FEDERAL ELECTION COMMISSION
Washington, DC 20463

July 27, 2004

MEMORANDUM

TO: The Commission

THROUGH: James A. Pehrkon
Staff Director

FROM: Allan D. Silberman
Director, ADR Office

SUBJECT: Negotiated Settlement: **ADR 160**

Attached for your review is a signed negotiated ADR settlement agreement, **ADR 160,** (PMUR 418), Sonoma National Bank ("the Respondent"). This matter was opened on February 23, 2004 and assigned to the ADR Office on April 6, 2004.

ADR 160/PMUR 418: The matter arose from a referral from the Office of the Comptroller of the Currency (OCC) which uncovered during the course of its supervisory and regulatory responsibilities that the Respondent paid $1,600 to the Sonoma County Republican Party. The $1,600 expenditure was for eight tickets for bank executive officers and directors to attend an award dinner honoring the "Distinguished Citizen of the Year". The Bank contended that it was unaware that expenditures by national banks for such events were prohibited and governed by the restrictions on national banks contributing to election campaigns. OCC advised that the Bank, after being advised of the prohibition, was very cooperative in its investigation.

ADR Director's Recommendations: Approve the attached negotiated settlement agreement for **ADR 160** and subsequently close the file.