNATURE Address: Authorized agent  
 Calvin S. Koch, Jr.

4. DATE OF DELIVERY

5. ADDRESS (Complete only if requested)

6. UNABLE TO DELIVER BECAUSE:

POSTMARK  
 ODSN  
 7761  
 8:26  
 1977  
 CLERK'S INITIALS

U.S. POSTAL SERVICE

BEFORE THE FEDERAL ELECTION COMMISSION  
NOVEMBER 3, 1977

In the Matter of )  
 )  
First National Bank & Trust ) MUR 428 (77)  
Co. of Kearny, New Jersey )

CONCILIATION AGREEMENT

This matter having been initiated on the basis of information ascertained in the normal course of carrying out its supervisory responsibilities, an investigation having been conducted, and the Commission having found reasonable cause to believe that respondent, First National Bank & Trust Co. of Kearny, New Jersey (hereinafter "bank") violated 2 U.S.C. §441b.

Now, therefore, the respective parties herein, the Federal Election Commission and respondent bank, having duly entered into conciliation pursuant to 2 U.S.C. §437g(d)(2), do hereby agree as follows:

I. That the Federal Election Commission has jurisdiction over respondent and the subject matter of this proceeding.

II. That respondent has had a reasonable opportunity to demonstrate that no action should be taken in this matter.

III. That the pertinent facts are as follows:

A. The bank issued a check for \$200 on or about April 13, 1977, and for \$60 on April 15, 1977, payable to the Democratic Organization of Kearny, New Jersey, a political organization.

B. The funds from which the checks were drawn were funds of the First National Bank & Trust Co. of Kearny.

Therefore, respondent bank agrees:

I. Respondent's action in using bank funds for political purposes is in violation of 2 U.S.C. §441b(a).

II. That it will pay a civil penalty in the amount of \$500 pursuant to 2 U.S.C. §437g(a)(6)(B)(i).

III. Respondent agrees that it will not undertake any activity which is in violation of the Federal Election Campaign Act, 2 U.S.C. §431, et seq.

GENERAL CONDITIONS

I. The Commission on request of anyone filing a complaint under 2 U.S.C. §437g(a)(1) concerning the matters at issue herein, or on its own motion, may review compliance with this agreement. If the Commission believes that this agreement or any requirement thereof has been violated, it may institute civil action for relief in the United States District Court for the District of Columbia.

II. It is mutually agreed that this agreement shall become effective as of the date that all parties hereto have executed same and the Commission has approved the entire agreement.

III. It is agreed that respondent bank shall have not more than thirty (30) days from the date of this agreement

to implement and comply with the requirements contained therein, or so notify the Commission.

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DATED

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WILLIAM C. OLDAKER  
GENERAL COUNSEL  
FEDERAL ELECTION COMMISSION

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ROBERT JONES  
PRESIDENT  
FIRST NATIONAL BANK & TRUST  
CO. OF KEARNY, NEW JERSEY

BEFORE THE FEDERAL ELECTION COMMISSION

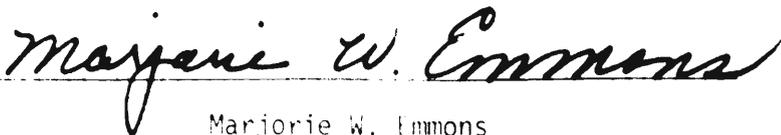
In the Matter of )  
 )  
First National Bank & Trust )  
Company of Kearny, New Jersey)

MUR 428 (77)

CERTIFICATION

I, Marjorie W. Emmons, Secretary to the Federal Election Commission, do hereby certify that on November 16, 1977, the Commission determined by a vote of 5-0 to find Reasonable Cause to Believe that the First National Bank & Trust Company of Kearny, New Jersey has violated 2 U.S.C. Section 441b(a) and enter into the conciliation agreement recommended by the FEC General Counsel, such conciliation agreement to contain a civil penalty in the amount of \$500 in the above-captioned matter.

Commissioner Thomson was not present at the time of the vote.



Marjorie W. Emmons  
Secretary to the Commission



BEFORE THE FEDERAL ELECTION COMMISSION  
NOVEMBER 4, 1977

In the Matter of )  
 )  
First National Bank & Trust ) MUR 428 (77)  
Company of Kearny, New Jersey )

GENERAL COUNSEL'S REPORT

I. SUMMARY

This matter was referred to the Commission by the Office of the Comptroller of the Currency after an audit by the Comptroller's office of the First National Bank & Trust Company of Kearny, New Jersey. The audit uncovered a \$200 contribution on April 13, 1977, by the bank to the Democratic Organization of Kearny.

On August 18, 1977, the Commission found reason to believe that the bank had violated 2 U.S.C. §441b(a).

II. EVIDENCE

The bank's president, Robert Jones, responded to our notice with an affidavit admitting that the contribution was made but stating that it was made without any intent to violate Federal law.

We then requested the bank to supply us with a copy of the ledger page on which this "expense" check was listed. The page was sent and indicated that two days following the contribution in question, 1/ the bank had made another political contribution

---

1/ The actual date of the expense is unclear. While the check is dated April 13th, the ledger page indicates the date to be April 14th.

of \$60. We contacted respondents' attorney, Calvin Koch, who confirmed that this contribution was made to the Democratic Organization of the Town of Kearny, apparently the recipient of the \$200 contribution. Both contributions were for dinner-dance tickets. Mr. Koch requested that his oral statement suffice as explanation.

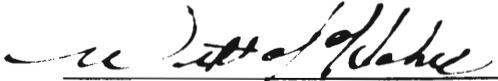
III. ANALYSIS

The \$60 contribution of April 15, 1977, also constitutes a violation of §441b(a). Since both contributions were made so close in time, apparently to the same recipient, and fall under the same statutory section of the Act, they should both be considered as part of this MUR. Furthermore, we have already informed respondent, through its attorney, of our interest in this \$60 contribution and he has been given the opportunity to explain it.

IV. RECOMMENDATION

The Commission should find there is reasonable cause to believe the bank has violated 2 U.S.C. §441b(a) by making these contributions. The attached letter and proposed conciliation agreement should be adopted by the Commission and sent to respondent. Pursuant to 2 U.S.C. §437g(a)(6)(B)(i), we are recommending that a civil penalty of \$500 be requested.

11/7/77  
DATED

  
WILLIAM C. OLDAKER  
GENERAL COUNSEL

THE FIRST NATIONAL BANK AND TRUST COMPANY  
OF KEARNY  
582 KEARNY AVENUE  
KEARNY, NEW JERSEY 07032

ROBERT J. JONES  
PRESIDENT

RECEIVED  
FEDERAL ELECTION  
COMMISSION  
77 OCT 25 AM 10  
TELEPHONE  
908-200-20

*Callahan*

October 21, 1977

Mr. William C. Oldaker  
General Counsel  
Federal Election Commission  
1325 K Street N.W.  
Washington, D.C. 20463

Re: MUR 428

Dear Mr. Oldaker:

As requested in your letter of October 14, 1977, we  
enclose the copy of the ledger page showing the entry of the  
expense and also a copy of the expense check.

Very truly yours,

  
Robert J. Jones  
President

RJJ:eg  
encls.

NAME - DESCRIPTION	DATE	REFERENCE	DEBITS	CREDITS	MONTH TO-DATE	YEAR TO
BALANCE FORWARD	APR 577		BALANCE FORWARD ->		232.00	372
DS HARRISON OPT	PCR 577	Q310	7.00		239.00	373
CARBONES WS	APR 677	Q318	35.09			
CARBONES DS			71.67			
CARBONES RJJ			8.85		354.61	385
LYLES	APR 677	Q346	60.70		415.31	391
WH 50 BERGEN CHAMP	APR 677	Q369	12.00		427.31	392
REH ROTARY 20. DS	APR 1277	Q389				
HARR OPTIMIST 7. MA						
TRUST DEPT MAPLEWOOD BANK 9. PC			36.00		463.31	395
WH HOSPITAL AUXILIARY	APR 1177					
THEATER PARTY 100 12.			120.00			
CHARLES STAUDT METS GAME			54.00		637.31	413
AMERICAN EX AIR	APR 1177	Q397	30.05		667.36	416
FOREST HILL FC AIR	APR 1177	Q409	33.62			
FOREST HILL FC RJJ			30.00		730.98	422
DEMOCRATIC AWARDS	APR 1577	Q453				
DINNER DANCE			60.00		790.98	428
RJJ FHFC 22. DS HARR	APR 1977	Q464				
EN BD MEETING 5. PC			27.00		817.98	431
DEMOCRATIC ORGANIZ	APR 1177					
ATION OF KEARNY 10920.			200.00		1017.98	451
KEARNY OPT CLUB	APR 1577		21.00		1038.98	453
NO ARL ENBLM CLUB	APR 2277	Q514	16.00		1054.98	455
RJJ F H FC 23. DS	APR 2577	Q530				
KY LITTLE LEAGUE 24.						
HARR OPT 7. WS						
ROTARY 2. PC			56.00		1110.98	460
GISSY DRUMMOND	APR 2277					
STEPPERS & SWINGERS			10.00		1120.98	461
KEARNY LITTLE LEAGUE	APR 2577		40.00		1160.98	465
PAUL M KAYWOK	APR 2977	Q569	20.00		1180.98	467
N J W/PA/INDIANS	APR 2877		50.00		1230.98	472
MONTHLY TOTAL	APR 2977			1230.98	.00	472
ENT FHFC RJJ 11. WE	MAY 377	Q594				
LUNCH AIR 5. DS CHAMBER						
OF CCM 9. DS LUNCH						
PEERLESS 12.50 WS						
ROTARY APRIL 20. PC			57.50			
V LOTITO CHINESE AUT PC			4.00		61.50	478
DS LUNCH 11. PC	MAY 377	Q599	11.00		72.50	479
DS HARRISON OPT PC	MAY 377	Q600	7.00		79.50	480

KOCH AND KOCH

COUNSELLORS AT LAW

140 KEARNY AVENUE

KEARNY, N. J. 07030

201 991 1111

FRANK KOCH, JR. 1948  
CARLIS S. KOCH  
CARLIS S. KOCH, JR.

176 SEP 6 1977

WARREN COUNTY OFFICE  
HARDWICK TOWNSHIP  
R. D. 2  
BLAIRSTOWN, N. J. 07005

August 31, 1977

Federal Election Commission  
1325 K Street N.W.  
Washington, D. C. 20463

ATT: Miss Suzanne Callahan

Re: MUR 428

Dear Miss Callahan:

This letter is in reply to your letter addressed to The First National Bank and Trust Company of Kearny.

I enclose herewith original executed Affidavit of Robert J. Jones, President. Said Affidavit truly sets forth the nature of the item paid by the Bank to the Democratic Organization of Kearny.

In the event you require any additional information regarding this matter, please contact our office as we shall represent the Bank in this matter.

Thank you for your consideration.

Yours very truly,

KOCH AND KOCH

*Carl S. Koch, Jr.*  
Carl S. Koch, Jr.

CSK:km  
Enc.

COLLECTION  
CARLIS S. KOCH, JR.

AFFIDAVIT

STATE OF NEW JERSEY )

) ss:

COUNTY OF HUDSON )

I, ROBERT J. JONES, of full age, being duly sworn on my oath according to law, depose and say:

1. I am the President of The First National Bank and Trust Co. of Kearny, Kearny, New Jersey.

2. I am aware that on April 13, 1977 The First National Bank and Trust Co. of Kearny purchased ten (10) tickets at \$20.00 per ticket from the Democratic Organization of Kearny for a Dinner-Dance.

3. At the time the Bank purchased said tickets, the Bank had no knowledge that such a transaction would be considered to be a political contribution.

4. At no time during or after the purchase of said tickets did the Bank intend to violate any Federal laws, State laws, or any other laws. As a matter of fact, the Bank purchased the Dinner-Dance tickets as a Community Service Project, and at no time considered that said funds would be or were a political contribution.

I make this Affidavit in order that the Federal Election Commission may be aware of the nature of the transaction above set forth, and of the Bank's innocence of any intention to violate any section of the Federal Election Campaign Act of 1971.

ROBERT J. JONES

SWORN AND SUBSCRIBED TO  
BEFORE ME THIS 31ST DAY  
OF AUGUST, 1977.

Callahan



FEDERAL ELECTION COMMISSION

1325 K STREET, N.W.  
WASHINGTON, D.C. 20463

Mr. Calvin S. Koch, Jr.  
570 Kearny Avenue  
Kearny, New Jersey 03032

Re: MUR 428 (77)

Dear Mr. Koch:

This is to confirm the conversation you had on October 27, 1977, with Suzanne Callahan, a member of our staff, and to advise you of recent Commission action in this matter.

We noted that the bank's ledger page listing the \$200 political contribution on April 14, 1977, also listed a \$60 political contribution on April 15, 1977. On October 27, 1977, you responded to our phone call concerning this entry by stating that the check was to the Democratic Organization of the Town of Kearny, apparently the recipient of the \$200 check. You requested that this oral explanation suffice. If it is your intention to proceed with conciliation in this matter, the oral explanation will be sufficient.

On November , the Commission determined there was reasonable cause to believe that the First National Bank and Trust Co. of Kearny committed a violation of 2 U.S.C. §441b(a) of the Federal Election Campaign Act.

The Commission has a duty to correct such violations for a period of 30 days by informal methods of conference, conciliation and persuasion and to enter into a conciliation agreement, 2 U.S.C. §437g(a)(5)(A). If we are unable to reach an agreement during that period, the Commission may, upon a finding of probable cause to believe a violation has occurred, institute civil suit, 2 U.S.C. §437g(a)(5)(B).

The provisions of the Federal Election Campaign Act which allow the Commission to determine there is reasonable cause to believe that a violation has occurred and to enter into a conciliation agreement apply regardless of whether or not the violation is found to be knowing and willful. Upon



consideration of your case, the Commission has determined that a fine of \$500 should be made a part of the Conciliation Agreement. We have attached a copy of a Conciliation Agreement that this office would offer as settlement of the aforementioned violation.

If you decide to comply with the terms of this agreement, you should sign and return it to the Commission within 30 days. If you have any additional questions, you should contact Suzanne Callahan (telephone no. 202/523-4166).

Sincerely yours,

William C. Oldaker  
General Counsel

BEFORE THE FEDERAL ELECTION COMMISSION  
NOVEMBER 3, 1977

In the Matter of )  
 )  
First National Bank & Trust ) MUR 428 (77)  
Co. of Kearny, New Jersey )

CONCILIATION AGREEMENT

This matter having been initiated on the basis of information ascertained in the normal course of carrying out its supervisory responsibilities, an investigation having been conducted, and the Commission having found reasonable cause to believe that respondent, First National Bank & Trust Co. of Kearny, New Jersey (hereinafter "bank") violated 2 U.S.C. §441b.

Now, therefore, the respective parties herein, the Federal Election Commission and respondent bank, having duly entered into conciliation pursuant to 2 U.S.C. §437g(a)(5), do hereby agree as follows:

I. That the Federal Election Commission has jurisdiction over respondent and the subject matter of this proceeding.

II. That respondent has had a reasonable opportunity to demonstrate that no action should be taken in this matter.

III. That the pertinent facts are as follows:

A. The bank issued a check for \$200 on or about April 13, 1977, and for \$60 on April 15, 1977, payable to the Democratic Organization of Kearny, New Jersey, a political organization.

B. The funds from which the checks were drawn were funds of the First National Bank & Trust Co. of Kearny.

Therefore, respondent bank agrees:

I. Respondent's action in using bank funds for political purposes is in violation of 2 U.S.C. §441b(a).

II. That it will pay a civil penalty in the amount of \$500 pursuant to 2 U.S.C. §437g(a)(6)(B)(i).

III. Respondent agrees that it will not undertake any activity which is in violation of the Federal Election Campaign Act, 2 U.S.C. §431, et seq.

GENERAL CONDITIONS

I. The Commission on request of anyone filing a complaint under 2 U.S.C. §437g(a)(1) concerning the matters at issue herein, or on its own motion, may review compliance with this agreement. If the Commission believes that this agreement or any requirement thereof has been violated, it may institute civil action for relief in the United States District Court for the District of Columbia.

II. It is mutually agreed that this agreement shall become effective as of the date that all parties hereto have executed same and the Commission has approved the entire agreement.

III. It is agreed that respondent bank shall have not more than thirty (30) days from the date of this agreement

to implement and comply with the requirements contained therein, or so notify the Commission.

\_\_\_\_\_  
DATED

\_\_\_\_\_  
WILLIAM C. OLDAKER  
GENERAL COUNSEL  
FEDERAL ELECTION COMMISSION

\_\_\_\_\_  
ROBERT JONES  
PRESIDENT  
FIRST NATIONAL BANK & TRUST  
CO. OF KEARNY, NEW JERSEY

1311711

THE FIRST NATIONAL BANK AND TRUST COMPANY  
OF KEARNY  
542 KEARNY AVENUE  
KEARNY, NEW JERSEY 07032

ACC # 1883  
NRNY  
77 OCT 25 1977  
TELEPHONE  
908-3100  
20

ROBERT J. JONES  
PRESIDENT

October 21, 1977

Mr. William C. Oldaker  
General Counsel  
Federal Election Commission  
1325 K Street N.W.  
Washington, D.C. 20463

Re: MUR 428

Dear Mr. Oldaker:

As requested in your letter of October 14, 1977, we  
enclose the copy of the ledger page showing the entry of the  
expense and also a copy of the expense check.

Very truly yours,

Robert J. Jones  
President

RJJ:eg  
encls.

NAME - DESCRIPTION	DATE	REFERENCE	DEBITS	CREDITS	MONTH TO-DATE	YEAR TO-D
BALANCE FORWARD	APR 577				232.00	3728
DB HARRISON OPT	APR 577	Q310	7.00		239.00	3735
GARDONES WS	APR 677	Q318	35.09			
GARDONES DS			71.67			
GARDONES RJJ			8.85		354.61	3830
LYLES	APR 677	Q346	60.70		415.31	3911
WM SO BERGEN CHAMP	APR 677	Q369	12.00		427.31	3923
REN ROTARY 20. DS	APR 1277	Q389				
HARR OPTIMIST 7. MA						
TRUST DEPT MAPLEWOOD BANK 9. PC			36.00		463.31	3959
WM HOSPITAL AUXILIARY	APR 1177					
THEATER PARTY 100 12.			120.00			
CHARLES STAUB METS GAME			54.00		637.31	4133
AMERICAN EX AIR	APR 1477	Q397	30.00		667.36	4163
FOREST HILL FG AIR	APR 1477	Q409	33.62			
FOREST HILL FG RJJ			30.00		730.98	4227
DEMOCRATIC AWARDS	APR 1577	Q453				
DINNER DANCE			60.00		790.98	4287
RJJ FHFC 22. DS HARR	APR 1977	Q464				
EN BD MEETING 5. PC			27.00		817.98	4314
DEMOCRATIC ORGANIZ	APR 1477					
ATION OF KEARNY 10020.			200.00		1017.98	4314
KEARNY OPT CLUB	APR 1577		21.00		1038.98	4333
MO ARL ENBLM CLUB	APR 2277	Q514	16.00		1054.98	4351
RJJ F H FC 23. DS	APR 2677	Q530				
KY LITTLE LEAGUE 24.						
HARR OPT 7. WS						
ROTARY 2. PC			56.00		1110.98	4407
GISSY DRUMMOND	APR 2277					
STEPPERS & SWINGERS			10.00		1120.98	4417
KEARNY LITTLE LEAGUE	APR 2577		40.00		1160.98	4457
PAUL M KAYWORK	APR 2977	Q569	20.00		1180.98	4477
N J / N / PA / INDIANS	APR 2877		50.00		1230.98	4527
MONTHLY TOTAL	APR 2977					
ENT FHFC RJJ 11. WE	MAY 377	Q594			1230.98	4727
LUNCH AIR 5. DS CHAMBER						
OF COMM 9. DS LUNCH						
PEERLESS 12.50 WS						
ROTARY APRIL 20. PC			57.50			
V LOTITO CHINESE AUT PC			4.00		615.00	4788
DB LUNCH 11. PC	MAY 377	Q599	11.00		725.00	4799
DB HARRISON OPT PC	MAY 377	Q600	7.00		795.00	4806

**FIRST NATIONAL BANK**

100 TRUST BUILDING UP BEAVER  
Kearny, N. J.

DATE	CHECK NO.	CROSS	DISCOUNT	PAY
4/13/77	200.00		200.00	\$ 200.00

Executive Organization of Kearny

EXPENSE CHECK

4880-0722

DETACH AT PERFORATION BEFORE DEPOSITING CHECK

DATE	INVOICE NO.	PURCHASES (GROSS)	DEDUCTIONS	BALANCE
4/13/77	10 tickets @ 20.00	200.00		200.00
<i>Teacher Partners</i>				

FIRST NATIONAL BANK AND TRUST COMPANY  
KEARNY, N. J.

DETACH AND RETAIN THIS STATEMENT

THE ATTACHED CHECK IS IN PAYMENT OF ITEMS DESCRIBED BELOW

*Permanence*

**FIRST NATIONAL BANK**

25 JUL  
217

DATE: 5/13/77 CHECK NO: 10,004 GROSS: \$ 200.00 DISCOUNT: 200.00 PAY: \$ 200.00 AMOUNT OF CHECK: \$ 200.00

*As assigned #*

TO THE ORDER OF: Democratic Organization of Kearny

EXPENSE CHECK

NOT NEGOTIABLE

*Provisional Serial 507*

394

DETACH AT PERFORATION BEFORE DEPOSITING CHECK

MEMO	DATE	INVOICE NO.	PURCHASES (GROSS)	DEDUCTIONS	BALANCES
507 10 tickets @ 20.00	5/13/77		200.00		200.00

Mr. William C. Oldaker  
General Counsel  
Federal Election Commission  
1325 K Street N.W.  
Washington, D.C. 20463



FEDERAL ELECTION COMMISSION

1325 K STREET, N.W.  
WASHINGTON, D.C. 20463

October 14, 1977

CERTIFIED MAIL  
RETURN RECEIPT REQUESTED

Robert J. Jones, President  
First National Bank & Trust Co. of Kearny  
582 Kearny Avenue  
Kearny, New Jersey 07032

Re: In reply please refer  
to MUR 428

Dear Mr. Jones:

The Commission has received your affidavit dated August 31, 1977 in which you describe the circumstances surrounding your purchase of ten \$20 dinner-dance tickets from the Democratic Organization of Kearny.

Reference is made to the correspondence received by the Commission from the Comptroller of the Currency dated July 26, 1977. (attached) Edwin K. Langdon, National Bank Examiner, states that the \$200 expenditure was listed in bank records as "an expense check."

Please provide us with a copy of the ledger page which shows the entry of this expense.

If you have any questions concerning this matter, please direct them to Suzanne Callahan (telephone no. 202/523-4166), the staff member assigned to this matter.

Sincerely yours,

William C. Oldaker  
General Counsel

cc: Calvin S. Koch, Esquire  
570 Kearny Avenue  
Kearny, New Jersey 07032



PS Form 3811, Apr. 1977

RETURN RECEIPT, REGISTERED, INSURED AND CERTIFIED MAIL

● SENDER (Complete item) Add return address on the RETURN TO space on back	
This receipt is valid only for the article(s) listed below. Show to whom and date article(s) mailed _____ Show to whom and date and address of return _____ RESTRICTED DELIVERY _____ Show to whom and date article(s) mailed _____ RESTRICTED DELIVERY _____ Show to whom, date and address of return _____ (CONSULT POSTMASTER FOR DETAILS)	
2 ARTICLE ADDRESSED TO Robert J. Jones President, First Nat. Bank & Trust Co. of Kearny 582 Kearny Ave., Kearny, N.J.	
3 ARTICLE DESCRIPTION REGISTERED NO. _____ CERTIFIED NO. _____ INSURED NO. _____ <i>582007</i>	
(Always obtain signature of addressee or agent)	
I have received _____ article described above. SIGNATURE _____ Address _____ Authorized agent _____	
4	DATE OF DELIVERY _____ POSTMARK _____
5 ADDRESS (Complete only if requested) _____	
6 UNABLE TO DELIVER BECAUSE _____	CLERK'S INITIALS _____

October 7, 1977

MEMORANDUM TO: Marge Emmons  
FROM: Elissa T. Garr  
SUBJECT: MUR 428

Please have the attached Interim Report on MUR 428 distributed to the Commission and placed on the Compliance Agenda for the Commission meeting of October 13, 1977.

Thank you.

78041051735

FEDERAL ELECTION COMMISSION

OCTOBER 13, 1977

In the Matter of )  
 ) MUR 428 (77)  
 First National Bank & Trust Co. )  
 Kearny, N.J. )

INTERIM REPORT

This matter involves findings by auditors of the Comptroller of the Currency that the First National Bank and Trust Company of Kearny, N.J. contributed \$200 to the Democratic Organization of Kearny.

On August 18, 1977, the Commission found reason to believe that the Bank violated 2 U.S.C. §441b. Bank President Robert J. Jones, was notified on August 23, 1977.

Mr. Calvin Koch, attorney for the respondent, sent us an affidavit on August 31 from President Jones indicating that the bank had indeed purchased the tickets but that it was done without any knowledge that it was in violation of the Act.

Since the Comptroller's Report indicated that this expense was listed in bank records as an "expnese check," we wrote to the Comptroller on September 28 for clarification and elaboration. We have been advised by the Comptroller's office that their response may be delayed and that they may not have the information. Accordingly, we are requesting the bank president to supply us with the answers.

Once we obtain this information, we should be able to recommend a conciliation agreement.

10/6/77

Date



William C. Oldaker  
General Counsel



FEDERAL ELECTION COMMISSION

1258 STREET NW  
WASHINGTON, D.C. 20561

September 28, 1977

John G. Heilmann, Comptroller of the Currency  
Administrator of National Banks  
Washington, D.C. 20219

Re: MUR 428 (77) &  
MUR 431 (77)

Dear Mr. Heilmann:

On July 26 and August 2, 1977, the Commission received notification from Robert Serino that the Second and the Fourth National Bank Regions had discovered information during the course of routine audits which may indicate possible violations of 2 U.S.C. section 441b had been committed.

The examination of the First National Bank of Valparaiso by Richard Nagy indicated that a cashier's check had been written to the Committee for Governor Bowen in the amount of \$100. Mr. Nagy stated that proceeds were from a dinner co-sponsored by other area banks. We would like to be informed of which area banks Mr. Nagy was referring to as well as documentation and elaboration on the fact that the \$100 entry was listed as "travel expense" in the bank's records.

The examination of the First National Bank & Trust Company of Kearny was conducted by Edwin Langdon. Mr. Langdon did not specify how the \$200 transaction to the Democratic Organization of Kearny was listed in bank records. We would like to be informed of how this transaction appeared on bank records during the audit.

As set forth in 2 U.S.C. section 437g(a)(3)(A), the Commission is under a duty to investigate this matter expeditiously. We look forward to your prompt response concerning this matter.

If you have any questions please contact Suzanne Callahan (telephone no. 522-3166), the staff member assigned to this matter.

Sincerely,

William C. O'Rourke  
Special Counsel

7304001711

ACC# 1344

KOCH AND KOCH  
COUNSELLORS AT LAW  
140 KEARNY AVENUE  
KEARNY, N. J. 07032  
201 991 1111

FRANK KOCH (1908-1948)  
CALVIN S. KOCH  
CALVIN S. KOCH, JR.

RECEIVED  
FEDERAL ELECTION COMMISSION  
176 SEP 6 AM 9:26  
WARREN COUNTY, NEW JERSEY  
HARDWICK TOWNSHIP  
R. D. 2  
BLAIRSTOWN, N. J. 07825

August 31, 1977

Federal Election Commission  
1325 K Street N. W.  
Washington, D. C. 20463

ATT: Miss Suzanne Callahan

Re: MUR 428

Dear Miss Callahan:

This letter is in reply to your letter addressed to The First National Bank and Trust Company of Kearny.

I enclose herewith original executed Affidavit of Robert J. Jones, President. Said Affidavit truly sets forth the nature of the item paid by the Bank to the Democratic Organization of Kearny.

In the event you require any additional information regarding this matter, please contact our office as we shall represent the Bank in this matter.

Thank you for your consideration.

Yours very truly,

KOCH AND KOCH

*Calvin S. Koch, Jr.*  
Calvin S. Koch, Jr.

CSK:km  
Enc.

AFFIDAVIT

STATE OF NEW JERSEY )

) ss:

COUNTY OF HUDSON )

I, ROBERT J. JONES, of full age, being duly sworn on my oath according to law, depose and say:

1. I am the President of The First National Bank and Trust Co. of Kearny, Kearny, New Jersey.

2. I am aware that on April 13, 1977 The First National Bank and Trust Co. of Kearny purchased ten (10) tickets at \$20.00 per ticket from the Democratic Organization of Kearny for a Dinner-Dance.

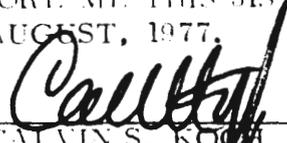
3. At the time the Bank purchased said tickets, the Bank had no knowledge that such a transaction would be considered to be a political contribution.

4. At no time during or after the purchase of said tickets did the Bank intend to violate any Federal laws, State laws, or any other laws. As a matter of fact, the Bank purchased the Dinner-Dance tickets as a Community Service Project, and at no time considered that said funds would be or were a political contribution.

I make this Affidavit in order that the Federal Election Commission may be aware of the nature of the transaction above set forth, and of the Bank's innocence of any intention to violate any section of the Federal Election Campaign Act of 1971.

  
\_\_\_\_\_  
ROBERT J. JONES

SWORN AND SUBSCRIBED TO  
BEFORE ME THIS 31ST DAY  
OF AUGUST, 1977.

  
\_\_\_\_\_  
CALVIN S. KOCH, JR.  
AN ATTORNEY AT LAW OF N. J.



Federal Election Commission  
1325 K Street N.W.  
Washington, D. C. 20478

ATTN: Miss Susan G. Callahan



FEDERAL ELECTION COMMISSION

1300 STREET, N.W.  
WASHINGTON, D.C. 20543

CERTIFIED MAIL  
RETURN RECEIPT REQUESTED

Robert J. Jones, President  
First National Bank & Trust Co. of Kearny  
582 Kearny Avenue  
Kearny, New Jersey 07032

Re: In reply please refer  
to MUR 428

Dear Mr. Jones:

This letter is to notify you that the Federal Election Commission has received correspondence from the Comptroller of the Currency which indicates that certain violations of the Federal Election Campaign Act of 1971, as amended (the Act) may have been committed by the First National Bank & Trust Company of Kearny. A copy of the correspondence is enclosed.

The Commission has reason to believe that the matters alleged therein state a violation of 2 U.S.C. section 441b(a).

Under the Act, you have an opportunity to demonstrate that no action should be taken against you. Please submit any factual or legal materials which you believe are relevant to the Commission's analysis of the matter. Where appropriate, statements should be submitted under oath.

The Commission is under a duty to investigate this matter expeditiously; therefore, your response should be submitted within 10 days after your receipt of this notification.

This matter will remain confidential in accordance with 2 U.S.C. section 437g(a)(3) unless you notify the Commission in writing that you wish the investigation to be made public.

If you intend to be represented by counsel in this matter, please have such counsel so notify us in writing. If you have any question, please contact Suzanne Callahan (telephone no. 202/5573-4166), the staff member assigned to this case.

Sincerely,

William J. Olden  
Special Counsel  
*[Signature]*  
Special Counsel  
General Counsel



MUR 428 Callahan

PS Form 3811, Mar. 1976

RETURN RECEIPT, REGISTERED, INSURED AND CERTIFIED MAIL

● **SENDER** Complete items 1, 2, and 3. Add your address in the "RETURN TO" space on reverse.

1. The following service is requested (check one).  
 Show to whom and date delivered ..... 15¢  
 Show to whom, date, & address of delivery... 35¢  
 RESTRICTED DELIVERY  
 Show to whom and date delivered ..... 65¢  
 RESTRICTED DELIVERY  
 Show to whom, date, and address of delivery 85¢

2. **ARTICLE ADDRESSED TO:**  
 ROBERT J. CALLAHAN  
 1400 N. 10th St.  
 Kansas City, Mo. 64116  
 AT

3. **ARTICLE DESCRIPTION:**

REGISTERED NO.	CERTIFIED NO.	INSURED NO.

(Always obtain signature of addressee or agent)

I have received the article described above  
**SIGNATURE**  Addressee  Authorized agent

4. **DATE OF DELIVERY**  
 AUG 28 1977

5. **ADDRESS** (Complete only if requested)

6. **UNABLE TO DELIVER BECAUSE**

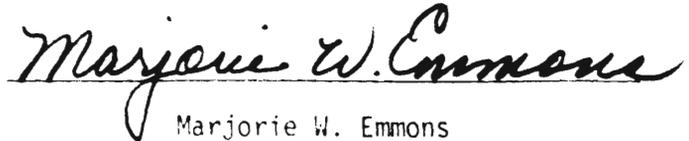
CLERK'S INITIALS

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of )  
 )  
Robert J. Jones, President ) MUR 428 (77)  
First National Bank & Trust Co.)  
of Kearny, New Jersey )

CERTIFICATION

I, Marjorie W. Emmons, Secretary to the Federal Election Commission, do hereby certify that on August 19, 1977, the Commission approved the recommendation of the General Counsel to find reason to believe a violation of 2 U.S.C. Section 441b(a) has been committed in the above-captioned matter.

  
Marjorie W. Emmons  
Secretary to the Commission



FEDERAL ELECTION COMMISSION

1325 K STREET N.W.  
WASHINGTON, D.C. 20463

AUGUST 19, 1977

TO: CHARLES STEELE  
FROM: OFFICE OF COMMISSION SECRETARY  
RE: MUR 428 (77)

*mwe.*

At 3:45 p.m. on August 17, 1977, we circulated the First General Counsel Report on MUR 428 (77).

As of 9:30 a.m. on August 19, 1977, we have received no objections to the recommendation to find reason to believe a violation of 2 U.S.C. Section 441b(a) has been committed in this matter and to so notify the respondent.



August 17, 1977

MEMORANDUM TO: Marjorie Emmons  
FROM: Elissa T. Garr  
SUBJECT: MUR 428 (77)

Please distribute the attached 7 day General Counsel's Report on MUR 428 (77) on a 24 hour no-objection basis.

Thank you.

73740031715

FEDERAL ELECTION COMMISSION  
Washington, D. C.

FIRST GENERAL COUNSEL REPORT

MUR NO. 428

DATE AND TIME OF TRANSMITTAL  
BY OGC TO THE COMMISSION

AUG 17 1977 3:45

DATE COMPLAINT RECEIVED  
BY OGC 8/9/77

STAFF MEMBER CALLAHAN

Complainant's Name:

COMPTROLLER OF THE CURRENCY

Respondent's Name:

ROBERT J. JONES, PRESIDENT  
FIRST NATIONAL BANK & TRUST CO. OF KEARNY, NEW JERSEY

Relevant Statute:

441b

Internal Reports Checked: N/A

Federal Agencies Checked N/A

SUMMARY OF ALLEGATION

\* SEE ATTACHMENT \*

PRELIMINARY LEGAL ANALYSIS

RECOMMENDATION

Date of Next Commission Review:

## SUMMARY OF ALLEGATION

Robert Serino, Director of the Enforcement and Compliance Division for the Comptroller of the Currency, has forwarded to us a letter from the New York Regional Office which indicates a possible violation of 2 U.S.C. section 441b has been committed by the First National Bank and Trust Company of Kearny, New Jersey.

Edwin Langdon, Senior National Bank Examiner, states that "on April 13, 1977, the bank issued an expense check ... for \$200.00 to Democratic Organization of Kearny." (photocopy of check attached) The voucher portion of the check indicates that the expense was for the purchase of 10 tickets priced at \$20.00 each. There is no indication what the tickets were for.

## PRELIMINARY LEGAL ANALYSIS

As set forth in 2 U.S.C. section 441b(a) "It is unlawful for any national bank, ... to make a contribution or expenditure in connection with any election to any political office..."

The fact that the \$200 check made payable to the Democratic Organization of Kearny and was drawn from the expense account of the First National Bank of Kearny, makes it appear that this contribution came directly from bank funds and therefore constitutes a violation of 2 U.S.C. section 441b.

## RECOMMENDATION

It is recommended that the Commission find reason to believe a violation of 2 U.S.C. section 441b(a) has been committed and send the attached notification to the respondent.



FEDERAL ELECTION COMMISSION

1125 K STREET N.W.  
WASHINGTON, D.C. 20463

CERTIFIED MAIL  
RETURN RECEIPT REQUESTED

Robert J. Jones, President  
First National Bank & Trust Co. of Kearny  
582 Kearny Avenue  
Kearny, New Jersey 07032

Re: In reply please refer  
to MUR 428

Dear Mr. Jones:

This letter is to notify you that the Federal Election Commission has received correspondence from the Comptroller of the Currency which indicates that certain violations of the Federal Election Campaign Act of 1971, as amended (the Act) may have been committed by the First National Bank & Trust Company of Kearny. A copy of the correspondence is enclosed.

The Commission has reason to believe that the matters alleged therein state a violation of 2 U.S.C. section 441b(a).

Under the Act, you have an opportunity to demonstrate that no action should be taken against you. Please submit any factual or legal materials which you believe are relevant to the Commission's analysis of the matter. Where appropriate, statements should be submitted under oath.

The Commission is under a duty to investigate this matter expeditiously; therefore, your response should be submitted within 10 days after your receipt of this notification.

This matter will remain confidential in accordance with 2 U.S.C. section 437g(a)(3) unless you notify the Commission in writing that you wish the investigation to be made public.

If you intend to be represented by counsel in this matter, please have such counsel so notify us in writing. If you have any question, please contact Suzanne Callahan (telephone no. 202/523-4166), the staff member assigned to this case.

Sincerely,

William C. Oldaker  
General Counsel

enclosure





*200 1111  
NEN*

THE ADMINISTRATOR OF NATIONAL BANKS  
WASHINGTON

May 25, 1977

Mr. C. M. Van Horn  
Regional Administrator of National Banks  
Second National Bank Region  
1211 Avenue of the Americas, Suite 4250  
New York, New York 10036

Re: First National Bank & Trust Co.  
of Kearny  
Kearny, N.J.

Dear Mr. Van Horn:

During the recent examination of the above bank, the following fact was discovered, and, after speaking to Kevin Barnard, Esq., is respectfully forwarded for your attention:

On April 13, 1977 the bank issued an expense check, copies of which are attached and marked "Exhibit A", for \$200.00 to Democratic Organization of Kearny. According to the exhibit, this represents 10 tickets @ \$20.00.

Sincerely,

*Edwin K. Langdon, Jr.*  
Edwin K. Langdon, Jr.  
Senior National Bank Examiner

*What was  
purpose?*

*52*

**FIRST NATIONAL BANK**

NO. 115  
217

DATE 3/23/77	CHECK NO. 10,000	GROSS \$ 200.00	DISCOUNT	PAY \$ 200.00	AMOUNT OF CHECK \$ 200.00
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*bb [unclear] #*

TO THE ORDER OF  
**Democratic Organization of Texas**

EXPENSE CHECK

**NOT NEGOTIABLE**

*Democratic Org. of Texas*  
③394

DETACH AT INFORMATION BEFORE DEPOSITING CHECK

MEMO	DATE	INVOICE NO.	PURCHASES (DROPPED)	DEDUCTIONS	BALANCES
10 tickets @ 20.00	4/13		200.00		200.00

**FIRST NATIONAL BANK**

CHECK NO. 1177  
CROSS \$200.00

DISCOUNT \$0.00

PAY TO THE ORDER OF  
C \$200.00

Responsible Organization of Leamy

EXPENSE CHECK

NO 112-03881

ATTACH AT PREPARATION BEFORE DEPOSITING CHECK

DATE	INVOICE NO.	PURCHASES (AMOUNT)	DEDUCTIONS	BALANCE
10 tickets @ 20.00	04/13/77	200.00		200.00
<i>Leamy Partners</i>				

FIRST NATIONAL BANK AND TRUST CO. ANY  
 LEAMING, N.C.  
 ATTACH AND RETAIN THIS STATEMENT  
 THE ATTACHED CHECK IS IN PAYMENT OF ITEMS DESCRIBED BELOW  
*Provisional*



---

Comptroller of the Currency  
Administrator of National Banks

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Ms. Callahan -

Hope this makes  
more sense to you,  
although "compensating  
balances" have been pretty  
hot news items of late,  
they aren't much vis a  
vis 441b.

Mike Patriarca



*200 1111  
NAN*

MUR 428

THE ADMINISTRATOR OF NATIONAL BANKS  
WASHINGTON

May 25, 1977

Mr. C. M. Van Horn  
Regional Administrator of National Banks  
Second National Bank Region  
1211 Avenue of the Americas, Suite 4250  
New York, New York 10036

Re: First National Bank & Trust Co.  
of Kearny  
Kearny, N.J.

Dear Mr. Van Horn:

During the recent examination of the above bank, the following fact was discovered, and, after speaking to Kevin Barnard, Esq., is respectfully forwarded for your attention:

On April 13, 1977 the bank issued an expense check, copies of which are attached and marked "Exhibit A", for \$200.00 to Democratic Organization of Kearny. According to the exhibit, this represents 10 tickets @ \$20.00.

Sincerely,

*Edwin K. Langdon, Jr.*  
Edwin K. Langdon, Jr.  
Senior National Bank Examiner

*What was  
purpose?*

*52*



# FIRST NATIONAL BANK

212

AND TRUST COMPANY OF KEARNY, N. J.  
1000 MARINE AVENUE, KEARNY, N. J.

DATE	CHECK NO	GROSS	DISCOUNT	PAY	AMOUNT OF CHECK
4/13/77	10,004	\$ 200.00		\$ 200.00	\$ 200.00

*Be assigned #*

TO THE ORDER OF Democratic Organization of Kearny

EXPENSE CHECK

NOT NEGOTIABLE

*Premium based on* 9394

DETACH AT PERFORATION BEFORE DEPOSITING CHECK

MEMO	DATE	INVOICE NO.	PURCHASES (GROSS)	DEDUCTIONS	BALANCE
339 no 10 tickets @ 20.00	4/13/77		200.00		200.00

FIRST NATIONAL BANK AND TRUST COMPANY  
KEARNY, N. J.

DETACH AND RETAIN THIS STATEMENT  
THE ATTACHED CHECK IS IN PAYMENT OF ITEMS DEPOSITED  
IF NOT CORRECT PLEASE NOTIFY US PROMPTLY. NO CASH VALUE.

65 308  
7212

# FIRST NATIONAL BANK

1000  
1000  
1000

DATE	CHECK NO.	GROSS	DISCOUNT	PAY	AMOUNT PAID
4/13/77	10,000	200.00		\$ 200.00	200.00

Democratic Organization of Kearny

EXPENSE CHECK

18930-2720

DETACH AT PERFORATION BEFORE DEPOSITING CHECK

REMARKS	DATE	INVOICE NO.	PURCHASES (GROSS)	DEDUCTIONS	BALANCE
339 no 10 tickets @ 20.00	4/13/77		200.00		200.00
<i>Vouchers Part</i>					

FIRST NATIONAL BANK AND TRUST COMPANY  
KEARNY, N. J.

DETACH AND RETAIN THIS STATEMENT  
THE ATTACHED CHECK IS IN PAYMENT OF ITEMS DESCRIBED BELOW

*Promissory*



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Comptroller of the Currency  
Administrator of National Banks

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ATTN: Suzanne Callahan

Federal Elections Commission  
1325 K Street, N.W.  
Washington, D.C. 20463



FEDERAL ELECTION COMMISSION

1325 K STREET NW  
WASHINGTON, D.C. 20463

August 9, 1977

Robert B. Serino, Director  
Enforcement and Compliance Division  
Comptroller of the Currency  
Administrator of National Banks  
Washington, D.C. 20219

Dear Mr. Serino:

This letter is in reference to the correspondence we received from you concerning a possible violation of 2 U.S.C. section 441b.

We have spoken with Edwin Langdon concerning this matter and he has indicated to us that we received the enclosed letter in error.

Mr. Langdon requested that we return this letter to your office.

We appreciate any information you may be able to send us regarding the examination of The First National Bank & Trust Company of Kearny and possible violations of the Federal Election Campaign Act of 1971, as amended.

Sincerely,

A handwritten signature in cursive script, appearing to read "William C. Oldaker".

William C. Oldaker  
General Counsel

enclosure



YCC 1040  
MUR 428



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Comptroller of the Currency  
Administrator of National Banks

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Washington, D C 20219

July 26, 1977

Federal Elections Commission  
Franklin Square Building  
1325 K Street, N.W.  
Washington, D. C. 20463

Re: Possible violation of 2 U.S.C. §441b

To The Honorable Commissioners:

Under cover of this letter please find a report submitted to our New York Regional Office by National Bank Examiner Edwin K. Langdon, Jr., following his recent examination of The First National Bank & Trust Company of Kearny, Kearny, New Jersey. Since the information discovered by Mr. Langdon may amount to a violation of 2 U.S.C. §441b, we are forwarding it for such further action as you may deem appropriate.

Sincerely,

*Robert B. Serino* *mp*

Robert B. Serino, Director  
Enforcement and Compliance Division

Enclosure



POSTAGE WILL BE PAID BY ADDRESSEE



Comptroller of the Currency  
Administrator of National Banks

Washington, D. C. 20219

Federal Elections Commission  
Franklin Square Building  
1325 K Street, N.W.  
Washington, D. C. 20463



FEDERAL ELECTION COMMISSION

1325 K STREET N.W.  
WASHINGTON, D.C. 20543

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THIS IS THE END OF MUR # 428

