



DELTA FUNDING CORPORATION

1000 WOODBURY ROAD
WOODBURY, NY 11797-9003
800-225-5335 • Website: <http://www.deltafunding.com>

Via Overnight Delivery
and Facsimile 202-219-3923

April 9, 2004

RECEIVED
FEDERAL ELECTION
COMMISSION
OFFICE OF GENERAL
COUNSEL
APR 12 P 12:31

Jeff S. Jordan, Esq.
Supervisory Attorney
Complaints Examination & Legal Administration
Federal Election Commission
999 E Street, NW
Washington, DC 20463

Re: MUR 5431

Dear Mr. Jordan:

I am Vice President and Associate General Counsel of Delta Funding Corporation ("Delta"), a wholly-owned subsidiary of Delta Financial Corporation. I am writing in response to your letter dated March 24, 2004 (received on or about March 29, 2004) concerning a complaint pertaining to, *inter alia*, a contribution Delta made to the "Citizens for Tracy L. Boyland."¹ (Exhibit A)

Delta is fully aware of and respects the prohibitions of corporate campaign finance contributions to candidates for federal office, and accordingly, its policy is to not make any such contributions. In order to ensure compliance with the Act, any contribution requests must receive approval from Delta's legal department.

At the time this contribution was approved, we did not realize that Councilmember Boyland, in addition to running for re-election of her local office, was running for Federal Office. Delta did not intend to violate any laws (nor do we believe Councilmember Boyland intended to), and we recently received a refund of the contribution from the "Citizens for Tracy L. Boyland." (Exhibit B)

When this contribution was approved during the first week of October 2003, we understood it to be permissible because it was made in connection with Councilmember Boyland's "Annual Extravaganza," what we believed was a New York City Council re-election campaign for the then upcoming November 4th election, and an event where Delta's Vice President of Community Affairs, Russell Carter, was being presented with the "Thomas S. Boyland Award" for his coordination and leadership of Delta's Community Affairs and consumer education initiatives in Brooklyn, New York.² Mr. Carter's colleagues and friends attended this event to honor him and others.

Parenthetically, had our understanding that Councilmember Boyland was not a federal candidate been correct, our approval of the contribution would not have been

¹ At the present time, Delta is not engaging outside counsel to represent our interests but reserves the right to secure counsel at a later date. Regardless of the outcome, we wish the proceedings to remain confidential. Delta hereby reserves any and all of its rights and or defenses, and this letter is sent without prejudice.

² The invitation for the event in which the contribution was made, expressly displaying Mr. Carter as an honoree, is attached as Exhibit C.

Jeff S. Jordan, Esq.

April 9, 2004

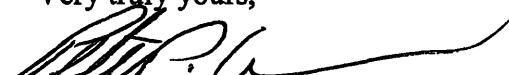
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prohibited under New York laws. The New York City Charter does not prohibit corporate contributions, and the New York City Campaign Finance Board Program does not prohibit corporate contributions (unless the candidate participates in the Program³). A copy of the Program Overview is attached as Exhibit D. While we recognize this may not be directly pertinent to your inquiry, we wanted to bring this to your attention so that to the extent you may determine that Delta's contribution was improper, you will understand that it was not willful.

In summary, when this contribution was made, we did not realize that Councilmember Boyland was also a Federal Candidate, and thus at no time did we recognize our contribution may violate Federal law. In order to prevent an occurrence in the future, before any direct political contributions are made, in addition to reviewing the materials provided to us, we will also be confirming with the Federal Election Commission website that the candidate is not running for federal office. We hope that our response adequately addresses the FEC's concerns and regret that our contribution has caused concern.

Thank you for your time and consideration. If you have any questions or require any additional information, please contact me directly at 516-812-8852.

Very truly yours,



Peter J. Wagner
Vice President and
Associate General Counsel

³ According to Councilmember Boyland's 2003 General Election Voter Guide profile, a copy of which is annexed hereto as Exhibit F, advises that Councilmember Boyland was running for re-election of her City Council seat in the 41st City Council District and was not participating in the NYC Campaign Finance Program

STATEMENT OF DESIGNATION OF COUNSEL

Please use one form for each respondent.

MUR 5431

NAME OF COUNSEL: Peter J. Wagner

FIRM: Associate General Counsel, Delta Funding Corporation

ADDRESS: 1000 Woodbury Road,
Woodbury, New York 11797

TELEPHONE: (516) 812-8852

FAX: (516) 364-8976

The above-named individual is hereby designated as my counsel and is authorized to receive any notifications and other communications from the Commission and to act on my behalf before the Commission.

Richard Blass
Delta Funding Corporation

Print Name

4/9/2004

Exec. Vice Pres.

Date

RBC
Signature

Title

RESPONDENT'S NAME: Delta Funding Corporation

ADDRESS: 1000 Woodbury Road

Woodbury, NY 11797

TELEPHONE: HOME()

BUSINESS(516) 364-8500