



**Federal Election Commission
Washington, DC 20463**

Case Number: ADR 089

Source: MUR 5292

Case Name: Citizens Bank, Illinois N.A., Berwyn Regular
Democratic Organization and Fred Turner, Treasurer

NEGOTIATED SETTLEMENT

This matter was initiated by a signed, sworn and notarized complaint filed by the Independent Voters of Berwyn. Following review of the matter, and in an effort to promote compliance with the Federal Election Campaign Act of 1971, as amended, ("FECA") and resolve this matter, the Federal Election Commission ("Commission") entered into negotiations with William E. Deitrick, Esq., representing Citizens Bank-Illinois N.A., and W. Grant Farrar, representing Berwyn Regular Democratic Organization and Fred Turner, Treasurer ("Respondents"). It is understood that this agreement will have no precedential value relative to any other matters coming before the Commission.

Negotiations between the Commission and Respondents addressed the issues raised in this complaint. The parties agree to resolve the matter according to the following terms:

1. The Commission entered into this agreement as part of its responsibility for administering the FECA, and in an effort to promote compliance on the part of respondents. The Commission's use of alternative dispute resolution procedures ("ADR") is authorized in "The Administrative Dispute Resolution Act of 1996," 5 U.S.C. § 572 and is an extension of 2 U.S.C. § 437g.
2. Respondents voluntarily enter into this agreement with the Commission.
3. Complainant alleges that Citizens Bank-Illinois N.A. made eleven contributions to the Berwyn Regular Democratic Organization reported on five reports filed with the Illinois State Board of Elections from July 2000 through July 2002 in violation of 2 U.S.C. § 441b(a). Complainant further alleges that these contributions totaled \$3,450.

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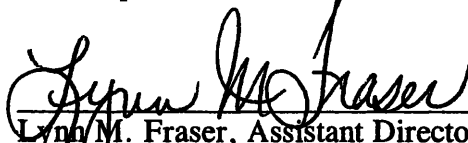
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4. The FECA prohibits any national bank from making a contribution or expenditure in connection with any election to any political office, or in connection with any primary election or political convention or caucus held to select candidates for any political office. The statute also prohibits any candidate, political committee, or other person knowingly to accept or receive any contribution prohibited by this section. 2 U.S.C. § 441b(a). The term "contribution or expenditure" includes any direct or indirect payment, distribution, loan, advance, deposit, or gift of money, or any services, or anything of value (except a loan of money by a national or State bank made in accordance with the applicable banking laws and regulations and in the ordinary course of business) to any candidate, campaign committee, or political party or organization. 2 U.S.C. § 441b(b)(2).
 5. Respondents acknowledge that actually thirteen small contributions were made over three years by a local branch of the bank, totaling \$3,870. Respondents contend that these contributions were inadvertent violations, as they did not realize the contributions were prohibited. Respondents stated that the contributions were not made to, or for, a specific candidate, but were made for local events such as picnics, "I Love Berwyn" Valentine's Day advertisements and golf outings. In support of their contention that the violation was unintended, Respondents state that all of the contributions were reported to the Illinois State Board of Elections, and that there was no attempt to hide the contributions. The Berwyn Regular Democratic Organization has refunded to Citizens Bank-Illinois N.A. (Berwyn Branch) the prohibited contributions totaling \$3,870.
 6. Respondents, in an effort to avoid similar errors in the future, agree to the following: (a) Citizens Bank-Illinois N.A. will distribute, to its officers, a memorandum reiterating the guidelines for all politically related activities which national banks must abide by; (b) the Berwyn Regular Democratic Organization will distribute a memorandum to all organization staff and volunteers on the current mailing list of the organization detailing appropriate solicitations of contributions and expenditures; (c) Berwyn Regular Democratic Organization will pay a civil penalty of \$500; and (d) Citizens Bank-Illinois N.A. will pay a civil penalty of \$500.
 7. The parties agree that if Respondents fail to comply with the terms of this settlement, the Commission may undertake civil action in the U.S. District Court for the District of Columbia to secure compliance.
 8. This agreement shall become effective on the date signed by all parties and approved by the Commission. Respondents shall comply with the terms of paragraph 6 above within thirty (30) days from the effective date of this agreement.

9. This Negotiated Settlement constitutes the entire agreement between the parties on ADR 089 (MUR 5292), and effectively resolves this matter. No other statement, promise or agreement, either written or oral, made by either party, not included herein, shall be enforceable.

FOR THE COMMISSION:


Allan D. Silberman, Director
Alternative Dispute Resolution Office

By:

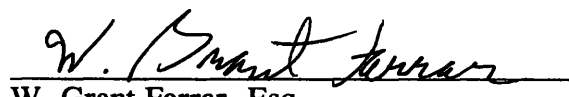

Lynn M. Fraser, Assistant Director
Alternative Dispute Resolution Office

5/01/03
Date Signed

FOR THE RESPONDENTS:


William E. Deitrick, Esq.
Counsel for Citizens Bank-Illinois N.A.

April 9, 2003
Date Signed


W. Grant Farrar, Esq.
Counsel for the Berwyn Regular Democratic
Organization and Fred Turner, Treasurer

4/9/03
Date Signed

23.19.025.2072