



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

COMMISSION
SECRETARIAT

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SENSITIVE

MEMORANDUM

February 8, 2011

TO: The Commission
THROUGH: Alec Palmer
Acting Staff Director *AP*
FROM: Patricia Carmona *PC*
Chief Compliance Officer
Lynn M. Fraser *LMF*
Director, ADR Office

SUBJECT: ADR 558 The East Carolina Bank and A. Dwight Utz, President & Chief Executive Officer, Recommendation to Dismiss¹

The Office of General Counsel (OGC) referred Pre-MUR 513, and the ADR Office designated the matter as ADR 558. We have included a summary and discussion of the matter for your information.

Summary and Analysis of Case: The OGC referred The East Carolina Bank and A. Dwight Utz, President & CEO (collectively Respondents) based on their *sua-sponte* submission noting an inadvertent violation of 2 U.S.C. 441b(b)(4)(D), 11 C.F.R. 114.8(c). The submission stated that they inadvertently provided simultaneous authorizations for solicitations of their restricted class by two trade association PACs in violation of the FECA. Specifically, they provided authorization to the Independent Community Bankers of America PAC for the years 2010 through 2014, while previous authorization had been given to the North Carolina Bankers' Association PAC for the years 2006 through 2010. Thus, there was an overlap of authorizations of one year. Respondents further assert that although neither PAC had directly contacted Respondents' restricted class to solicit contributions during the overlapping authorizations, Respondent Utz had made one contribution to the Independent Community Bankers of America PAC in the amount of \$100 in February 2010. In addition, the North Carolina Bankers' Association PAC received contributions in the amount of \$3,050 during the overlapping year, in reaction to Respondents' internal encouragement to those eligible to contribute. Respondents

¹ The Office of General Counsel concurs in the description of this matter.

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took corrective action, and terminated the authorization given to the Independent Community Bankers of America PAC as soon as the violation was noted.

RECOMMENDATION:

- 1. Dismiss ADR 558 (Pre-MUR 513), and close the file.**
- 2. Approve the appropriate letters.**

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