



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

THIS IS THE BEGINNING OF MUR # 4107

DATE FILMED 7-26-96 CAMERA NO. 2

CAMERAMAN MRJ

96043735367

OCT 28 4 59 PM '94

October 28, 1994

MUR 4107

Lawrence Noble, Esquire
General Counsel
Federal Elections Commission
999 E Street, N.W.
Washington, D.C. 20463

Re: Violations of the Federal Election Campaign Act
Campaign Act, Citizens for Paul S. Sarbanes and
Institute of International Bankers

Dear Mr. Noble:

Pursuant to provisions of the Federal Election Campaign Act of 1971 as amended (Act)¹ I am filing this complaint with your office. It regards activities of the principle campaign committee of Senator Paul S. Sarbanes (Citizens for Senator Sarbanes) and the Institute of International Bankers, an association representing foreign banks.

The action of these organizations and individuals associated with them are in violation of the Act and Federal Election Commission (the "Commission") regulations. In addition to filing this complaint with the Commission, identical materials are being provided to the United States Department of Justice, Registration Unit, Internal Security Section, Criminal Division. These materials are being provided to the Department of Justice since this matter involves potentially knowing and willful actions² by these parties and possible violations of laws outside the Commission's jurisdiction.³

¹ 2 U.S.C. § 437g

² 2 U.S.C. § 437g(d) United States v. Jackson 433 F. Supp. 239 (W.D.N.Y. 1977), aff'd, 586 F. 2d 832 (2nd Cir. 1977), denied 440 U.S. 239 (1978); United States v. Tonry, 433 F. Supp. 620 (W.D.L.A. 1977); United States v. International Union of Operating Engineers, 638 F. 2d 1161 (9th Cir. 1979), cert. denied 444 U.S. 1077 (1980). Criminal cases ground on the Act's penal section (knowing and willful actions) are ordinary federal crimes and will be prosecuted first without having been processed by the Federal Elections Commission.

³ Foreign Agents Registration Act of 1938, as amended. (FARA), 22 U.S.C. § § 611 et. seq. (1992). The Institute has failed to file as a Foreign Agent involved in U.S. political activities.

96043735368

I am seeking an immediate investigation by the Commission. As the attached documents clearly show, and the Commission's investigation can confirm, the Sarbanes campaign may have conspired with the Institute of International Bankers to violate the Act. The experience and sophistication of the individuals involved with this program is such that there is a reasonable belief that such violation is a knowing and willful effort by them to circumvent and violate the Act.

The Act prohibits any candidate, political committee or person from accepting or receiving any contribution from a foreign national. 2 U.S.C. § 441e. Pursuant to 2 U.S.C. § 441 (8) (A) (i), the term contribution includes any gifts, subscription, loan, advance or deposit of money or anything of value made by any person for the purpose of influencing any election for federal office. The term anything of value includes all in-kind contributions. 11 C.F.R. § 100.7 (a) (1) (iii) (A). The regulation further provides that unless specifically exempted,⁴ the provision of any goods or services without charge or any charge which is less than usual or normal charges for goods or services are contributions.

An examination of the items attached to this complaint show that the Institute of International Bankers, the main association representing foreign banks, has made in-kind contributions to Senator Sarbanes' campaign. By its very purpose, it is clear that this organization represents the interest of foreign nationals and is funded principally, if not exclusively, by funds received from foreign nationals. The use of this organization's facilities, equipment and personnel to sponsor and facilitate a fundraising event for Senator Sarbanes violates the Act's prohibition on contributions by foreign nationals. Additionally, such use also violates the Act's prohibition on any candidate knowingly accepting or receiving any contributions from a corporation in connection with a federal election. 2 U.S.C. § 441b (A).⁵

The attached materials are clearly solicitations for contributions to the Sarbanes campaign. They fail to contain the intification required by the Act. 11 C.F.R. §102.16; 2 U.S.C § 441d.

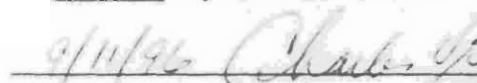
CONCLUSION

The Commission should move expeditiously to review this matter, enjoin the conduct and impose appropriate penalties.



William E. Brock

Subscribed and sworn to this 28th day of October, 1994.

My Commission expires: 9/11/96 



⁴ 11 C.F.R. § 107.7 (b).

⁵ See also 11 C.F.R. §110.4.

96043735369

September 22, 1994

Dear Colleague:

We are writing to invite you and other financial services industry professionals to a continental breakfast and reception honoring Senator Paul S. Sarbanes of Maryland. A member of the Senate since 1977, Senator Sarbanes is a senior member of the Banking Committee and is expected to become its next Chairman if the Democrat Party retains control of the Senate in the November elections. Currently, he heads the International Finance and Monetary Policy Subcommittee, where he has provided strong leadership on a broad range of issues involving international finance.

The breakfast will be held in the Basildon Room of the Waldorf Astoria from 7:45 a.m. to 9:00 a.m. on Tuesday, October 11th. In view of Senator Sarbanes' seniority, we recommend contributions of \$250 (minimum \$100) to the Citizens for Sarbanes. Under federal law, corporate contributions are not permitted and only U.S. citizens and permanent residents are eligible to make campaign contributions.

If you will be attending the breakfast, we would appreciate your RSVP by faxing a copy of the attached form to the attention of Lawrence R. Uhlick so that appropriate arrangements can be made. If you cannot attend, we hope that you will nonetheless support Senator Sarbanes by forwarding a contribution together with the attached form to the address indicated. You may, of course, invite a guest to attend in your place.

Please feel free to share this invitation with your colleagues and to ask them to participate in this event. We look forward to seeing you at the breakfast.

Sincerely,

Hans H. Angermueller

Kevin F. Barnard

Michael Bradfield

H. Redgin Cohen

Troland S. Link

Lawrence R. Uhlick

0604373570

CONTINENTAL BREAKFAST AND RECEPTION

HONORING

SENATOR PAUL S. SARBANES

The Basildon Room, Waldorf Astoria
New York City

Tuesday, October 11, 1994

7:45 a.m. to 9:00 a.m.

Please fax a copy of this form to arrive no later than Thursday, October 6th to the attention of Lawrence R. Uhlick (212) 421-1119 so that appropriate arrangements for the breakfast can be made.

- [] I will attend the Breakfast and Reception.
- [] I will not be able to attend the Breakfast but I want to make a contribution to Citizens for Sarbanes.

To make a contribution, please make your personal check (i.e., non-corporate) payable to Citizens for Sarbanes. Federal law requires political committees to report the name, mailing address, occupation and name of employer for each individual whose contributions aggregate in excess of \$200 in a calendar year. You may bring your check to the Breakfast together with this form, or mail it together with this form to Citizens for Sarbanes, Attention: Peter Sherman, 236 Massachusetts Avenue N.E., Suite 202, Washington, D.C. 20002.

Contribution: _____

Name: _____

Occupation: _____

Name of Employer: _____

Mailing Address: _____

Corporate Contributions are not Permitted.
Contributions Are not Deductible as Charitable Contributions
for Federal Income Tax Purposes and Can Only Be Made
by U.S. Citizens and Permanent Residents

96043735371

DATE: October 1994

Please deliver the following page(s) to:

To: [EMPLOYEE]

Company: [FOREIGN BANK]

For: [REDACTED]

From: [INSTITUTE OFFICER]

Comments: For our conversation on ~~10/11/94~~ ^{10/10/94} enclosed is the material pertaining to the Sarbanes breakfast/fundraiser on October 11th. Any help you could provide to this specific event would be most appreciated, as we need to make a respectable showing of "friends of foreign banks" for Sarbanes.

Best regards.

[INSTITUTE
OFFICER]

Total number of pages (including this cover sheet) - 3

If you do not receive all the pages, please call : (212) 421-1611

96043735372



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

November 4, 1994

William E. Brock
3188 Arundel on the Bay Road
Annapolis, MD 21403

RE: MUR 4107

Dear Mr. Brock:

This letter acknowledges receipt on October 28, 1994, of your complaint alleging possible violations of the Federal Election Campaign Act of 1971, as amended ("the Act"). The respondent(s) will be notified of this complaint within five days.

Your letter seeks injunctive relief to prevent the respondent(s) from continuing to engage in the allegedly improper activity. 2 U.S.C. § 437g(a)(6) provides that the Commission may seek such relief at the end of the administrative enforcement process. Accordingly, the Commission will not grant your request for injunctive relief at this time.

You will be notified as soon as the Federal Election Commission takes final action on your complaint. Should you receive any additional information in this matter, please forward it to the Office of the General Counsel. Such information must be sworn to in the same manner as the original complaint. We have numbered this matter MUR 4107. Please refer to this number in all future communications. For your information, we have attached a brief description of the Commission's procedures for handling complaints.

Sincerely,

Mary L. Taksar

Mary L. Taksar, Attorney
Central Enforcement Docket

Enclosure
Procedures

96043735373



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

November 4, 1994

Sebastia Svolos, Treasurer
Citizens for Sarbanes
P.O. Box 26222
Baltimore, MD 21210

RE: MUR 4107

Dear Ms. Svolos:

The Federal Election Commission received a complaint which indicates that Citizens for Sarbanes ("Committee") and you, as treasurer, may have violated the Federal Election Campaign Act of 1971, as amended ("the Act"). A copy of the complaint is enclosed. We have numbered this matter MUR 4107. Please refer to this number in all future correspondence.

Under the Act, you have the opportunity to demonstrate in writing that no action should be taken against the Committee and you, as treasurer, in this matter. Please submit any factual or legal materials which you believe are relevant to the Commission's analysis of this matter. Where appropriate, statements should be submitted under oath. Your response, which should be addressed to the General Counsel's Office, must be submitted within 15 days of receipt of this letter. If no response is received within 15 days, the Commission may take further action based on the available information.

The complainant seeks injunctive relief to prevent Citizens for Sarbanes from continuing to engage in the allegedly improper activity. 2 U.S.C. § 437g(a)(6) provides that the Commission may seek such relief at the end of the administrative enforcement process. Accordingly, the Commission will not grant the complainant's request for injunctive relief at this time. The Commission will proceed with the processing of the remainder of the complaint pursuant to 2 U.S.C. § 437g(a).

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This matter will remain confidential in accordance with 2 U.S.C. § 437g(a)(4)(B) and § 437g(a)(12)(A) unless you notify the Commission in writing that you wish the matter to be made public. If you intend to be represented by counsel in this matter, please advise the Commission by completing the enclosed form stating the name, address and telephone number of such counsel, and authorizing such counsel to receive any notifications and other communications from the Commission.

If you have any questions, please contact Joan McEnery at (202) 219-3400. For your information, we have enclosed a brief description of the Commission's procedures for handling complaints.

Sincerely,

Mary L. Taksar

Mary L. Taksar, Attorney
Central Enforcement Docket

Enclosures

1. Complaint
2. Procedures
3. Designation of Counsel Statement

cc: The Honorable Paul S. Sarbanes

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FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

November 4, 1994

Lawrence R. Uhlick, Executive Director
Institute of International Bankers
299 Park Avenue, 38th Floor
New York, NY 10171

RE: MUR 4107

Dear Mr. Uhlick:

The Federal Election Commission received a complaint which indicates that you, the Institute of International Bankers and you, as Executive Director, may have violated the Federal Election Campaign Act of 1971, as amended ("the Act"). A copy of the complaint is enclosed. We have numbered this matter MUR 4107. Please refer to this number in all future correspondence.

Under the Act, you have the opportunity to demonstrate in writing that no action should be taken against you, the Institute of International Bankers and you, as Executive Director, in this matter. Please submit any factual or legal materials which you believe are relevant to the Commission's analysis of this matter. Where appropriate, statements should be submitted under oath. Your response, which should be addressed to the General Counsel's Office, must be submitted within 15 days of receipt of this letter. If no response is received within 15 days, the Commission may take further action based on the available information.

The complainant seeks injunctive relief to prevent the Institute of International Bankers and you from continuing to engage in the allegedly improper activity. 2 U.S.C. § 437g(a)(6) provides that the Commission may seek such relief at the end of the administrative enforcement process. Accordingly, the Commission will not grant the complainant's request for injunctive relief at this time. The Commission will proceed with the processing of the remainder of the complaint pursuant to 2 U.S.C. § 437g(a).

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This matter will remain confidential in accordance with 2 U.S.C. § 437g(a)(4)(B) and § 437g(a)(12)(A) unless you notify the Commission in writing that you wish the matter to be made public. If you intend to be represented by counsel in this matter, please advise the Commission by completing the enclosed form stating the name, address and telephone number of such counsel, and authorizing such counsel to receive any notifications and other communications from the Commission.

If you have any questions, please contact Joan McEnery at (202) 219-3400. For your information, we have enclosed a brief description of the Commission's procedures for handling complaints.

Sincerely,

Mary L. Taksar
Mary L. Taksar, Attorney
Central Enforcement Docket

Enclosures

1. Complaint
2. Procedures
3. Designation of Counsel Statement



FEDERAL ELECTION COMMISSION
WASHINGTON, D C 20463

November 4, 1994

Hans H. Angermueller
One Surrey Road
Summit, NJ 08753

RE: MUR 4107

Dear Mr. Angermueller:

The Federal Election Commission received a complaint which indicates that you may have violated the Federal Election Campaign Act of 1971, as amended ("the Act"). A copy of the complaint is enclosed. We have numbered this matter MUR 4107. Please refer to this number in all future correspondence.

Under the Act, you have the opportunity to demonstrate in writing that no action should be taken against you in this matter. Please submit any factual or legal materials which you believe are relevant to the Commission's analysis of this matter. Where appropriate, statements should be submitted under oath. Your response, which should be addressed to the General Counsel's Office, must be submitted within 15 days of receipt of this letter. If no response is received within 15 days, the Commission may take further action based on the available information.

The complainant seeks injunctive relief to prevent you from continuing to engage in the allegedly improper activity. 2 U.S.C. § 437g(a)(6) provides that the Commission may seek such relief at the end of the administrative enforcement process. Accordingly, the Commission will not grant the complainant's request for injunctive relief at this time. The Commission will proceed with the processing of the remainder of the complaint pursuant to 2 U.S.C. § 437g(a).

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This matter will remain confidential in accordance with 2 U.S.C. § 437g(a)(4)(B) and § 437g(a)(12)(A) unless you notify the Commission in writing that you wish the matter to be made public. If you intend to be represented by counsel in this matter, please advise the Commission by completing the enclosed form stating the name, address and telephone number of such counsel, and authorizing such counsel to receive any notifications and other communications from the Commission.

If you have any questions, please contact Joan McEnery at (202) 219-3400. For your information, we have enclosed a brief description of the Commission's procedures for handling complaints.

Sincerely,

Mary L. Taksar

Mary L. Taksar, Attorney
Central Enforcement Docket

Enclosures

1. Complaint
2. Procedures
3. Designation of Counsel Statement

960437353/9



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

November 4, 1994

Michael Bradfield
c/o Institute of International Bankers
299 Park Avenue, 38th Floor
New York, NY 10171

RE: MUR 4107

Dear Mr. Bradfield:

The Federal Election Commission received a complaint which indicates that you may have violated the Federal Election Campaign Act of 1971, as amended ("the Act"). A copy of the complaint is enclosed. We have numbered this matter MUR 4107. Please refer to this number in all future correspondence.

Under the Act, you have the opportunity to demonstrate in writing that no action should be taken against you in this matter. Please submit any factual or legal materials which you believe are relevant to the Commission's analysis of this matter. Where appropriate, statements should be submitted under oath. Your response, which should be addressed to the General Counsel's Office, must be submitted within 15 days of receipt of this letter. If no response is received within 15 days, the Commission may take further action based on the available information.

The complainant seeks injunctive relief to prevent you from continuing to engage in the allegedly improper activity. 2 U.S.C. § 437g(a)(6) provides that the Commission may seek such relief at the end of the administrative enforcement process. Accordingly, the Commission will not grant the complainant's request for injunctive relief at this time. The Commission will proceed with the processing of the remainder of the complaint pursuant to 2 U.S.C. § 437g(a).

9604373530

This matter will remain confidential in accordance with 2 U.S.C. § 437g(a)(4)(B) and § 437g(a)(12)(A) unless you notify the Commission in writing that you wish the matter to be made public. If you intend to be represented by counsel in this matter, please advise the Commission by completing the enclosed form stating the name, address and telephone number of such counsel, and authorizing such counsel to receive any notifications and other communications from the Commission.

If you have any questions, please contact Joan McEnery at (202) 219-3400. For your information, we have enclosed a brief description of the Commission's procedures for handling complaints.

Sincerely,

Mary L. Taksar

Mary L. Taksar, Attorney
Central Enforcement Docket

Enclosures

1. Complaint
2. Procedures
3. Designation of Counsel Statement

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

November 4, 1994

Troland S. Link
Davis, Polk & Wardwell
450 Lexington Avenue
New York, NY 10017

RE: MUR 4107

Dear Mr. Link:

The Federal Election Commission received a complaint which indicates that you may have violated the Federal Election Campaign Act of 1971, as amended ("the Act"). A copy of the complaint is enclosed. We have numbered this matter MUR 4107. Please refer to this number in all future correspondence.

Under the Act, you have the opportunity to demonstrate in writing that no action should be taken against you in this matter. Please submit any factual or legal materials which you believe are relevant to the Commission's analysis of this matter. Where appropriate, statements should be submitted under oath. Your response, which should be addressed to the General Counsel's Office, must be submitted within 15 days of receipt of this letter. If no response is received within 15 days, the Commission may take further action based on the available information.

The complainant seeks injunctive relief to prevent you from continuing to engage in the allegedly improper activity. 2 U.S.C. § 437g(a)(6) provides that the Commission may seek such relief at the end of the administrative enforcement process. Accordingly, the Commission will not grant the complainant's request for injunctive relief at this time. The Commission will proceed with the processing of the remainder of the complaint pursuant to 2 U.S.C. § 437g(a).

9604373532

This matter will remain confidential in accordance with 2 U.S.C. § 437g(a)(4)(B) and § 437g(a)(12)(A) unless you notify the Commission in writing that you wish the matter to be made public. If you intend to be represented by counsel in this matter, please advise the Commission by completing the enclosed form stating the name, address and telephone number of such counsel, and authorizing such counsel to receive any notifications and other communications from the Commission.

If you have any questions, please contact Joan McEnery at (202) 219-3400. For your information, we have enclosed a brief description of the Commission's procedures for handling complaints.

Sincerely,

Mary L. Taksar m

Mary L. Taksar, Attorney
Central Enforcement Docket

Enclosures

1. Complaint
2. Procedures
3. Designation of Counsel Statement

96043735383



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

November 4, 1994

Kevin F. Barnard
5 Maywood Court
Darien, CT 06820

RE: MUR 4107

Dear Mr. Barnard:

The Federal Election Commission received a complaint which indicates that you may have violated the Federal Election Campaign Act of 1971, as amended ("the Act"). A copy of the complaint is enclosed. We have numbered this matter MUR 4107. Please refer to this number in all future correspondence.

Under the Act, you have the opportunity to demonstrate in writing that no action should be taken against you in this matter. Please submit any factual or legal materials which you believe are relevant to the Commission's analysis of this matter. Where appropriate, statements should be submitted under oath. Your response, which should be addressed to the General Counsel's Office, must be submitted within 15 days of receipt of this letter. If no response is received within 15 days, the Commission may take further action based on the available information.

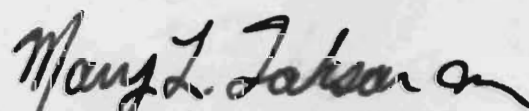
The complainant seeks injunctive relief to prevent you from continuing to engage in the allegedly improper activity. 2 U.S.C. § 437g(a)(6) provides that the Commission may seek such relief at the end of the administrative enforcement process. Accordingly, the Commission will not grant the complainant's request for injunctive relief at this time. The Commission will proceed with the processing of the remainder of the complaint pursuant to 2 U.S.C. § 437g(a).

96043735384

This matter will remain confidential in accordance with 2 U.S.C. § 437g(a)(4)(B) and § 437g(a)(12)(A) unless you notify the Commission in writing that you wish the matter to be made public. If you intend to be represented by counsel in this matter, please advise the Commission by completing the enclosed form stating the name, address and telephone number of such counsel, and authorizing such counsel to receive any notifications and other communications from the Commission.

If you have any questions, please contact Joan McEnery at (202) 219-3400. For your information, we have enclosed a brief description of the Commission's procedures for handling complaints.

Sincerely,



Mary L. Taksar, Attorney
Central Enforcement Docket

Enclosures

1. Complaint
2. Procedures
3. Designation of Counsel Statement

96043735385



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

November 4, 1994

Henry Rodgin Cohen
25 Sunhaven Court
Tarrytown, NY 10591

RE: MUR 4107

Dear Mr. Cohen:

The Federal Election Commission received a complaint which indicates that you may have violated the Federal Election Campaign Act of 1971, as amended ("the Act"). A copy of the complaint is enclosed. We have numbered this matter MUR 4107. Please refer to this number in all future correspondence.

Under the Act, you have the opportunity to demonstrate in writing that no action should be taken against you in this matter. Please submit any factual or legal materials which you believe are relevant to the Commission's analysis of this matter. Where appropriate, statements should be submitted under oath. Your response, which should be addressed to the General Counsel's Office, must be submitted within 15 days of receipt of this letter. If no response is received within 15 days, the Commission may take further action based on the available information.

The complainant seeks injunctive relief to prevent you from continuing to engage in the allegedly improper activity. 2 U.S.C. § 437g(a)(6) provides that the Commission may seek such relief at the end of the administrative enforcement process. Accordingly, the Commission will not grant the complainant's request for injunctive relief at this time. The Commission will proceed with the processing of the remainder of the complaint pursuant to 2 U.S.C. § 437g(a).

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This matter will remain confidential in accordance with 2 U.S.C. § 437g(a)(4)(B) and § 437g(a)(12)(A) unless you notify the Commission in writing that you wish the matter to be made public. If you intend to be represented by counsel in this matter, please advise the Commission by completing the enclosed form stating the name, address and telephone number of such counsel, and authorizing such counsel to receive any notifications and other communications from the Commission.

If you have any questions, please contact Joan McEnery at (202) 219-3400. For your information, we have enclosed a brief description of the Commission's procedures for handling complaints.

Sincerely,

Mary L. Taksar

Mary L. Taksar, Attorney
Central Enforcement Docket

Enclosures

1. Complaint
2. Procedures
3. Designation of Counsel Statement

96043735387

SULLIVAN & CROMWELL

TELEPHONE (202) 956-7500
TELEX: 99625
FACSIMILE (202) 293-6330

*1701 Pennsylvania Avenue, N.W.
Washington, D.C. 20006-5805*

125 BROAD STREET, NEW YORK 10004-2498
250 PARK AVENUE, NEW YORK 10177-0021
444 SOUTH FLOWER STREET, LOS ANGELES 90071-2901
8, PLACE VENDÔME, 75001 PARIS
ST. OLAVE'S HOUSE, 94 IRONMONGER LANE, LONDON EC2V 8EY
101 COLLINS STREET, MELBOURNE 3000
2-1, MARUNOUCHI 1-CHOME, CHIYODA-KU, TOKYO 100
GLOUCESTER TOWER, 11 PEDDER STREET, HONG KONG

November 21, 1994

BY HAND

Lawrence M. Noble, Esquire,
General Counsel,
Federal Election Commission,
999 E Street, N.W.,
Washington, D.C. 20463.

Re: H. Rodgin Cohen
MUR 4107

Dear Mr. Noble:

As counsel for H. Rodgin Cohen, I am writing in response to a letter from Mary L. Taksar, Esquire, of your Central Enforcement Division, dated November 4, 1994 and received by Mr. Cohen on November 9, 1994. Pursuant to Ms. Taksar's instructions, I am enclosing Mr. Cohen's Statement of Designation of Counsel authorizing me to represent him in this matter.

At the outset, please be advised that Mr. Cohen is a citizen of the United States and a resident of the State of New York. He is not, nor has he ever been, an employee, officer or director of the Institute of International Bankers ("IIB") or of Citizens for Paul S. Sarbanes (the organizations cited in Mr. Brock's complaint as allegedly having violated the Federal election laws) and he has no role in the conduct of the affairs of either organization.

Likewise, with respect to the October 11, 1994 breakfast and reception honoring Senator Sarbanes, Mr. Cohen had no role in the planning or in arranging for that event. After having been asked on several occasions by a longtime

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FEDERAL ELECTION
COMMISSION
OFFICE OF GENERAL
COUNSEL

Nov 21 5 03 PM '94

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STATEMENT OF DESIGNATION OF COUNSEL

RECEIVED
FEDERAL ELECTION
COMMISSION
OFFICE OF GENERAL
COUNSEL

NOR 4107

Nov 21 5 03 PM '94

NAME OF COUNSEL: Robert H. Craft, Jr.

ADDRESS: Sullivan & Cromwell

1701 Pennsylvania Avenue, N.W.

Washington, D.C. 20006

TELEPHONE: (202) 956-7530

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.

Date

11/17/94

Signature

H. Rodgin Cohen

RESPONDENT'S NAME: H. Rodgin Cohen

ADDRESS: Sullivan & Cromwell

125 Broad Street

New York, New York 10004

HOME PHONE: N/A

BUSINESS PHONE: (212) 558-3534

96043735389

INSTITUTE OF INTERNATIONAL BANKERS

299 PARK AVENUE, 17TH FLOOR, NEW YORK, N.Y. 10171

TELEPHONE: (212) 421-1611

FACSIMILE: (212) 421-1119

LAWRENCE R. UHLICK
EXECUTIVE DIRECTOR
HEAD OF LEGAL AND EXTERNAL AFFAIRS

November 21, 1994

Mary L. Taksar, Esq.
Central Enforcement Docket
Office of General Counsel
Federal Election Commission
Washington, D.C. 20463

Re: MUR 4107

Dear Ms. Taksar:

This will acknowledge receipt of your letter, dated November 4, 1994, and received on November 10, 1994, referring to a complaint filed with the Federal Election Commission ("FEC") alleging, among other things, that the Institute of International Bankers (the "Institute"), and I as its Executive Director, may have violated the Federal Election Campaign Act of 1971, as amended (the "Act"). This response is submitted on behalf of the Institute and by me in my capacity as Executive Director. I will also be separately sending you a response letter (the "Uhlick personal letter") in my individual capacity.

The Institute is a trade association representing the interests of the U.S. operations of international banks; it is a non-profit corporation organized under New York law. The day-to-day affairs of the Institute are carried out by its professional staff from its offices in New York City and are managed by myself as Executive Director - Head of Legal and External Affairs. All of the Institute's employees are U.S. citizens or permanent residents of the United States.

The complaint alleges that Institute facilities, equipment and personnel were used to sponsor or facilitate a fundraising event for the election campaign of Senator Paul S. Sarbanes and that such alleged use constituted a violation of the Act's prohibitions on political contributions by foreign nationals and on contributions by a corporation in connection with a federal election.

The complaint includes as an attachment a form of "Dear Colleague" letter, over the names of myself and five well-known banking lawyers, inviting the recipient to an October 11, 1994 breakfast reception in New York City honoring Senator Sarbanes. The invitation letter also encouraged the recipient to make a contribution to the Senator's campaign fundraising committee, Citizens for Sarbanes (the "Sarbanes Committee"), and included an R.S.V.P. form to be faxed to me at the Institute's fax number

The Institute, founded in 1966, is an association of over 200 banking organizations that operate in the United States and have their headquarters in 50 other countries.

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FEDERAL ELECTION
COMMISSION
OFFICE OF GENERAL COUNSEL

96043735390

INSTITUTE OF INTERNATIONAL BANKERS

indicating whether the recipient would be able to attend the reception or would otherwise want to make a contribution to the Committee. The letter and reply form both indicated that any contribution check should be payable to the Committee and could either be brought to the reception or sent directly to the Committee at its office in Washington, D.C.

Both the invitation letter and the R.S.V.P. form specifically stated that corporate contributions were not permitted and that only U.S. citizens and permanent residents were eligible to make campaign contributions.

The Institute, in accordance with the Act and the regulations thereunder, does not participate in federal election campaigns. However, as a general practice, it has always permitted its employees to make occasional, isolated or incidental use of the facilities of the Institute for personal reasons, including individual volunteer activities in connection with charitable causes, election campaigns and other civic endeavors, as long as such use does not violate applicable law.

The Institute believes, for the reasons set out below and in further detail in the Uhlick personal letter, that any use of the facilities of the Institute in connection with the reception complied fully with the FEC regulation stating that employees of a corporation may, subject to the rules and practices of the corporation, make occasional, isolated, or incidental use of the facilities of the corporation for individual volunteer activity in connection with a federal election, subject to the requirement that the corporation must be reimbursed to the extent that the overhead or operating costs of the corporation are increased by such use. 11 C.F.R. § 114.9.

The FEC regulations make clear that the term contribution or expenditure for purposes of the Act shall not include any activity which is specifically permitted by 11 C.F.R. Part 114. See 11 C.F.R. §§ 100.7(b)(10), 100.8(b)(11), 114.1(a)(2)(x). Because the FEC's volunteer activity regulation in Part 114 (§ 114.9) was fully complied with in connection with the breakfast reception, any incidental use of the Institute's facilities in connection therewith could not have constituted a prohibited contribution from a foreign national, even if the Institute itself could be regarded as a foreign national for purposes of the Act.

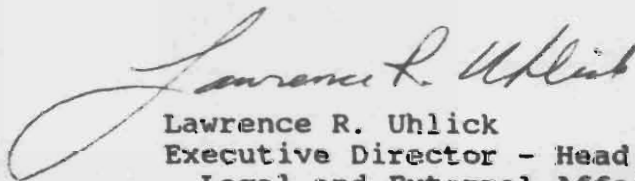
The Institute takes the position that it is not a foreign national for purposes of the Act. The Institute believes, however, that the FEC need not address this question in acting on the complaint because the Commission should be satisfied, based upon the discussion above, that no
(continued...)

INSTITUTE OF INTERNATIONAL BANKERS

The Institute believes that the foregoing information, as supplemented by the factual and legal analysis contained in the Uhlick personal letter, should be sufficient for your office to conclude, in its initial report to the FEC in this matter, that the Commission should find no reason to believe that the complaint sets forth a possible violation of the Act.

If you should have any questions regarding this response, please do not hesitate to contact J. Eugene Marans, Esq. of Cleary, Gottlieb, Steen & Hamilton or Daniel J. Swillinger, Esq. whom the Institute is designating in the enclosed statements as its counsel in this matter.

Sincerely yours,


Lawrence R. Uhlick
Executive Director - Head of
Legal and External Affairs

¹(...continued)

contribution or expenditure was made by the Institute for purposes of the Act.

STATEMENT OF DESIGNATION OF COUNSEL

MUR 4107

NAME OF COUNSEL: J. Eugene Marans, Esq.

ADDRESS: Cleary, Gottlieb, Steen &
Hamilton

1752 N Street, N.W.

Washington, D.C. 20036

TELEPHONE: (202) 728-2888

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.

11/21/94
Date

Lawrence R. Uhlick
Signature

RESPONDENT'S NAME: Institute of International Bankers
and Lawrence R. Uhlick, in his
capacity as Executive Director -
Head of Legal and External Affairs

ADDRESS: 299 Park Avenue, 17th Floor

New York, New York 10171

HOME PHONE: (516) 674-4357

BUSINESS PHONE: (212) 421-1611

RECEIVED
FEDERAL ELECTION
COMMISSION
OFFICE OF GENERAL
COUNSEL

Nov 22 1 24 PM '94

96043735393

STATEMENT OF DESIGNATION OF COUNSEL

NUR 4107

NAME OF COUNSEL: Daniel J. Swillinger, Esq.

ADDRESS: 4419 39th Street, N.W.
Washington, D.C. 20016

TELEPHONE: (202) 244-9686

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.

11/21/94
Date

Lawrence R. Uhlick
Signature

RESPONDENT'S NAME: Institute of International Bankers
and Lawrence R. Uhlick, in his
capacity as Executive Director -
Head of Legal and External Affairs

ADDRESS: 299 Park Avenue, 17th Floor
New York, New York 10171

HOME PHONE: (516) 674-4357

BUSINESS PHONE: (212) 421-1611

NOV 22 1 24 PM '94

RECEIVED
FEDERAL ELECTION
COMMISSION
OFFICE OF GENERAL
COUNSEL

96043735394

STATEMENT OF DESIGNATION OF COUNSEL

MUR 4107

NAME OF COUNSEL: J. Eugene Marans, Esq.

ADDRESS: Cleary, Gottlieb, Steen &
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1752 N Street, N.W.

Washington, D.C. 20036

TELEPHONE: (202) 728-2888

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.

11/21/94
Date

Lawrence R. Uhlick
signature

RESPONDENT'S NAME: Lawrence R. Uhlick,
in his individual capacity

ADDRESS: Chicken Valley Road
Old Brookville, New York 11545

HOME PHONE: (516) 674-4357

BUSINESS PHONE: (212) 421-1611

Nov 22 1 24 PM '94

RECEIVED
FEDERAL ELECTION
COMMISSION
OFFICE OF GENERAL
COUNSEL

96043735395

STATEMENT OF DESIGNATION OF COUNSEL

MUR 4107

NAME OF COUNSEL: Daniel J. Swillinger, Esq.

ADDRESS: 4419 39th Street, N.W.
Washington, D.C. 20016

TELEPHONE: (202) 244-9686

Nov 22 1 24 PM '94

RECEIVED
FEDERAL ELECTION
COMMISSION
OFFICE OF GENERAL
COUNSEL

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.

11/21/94
Date

Lawrence R. Uhlick
Signature

RESPONDENT'S NAME: Lawrence R. Uhlick,
in his individual capacity

ADDRESS: Chicken Valley Road
Old Brookville, New York 11545

HOME PHONE: (516) 674-4357

BUSINESS PHONE: (212) 421-1611

96043735396

LAWRENCE R. UHLICK
CHICKEN VALLEY ROAD
OLD BROOKVILLE, N.Y. 11545

November 21, 1994

Mary L. Taksar, Esq.
Central Enforcement Docket
Office of General Counsel
Federal Election Commission
Washington, D.C. 20463

Re: MUR 4107

Dear Ms. Taksar:

This will acknowledge receipt of your letter, dated November 4, 1994, and received on November 10, 1994, referring to a complaint filed with the Federal Election Commission ("FEC") alleging, among other things, that I, in my individual capacity, may have violated the Federal Election Campaign Act of 1971, as amended (the "Act"). I will also be separately sending you a response letter on behalf of the Institute of International Bankers (the "Institute") and in my capacity as its Executive Director - Head of Legal and External Affairs. The Institute is a non-profit corporation organized under New York law.

The complaint includes as an attachment a form of "Dear Colleague" letter, over the names of myself and five other banking lawyers, inviting the recipient to an October 11, 1994 breakfast reception in New York City honoring Senator Paul S. Sarbanes. The invitation letter also encouraged the recipient to make a contribution to the Senator's campaign fundraising committee, Citizens for Sarbanes (the "Sarbanes Committee"), and included a reply form to be faxed to me indicating whether the recipient would be able to attend the reception or would otherwise want to make a contribution to the Committee. The letter and reply form both indicated that any contribution check should be payable to the Committee and could either be brought to the reception or sent directly to the Committee at its office in Washington, D.C.

Both the invitation letter and the R.S.V.P. form specifically stated that corporate contributions were not permitted and that only U.S. citizens and permanent residents were eligible to make campaign contributions.

Nov 22 1 23 PM '94

FEDERAL ELECTION COMMISSION
OFFICE OF GENERAL COUNSEL

96043735397

LAWRENCE R. UHLICK
CHICKEN VALLEY ROAD
OLD BROOKVILLE, N.Y. 11848

As indicated in further detail below, I believe that the production and distribution of the invitation letter and R.S.V.P. form and all other aspects of participation in the breakfast reception by me, the other signatories to the letter and two of the other professionals at the Institute acting in a personal volunteer capacity complied fully with the Act and the regulations thereunder.

In sum, my participation in the breakfast reception consisted exclusively of my individual, volunteer effort as a U.S. citizen to encourage individual bankers, lawyers and accountants whom I have known in a professional capacity for many years to support Senator Sarbanes's campaign. Any use of the facilities of the Institute in connection with the reception complied fully with the FEC regulation stating that employees of a corporation may, subject to the rules and practices of the corporation, make occasional, isolated, or incidental use of the facilities of the corporation for individual, volunteer activity in connection with a federal election, subject to the requirement that the corporation must be reimbursed to the extent that the overhead or operating costs of the corporation are increased by such use. 11 C.F.R. § 114.9.

The FEC regulations make clear that the term contribution or expenditure for purposes of the Act shall not include any activity which is specifically permitted by 11 C.F.R. Part 114. See 11 C.F.R. §§ 100.7(b)(10), 100.8(b)(11), 114.1(a)(2)(x). Because the FEC's volunteer activity regulation in Part 114 (§ 114.9) was fully complied with in connection with the breakfast reception, any incidental use of the Institute's facilities in connection therewith could not have constituted a prohibited contribution for purposes of the Act.

I am a U.S. citizen and my individual, volunteer activity in connection with the breakfast reception is consistent with my own professional involvement in financial services legislation throughout almost my entire career, including in my former capacities as Vice President and Counsel of the New York Clearing House and Vice President and Assistant Resident Counsel for J.P. Morgan & Co.

LAWRENCE R. UHLICK
CHICKEN VALLEY ROAD
OLD BROOKVILLE, N.Y. 11848

Over my two decades of working in the banking industry, I have become personally acquainted with many of the members of Congress who are directly involved with financial services legislation. From time to time, I have personally contributed on a voluntary basis to the campaigns of a number of members of the banking committees of Congress whom I believed deserved support.

Senator Sarbanes is a senior member of the Senate Banking Committee and is well respected by his colleagues and the financial services industry. In discussions with his staff earlier this year, I indicated that if he were planning a trip to New York, I would be pleased in my individual capacity to help arrange for the Senator to meet with a number of other professionals interested in financial services legislation.

When the Sarbanes Committee indicated that the Senator would be visiting New York City in October, I asked five distinguished banking lawyers, all of whom I have known for over 15 years, if they would be willing to join me in a personal capacity in co-signing a letter of invitation for a reception honoring the Senator. These lawyers, all of whom are U.S. citizens, are leaders of the financial services bar and provide advice to a broad range of domestic and international financial services clients.

Two of the other professionals at the Institute, both also well-known banking lawyers, also expressed a personal interest in supporting Senator Sarbanes and encouraging others to do so. One, Gary M. Welsh, the Institute's General Counsel and a former senior legal official with the Federal Reserve, is a resident of Maryland and a registered Democrat. Before joining the Institute, Mr. Welsh was in private law practice in Washington, where he was actively involved with federal financial services legislation. The other, David T. Halvorson, formerly a senior bank regulator in New York State government, has long been active in the Democratic party; he is currently the Institute's Deputy General Counsel.

It was clearly understood by all of us that this was not an Institute event and that we would be acting in a personal capacity. It was further

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LAWRENCE R. UHLICK
CHICKEN VALLEY ROAD
OLD BROOKVILLE, N.Y. 11545

understood that any involvement by us in the reception would have to be entirely voluntary and would have to comply strictly with the requirements of the Act, including the provisions in 11 C.F.R. § 114.9 regarding the incidental use of the facilities of a corporation for individual, volunteer activity by its employees in connection with a federal election. It was explained to the other Institute staff that these were personal efforts and did not constitute an Institute activity.

My compliance with the FEC volunteer activity regulation and the Act's prohibition against contributions by corporations or foreign nationals included taking the following additional actions in connection with the breakfast reception:

- * Ensuring that only personal funds were used to purchase the blank stationery and envelopes, as well as the postage stamps, for the mailing of the invitation letters.
- * Determining that, to the best of my knowledge, the invitation letters would be sent only to individuals who are citizens or permanent residents of the United States and confirming that, to the best of my knowledge, any individuals who made contributions to the Committee in response to an invitation letter met this requirement.
- * Ensuring, in connection with the reservation of the reception facilities, that the hotel charges for the reception would be billed directly to the Sarbanes Committee.
- * Ensuring that any use of the Institute's facilities by any individual in connection with the reception did not exceed the limitations set forth in the FEC volunteer activity regulation.

I believe that the foregoing information should be sufficient for your office to conclude, in its initial report to the FEC in this matter, that the

LAWRENCE R. UHLICK
CHICKEN VALLEY ROAD
OLD BROOKVILLE, N.Y. 11848

Commission should find no reason to believe that the complaint sets forth a possible violation of the Act.¹

If you should have any questions regarding this response, please do not hesitate to contact J. Eugene Marans, Esq. of Cleary, Gottlieb, Steen & Hamilton or Daniel J. Swillinger, Esq. whom I am designating in the enclosed statements as my counsel in this matter.

Sincerely yours,

Lawrence R. Uhlick
Lawrence R. Uhlick

¹ The final paragraph of the complaint alleges without explanation or support that certain communications attached thereto failed to contain a disclaimer said to be required by 11 C.F.R. § 102.16 (which in turn refers to 11 C.F.R. § 110.11) notifying the reader of the identity of the persons who paid for, and where required, who authorized the communications. It seems apparent that any such specific disclaimer was not required to be placed on the invitation letter, reply form and any follow-up faxes in this case, because these items were sent out in an individual capacity to a select group of professional friends of the senders and could not reasonably be regarded as a form of general public political advertising.

RE-ELECT SENATOR PAUL SARBANES

DEMOCRAT FOR U.S. SENATE

November 21, 1994

Mary L. Taksar, Attorney
Central Enforcement Docket
Federal Election Commission
999 E Street, N.W.
Washington, D.C. 20463

RECEIVED
FEDERAL ELECTION
COMMISSION
OFFICE OF GENERAL
COUNSEL
NOV 22 9 29 AM '94

Re: MUR 4107

Dear Ms. Taksar:

I am hereby filing a response on behalf of Citizens for Sarbanes to a complaint filed by William E. Brock. Your letter dated November 4, 1994 alleges that Citizens for Sarbanes may have violated the Federal Election Campaign Act of 1971, as amended (the "Act").

In the Complaint, Mr. Brock alleges that Citizens for Sarbanes accepted in-kind contributions from the Institute of International Bankers (the "Institute"). Mr. Brock contends that these illegal in-kind contributions were the use of the Institute's facilities, equipment and personnel in sponsoring a fundraiser for Senator Sarbanes. Mr. Brock contends that these in-kind contributions were improper donations by a corporation or by a foreign national to Citizens for Sarbanes.

Mr. Brock's allegations are baseless and were filed in the heat of the recent campaign in an attempt to create a political issue. The facts are as follows:

The October 11, 1994 breakfast reception was not sponsored by the Institute. It was sponsored by six banking attorneys, all U.S. citizens. These attorneys were acting in their individual capacities and were acting as volunteers. Citizens for Sarbanes never solicited or recieved an in-kind contribution from the Institute and was informed that any use of the Institute's facilities fully complied with the FEC regulation stating that employees of a corporation may make occasional, isolated, or incidental use of the facilities of the corporation for individual volunteer activity in connection with a federal election. 11 C.F.R. Section 114.9.

The invitation and the reply form were sent out in an individual capacity to a select group of personal and professional friends of the six individuals who signed the letter. Citizens for Sarbanes did not provide a list or determine to whom the letters were to be sent. The invitation letter and the R.S.V.P. form both specifically stated that corporate contributions were not permitted and only U.S. citizens and permanent residents were eligible to make campaign

Citizens for Sarbanes • P. O. Box 26222 • Baltimore, Maryland 21210

contributions.

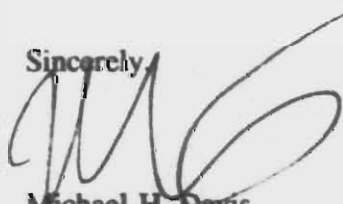
The postage and the blank stationery to mail the letter and reply form were paid for by David T. Halvorson, a U.S. citizen and an attorney. Mr. Halvorson informed Citizens for Sarbanes that he expended \$114.15 for the postage and stationery and this amount will be reported as an in-kind contribution to Citizens for Sarbanes in the November 28, 1994 FEC report.

The breakfast was held at The Waldorf-Astoria and was paid for by Citizens for Sarbanes. Attached hereto is the cancelled check to the Waldorf-Astoria in the amount of \$570.75.

The clear facts demonstrate that Citizens for Sarbanes did not receive any in-kind contribution from the Institute. We believe that the information provided herein should be sufficient for the Commission to conclude that Mr. Brock's complaint does not set forth any possible violations of the Act.

If you have any questions, please do not hesitate to contact me. I can be reached at 410-494-6281.

Sincerely,



Michael H. Davis
Campaign Manager and
Deputy Treasurer
Citizens for Sarbanes

96043735403

CITIZENS FOR SARBANES
1994 ELECTION ACCOUNT
P.O. BOX 2622
BALTIMORE, MD 21210-0122

1118

Nov. 3 1994

10/10

Malloy-Peterson

000430370 CSE 0001 0011 \$ 570.25

Five hundred seventy and 25/100

DOLLARS



AMERICAN SAFE DEPOSIT & TRUST COMPANY
815 N. HANCOCK AVENUE
BALTIMORE, MARYLAND 21201

Danay E. Peterson

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7800 Hampden Lane
Bethesda, MD 20814
301-654-3156 (H)
202-879-4697 (O)

Nov 23 2 23 PM '94

RECEIVED
FEDERAL ELECTION
COMMISSION
OFFICE OF SECRETARY

November 23, 1994

Lawrence Noble, Esq.
General Counsel
Federal Elections Commission
999 E Street, N.W.
Washington, D.C. 20463

Re: MUR 4107

Dear Mr. Noble:

I am in receipt of Mary L. Taksar's letter of November 4, 1994, sent to me concerning alleged violation of the Federal Election Campaign Act of 1971 (the "Act"). The letter was sent to me in care of the Institute of International Bankers (the "Institute") and was faxed to me by the Institute on November 11, 1994. Ms. Taksar's letter requests me to submit "any factual or legal materials which you believe are relevant to the Commission's analysis of this matter" within 15 days of my receipt of her letter.

Attached to Ms. Taksar's letter was a letter from William E. Brock which appears to allege a violation of the Act because the Institute "has made in-kind contributions to Senator Sarbanes' campaign." I believe the following information is relevant to the Commission's analysis of this matter.

I did authorize the use of my name, in a letter joined by other legal colleagues, to invite financial services industry professionals to a continental breakfast and reception honoring Senator Paul S. Sarbanes of Maryland. The correct text of the letter dated September 22, 1994, to the best of my knowledge, is attached to Mr. Brock's letter to Mr. Noble.

I understood that the letter to which I had given my concurrence was an individual effort organized by Mr. Larry Uhlick in a personal capacity. I was assured by Mr. Uhlick that all matters in connection with this letter would be carried out in accordance with law. I did not participate in any way in the distribution of this letter.

96043735405

Kevin F. Barnard
5 Maywood Ct.
Darien, Connecticut 06820

NOV 28 9 24 AM '94

KFB:DG

November 22, 1994

re MUR 4107

Mary L. Taksar, Esq.
Central Enforcement Docket
Office of General Counsel
Federal Election Commission
Washington, D.C. 20463

Dear Mary:

On November 10, 1994, I received your letter dated November 4 concerning correspondence from Mr. William Brock. Mr. Brock apparently believes that the participation by several lawyers, including myself, who represent banking clients in soliciting our colleagues to attend a breakfast reception in New York honoring Senator Paul S. Sarbanes, and to support Senator Sarbanes' re-election effort, was improper.

Mr. Brock's assertion of impropriety, to the extent it can be interpreted as having any applicability to my involvement in the Sarbanes breakfast reception, is without merit. After being contacted by Mr. Lawrence Uhlick (who I have known personally for many years) soliciting my support in helping him sponsor a reception for Senator Sarbanes, I agreed to have my name appear on a letter

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FEDERAL ELECTION COMMISSION
OFFICE OF GENERAL COUNSEL

with several other banking lawyers (each of whom is well-known to me) which was to be sent to other lawyers, as well as business people, in the financial services community. I spoke with approximately five lawyers (both at my firm and at other New York law firms) to see if they would be interested in attending the reception and contributing to Senator Sarbanes' re-election effort. Each of these individuals is known to me to be a U.S. citizen. I contributed to the Sarbanes re-election committee by sending a check drawn on my personal bank account directly to the committee's office in Washington, D.C. I had no contact with any of the other banking lawyers whose names appear on the solicitation letter after agreeing to "sign" it and, because of business meetings, could not attend the breakfast reception on October 11, 1994.

The core of Mr. Brock's complaint concerns allegations against Citizens for Sarbanes and the Institute of International Bankers. I am not affiliated with Citizens for Sarbanes or a member of the Institute and neither is a client of my firm. My involvement in the Sarbanes reception was limited to the extent described above and, accordingly, I submit there is no foundation as a matter of fact or law for Mr. Brock's complaint.

Please let me know if it would be helpful to your review for me to expand on this letter.

Very truly yours,

Kevin F. Barnard

96043735407

RE-ELECT SENATOR PAUL SARBANES

DEMOCRAT FOR U.S. SENATE

November 21, 1994

Mary L. Taksar, Attorney
Central Enforcement Docket
Federal Election Commission
999 E Street, N.W.
Washington, D.C. 20463

Re: MUR 4107

NOV 28 11 49 AM '94

RECEIVED
FEDERAL ELECTION
COMMISSION
OFFICE OF CLERICAL
SERVICES

Dear Ms. Taksar:

I am hereby filing a response on behalf of Citizens for Sarbanes to a complaint filed by William E. Brock. Your letter dated November 4, 1994 alleges that Citizens for Sarbanes may have violated the Federal Election Campaign Act of 1971, as amended (the "Act").

In the Complaint, Mr. Brock alleges that Citizens for Sarbanes accepted in-kind contributions from the Institute of International Bankers (the "Institute"). Mr. Brock contends that these illegal in-kind contributions were the use of the Institute's facilities, equipment and personnel in sponsoring a fundraiser for Senator Sarbanes. Mr. Brock contends that these in-kind contributions were improper donations by a corporation or by a foreign national to Citizens for Sarbanes.

Mr. Brock's allegations are baseless and were filed in the heat of the recent campaign in an attempt to create a political issue. The facts are as follows:

The October 11, 1994 breakfast reception was not sponsored by the Institute. It was sponsored by six banking attorneys, all U.S. citizens. These attorneys were acting in their individual capacities and were acting as volunteers. Citizens for Sarbanes never solicited or recieved an in-kind contribution from the Institute and was informed that any use of the Institute's facilities fully complied with the FEC regulation stating that employees of a corporation may make occasional, isolated, or incidental use of the facilities of the corporation for individual volunteer activity in connection with a federal election. 11 C.F.R. Section 114.9.

The invitation and the reply form were sent out in an individual capacity to a select group of personal and professional friends of the six individuals who signed the letter. Citizens for Sarbanes did not provide a list or determine to whom the letters were to be sent. The invitation letter and the R.S.V.P. form both specifically stated that corporate contributions were not permitted and only U.S. citizens and permanent residents were eligible to make campaign

Citizens for Sarbanes • P. O. Box 26222 • Baltimore, Maryland 21210

contributions.

The postage and the blank stationery to mail the letter and reply form were paid for by David T. Halvorson, a U.S. citizen and an attorney. Mr. Halvorson informed Citizens for Sarbanes that he expended \$114.15 for the postage and stationery and this amount will be reported as an in-kind contribution to Citizens for Sarbanes in the November 28, 1994 FEC report.

The breakfast was held at The Waldorf-Astoria and was paid for by Citizens for Sarbanes. Attached hereto is the cancelled check to the Waldorf-Astoria in the amount of \$570.75.

The clear facts demonstrate that Citizens for Sarbanes did not receive any in-kind contribution from the Institute. We believe that the information provided herein should be sufficient for the Commission to conclude that Mr. Brock's complaint does not set forth any possible violations of the Act.

If you have any questions, please do not hesitate to contact me. I can be reached at 410-494-6281.

Sincerely,


Michael H. Davis
Campaign Manager and
Deputy Treasurer
Citizens for Sarbanes

96043735409

SHEARMAN & STERLING

FAX: 212-848-7179
212-848-7181
TELEX: 667290 WUI

599 LEXINGTON AVENUE
NEW YORK, N.Y. 10022-6069
212 848-4000

RECEIVED
FEDERAL ELECTION
COMMISSION
MAIL ROOM

Nov 28 9 30 AM '94

ABU DHABI
BEIJING
BUDAPEST
DÜSSELDORF
FRANKFURT
HONG KONG
LONDON
LOS ANGELES
NEW YORK
PARIS
SAN FRANCISCO
TAIPEI
TOKYO
TORONTO
WASHINGTON, D.C.

WRITER'S DIRECT NUMBER:

212-848-8660

November 18, 1994

VIA U.S. MAIL

Ms. Mary Taksar
Attorney
Office of General Counsel
Federal Election Commission
Washington, D.C. 20463

4187
Re: Your file MUR 1407

Dear Ms. Taksar:

This will acknowledge receipt on November 15, 1994 of your letter of Nov. 4, 1994 referring to a complaint dated Oct. 28, 1994 filed by William E. Brock with your Commission alleging that I may have violated the Federal Election Campaign Act of 1971 (the "Act") by virtue my being a signatory, together with five other individuals, to a letter dated Sept. 22, 1994 addressed to a variety of financial service industry professionals extending an invitation to a continental breakfast and reception honoring Sen. Paul S. Sarbanes.

Attached to the letter of invitation was a form requesting the invitee to indicate his/her intention to attend or not attend and giving instructions as to how a voluntary contribution suggested in the letter of invitation should be made.

I believe that, insofar as I am concerned, the complaint is in error and that I have not committed any violation of the Act for, among others, the following reasons:

(a) I am a U.S. citizen residing at 1 Surrey Road, Summit, New Jersey and have, for more than twenty years, been active in supporting legislation to modernize the U.S. financial system in my former capacity as General Counsel of Citicorp/Citibank and currently as a Director of the Financial Services Council.

Nov 28 10 01 AM '94

FEDERAL ELECTION
COMMISSION
OFFICE OF GENERAL
COUNSEL

96043735410

November 11, 1994

(b) Sen. Sarbanes is a prominent and respected member of the Senate Banking Committee which is, of course, deeply involved in financial services legislation.

(c) I believe that it is beneficial that Sen. Sarbanes meet with financial services industry professionals to acquaint himself with issues facing that rapidly changing industry and it was for this purpose that I was pleased to be a signatory to the above mentioned letter of invitation when requested to do so by Larry Uhlick, a long-time professional friend, as a personal favor.

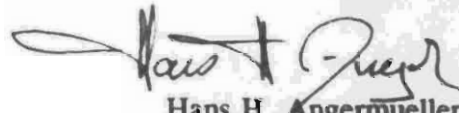
(d) I also believe that the making of voluntary, personal political contributions within the parameters of applicable Federal and State law is an appropriate part of the American political process to evidence support of legislators that share views and values with eligible contributors.

(e) Pursuant to the above, I was honored to be among the signatories to the letter of invitation and to make a personal contribution of \$100 from my own funds in accordance with the instructions accompanying such letter.

(f) Contrary to the implications of the complaint, I am not, and never have been, associated with the campaign committee of Sen. Sarbanes (Citizens for Senator Sarbanes) and I am not, and never have been, a member of the Institute of International Bankers.

Please let me know what further information you may require insofar as the complaint affects me.

Very truly yours,


Hans H. Angermueller

HHA/em

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450 LEXINGTON AVENUE
NEW YORK, N.Y. 10017

FEDERAL ELECTION
COMMISSION
OFFICE OF GENERAL COUNSEL

NOV 23 11 23 AM '94

November 22, 1994

Mary L. Taksar, Esq.
Central Enforcement Docket
Office of General Counsel
Federal Election Commission
Washington, D.C. 20463

Re: MUR 4107

Dear Ms. Taksar:

This is in response to your letter of November 4, 1994, which I received on November 9, 1994. I am a lawyer at Davis Polk & Wardwell, admitted to practice in New York in 1964. Since that time I have been a registered Democrat in New York and have been relatively active in the political process.

In September I agreed to add my name to those of a number of other individuals, mostly practicing lawyers, each known to me personally, on an invitation to meet Senator Sarbanes and to contribute to his reelection campaign. In so doing I did not act as part of a committee but as a separate individual.

I understood that one or more of the other individuals signing the letter would distribute the invitations to persons qualifying under applicable election laws as possible donors to Senator Sarbanes' campaign. I did not distribute the invitations or make any expenditure to distribute them, nor to my knowledge, did any entity or individual other than individuals signing the invitation, make any expenditure to distribute the invitation, except that I have been told that one other individual paid for some postage.

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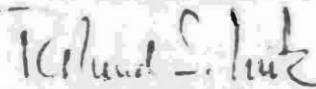
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It was my understanding that the people to whom the invitations were sent would not include foreigners or corporations. I have no reason to think that any foreign nationals contributed to Senator Sarbanes' campaign as a result of the invitation at issue. I note that the text of the invitation makes clear that gifts would be received only from qualifying donors.

I would add that there is no reference in the letter of Mr. William R. Brock, which was attached to your letter to me, to any act on my part which is not consistent with the above explanation, which in every way accords with federal election laws.

While at this time I am not appointing an attorney in this matter, I of course reserve the right to do so.

Very truly yours,


Troland S. Link

FEDERAL ELECTION COMMISSION
999 E Street, N.W.
Washington, D.C. 20463

FIRST GENERAL COUNSEL'S REPORT

SENSITIVE

MUR: 4107

DATE COMPLAINT FILED: 10/28/94

DATE OF NOTIFICATION: 11/04/94

DATE ACTIVATED: March 11, 1996

STAFF MEMBER: Phillip L. Wise

COMPLAINANT: William E. Brock

RESPONDENTS: Citizens for Sarbanes and Sebastia Svolos, as treasurer,
Lawrence R. Uhlick
Institute of International Bankers
Hans H. Angermueller
Michael Bradfield
Troland S. Link
Kevin F. Barnard
Henry Rodgin Cohen

RELEVANT STATUTES: 2 U.S.C. § 441b(a)
2 U.S.C. § 441e
2 U.S.C. § 441d
11 C.F.R. § 110.4(a)
11 C.F.R. § 114.9(a)

INTERNAL REPORTS CHECKED: DISCLOSURE REPORTS

FEDERAL AGENCIES CHECKED: NONE

I. GENERATION OF MATTER

This matter was initiated by a signed sworn complaint filed with the Federal Election Commission ("The Commission") on October 28, 1994, by William E. Brock. In this complaint Mr. Brock alleged that the Institute of International Bankers ("the Institute"), an association representing foreign banks, knowingly and willfully violated 2 U.S.C. §§ 441b(a), and 441e, by

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making in-kind corporate and foreign national contributions to the Citizens for Sarbanes and Sebastia Svolos, as treasurer ("the Sarbanes Committee") with regard to an October 11, 1994 breakfast and reception honoring Senator Sarbanes. Mr. Brock also alleged that Lawrence R. Uhlick (the Executive Director - Head of Legal and External Affairs for the Institute), Hans H. Angermueller, Michael Bradfield, Troland S. Link, Kevin F. Barnard, and Henry Rodgin Cohen, all of whose names appeared on the invitation letter as sponsors, knowingly and willfully violated 2 U.S.C. § 441e, by soliciting and accepting contributions from foreign nationals for the Sarbanes Committee, from and through the Institute, with regard to the breakfast and reception honoring Senator Sarbanes.

Mr. Brock also alleged that Lawrence R. Uhlick, Hans H. Angermueller, Michael Bradfield, Troland S. Link, Kevin F. Barnard, and Henry Rodgin Cohen violated 2 U.S.C. § 441d by failing to place the required disclaimer on materials they used to solicit contributions for the Sarbanes Committee.

Finally, in this complaint Mr. Brock alleged that the Sarbanes Committee knowingly and willfully violated 2 U.S.C. §§ 441b(a), and 441e, by accepting in-kind corporate and foreign national contributions from the Institute, with regard to the events surrounding the breakfast and reception honoring Senator Sarbanes.

II. FACTUAL AND LEGAL ANALYSIS

A. THE LAW

The Federal Election Campaign Act of 1971, as amended ("the Act") states that it shall be unlawful for a foreign national directly or through any other person to make any contribution of money or other thing of value, or to promise expressly or impliedly to make any

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such contribution, in connection with an election to any political office or in connection with any primary election, convention, or caucus held to select candidates for any political office; or for any person to solicit, accept, or receive any such contribution from a foreign national. 2 U.S.C. § 441e. See also 11 C.F.R. § 110.4(a).

It is unlawful for any corporation to make a contribution or expenditure in connection with any election for federal political office. It is also unlawful for any candidate or political committee knowingly to accept or receive such a contribution. 2 U.S.C. § 441b(a).

Pursuant to 2 U.S.C. § 441d(a) whenever any person makes an expenditure for the purpose of financing communications expressly advocating the election or defeat of a clearly identified candidate, or solicits any contribution through any broadcasting station, newspaper, magazine, outdoor advertising facility, direct mailing, or any other type of general public political advertising, such communication, if paid for and authorized by a candidate, an authorized political committee of a candidate, or its agents, shall clearly state that the communication has been paid for by such authorized political committee. If such communication is paid for by other persons but authorized by a candidate, an authorized political committee of a candidate, or its agents, the communication shall clearly state that it is paid for by such other person and authorized by such authorized political committee. If such communication is not authorized by a candidate, an authorized political committee of a candidate, or its agents, the communication shall clearly state the name of the person who paid for the communication and state that the communication is not authorized by any candidate or candidate's committee.

Stockholders and employees of the corporation may, subject to the rules and practices of the corporation, make occasional, isolated, or incidental use of the facilities of a corporation for

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individual volunteer activity in connection with a Federal election and will be required to reimburse the corporation only to the extent that the overhead or operating costs of the corporation are increased. 11 C.F.R. § 114.9(a)(1). Occasional, isolated, or incidental use generally means when used by employees during working hours, an amount of activity during any particular work period which does not prevent the employee from completing the normal amount of work which that employee usually carries out during such work period. 11 C.F.R. § 114.9(a)(1)(i).¹

To support knowing and willful findings there must be evidence that the violations were committed with an intent to violate federal election laws. See AFL-CIO v. FEC, 628 F.2d 97, 101 (D.C. Cir.) ("knowing, conscious, and deliberate flaunting of the Act"), cert. denied, 449 U.S. 982 (1980) (citation omitted).

B. COMPLAINT AND RESPONSES

1. ALLEGATIONS

The complaint alleges that through a conspiracy between the Sarbanes Committee and the Institute, unlawful corporate and foreign national contributions were knowingly and willfully accepted by the Sarbanes Committee as a result of activities by persons in preparation of an October 11, 1994 breakfast and reception honoring Senator Sarbanes. The complaint also alleges that invitation material, which announced the breakfast and reception, and solicited contributions for the Sarbanes Committee, failed to contain the required disclaimer.

¹ It should be noted that the Commission has added new provisions to Part 114 of the regulations. The activity in the present matter occurred prior to the effective date of the new regulations, and therefore is controlled by the provision of the old regulations. Nevertheless, whether this matter was analyzed under the old or new regulations, this Office's recommendations would not change.

2. RESPONSES

(a) Lawrence R. Uhlick

In responding to the complaint Mr. Uhlick, the Executive Director - Head of Legal and External Affairs for the Institute of International Bankers, stated that his participation in the breakfast reception consisted exclusively of his individual, volunteer effort as a U.S. citizen to encourage individual bankers, lawyers and accountants he has known in a professional capacity for many years to support Senator Sarbanes' campaign. See Attachment 1. Mr. Uhlick, referencing 11 C.F.R. § 114.9, also asserts that any use of the facilities of the Institute of International Bankers in connection with the reception complied fully with the FEC regulation governing employees' occasional, isolated, or incidental use of the corporation's facilities for individual, volunteer activity in connection with a federal election.

Mr. Uhlick also states that both the invitation letter and the R.S.V.P. form, at issue in the complaint, specifically stated that corporate contributions were not permitted and that only U.S. citizens and permanent residents were eligible to make campaign contributions. According to Mr. Uhlick he made sure that only personal funds were used to purchase the stationery, envelopes, and postage stamps, that to the best of his knowledge invitation letters were sent only to individuals who are citizens or permanent residents of the United States, and that contributions were only accepted from individuals who met this requirement; that the hotel charges for the reception were billed directly to the Sarbanes Committee.

Mr. Uhlick also stated that Gary M. Welsh, the General Counsel, and David T. Halvorson, the Deputy General Counsel, of the Institute of International Bankers, both well known banking lawyers, expressed a personal interest in supporting Senator Sarbanes and acted

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in their personal capacity in whatever tasks they undertook. According to Mr. Uhlick it was explained to the Institute of International Bankers' staff all efforts in connection with the fundraiser were personal and did not constitute the Institute's activity.

Mr. Uhlick finally argues that no disclaimer was required because the invitation letter, reply form and follow-up faxes were sent out in an individual capacity to a select group of professional friends of the senders and could not reasonably be regarded as a form of general public advertising.

In view of the foregoing, Mr. Uhlick asserts that the Commission should find no reason to believe that the complaint sets forth a possible violation of the Act.

(b) The Institute of International Bankers

In responding to the complaint, on behalf of the Institute, Mr. Uhlick stated that the Institute of International Bankers is a trade association representing the interests of the U.S. operations of international banks, and that it is not a foreign national under the Act.

See Attachment 2. According to Mr. Uhlick the Institute of International Bankers is a non-profit corporation organized under New York law. Mr. Uhlick also states that all of the Institute's employees are U.S. citizens or permanent residents of the United States.

Mr. Uhlick also asserts that the Institute of International Bankers does not itself participate in federal election campaigns, but has always permitted its employees to make occasional, isolated or incidental use of the facilities of the Institute of International Bankers for personal reasons, including individual volunteer activities in connection with charitable causes, election campaigns and other civic endeavors, as long as such use does not violate applicable law. Mr. Uhlick also argues that the Institute had no part in this fundraising breakfast and

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reception beyond the allowable incidental use of facilities by employees for an individual volunteer purpose. Accordingly, Mr. Uhlick concludes that the Commission should find no reason to believe that the complaint sets forth a possible violation of the Act.

(c) Citizens for Sarbanes

In responding to the complaint the Sarbanes Committee stated that the October 11, 1994 breakfast reception was not sponsored by the Institute of International Bankers and that, therefore the Sarbanes Committee did not accept an in-kind contribution from the Institute. See Attachment 3. The Sarbanes Committee also states that it was informed that any use of the Institute's facilities fully complied with the Commission's regulation allowing employees of a corporation to make occasional, isolated, or incidental use of the facilities of the corporation for individual volunteer activity in connection with a federal election.

According to the Sarbanes Committee six banking attorneys, all U.S. citizens acting in their individual capacities as volunteers sponsored the breakfast and reception. The Sarbanes Committee stated that the invitations and reply forms for the reception were sent out by these volunteers in their individual capacity to a select group of their personal and professional friends. The Sarbanes Committee also states that it did not provide a list or determine to whom the letters were to be sent. Further, the Sarbanes Committee points out that the invitation letter and the response form both specifically stated that corporate contributions were not permitted, and that only U.S. citizens and permanent residents were eligible to make campaign contributions. In addition, the Sarbanes Committee states that it was informed that the \$114.15 needed for postage and stationery was paid for by David T. Halvorson, a U.S. citizen and attorney.

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The Sarbanes Committee states that it paid \$570.75 for the breakfast reception itself which was held at The Waldorf-Astoria. As proof of this fact the Sarbanes Committee attached a canceled check dated November 3, 1994 payable to The Waldorf-Astoria in the amount of \$570.75.

Based on the foregoing the Sarbanes Committee states that the Commission should conclude that Mr. Brock's complaint does not set forth any possible violations of the Act.

(d) Henry Rodgin Cohen

In responding to the complaint counsel for Henry Rodgin Cohen, one of the individuals whose name appeared on the invitation, stated that Mr. Cohen is a citizen of the United States and a resident of the State of New York. According to counsel Mr. Cohen is not, nor has he ever been, an employee, officer or director of the Institute of International Bankers or of the Sarbanes Committee, and has no role in the affairs of either organization.

See Attachment 4.

With regard to the October 11, 1994 breakfast and reception honoring Senator Sarbanes, counsel asserts that Mr. Cohen had no role in planning or in arranging the event. Counsel also claims that Mr. Cohen only allowed his name to be placed on the solicitation material after he received assurance from his longtime personal friend Lawrence R. Uhlick, the Executive Director of the Institute of International Bankers, that the solicitation was in compliance with Federal election laws.

Counsel states that Mr. Cohen has no knowledge or information concerning the use of the facilities and equipment of the Institute of International Bankers in connection with the fundraiser. Counsel also states that the only sponsorship Mr. Cohen was aware of was that by

Mr. Uhlick, who had informed him that he was acting in a personal capacity with regard to the Sarbanes event.

Based on the above, counsel requests that this complaint against Mr. Cohen be dismissed and that no action be taken against Mr. Cohen in this matter.

(e) Michael Bradfield

In responding to the complaint Mr. Bradfield stated that he authorized the use of his name in the letter at issue in this matter. See Attachment 5. Mr. Bradfield also states that he understood that his involvement was an individual effort in accordance with law. Mr. Bradfield states that he is not a member of the Institute of International Bankers, that he has not made any financial contribution to the Institute of International Bankers, that he did not participate in the distribution of this letter, that he did not attend the breakfast reception, and that he has no knowledge whether the Institute's resources were used in connection with this letter.

(f) Hans H. Angermueller

In responding to the complaint Mr. Angermueller stated that he did not commit any violation of the Act by his involvement with the breakfast reception honoring Senator Paul S. Sarbanes. See Attachment 6. Mr. Angermueller states that he is a United States citizen and as such he was pleased to be a signatory of the invitation letter. Mr. Angermueller also asserts that he has never been associated with the Sarbanes Committee; nor has he been a member of the Institute of International Bankers.

Mr. Angermueller also states that his involvement in this function was voluntary and that his personal contribution of \$100.00 from his own funds was in accordance to applicable Federal and State law, and the instructions accompanying the invitation letter.

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(g) Kevin F. Barnard

In responding to the complaint Mr. Barnard stated that he became involved with the breakfast reception honoring Senator Sarbanes, and agreed to have his name appear on the invitation letter after being contacted by Mr. Lawrence Uhlick, whom Mr. Barnard states he has known personally for many years. See Attachment 7. Mr. Barnard also states that all of the persons he contacted about attending the reception and contributing to the Sarbanes Committee are U.S. Citizens.

Mr. Barnard also points out that he made a contribution to the Sarbanes Committee with a check drawn on his personal account. Mr. Barnard also states that he is neither affiliated with the Sarbanes Committee nor a member of the Institute of International Bankers, and that neither is a client of his firm.

(h) Troland S. Link

In responding to the complaint Mr. Link stated that he agreed to have his name placed on the invitation to meet Senator Sarbanes and to contribute to his reelection campaign. See Attachment 8. Mr. Link states that his action in this matter was as an individual. Mr. Link also states that he personally knew the other persons whose names appeared on the invitation letter. Mr. Link also states that he did not distribute or make any expenditure to distribute these letters, but it was his understanding that they were not sent to foreigners or corporations. Mr. Link states that he has no reason to think that any foreign nationals contributed to the Sarbanes campaign, as a result of the invitation to the breakfast reception.

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C. Discussion

1. Contributions from Foreign Nationals

The Sarbanes Committee, and the individuals who are respondents in this matter have specifically denied that any contributions were accepted, solicited, or received from foreign nationals as a result of the activities surrounding the October 11, 1994 breakfast reception honoring Senator Sarbanes. Nor is there any other evidence which supports the allegation that contributions were received from foreign nationals. The written materials used to announce the breakfast reception, and to solicit contributions warned that "under federal law, corporate contributions are not permitted and only U.S. citizens and permanent residents are eligible to make campaign contributions." Even though the cover sheet for faxing this material indicated a need for a respectable showing of "friends of foreign banks," the warnings contained in the material clearly put people receiving these documents on notice that contributions could not be accepted from foreign nationals.

Mr. Uhlick, who was mainly responsible for distributing the invitation letter has stated that he made sure that only personal funds were used to purchase the stationery, envelopes, and postage stamps; that to the best of his knowledge invitation letters would be sent only to individuals who are citizens or permanent residents of the United States and that contributions were only accepted from individuals who met this requirement.

Mr. Uhlick, also stated that the Institute is a trade association representing the interests of the U.S. operations of international banks; and that the day to day affairs of the Institute are carried out by its professional staff from its offices in New York City, and are managed by him.

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Mr. Uhlick also states that all of the Institute's employees are U.S. citizens or permanent residents of the United States.

In view of the claims of U.S. citizenship by the respondents, the denials of contributions from foreign nationals, and the safeguards taken to insure no involvement by foreign nationals, there appears to be no reason to believe that the respondents violated 2 U.S.C. § 441e.

2. Contributions from Corporation

Mr. Uhlick asserts that the Institute of International Bankers does not participate in federal election campaigns but has always permitted its employees to make occasional, isolated or incidental use of the facilities of the Institute of International Bankers for personal reasons, including individual volunteer activities in connection with charitable causes, election campaigns and other civic endeavors, as long as such use does not violate applicable law. In accordance with this policy Mr. Uhlick states that he used the Institute's facilities for his personal, volunteer activities with regard to the breakfast reception honoring Senator Sarbanes. Mr. Uhlick also stated that Gary M. Welsh, the General Counsel, and David T. Halvorson, the Deputy General Counsel, of the Institute of International Bankers, both well known banking lawyers, expressed a personal interest in supporting Senator Sarbanes and acted in their personal capacity in whatever tasks they undertook. Mr. Uhlick also asserts that it was explained to the Institute's staff that these were personal efforts and did not constitute an Institute activity.

While the involvement of the Institute's senior staff raises some questions, on balance it appears that this was not a corporation event. Significantly, five of the six sponsors of the event, whose names appeared on the invitation letter have claimed no connection to the Institute.² In

² The evidence in this matter indicates that the only sponsor who was an employee, officer, or member of the Institute was Mr. Uhlick.

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addition, the list of persons contacted about attending the breakfast and reception was not a creation of the Institute, but rather appears to have been individuals known to all the sponsors who shared an interest in banking. The stationery announcing the breakfast and reception was not on the Institute's letter-head, and was purchased outside by Mr. Halvorson from his personal funds. No contributions for the Sarbanes Committee were accepted by the Institute or any of its employees. In addition the event was not held on the Institute's property, nor did the Institute pay for the location used for the breakfast and reception. Finally, Mr. Uhlick has maintained that the other two persons involved who were employed by the Institute have participated in their individual capacities.³

Having concluded that the efforts of Mr. Uhlick and the others on balance appear to be occasional volunteer activity, the question remains whether Mr. Uhlick and the other volunteers complied with the reimbursement requirements of 11 C.F.R. § 114.9(a)(1). While the information available concerning this issue is very limited, the circumstances surrounding this matter clearly show that from the outset Mr. Uhlick and the Institute were aware that the Institute, a corporation, could not participate in this breakfast and reception honoring Senator Sarbanes. The facts, that five of the six sponsors had no connection to the Institute, that the event was not held at any of the Institute's facilities nor paid for by the Institute, and that the Institute employees only appear to have been involved in this one small donor breakfast make it likely that use of the facilities was limited. This conclusion is supported by the fact that Mr. Uhlick stated personal funds were used to purchase the stationery, envelopes, and postage

³ While it would have been better if the Institute had submitted statements from the two individuals in question (Gary M. Welsh and David T. Halvorson), in light of the rest of the information, this omission alone does not appear sufficient to warrant a finding of reason to believe.

stamps. In addition the Institute's response specifically acknowledged that any occasional, isolated, or incidental use of its facilities was subject to the requirement that the corporation must be reimbursed for any resulting increase in overhead or operating costs in accordance with 11 C.F.R. § 114.9(a)(1). And Mr. Uhlick's personal response specifically stated that he did comply with that regulation.

Accordingly, there appears to be no reason to believe that there was the accepting or making of corporate contributions in violation of 2 U.S.C. § 441b(a).

3. Failure to place Disclaimer on Written Material

The written material used by the individual respondents in this matter solicited contributions for a clearly identified candidate for a federal office. However, Mr. Uhlick argues that no disclaimer was required because the invitation letter, reply form and follow-up faxes were sent out in an individual capacity to a select group of professional friends of the senders, and could not reasonably be regarded as a form of general public advertising.

Despite Mr. Uhlick's assertions to the contrary, a review of the contents of the invitation letter shows that the correspondence was directed at the public and not a specific and select group. The text of the letter indicated that it was being sent to financial services professionals. The letter not only allowed the recipient to have someone attend in his place, but it also encouraged the sharing of the invitation with the recipient's colleagues who may want to participate. Since, the sponsors of the event encouraged broad distribution of the letter, the solicitation would appear to be a form of general public political advertising.

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Therefore, the failure to have a statement on this written material, giving notice of who paid and whether or not it was authorized by a candidate or his committee, appears to be a violation of 2 U.S.C. § 441d(a).

D. Conclusions

Since there appears to be no evidence to support Mr. Brock's allegations that there were contributions from foreign nationals and contributions from corporations, this Office recommends that the Commission find no reason to believe that such violations occurred with regard to the complaint filed in this matter.

The facts support Mr. Brock's assertion that the invitation letter to the breakfast reception honoring Senator Sarbanes should have contained the disclaimer. Accordingly, this Office recommends that the Commission find reason to believe that the individual respondents, whose names appeared as sponsors, violated 2 U.S.C. § 441d(a) by failing to include the disclaimer.

Without a list of the names of those contacted to attend the breakfast reception it is impossible to determine to what extent this activity was isolated, the total distribution of the letters, or the total amount of the contributions raised as a result of this event, which was held on October 11, 1994.⁴

In view of the foregoing, and the fact that the individual respondents spent very little money with regard to this event, and tried to assure that it complied with the federal election laws, succeeding for the most part, this Office also recommends that the Commission take no

⁴ This Office did review the Sarbanes Committee's 12 Day Pre General reporting period from October 1, 1994 to October 19, 1994 which includes the dates surrounding this event. The reports show that the Committee received a total of \$158,442.00 from 260 individual contributors during this reporting period. These contributions are from people with various occupations, the vast majority who appear to have no connection to each other nor the breakfast reception which is the subject of this complaint.

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further action with regard to the 441d(a) violation, and send an admonishment to the appropriate respondents.

III. RECOMMENDATIONS

1. Find reason to believe that Lawrence R. Uhlick, Hans H. Angermueller, Michael Bradfield, Troland S. Link, Kevin F. Barnard, and Henry Rodgin Cohen each violated 2 U.S.C. § 441d(a) but take no further action.
2. Find no reason to believe that Lawrence R. Uhlick, Hans H. Angermueller, Michael Bradfield, Troland S. Link, Kevin F. Barnard, and Henry Rodgin Cohen violated 2 U.S.C. § 441e.
3. Find no reason to believe that Citizens for Sarbanes and Sebastia Svolos, as treasurer, violated 2 U.S.C. §§ 441b(a), and 441e or any provisions of the federal election laws as alleged in the complaint filed in this matter.
4. Find no reason to believe that the Institute of International Bankers violated 2 U.S.C. §§ 441b(a), and 441e or any provisions of the federal election laws as alleged in the complaint filed in this matter.
5. Approve the appropriate letters.
6. Close the file.

Lawrence M. Noble
General Counsel

Date

2/18/96

BY:


Lois G. Lerner
Associate General Counsel

Attachments:

1. Lawrence R. Uhlick's response
2. Institute of International Bankers' response
3. Citizens for Sarbanes' response
4. Henry Rodgin Cohen's response
5. Michael Bradfield's response
6. Hans H. Angermueller's response
7. Kevin F. Barnard's response
8. Troland S. Link's response
9. Factual and Legal Analyses

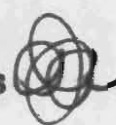
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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

MEMORANDUM

TO: LAWRENCE M. NOBLE
GENERAL COUNSEL

FROM: MARJORIE W. EMMONS/BONNIE J. ROSS 
COMMISSION SECRETARY

DATE: JUNE 24, 1996

SUBJECT: MUR 4107 - FIRST GENERAL COUNSEL'S REPORT
DATED JUNE 18, 1996.

The above-captioned document was circulated to the Commission
on: Wednesday, June 19, 1996 at 4:00

Objection(s) have been received from the Commissioner(s) as
indicated by the name(s) checked below:

Commissioner Aikens	_____
Commissioner Elliott	<u>xxx</u>
Commissioner McDonald	_____
Commissioner McGarry	_____
Commissioner Potter	_____
Commissioner Thomas	<u>xxx</u>

This matter will be placed on the meeting agenda for:
Tuesday, June 25, 1996.

Please notify us who will represent your Division before the Commission
on this matter. Thank You!

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BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of

Citizens for Sarbanes and Sebastia
Svolos, as treasurer;
Lawrence R. Uhlick;
Institute of International Bankers;
Hans H. Angermueller;
Michael Bradfield;
Troland S. Link;
Kevin F. Barnard;
Henry Rodgin Cohen.

MUR 4107

CERTIFICATION

I, Marjorie W. Emmons, recording secretary for the
Federal Election Commission executive session on June 25,
1996, do hereby certify that the Commission decided by a
vote of 4-0 to take the following actions in MUR 4107:

1. Find reason to believe that Lawrence R. Uhlick, Hans H. Angermueller, Michael Bradfield, Kevin F. Barnard, Henry Rodgin Cohen, and David T. Halvorsen each violated 2 U.S.C. § 441d(a) but take no further action.
2. Find no reason to believe that Lawrence R. Uhlick, Hans H. Angermueller, Michael Bradfield, Troland S. Link, Kevin F. Barnard, and Henry Rodgin Cohen violated 2 U.S.C. § 441a.
3. Find no reason to believe that Citizens for Sarbanes and Sebastia Svolos, as treasurer, violated 2 U.S.C. §§ 441b(a), and 441e or any provisions of the federal election laws as alleged in the complaint filed in this matter.

(continued)

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4. Find no reason to believe that the Institute of International Bankers violated 2 U.S.C. §§ 441b(a), and 441e or any provisions of the federal election laws as alleged in the complaint filed in this matter.
5. Find no reason to believe that Troland S. Link violated 2 U.S.C. § 441d(a).
6. Approve the appropriate letters, as recommended in the General Counsel's Report dated June 18, 1996.
7. Close the file.

Commissioners Aikens, Elliott, McGarry, and Thomas voted affirmatively for the decision. Commissioner McDonald was not present.

Attest:

6-26-96
Date

Marjorie W. Emmons
Marjorie W. Emmons
Secretary of the Commission

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

RECEIVED
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MEMORANDUM

SENSITIVE

TO: The Commission

JULY 10, 1996

FROM: Lawrence M. Noble
General Counsel

BY: Lois G. Lerner *LL*
Associate General Counsel

SUBJECT: MUR 4107 -- Reopen, approve additional recommendations and close.

On June 25, 1996, the Commission by a vote of 4 - 0 closed the above-referenced matter. The First General Counsel's Report signed, on June 18, 1996 in this matter, which was being considered by the Commission, at that time, inadvertently failed to include a recommendation for the Commission to approve the Factual and Legal Analyses which were attached thereto.

Accordingly this Office requests that the Commission reopen this matter for the limited purpose stated above and approve the Factual and Legal Analyses for Lawrence R. Uhlick, Michael Bradfield, Kevin F. Barnard, Henry Rodgin Cohen, and Hans H. Angermueller, which were attached to the First General Counsel's Report signed, on June 18, 1996. This Office is not recommending the approval of the Factual and Legal Analysis for Troland S. Link, which was also attached to that report, because the Commission found no reason to believe with regard to this respondent.

Since, the Commission included David T. Halvorson as a respondent in this matter at the executive session on June 25, 1996, there was no Factual and Legal Analysis attached to that report for this respondent. Therefore, this Office also recommends that the Commission approve the Factual and Legal Analysis, for David T. Halvorson, which is attached hereto.

RECOMMENDATIONS

1. Reopen MUR 4107.
2. Approve the Factual and Legal Analyses for Lawrence R. Uhlick, Michael Bradfield, Kevin F. Barnard, Henry Rodgin Cohen, and Hans H. Angermueller, which were attached to the First General Counsel's Report signed on June 18, 1996.
3. Approve the attached Factual and Legal Analysis for David T. Halvorson.

Celebrating the Commission's 20th Anniversary

YESTERDAY, TODAY AND TOMORROW
DEDICATED TO KEEPING THE PUBLIC INFORMED

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4. Close this matter

Attachments

Factual and Legal Analysis

Staff Assigned: Phillip L. Wise

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●●●●●●●●

MUR 4107

CERTIFICATION

1. Reopen MUR 4107.

(continued)

(continued)

Federal Election Commission
Certification for MUR 4107
July 15, 1996

Page 2

3. Approve the Factual and Legal Analysis for David T. Halvorson, as recommended in the General Counsel's Memorandum dated July 10, 1996.
4. Close this matter.

Commissioners Aikens, Elliott, McDonald, McGarry, and Thomas voted affirmatively for the decision.

Attest:

7-15-96

Date

Marjorie W. Emmons

Marjorie W. Emmons
Secretary of the Commission

Received in the Secretariat:	Wed., July 10, 1996	1:32 p.m.
Circulated to the Commission:	Wed., July 10, 1996	4:00 p.m.
Deadline for vote:	Mon., July 15, 1996	4:00 p.m.

bjr

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

July 22, 1996

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

William E. Brock
3188 Arundel on the Bay Road
Annapolis, MD 21403

RE: MUR 4107
Citizens for Sarbanes and Sebastia Svolos, as
treasurer, Institute of International Bankers,
Lawrence R. Uhlick, Michael Bradfield,
Kevin F. Barnard, Henry Rodgin Cohen,
Hans H. Angermueller, Troland S. Link, and
David T. Halvorson

Dear Mr. Brock:

This is in reference to the complaint you filed with the Federal Election Commission on October 24, 1994, concerning possible violations of the Federal Election Campaign Act of 1971, as amended ("the Act") by the above-referenced respondents.

On June 25, 1996, the Commission found, on the basis of the information in the complaint, and information provided by the respondents in this matter, that there is no reason to believe Citizens For Sarbanes and Sebastia Svolos, as treasurer, and the Institute of International Bankers, violated 2 U.S.C. §§ 441b(a), and 441e or any provisions of the federal election laws as alleged in the complaint filed in this matter. On that same date the Commission also found no reason to believe that Lawrence R. Uhlick, Michael Bradfield, Kevin F. Barnard, Henry Rodgin Cohen, and Hans H. Angermueller, violated 2 U.S.C. § 441e; and no reason to believe that Troland S. Link, violated 2 U.S.C. §§ 441d(a) and 441e.

On June 25, 1996, the Commission also found reason to believe that Lawrence R. Uhlick, Michael Bradfield, Kevin F. Barnard, Henry Rodgin Cohen, Hans H. Angermueller, and David T. Halvorson, violated 2 U.S.C. § 441d(a). However, after considering the circumstances of this matter, the Commission determined to take no further action against these respondents, and closed the file in this matter. Enclosed for your information is a copy of the General Counsel's Report explaining the basis for the Commission's findings. In addition, a Statement of Reasons providing a basis for the Commission's decision with regard to the alleged violation of 2 U.S.C. § 441d(a) by Troland S. Link, will follow at a later date. This matter will become part of the

Celebrating the Commission's 20th Anniversary

YESTERDAY, TODAY AND TOMORROW
DEDICATED TO KEEPING THE PUBLIC INFORMED

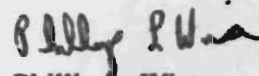
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William E. Brock
Page 2

public record within 30 days. The Federal Election Campaign Act of 1971, as amended, allows a complainant to seek judicial review of the Commission's dismissal of this action. See 2 U.S.C. § 437g(a)(8).

If you have any questions, please contact me at (202) 219-3690.

Sincerely,


Phillip L. Wise
Attorney

Enclosure
GC Report and Certifications

96043735438



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

July 22, 1996

J. Eugene Marans, Esquire
Cleary, Gottlieb, Steen & Hamilton
1752 N Street, N.W.
Washington, D.C. 20036

RE: MUR 4107
Institute of International Bankers

Dear Mr. Marans:

On November 4, 1994, the Federal Election Commission notified the Institute of International Bankers of a complaint alleging violations of certain sections of the Federal Election Campaign Act of 1971, as amended.

On June 25, 1996, the Commission found, on the basis of the information in the complaint, and information provided by the Institute of International Bankers and other respondents in this matter, that there is no reason to believe the Institute of International Bankers violated 2 U.S.C. §§ 441b(a), and 441e or any provisions of the federal election laws as alleged in the complaint filed in this matter. Accordingly, the Commission closed its file in this matter.

The confidentiality provisions at 2 U.S.C. § 437g(a)(2) no longer apply and this matter is now public. In addition, although the complete file must be placed on the public record within 30 days, this could occur at any time following certification of the Commission's vote. If you wish to submit any factual or legal materials to appear on the public record, please do so as soon as possible. While the file may be placed on the public record before receiving your additional materials, any permissible submissions will be added to the public record upon receipt.

Sincerely,

Lawrence M. Noble
General Counsel

BY:


Lois G. Lerner
Associate General Counsel

Enclosure
GC Report and Certification

Celebrating the Commission's 20th Anniversary

YESTERDAY, TODAY AND TOMORROW
DEDICATED TO KEEPING THE PUBLIC INFORMED

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FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

July 22, 1996

Troland S. Link, Esquire
450 Lexington Avenue
New York, New York 10017

RE: MUR 4107
Troland S. Link

Dear Mr. Link:

On November 4, 1994, the Federal Election Commission notified you of a complaint alleging violations of certain sections of the Federal Election Campaign Act of 1971, as amended.

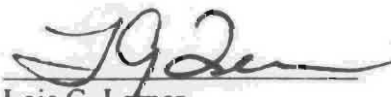
On June 25, 1996, the Commission found, on the basis of the information in the complaint, and information provided by you and other respondents in this matter, that there is no reason to believe you violated 2 U.S.C. §§ 441d(a), and 441e or any provisions of the federal election laws as alleged in the complaint filed in this matter. Accordingly, the Commission closed its file in this matter. Enclosed for your information is a copy of the General Counsel's Report explaining the basis for the Commission's finding with regard to you and the alleged violation of 2 U.S.C. § 441e by you. In addition, a Statement of Reasons providing a basis for the Commission's decision with regard to the alleged violation of 2 U.S.C. § 441d(a) by you, will follow at a later date.

The confidentiality provisions at 2 U.S.C. § 437g(a)(12) no longer apply and this matter is now public. In addition, although the complete file must be placed on the public record within 30 days, this could occur at any time following certification of the Commission's vote. If you wish to submit any factual or legal materials to appear on the public record, please do so as soon as possible. While the file may be placed on the public record before receiving your additional materials, any permissible submissions will be added to the public record upon receipt.

Sincerely,

Lawrence M. Noble
General Counsel

BY:


Lois G. Lerner
Associate General Counsel

Enclosure
GC Report and Certifications

Celebrating the Commission's 20th Anniversary

YESTERDAY, TODAY AND TOMORROW
DEDICATED TO KEEPING THE PUBLIC INFORMED

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

July 22, 1996

Michael H. Davis
Campaign Manager and Deputy Treasurer
Citizens for Sarbanes
P.O. Box 26222

RE: MUR 4107
Citizens For Sarbanes and Sebastia Svolos, as
treasurer

Dear Mr. Davis:

On November 4, 1994, the Federal Election Commission notified Citizens For Sarbanes and Sebastia Svolos, as treasurer ("Committee") of a complaint alleging violations of certain sections of the Federal Election Campaign Act of 1971, as amended.

On June 25, 1996, the Commission found, on the basis of the information in the complaint, and information provided by the Committee and other respondents in this matter, that there is no reason to believe Citizens For Sarbanes and Sebastia Svolos, as treasurer violated 2 U.S.C. §§ 441b(a), and 441e or any provisions of the federal election laws as alleged in the complaint filed in this matter. Accordingly, the Commission closed its file in this matter.

The confidentiality provisions at 2 U.S.C. § 437g(a)(12) no longer apply and this matter is now public. In addition, although the complete file must be placed on the public record within 30 days, this could occur at any time following certification of the Commission's vote. If you wish to submit any factual or legal materials to appear on the public record, please do so as soon as possible. While the file may be placed on the public record before receiving your additional materials, any permissible submissions will be added to the public record upon receipt.

Sincerely,

Lawrence M. Noble
General Counsel

BY:


Lois G. Lerner
Associate General Counsel

Enclosure

GC Report and Certification

Celebrating the Commission's 20th Anniversary
YESTERDAY. TODAY. AND TOMORROW
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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

July 22, 1996

J. Eugene Marans, Esquire
Cleary, Gottlieb, Steen & Hamilton
1752 N Street, N.W.
Washington, D.C. 20036

RE: MUR 4107
Lawrence R. Uhlick

Dear Mr. Marans:

On June 25, 1996, the Federal Election Commission found reason to believe that your client, violated 2 U.S.C. § 441d(a), a provision of the Federal Election Campaign Act of 1971, as amended ("the Act."). On that same date the Commission also found no reason to believe that your client violated 2 U.S.C. § 441e. However, after considering the circumstances of this matter, the Commission also determined to take no further action and closed its file. The Factual and Legal Analysis, which formed a basis for the Commission's findings, is attached for your information.

The Commission reminds you that communications expressly advocating the election or defeat of a clearly identified candidate, or soliciting any contribution through any direct mailing, or any other type of general public political advertising, shall clearly state who paid for the communication and whether or not it was authorized by the candidate, an authorized political committee of a candidate, or its agents.

The confidentiality provisions at 2 U.S.C. § 437g(a)(12) no longer apply and this matter is now public. In addition, although the complete file must be placed on the public record within 30 days, this could occur at any time following certification of the Commission's vote. If you wish to submit any factual or legal materials to appear on the public record, please do so as soon as possible. While the file may be placed on the public record before receiving your additional materials, any permissible submissions will be added to the public record upon receipt.

If you have any questions, please contact Phillip L. Wise, the attorney assigned to this matter, at (202) 219-3690.

Sincerely,

John Warren McGarry
Vice Chairman

Enclosure
Factual and Legal Analysis

96043735442

FEDERAL ELECTION COMMISSION

FACTUAL AND LEGAL ANALYSIS

RESPONDENT: Lawrence R. Uhlick

MUR: 4107

I. GENERATION OF MATTER

This matter was generated by a complaint filed with the Federal Election Commission ("The Commission") on October 28, 1994, by William E. Brock. See 2 U.S.C. § 437g(a)(1). Mr. Brock alleged that Lawrence R. Uhlick (the Executive Director - Head of Legal and External Affairs for the Institute of International Bankers), whose name appeared on the invitation letter as a sponsor, knowingly and willfully violated 2 U.S.C. § 441e, by soliciting and accepting contributions from foreign nationals for the Sarbanes Committee, from and through the Institute, with regard to the breakfast and reception honoring Senator Sarbanes. Mr. Brock also alleged that Mr. Uhlick, violated 2 U.S.C. § 441d by failing to place the required disclaimer on materials he used to solicit contributions for the Sarbanes Committee.

II. THE LAW

The Federal Election Campaign Act of 1971, as amended ("the Act") states that it shall be unlawful for a foreign national directly or through any other person to make any contribution of money or other thing of value, or to promise expressly or impliedly to make any such contribution, in connection with an election to any political office or in connection with any primary election, convention, or caucus held to select candidates for any political office; or for any person to solicit, accept, or receive any such contribution from a foreign national. 2 U.S.C. § 441e. See also 11 C.F.R. § 110.4(a).

Pursuant to 2 U.S.C. § 441d(a) whenever any person makes an expenditure for the purpose of financing communications expressly advocating the election or defeat of a clearly

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identified candidate, or solicits any contribution through any broadcasting station, newspaper, magazine, outdoor advertising facility, direct mailing, or any other type of general public political advertising, such communication, if paid for and authorized by a candidate, an authorized political committee of a candidate, or its agents, shall clearly state that the communication has been paid for by such authorized political committee. If such communication is paid for by other persons but authorized by a candidate, an authorized political committee of a candidate, or its agents, the communication shall clearly state that it is paid for by such other person and authorized by such authorized political committee. If such communication is not authorized by a candidate, an authorized political committee of a candidate, or its agents, the communication shall clearly state the name of the person who paid for the communication and state that the communication is not authorized by any candidate or candidate's committee.

Stockholders and employees of the corporation may, subject to the rules and practices of the corporation, make occasional, isolated, or incidental use of the facilities of a corporation for individual volunteer activity in connection with a Federal election and will be required to reimburse the corporation only to the extent that the overhead or operating costs of the corporation are increased. 11 C.F.R. § 114.9(a)(1). Occasional, isolated, or incidental use generally means when used by employees during working hours, an amount of activity during any particular work period which does not prevent the employee from completing the normal amount of work which that employee usually carries out during such work period. 11 C.F.R. § 114.9(a)(1)(i).

To support knowing and willful findings there must be evidence that the violations were committed with an intent to violate federal election laws. See AFL-CIO v. FEC, 628 F.2d 97,

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101 (D.C. Cir.) (" 'knowing, conscious, and deliberate flaunting of the Act' "), cert. denied, 449 U.S. 982 (1980) (citation omitted).

III. DISCUSSION

A. Contributions from Foreign Nationals

Mr. Uhlick, and the other respondents in this matter have specifically denied that any contributions were accepted, solicited, or received from foreign nationals as a result of the activities surrounding the October 11, 1994 breakfast reception honoring Senator Sarbanes. Nor is there any other evidence which supports the allegation that contributions were received from foreign nationals. The written materials used to announce the breakfast reception, and to solicit contributions warned that "under federal law, corporate contributions are not permitted and only U.S. citizens and permanent residents are eligible to make campaign contributions." Even though the cover sheet for faxing this material indicated a need for a respectable showing of "friends of foreign banks," the warnings contained in the material clearly put people receiving these documents on notice that contributions could not be accepted from foreign nationals.

Mr. Uhlick, who was mainly responsible for distributing the invitation letter has stated that he made sure that only personal funds were used to purchase the stationery, envelopes, and postage stamps; that to the best of his knowledge invitation letters would be sent only to individuals who are citizens or permanent residents of the United States and that contributions were only accepted from individuals who met this requirement.

Mr. Uhlick, also stated that the Institute is a trade association representing the interests of the U.S. operations of international banks; and that the day to day affairs of the Institute are carried out by its professional staff from its offices in New York City, and are managed by him.

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Mr. Uhlick also states that all of the Institute's employees are U.S. citizens or permanent residents of the United States.

In view of the claims of U.S. citizenship by the respondents, the denials of contributions from foreign nationals, and the safeguards taken to insure no involvement by foreign nationals, there appears to be no reason to believe that the respondents violated 2 U.S.C. § 441e.

B. Failure to place Disclaimer on Written Material

The written material used by Mr. Uhlick in this matter solicited contributions for a clearly identified candidate for a federal office. However, Mr. Uhlick argues that no disclaimer was required because the invitation letter, reply form and follow-up faxes were sent out in an individual capacity to a select group of professional friends of the senders, and could not reasonably be regarded as a form of general public advertising.

Despite Mr. Uhlick's assertions to the contrary, a review of the contents of the invitation letter shows that the correspondence was directed at the public and not a specific and select group. The text of the letter indicated that it was being sent to financial services professionals. The letter not only allowed the recipient to have someone attend in his place, but it also encouraged the sharing of the invitation with the recipient's colleagues who may want to participate. Since, the sponsors of the event encouraged broad distribution of the letter, the solicitation would appear to be a form of general public political advertising.

Accordingly, the failure to have a statement on this written material, giving notice of who paid and whether or not it was authorized by a candidate or his committee, is a violation of 2 U.S.C. § 441d(a). Therefore, there is reason to believe Lawrence R. Uhlick violated 2 U.S.C. § 441d(a).

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FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

July 22, 1996

Hans H. Angermueller
Shearman & Sterling
599 Lexington Avenue
New York, New York 10022-6069

RE: MUR 4107
Hans H. Angermueller

Dear Mr. Angermueller:

On June 25, 1996, the Federal Election Commission found reason to believe that you, violated 2 U.S.C. § 441d(a), a provision of the Federal Election Campaign Act of 1971, as amended ("the Act."). On that same date the Commission also found no reason to believe that you violated 2 U.S.C. § 441e. However, after considering the circumstances of this matter, the Commission also determined to take no further action and closed its file. The Factual and Legal Analysis, which formed a basis for the Commission's findings, is attached for your information.

The Commission reminds you that communications expressly advocating the election or defeat of a clearly identified candidate, or soliciting any contribution through any direct mailing, or any other type of general public political advertising, shall clearly state who paid for the communication and whether or not it was authorized by the candidate, an authorized political committee of a candidate, or its agents.

The confidentiality provisions at 2 U.S.C. § 437g(a)(12) no longer apply and this matter is now public. In addition, although the complete file must be placed on the public record within 30 days, this could occur at any time following certification of the Commission's vote. If you wish to submit any factual or legal materials to appear on the public record, please do so as soon as possible. While the file may be placed on the public record before receiving your additional materials, any permissible submissions will be added to the public record upon receipt.

If you have any questions, please contact Phillip L. Wise, the attorney assigned to this matter, at (202) 219-3690.

Sincerely,

John Warren McGarry
Vice Chairman

Enclosure
Factual and Legal Analysis

96043735447

FEDERAL ELECTION COMMISSION

FACTUAL AND LEGAL ANALYSIS

RESPONDENT: Hans H. Angermueller

MUR: 4107

I. GENERATION OF MATTER

This matter was generated by a complaint filed with the Federal Election Commission ("The Commission") on October 28, 1994, by William E. Brock. See 2 U.S.C. § 437g(a)(1). Mr. Brock alleged that Hans H. Angermueller, whose name appeared on the invitation letter as a sponsor, knowingly and willfully violated 2 U.S.C. § 441e, by soliciting and accepting contributions from foreign nationals for the Sarbanes Committee, from and through the Institute, with regard to the breakfast and reception honoring Senator Sarbanes. Mr. Brock also alleged that Mr. Angermueller, violated 2 U.S.C. § 441d by failing to place the required disclaimer on materials he used to solicit contributions for the Sarbanes Committee.

II. THE LAW

The Federal Election Campaign Act of 1971, as amended ("the Act") states that it shall be unlawful for a foreign national directly or through any other person to make any contribution of money or other thing of value, or to promise expressly or impliedly to make any such contribution, in connection with an election to any political office or in connection with any primary election, convention, or caucus held to select candidates for any political office; or for any person to solicit, accept, or receive any such contribution from a foreign national. 2 U.S.C. § 441e. See also 11 C.F.R. § 110.4(a).

Pursuant to 2 U.S.C. § 441d(a) whenever any person makes an expenditure for the purpose of financing communications expressly advocating the election or defeat of a clearly identified candidate, or solicits any contribution through any broadcasting station, newspaper,

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magazine, outdoor advertising facility, direct mailing, or any other type of general public political advertising, such communication, if paid for and authorized by a candidate, an authorized political committee of a candidate, or its agents, shall clearly state that the communication has been paid for by such authorized political committee. If such communication is paid for by other persons but authorized by a candidate, an authorized political committee of a candidate, or its agents, the communication shall clearly state that it is paid for by such other person and authorized by such authorized political committee. If such communication is not authorized by a candidate, an authorized political committee of a candidate, or its agents, the communication shall clearly state the name of the person who paid for the communication and state that the communication is not authorized by any candidate or candidate's committee.

Stockholders and employees of the corporation may, subject to the rules and practices of the corporation, make occasional, isolated, or incidental use of the facilities of a corporation for individual volunteer activity in connection with a Federal election and will be required to reimburse the corporation only to the extent that the overhead or operating costs of the corporation are increased. 11 C.F.R. § 114.9(a)(1). Occasional, isolated, or incidental use generally means when used by employees during working hours, an amount of activity during any particular work period which does not prevent the employee from completing the normal amount of work which that employee usually carries out during such work period. 11 C.F.R. § 114.9(a)(1)(i).

To support knowing and willful findings there must be evidence that the violations were committed with an intent to violate federal election laws. See AFL-CIO v. FEC, 628 F.2d 97,

101 (D.C. Cir.) ("knowing, conscious, and deliberate flaunting of the Act"), cert. denied, 449 U.S. 982 (1980) (citation omitted).

III. DISCUSSION

A. Contributions from Foreign Nationals

Mr. Angermueller, and the other respondents in this matter have specifically denied that any contributions were accepted, solicited, or received from foreign nationals as a result of the activities surrounding the October 11, 1994 breakfast reception honoring Senator Sarbanes. Nor is there any other evidence which supports the allegation that contributions were received from foreign nationals. The written materials used to announce the breakfast reception, and to solicit contributions warned that "under federal law, corporate contributions are not permitted and only U.S. citizens and permanent residents are eligible to make campaign contributions." Even though the cover sheet for faxing this material indicated a need for a respectable showing of "friends of foreign banks," the warnings contained in the material clearly put people receiving these documents on notice that contributions could not be accepted from foreign nationals.

The individual, who was mainly responsible for distributing the invitation letter has stated that he made sure that only personal funds were used to purchase the stationery, envelopes, and postage stamps; that to the best of his knowledge invitation letters would be sent only to individuals who are citizens or permanent residents of the United States and that contributions were only accepted from individuals who met this requirement.

Mr. Angermueller, stated he is a United States citizen, and has never been associated with the Sarbanes Committee, nor the Institute of International Bankers. Mr. Angermueller also states

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that his involvement in this function was voluntary and that his personal contribution of \$100.00 was from his own funds.

In view of the claims of U.S. citizenship by the respondents, the denials of contributions from foreign nationals, and the safeguards taken to insure no involvement by foreign nationals, there appears to be no reason to believe that the respondents violated 2 U.S.C. § 441e.

B. Failure to place Disclaimer on Written Material

The written material used by Mr. Angermueller in this matter solicited contributions for a clearly identified candidate for a federal office. There may be an argument that no disclaimer was required because the invitation letter, reply form and follow-up faxes were sent out in an individual capacity to a select group of professional friends of the senders, and could not reasonably be regarded as a form of general public advertising.

Despite such assertions to the contrary, a review of the contents of the invitation letter shows that the correspondence was directed at the public and not a specific and select group. The text of the letter indicated that it was being sent to financial services professionals. The letter not only allowed the recipient to have someone attend in his place, but it also encouraged the sharing of the invitation with the recipient's colleagues who may want to participate. Since, the sponsors of the event encouraged broad distribution of the letter, the solicitation would appear to be a form of general public political advertising.

Accordingly, the failure to have a statement on this written material, giving notice of who paid and whether or not it was authorized by a candidate or his committee, is a violation of 2 U.S.C. § 441d(a). Therefore, there is reason to believe Hans H. Angermueller violated 2 U.S.C. § 441d(a).

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

July 22, 1996

Michael Bradfield
7800 Hampden Lane
Bethesda, MD 20814

RE: MUR 4107
Michael Bradfield

Dear Mr. Bradfield:

On June 25, 1996, the Federal Election Commission found reason to believe that you, violated 2 U.S.C. § 441d(a), a provision of the Federal Election Campaign Act of 1971, as amended ("the Act."). On that same date the Commission also found no reason to believe that you violated 2 U.S.C. § 441e. However, after considering the circumstances of this matter, the Commission also determined to take no further action and closed its file. The Factual and Legal Analysis, which formed a basis for the Commission's findings, is attached for your information.

The Commission reminds you that communications expressly advocating the election or defeat of a clearly identified candidate, or soliciting any contribution through any direct mailing, or any other type of general public political advertising, shall clearly state who paid for the communication and whether or not it was authorized by the candidate, an authorized political committee of a candidate, or its agents.

The confidentiality provisions at 2 U.S.C. § 437g(a)(12) no longer apply and this matter is now public. In addition, although the complete file must be placed on the public record within 30 days, this could occur at any time following certification of the Commission's vote. If you wish to submit any factual or legal materials to appear on the public record, please do so as soon as possible. While the file may be placed on the public record before receiving your additional materials, any permissible submissions will be added to the public record upon receipt.

If you have any questions, please contact Phillip L. Wise, the attorney assigned to this matter, at (202) 219-3690.

Sincerely,

John Warren McGarry
Vice Chairman

Enclosure
Factual and Legal Analysis

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FEDERAL ELECTION COMMISSION

FACTUAL AND LEGAL ANALYSIS

RESPONDENT: Michael Bradfield

MUR: 4107

I. GENERATION OF MATTER

This matter was generated by a complaint filed with the Federal Election Commission ("The Commission") on October 28, 1994, by William E. Brock. See 2 U.S.C. § 437g(a)(1). Mr. Brock alleged that Michael Bradfield, whose name appeared on the invitation letter as a sponsor, knowingly and willfully violated 2 U.S.C. § 441e, by soliciting and accepting contributions from foreign nationals for the Sarbanes Committee, from and through the Institute, with regard to the breakfast and reception honoring Senator Sarbanes. Mr. Brock also alleged that Mr. Bradfield, violated 2 U.S.C. § 441d by failing to place the required disclaimer on materials he used to solicit contributions for the Sarbanes Committee.

II. THE LAW

The Federal Election Campaign Act of 1971, as amended ("the Act") states that it shall be unlawful for a foreign national directly or through any other person to make any contribution of money or other thing of value, or to promise expressly or impliedly to make any such contribution, in connection with an election to any political office or in connection with any primary election, convention, or caucus held to select candidates for any political office; or for any person to solicit, accept, or receive any such contribution from a foreign national. 2 U.S.C. § 441e. See also 11 C.F.R. § 110.4(a).

Pursuant to 2 U.S.C. § 441d(a) whenever any person makes an expenditure for the purpose of financing communications expressly advocating the election or defeat of a clearly identified candidate, or solicits any contribution through any broadcasting station, newspaper,

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magazine, outdoor advertising facility, direct mailing, or any other type of general public political advertising, such communication, if paid for and authorized by a candidate, an authorized political committee of a candidate, or its agents, shall clearly state that the communication has been paid for by such authorized political committee. If such communication is paid for by other persons but authorized by a candidate, an authorized political committee of a candidate, or its agents, the communication shall clearly state that it is paid for by such other person and authorized by such authorized political committee. If such communication is not authorized by a candidate, an authorized political committee of a candidate, or its agents, the communication shall clearly state the name of the person who paid for the communication and state that the communication is not authorized by any candidate or candidate's committee.

Stockholders and employees of the corporation may, subject to the rules and practices of the corporation, make occasional, isolated, or incidental use of the facilities of a corporation for individual volunteer activity in connection with a Federal election and will be required to reimburse the corporation only to the extent that the overhead or operating costs of the corporation are increased. 11 C.F.R. § 114.9(a)(1). Occasional, isolated, or incidental use generally means when used by employees during working hours, an amount of activity during any particular work period which does not prevent the employee from completing the normal amount of work which that employee usually carries out during such work period. 11 C.F.R. § 114.9(a)(1)(i).

To support knowing and willful findings there must be evidence that the violations were committed with an intent to violate federal election laws. See AFL-CIO v. FEC, 628 F.2d 97,

101 (D.C. Cir.) (" 'knowing, conscious, and deliberate flaunting of the Act' "), cert. denied, 449 U.S. 982 (1980) (citation omitted).

III. DISCUSSION

A. Contributions from Foreign Nationals

Mr. Bradfield, and the other respondents in this matter have specifically denied that any contributions were accepted, solicited, or received from foreign nationals as a result of the activities surrounding the October 11, 1994 breakfast reception honoring Senator Sarbanes. Nor is there any other evidence which supports the allegation that contributions were received from foreign nationals. The written materials used to announce the breakfast reception, and to solicit contributions warned that "under federal law, corporate contributions are not permitted and only U.S. citizens and permanent residents are eligible to make campaign contributions." Even though the cover sheet for faxing this material indicated a need for a respectable showing of "friends of foreign banks," the warnings contained in the material clearly put people receiving these documents on notice that contributions could not be accepted from foreign nationals.

The individual, who was mainly responsible for distributing the invitation letter has stated that he made sure that only personal funds were used to purchase the stationery, envelopes, and postage stamps; that to the best of his knowledge invitation letters would be sent only to individuals who are citizens or permanent residents of the United States and that contributions were only accepted from individuals who met this requirement.

In responding to the complaint Mr. Bradfield stated that he authorized the use of his name in the letter at issue in this matter. Mr. Bradfield also states that he understood that his involvement was an individual effort in accordance with law. Mr. Bradfield states that he is not

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a member of the Institute of International Bankers, that he has not made any financial contribution to the Institute of International Bankers, that he did not participate in the distribution of this letter, that he did not attend the breakfast reception, and that he has no knowledge whether the Institute's resources were used in connection with this letter.

In view of the claims of U.S. citizenship by the respondents, the denials of contributions from foreign nationals, and the safeguards taken to insure no involvement by foreign nationals, there appears to be no reason to believe that the respondents violated 2 U.S.C. § 441e.

B. Failure to place Disclaimer on Written Material

The written material used by Mr. Bradfield in this matter solicited contributions for a clearly identified candidate for a federal office. There may be an argument that no disclaimer was required because the invitation letter, reply form and follow-up faxes were sent out in an individual capacity to a select group of professional friends of the senders, and could not reasonably be regarded as a form of general public advertising.

Despite such assertions to the contrary, a review of the contents of the invitation letter shows that the correspondence was directed at the public and not a specific and select group. The text of the letter indicated that it was being sent to financial services professionals. The letter not only allowed the recipient to have someone attend in his place, but it also encouraged the sharing of the invitation with the recipient's colleagues who may want to participate. Since, the sponsors of the event encouraged broad distribution of the letter, the solicitation would appear to be a form of general public political advertising.

Accordingly, the failure to have a statement on this written material, giving notice of who paid and whether or not it was authorized by a candidate or his committee, is a violation of

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2 U.S.C. § 441d(a). Therefore, there is reason to believe Michael Bradfield violated 2 U.S.C. § 441d(a).

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FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

July 22, 1996

Kevin F. Barnard
5 Maywood Ct.
Darien, Connecticut 06820

RE: MUR 4107
Kevin F. Barnard

Dear Mr. Barnard:

On June 25, 1996, the Federal Election Commission found reason to believe that you, violated 2 U.S.C. § 441d(a), a provision of the Federal Election Campaign Act of 1971, as amended ("the Act."). On that same date the Commission also found no reason to believe that you violated 2 U.S.C. § 441e. However, after considering the circumstances of this matter, the Commission also determined to take no further action and closed its file. The Factual and Legal Analysis, which formed a basis for the Commission's findings, is attached for your information.

The Commission reminds you that communications expressly advocating the election or defeat of a clearly identified candidate, or soliciting any contribution through any direct mailing, or any other type of general public political advertising, shall clearly state who paid for the communication and whether or not it was authorized by the candidate, an authorized political committee of a candidate, or its agents.

The confidentiality provisions at 2 U.S.C. § 437g(a)(12) no longer apply and this matter is now public. In addition, although the complete file must be placed on the public record within 30 days, this could occur at any time following certification of the Commission's vote. If you wish to submit any factual or legal materials to appear on the public record, please do so as soon as possible. While the file may be placed on the public record before receiving your additional materials, any permissible submissions will be added to the public record upon receipt.

If you have any questions, please contact Phillip L. Wise, the attorney assigned to this matter, at (202) 219-3690.

Sincerely,


John Warren McGarry
Vice Chairman

Enclosure
Factual and Legal Analysis

96043735458

FEDERAL ELECTION COMMISSION

FACTUAL AND LEGAL ANALYSIS

RESPONDENT: Kevin F. Barnard

MUR: 4107

I. GENERATION OF MATTER

This matter was generated by a complaint filed with the Federal Election Commission ("The Commission") on October 28, 1994, by William E. Brock. See 2 U.S.C. § 437g(a)(1). Mr. Brock alleged that Kevin F. Barnard, whose name appeared on the invitation letter as a sponsor, knowingly and willfully violated 2 U.S.C. § 441e, by soliciting and accepting contributions from foreign nationals for the Sarbanes Committee, from and through the Institute, with regard to the breakfast and reception honoring Senator Sarbanes. Mr. Brock also alleged that Mr. Barnard, violated 2 U.S.C. § 441d by failing to place the required disclaimer on materials he used to solicit contributions for the Sarbanes Committee.

II. THE LAW

The Federal Election Campaign Act of 1971, as amended ("the Act") states that it shall be unlawful for a foreign national directly or through any other person to make any contribution of money or other thing of value, or to promise expressly or impliedly to make any such contribution, in connection with an election to any political office or in connection with any primary election, convention, or caucus held to select candidates for any political office; or for any person to solicit, accept, or receive any such contribution from a foreign national. 2 U.S.C. § 441e. See also 11 C.F.R. § 110.4(a).

Pursuant to 2 U.S.C. § 441d(a) whenever any person makes an expenditure for the purpose of financing communications expressly advocating the election or defeat of a

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clearly identified candidate, or solicits any contribution through any broadcasting station, newspaper, magazine, outdoor advertising facility, direct mailing, or any other type of general public political advertising, such communication, if paid for and authorized by a candidate, an authorized political committee of a candidate, or its agents, shall clearly state that the communication has been paid for by such authorized political committee. If such communication is paid for by other persons but authorized by a candidate, an authorized political committee of a candidate, or its agents, the communication shall clearly state that it is paid for by such other person and authorized by such authorized political committee. If such communication is not authorized by a candidate, an authorized political committee of a candidate, or its agents, the communication shall clearly state the name of the person who paid for the communication and state that the communication is not authorized by any candidate or candidate's committee.

Stockholders and employees of the corporation may, subject to the rules and practices of the corporation, make occasional, isolated, or incidental use of the facilities of a corporation for individual volunteer activity in connection with a Federal election and will be required to reimburse the corporation only to the extent that the overhead or operating costs of the corporation are increased. 11 C.F.R. § 114.9(a)(1). Occasional, isolated, or incidental use generally means when used by employees during working hours, an amount of activity during any particular work period which does not prevent the employee from completing the normal amount of work which that employee usually carries out during such work period. 11 C.F.R. § 114.9(a)(1)(i).

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To support knowing and willful findings there must be evidence that the violations were committed with an intent to violate federal election laws.

See AFL-CIO v. FEC, 628 F.2d 97, 101 (D.C. Cir.) (" 'knowing, conscious, and deliberate flaunting of the Act' "), cert. denied, 449 U.S. 982 (1980) (citation omitted).

III. DISCUSSION

A. Contributions from Foreign Nationals

Mr. Barnard, and the other respondents in this matter have specifically denied that any contributions were accepted, solicited, or received from foreign nationals as a result of the activities surrounding the October 11, 1994 breakfast reception honoring Senator Sarbanes. Nor is there any other evidence which supports the allegation that contributions were received from foreign nationals. The written materials used to announce the breakfast reception, and to solicit contributions warned that "under federal law, corporate contributions are not permitted and only U.S. citizens and permanent residents are eligible to make campaign contributions." Even though the cover sheet for faxing this material indicated a need for a respectable showing of "friends of foreign banks," the warnings contained in the material clearly put people receiving these documents on notice that contributions could not be accepted from foreign nationals.

The individual, who was mainly responsible for distributing the invitation letter has stated that he made sure that only personal funds were used to purchase the stationery, envelopes, and postage stamps; that to the best of his knowledge invitation letters would be sent only to individuals who are citizens or permanent residents of the

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United States and that contributions were only accepted from individuals who met this requirement.

In responding to the complaint Mr. Barnard stated that he became involved with the breakfast reception honoring Senator Sarbanes, and agreed to have his name appear on the invitation letter after being contacted by Mr. Lawrence Uhlick, whom Mr. Barnard states he has known personally for many years. Mr. Barnard also states that all of the persons he contacted about attending the reception and contributing to the Sarbanes Committee are U.S. Citizens.

Mr. Barnard also points out that he made a contribution to the Sarbanes Committee with a check drawn on his personal account. Mr. Barnard also states that he is neither affiliated with the Sarbanes Committee nor a member of the Institute of International Bankers, and that neither is a client of his firm.

In view of the claims of U.S. citizenship by the respondents, the denials of contributions from foreign nationals, and the safeguards taken to insure no involvement by foreign nationals, there appears to be no reason to believe that the respondents violated 2 U.S.C. § 441e.

B. Failure to place Disclaimer on Written Material

The written material used by Mr. Barnard, in this matter solicited contributions for a clearly identified candidate for a federal office. There may be an argument that no disclaimer was required because the invitation letter, reply form and follow-up faxes were sent out in an individual capacity to a select group of professional friends of the senders, and could not reasonably be regarded as a form of general public advertising.

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Despite such assertions to the contrary, a review of the contents of the invitation letter shows that the correspondence was directed at the public and not a specific and select group. The text of the letter indicated that it was being sent to financial services professionals. The letter not only allowed the recipient to have someone attend in his place, but it also encouraged the sharing of the invitation with the recipient's colleagues who may want to participate. Since, the sponsors of the event encouraged broad distribution of the letter, the solicitation would appear to be a form of general public political advertising.

Accordingly, the failure to have a statement on this written material, giving notice of who paid and whether or not it was authorized by a candidate or his committee, is a violation of 2 U.S.C. § 441d(a). Therefore, there is reason to believe Kevin F. Barnard violated 2 U.S.C. § 441d(a).

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

Robert H. Craft, Jr., Esquire
Sullivan & Cromwell
1701 Pennsylvania Ave., N.W.
Washington, D.C. 20006-5805

July 22, 1996

RE: MUR 4107
Henry Rodgin Cohen

Dear Mr. Craft:

On June 25, 1996, the Federal Election Commission found reason to believe that your client, violated 2 U.S.C. § 441d(a), a provision of the Federal Election Campaign Act of 1971, as amended ("the Act."). On that same date the Commission also found no reason to believe that your client violated 2 U.S.C. § 441e. However, after considering the circumstances of this matter, the Commission also determined to take no further action and closed its file. The Factual and Legal Analysis, which formed a basis for the Commission's findings, is attached for your information.

The Commission reminds you that communications expressly advocating the election or defeat of a clearly identified candidate, or soliciting any contribution through any direct mailing, or any other type of general public political advertising, shall clearly state who paid for the communication and whether or not it was authorized by the candidate, an authorized political committee of a candidate, or its agents.

The confidentiality provisions at 2 U.S.C. § 437g(a)(12) no longer apply and this matter is now public. In addition, although the complete file must be placed on the public record within 30 days, this could occur at any time following certification of the Commission's vote. If you wish to submit any factual or legal materials to appear on the public record, please do so as soon as possible. While the file may be placed on the public record before receiving your additional materials, any permissible submissions will be added to the public record upon receipt.

If you have any questions, please contact Phillip L. Wise, the attorney assigned to this matter, at (202) 219-3690.

Sincerely,


John Warren McGarry
Vice Chairman

Enclosure
Factual and Legal Analysis

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FEDERAL ELECTION COMMISSION

FACTUAL AND LEGAL ANALYSIS

RESPONDENT: Henry Rodgin Cohen

MUR: 4107

I. GENERATION OF MATTER

This matter was generated by a complaint filed with the Federal Election Commission ("The Commission") on October 28, 1994, by William E. Brock. See 2 U.S.C. § 437g(a)(1). Mr. Brock alleged that Henry Rodgin Cohen, whose name appeared on the invitation letter as a sponsor, knowingly and willfully violated 2 U.S.C. § 441e, by soliciting and accepting contributions from foreign nationals for the Sarbanes Committee, from and through the Institute, with regard to the breakfast and reception honoring Senator Sarbanes. Mr. Brock also alleged that Mr. Cohen, violated 2 U.S.C. § 441d by failing to place the required disclaimer on materials he used to solicit contributions for the Sarbanes Committee.

II. THE LAW

The Federal Election Campaign Act of 1971, as amended ("the Act") states that it shall be unlawful for a foreign national directly or through any other person to make any contribution of money or other thing of value, or to promise expressly or impliedly to make any such contribution, in connection with an election to any political office or in connection with any primary election, convention, or caucus held to select candidates for any political office; or for any person to solicit, accept, or receive any such contribution from a foreign national. 2 U.S.C. § 441e. See also 11 C.F.R. § 110.4(a).

Pursuant to 2 U.S.C. § 441d(a) whenever any person makes an expenditure for the purpose of financing communications expressly advocating the election or defeat of a

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clearly identified candidate, or solicits any contribution through any broadcasting station, newspaper, magazine, outdoor advertising facility, direct mailing, or any other type of general public political advertising, such communication, if paid for and authorized by a candidate, an authorized political committee of a candidate, or its agents, shall clearly state that the communication has been paid for by such authorized political committee. If such communication is paid for by other persons but authorized by a candidate, an authorized political committee of a candidate, or its agents, the communication shall clearly state that it is paid for by such other person and authorized by such authorized political committee. If such communication is not authorized by a candidate, an authorized political committee of a candidate, or its agents, the communication shall clearly state the name of the person who paid for the communication and state that the communication is not authorized by any candidate or candidate's committee.

Stockholders and employees of the corporation may, subject to the rules and practices of the corporation, make occasional, isolated, or incidental use of the facilities of a corporation for individual volunteer activity in connection with a Federal election and will be required to reimburse the corporation only to the extent that the overhead or operating costs of the corporation are increased. 11 C.F.R. § 114.9(a)(1). Occasional, isolated, or incidental use generally means when used by employees during working hours, an amount of activity during any particular work period which does not prevent the employee from completing the normal amount of work which that employee usually carries out during such work period. 11 C.F.R. § 114.9(a)(1)(i).

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To support knowing and willful findings there must be evidence that the violations were committed with an intent to violate federal election laws.

See AFL-CIO v. FEC, 628 F.2d 97, 101 (D.C. Cir.) (" 'knowing, conscious, and deliberate flaunting of the Act' "), cert. denied, 449 U.S. 982 (1980) (citation omitted).

III. DISCUSSION

A. Contributions from Foreign Nationals

Mr. Cohen, and the other respondents in this matter have specifically denied that any contributions were accepted, solicited, or received from foreign nationals as a result of the activities surrounding the October 11, 1994 breakfast reception honoring Senator Sarbanes. Nor is there any other evidence which supports the allegation that contributions were received from foreign nationals. The written materials used to announce the breakfast reception, and to solicit contributions warned that "under federal law, corporate contributions are not permitted and only U.S. citizens and permanent residents are eligible to make campaign contributions." Even though the cover sheet for faxing this material indicated a need for a respectable showing of "friends of foreign banks," the warnings contained in the material clearly put people receiving these documents on notice that contributions could not be accepted from foreign nationals.

The individual, who was mainly responsible for distributing the invitation letter has stated that he made sure that only personal funds were used to purchase the stationery, envelopes, and postage stamps; that to the best of his knowledge invitation letters would be sent only to individuals who are citizens or permanent residents of the

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United States and that contributions were only accepted from individuals who met this requirement.

In responding to the complaint counsel for Henry Rodgin Cohen, one of the individuals whose name appeared on the invitation, stated that Mr. Cohen is a citizen of the United States and a resident of the State of New York. According to counsel Mr. Cohen is not, nor has he ever been, an employee, officer or director of the Institute of International Bankers or of the Sarbanes Committee, and has no role in the affairs of either organization.

With regard to the October 11, 1994 breakfast and reception honoring Senator Sarbanes, counsel asserts that Mr. Cohen had no role in planning or in arranging the event. Counsel also claims that Mr. Cohen only allowed his name to be placed on the solicitation material after he received assurance from his longtime personal friend Lawrence R. Uhlick, the Executive Director of the Institute of International Bankers, that the solicitation was in compliance with Federal election laws.

Counsel states that Mr. Cohen has no knowledge or information concerning the use of the facilities and equipment of the Institute of International Bankers in connection with the fundraiser. Counsel also states that the only sponsorship Mr. Cohen was aware of was that by Mr. Uhlick, who had informed him that he was acting in a personal capacity with regard to the Sarbanes event.

In view of the claims of U.S. citizenship by the respondents, the denials of contributions from foreign nationals, and the safeguards taken to insure no involvement

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by foreign nationals, there appears to be no reason to believe that the respondents violated 2 U.S.C. § 441e.

B. Failure to place Disclaimer on Written Material

The written material used by Mr. Cohen, in this matter solicited contributions for a clearly identified candidate for a federal office. There may be an argument that no disclaimer was required because the invitation letter, reply form and follow-up faxes were sent out in an individual capacity to a select group of professional friends of the senders, and could not reasonably be regarded as a form of general public advertising.

Despite such assertions to the contrary, a review of the contents of the invitation letter shows that the correspondence was directed at the public and not a specific and select group. The text of the letter indicated that it was being sent to financial services professionals. The letter not only allowed the recipient to have someone attend in his place, but it also encouraged the sharing of the invitation with the recipient's colleagues who may want to participate. Since, the sponsors of the event encouraged broad distribution of the letter, the solicitation would appear to be a form of general public political advertising.

Accordingly, the failure to have a statement on this written material, giving notice of who paid and whether or not it was authorized by a candidate or his committee, is a violation of 2 U.S.C. § 441d(a). Therefore, there is reason to believe Henry Rodgin Cohen violated 2 U.S.C. § 441d(a).

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

David T. Halvorson
Institute of International Bankers
299 Park Avenue
New York, New York 10171

July 22, 1996

RE: MUR 4107
David T. Halvorson

Dear Mr. Halvorson:

On June 25, 1996, the Federal Election Commission found reason to believe that you, violated 2 U.S.C. § 441d(a), a provision of the Federal Election Campaign Act of 1971, as amended ("the Act."). However, after considering the circumstances of this matter, the Commission also determined to take no further action and closed its file. The Factual and Legal Analysis, which formed a basis for the Commission's finding, is attached for your information.

The Commission reminds you that the invitation letter inviting colleagues to a breakfast reception on October 11, 1994, and soliciting contributions for Senator Paul Sarbanes failed to contain a statement that informed recipients who paid for the communication and whether or not the communication was authorized by the candidate or his committee. This is a violation of 2 U.S.C. § 441d(a). You should take steps to ensure that this activity does not occur in the future.

The confidentiality provisions at 2 U.S.C. § 437g(a)(12) no longer apply and this matter is now public. In addition, although the complete file must be placed on the public record within 30 days, this could occur at any time following certification of the Commission's vote. If you wish to submit any factual or legal materials to appear on the public record, please do so as soon as possible. While the file may be placed on the public record before receiving your additional materials, any permissible submissions will be added to the public record upon receipt.

If you have any questions, please contact Phillip L. Wise, the attorney assigned to this matter, at (202) 219-3690.

Sincerely,


John Warren McGarry
Vice Chairman

Enclosure
Factual and Legal Analysis

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FEDERAL ELECTION COMMISSION

FACTUAL AND LEGAL ANALYSIS

RESPONDENT: David T. Halvorson

MUR: 4107

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The Federal Election Campaign Act of 1971, as amended ("the Act") states, pursuant to 2 U.S.C. § 441d(a) whenever any person makes an expenditure for the purpose of financing communications expressly advocating the election or defeat of a clearly identified candidate, or solicits any contribution through any broadcasting station, newspaper, magazine, outdoor advertising facility, direct mailing, or any other type of general public political advertising, such communication, if paid for and authorized by a candidate, an authorized political committee of a candidate, or its agents, shall clearly state that the communication has been paid for by such authorized political committee. If such communication is paid for by other persons but authorized by a candidate, an authorized political committee of a candidate, or its agents, the communication shall clearly state that it is paid for by such other person and authorized by such authorized political committee. If such communication is not authorized by a candidate, an authorized political committee of a candidate, or its agents, the communication shall clearly state the name of the person who paid for the communication and state that the communication is not authorized by any candidate or candidate's committee.

Information obtained in this matter indicates that the written material which solicited contributions for a clearly identified candidate for a federal office was paid for by David T. Halvorson. There may be an argument that no disclaimer was required because the invitation letter, reply form and follow-up faxes were sent out in an individual capacity to a select group of professional friends of the senders, and could not reasonably be regarded as a form of general public advertising.

Despite such assertions to the contrary, a review of the contents of the invitation letter shows that the correspondence was directed at the public and not a specific and select group. The text of the letter indicated that it was being sent to financial services professionals. The letter not only allowed the recipient to have someone attend in his place, but it also encouraged the sharing of the invitation with the recipient's colleagues who may want to participate. Since, the sponsors of the event encouraged broad distribution of the letter, the solicitation would appear to be a form of general public political advertising.

Accordingly, the failure to have a statement on this written material, giving notice of who paid and whether or not it was authorized by a candidate or his committee, is a violation of 2 U.S.C. § 441d(a). Therefore, there is reason to believe David T. Halvorson violated 2 U.S.C. § 441d(a).

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FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

THIS IS THE END OF MUR # 4107

DATE FILMED 7-26-96 CAMERA NO. 2

CAMERAMAN MRJ

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FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

Date: 8/23/96

☒ Microfilm
☐ Public Records
☐ Press

THE ATTACHED MATERIAL IS BEING ADDED TO CLOSED MUR 4107

96043743054



FEDERAL ELECTION COMMISSION

WASHINGTON, DC 20463

MEMORANDUM

TO: Commissioners
Staff Director Surina
General Counsel Noble
Assistant General Counsel Convery
Press Officer Harris

FROM: Marjorie W. Emmons/Bonnie J. Ross 
Secretary of the Commission

DATE: August 22, 1996

SUBJECT: Statement of Reasons for MUR 4107

Attached is a copy of the Statement of Reasons in MUR 4107 signed by Commissioners Aikens, Elliott, McGarry, and Thomas. This was received in the Commission Secretary's Office on Thursday, August 22, 1996 at 1:01 p.m.

Attachment

96043743055



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of

Troland S. Link

)
)
)

MUR 4107

STATEMENT OF REASONS

On June 25, 1996, the Federal Election Commission ("the Commission") declined to adopt, by a four-to-zero vote, the recommendation of the Office of the General Counsel to find reason to believe Troland S. Link, violated 2 U.S.C. § 441d(a) of the Federal Election Campaign Act ("FECA") with respect to failing to place the required disclaimer on materials used to solicit contributions for the Sarbanes Committee. The Commission found no reason to believe Troland S. Link, violated 2 U.S.C. § 441d(a).

This matter was generated by a complaint filed with the Federal Election Commission ("The Commission") on October 28, 1994, by William E. Brock. Mr. Brock alleged, in relevant part, that Troland S. Link, whose name appeared on the contribution solicitation and invitation letter as a sponsor, with regard to the breakfast and reception honoring Senator Paul Sarbanes, violated 2 U.S.C. § 441d(a) by failing to place the required disclaimer on materials used to solicit contributions for the Sarbanes Committee.

Pursuant to 2 U.S.C. § 441d(a), whenever any person makes an expenditure for the purpose of financing communications expressly advocating the election or defeat of a clearly identified candidate, or solicits any contribution through any broadcasting station, newspaper, magazine, outdoor advertising facility, direct mailing, or any other type of general public political advertising, such communication, if paid for and authorized by a candidate, an authorized political committee of a candidate, or its agents, shall clearly state that the communication has been paid for by such authorized political committee. If such communication is paid for by other persons but authorized by a candidate, an authorized political committee of a candidate, or its agents, the communication shall clearly state that it is paid for by such other person and authorized by such authorized political committee. If such communication is not authorized by a candidate, an authorized political committee of a candidate, or its agents, the communication shall clearly state the name of the person who paid for the communication and state that the communication is not authorized by any candidate or candidate's committee.

In responding to the complaint, Mr. Link stated that he agreed to have his name placed on the invitation to meet Senator Sarbanes and to contribute to his reelection campaign. Significantly, Mr. Link stated that he did not distribute or make any expenditure to pay for or distribute these letters.

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After reviewing the allegations made in the complaint and the respondent's response thereto, the Commission determined that there was no reason to believe that Troland S. Link, violated 2 U.S.C. § 441d(a) and closed the file in this matter. This finding was based on evidence which indicated that Mr. Link made no expenditures with regard to the solicitation materials, and that the stationery and postage were in fact paid for by someone other than Mr. Link.

96043743057
Date

8/22/96
Date

8/22/96
Date

8/7/96
Date

Lee Ann Elliott
Chairman

John Warren McGarry
Vice Chairman

Joan D. Aikers
Commissioner

Scott E. Thomas
Commissioner



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

Date: 7/16/96
9/23/96

✓ Microfilm
 Public Records
 Press

THE ATTACHED MATERIAL IS BEING ADDED TO CLOSED MUR 4107

96043743962

OLDAKER, RYAN, PHILLIPS & UTRECHT

ATTORNEYS AT LAW

818 CONNECTICUT AVENUE, N.W.

SUITE 1100

WASHINGTON, D.C. 20008

(202) 728-1010

FACSIMILE (202) 728-4044

September 16, 1996

Phillip L. Wise, Esq.
Office of the General Counsel
Federal Election Commission
999 E Street, N.W.
Washington, D.C. 20463

RECEIVED
FEDERAL ELECTION
COMMISSION
OFFICE OF GENERAL
COUNSEL
SEP 16 11 26 AM '96

RE: MUR 4107

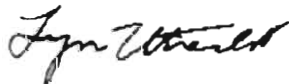
Dear Mr. Wise:

We would like to request that the Office of the General Counsel issue and place on the public record letters to the individuals listed below. As we discussed, these letters clarify that the Commission's finding of reason to believe in the above-referenced matter was only a preliminary finding that a violation may have occurred. The Commission closed the file prior to a determination that there was probable cause to believe these individuals violated the Federal Election Campaign Act of 1971, as amended.

Lawrence R. Uhlick
David T. Halvorson
Michael Bradfield
Kevin F. Barnard
Henry Rodgin Cohen
Hans H. Angermueller

If you have any additional questions, please contact me.

Sincerely,



Lyn Utrecht

cc: Kenneth L. Bachman, Cleary, Gottlieb, Steen & Hamilton
Jeff Jacobs, Sullivan & Cromwell

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OLDAKER, RYAN, PHILLIPS & UTRECHT

ATTORNEYS AT LAW

818 CONNECTICUT AVENUE, N.W.

SUITE 1100

WASHINGTON, D.C. 20006

(202) 728-1010

FACSIMILE (202) 728-4044

September 16, 1996

SEP 17 12 27 PM '96

RECEIVED
FEDERAL ELECTION
COMMISSION
OFFICE OF GENERAL
COUNSEL

Phillip L. Wise, Esq.
Office of the General Counsel
Federal Election Commission
999 E Street, N.W.
Washington, D.C. 20463

CLOSED

RE: MUR 4107

Dear Mr. Wise:

We would like to request that the Office of the General Counsel issue and place on the public record letters to the individuals listed below. As we discussed, these letters clarify that the Commission's finding of reason to believe in the above-referenced matter was only a preliminary finding that a violation may have occurred. The Commission closed the file prior to a determination that there was probable cause to believe these individuals violated the Federal Election Campaign Act of 1971, as amended.

Lawrence R. Uhlick
David T. Halvorson
Michael Bradfield
Kevin F. Barnard
Henry Rodgin Cohen
Hans H. Angermueller

If you have any additional questions, please contact me.

Sincerely,



Lyn Utrecht

cc: Kenneth L. Bachman, Cleary, Gottlieb, Steen & Hamilton
Jeff Jacobs, Sullivan & Cromwell

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

September 23, 1996

CLOSED

J. Eugene Marans, Esquire
Cleary, Gottlieb, Steen & Hamilton
1752 N Street, N.W.
Washington, D.C. 20036

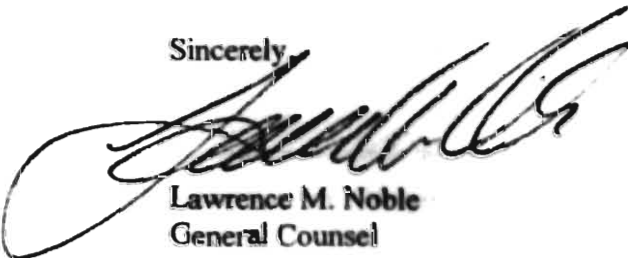
RE: MUR 4107
Lawrence R. Uhlick

Dear Mr. Marans:

On June 25, 1996, the Commission found reason to believe that Lawrence R. Uhlick violated 2 U.S.C. § 441d(a), but took no further action and closed this matter.

Reason to believe is only a preliminary finding and is a statutory prerequisite to an investigation to ascertain whether there is probable cause to believe a violation has occurred. Thus, a finding of reason to believe does not constitute a determination by the Commission that a violation has occurred. The Commission did not determine that there was probable cause to believe Lawrence R. Uhlick violated the Federal Election Campaign Act of 1971, as amended.

Sincerely,



Lawrence M. Noble
General Counsel

Celebrating the Commission's 20th Anniversary

YESTERDAY, TODAY AND TOMORROW
DEDICATED TO KEEPING THE PUBLIC INFORMED

96043743965



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

September 23, 1996

**David T. Halvorson
Institute of International Bankers
299 Park Avenue
New York, New York 10171**

**RE: MUR 4107
David T. Halvorson**

Dear Mr. Halvorson:

On June 25, 1996, the Commission found reason to believe that you violated 2 U.S.C. § 441d(a), but took no further action and closed this matter.

Reason to believe is only a preliminary finding and is a statutory prerequisite to an investigation to ascertain whether there is probable cause to believe a violation has occurred. Thus, a finding of reason to believe does not constitute a determination by the Commission that a violation has occurred. The Commission did not determine that there was probable cause to believe you violated the Federal Election Campaign Act of 1971, as amended.

Sincerely,

A handwritten signature in black ink, appearing to read "Lawrence M. Noble".

**Lawrence M. Noble
General Counsel**

26043743966



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

September 23, 1996

**Robert H. Craft, Jr., Esquire
Sullivan & Cromwell
1701 Pennsylvania Ave., N.W.
Washington, D.C. 20006-5805**

**RE: MUR 4107
Henry Rodgin Cohen**

Dear Mr. Craft:

On June 25, 1996, the Commission found reason to believe that Henry Rodgin Cohen violated 2 U.S.C. § 441d(a), but took no further action and closed this matter.

Reason to believe is only a preliminary finding and is a statutory prerequisite to an investigation to ascertain whether there is probable cause to believe a violation has occurred. Thus, a finding of reason to believe does not constitute a determination by the Commission that a violation has occurred. The Commission did not determine that there was probable cause to believe Henry Rodgin Cohen violated the Federal Election Campaign Act of 1971, as amended.

Sincerely,

A handwritten signature in black ink, appearing to read "Lawrence M. Noble".

**Lawrence M. Noble
General Counsel**

Celebrating the Commission's 20th Anniversary

**YESTERDAY, TODAY AND TOMORROW
DEDICATED TO KEEPING THE PUBLIC INFORMED**

96043743967



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

September 23, 1996

**Michael Bradfield
7800 Hampden Lane
Bethesda, MD 20814**

**RE: MUR 4107
Michael Bradfield**

Dear Mr. Bradfield:

On June 25, 1996, the Commission found reason to believe that you violated 2 U.S.C. § 441d(a), but took no further action and closed this matter.

Reason to believe is only a preliminary finding and is a statutory prerequisite to an investigation to ascertain whether there is probable cause to believe a violation has occurred. Thus, a finding of reason to believe does not constitute a determination by the Commission that a violation has occurred. The Commission did not determine that there was probable cause to believe you violated the Federal Election Campaign Act of 1971, as amended.

Sincerely,

A handwritten signature in black ink, appearing to read "Lawrence M. Noble".

**Lawrence M. Noble
General Counsel**



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

September 23, 1996

Hans H. Angermueller
Shearman & Sterling
599 Lexington Avenue
New York, New York 10022-6069

RE: MUR 4107
Hans H. Angermueller

Dear Mr. Angermueller:

On June 25, 1996, the Commission found reason to believe that you violated 2 U.S.C. § 441d(a), but took no further action and closed this matter.

Reason to believe is only a preliminary finding and is a statutory prerequisite to an investigation to ascertain whether there is probable cause to believe a violation has occurred. Thus, a finding of reason to believe does not constitute a determination by the Commission that a violation has occurred. The Commission did not determine that there was probable cause to believe you violated the Federal Election Campaign Act of 1971, as amended.

Sincerely,

A handwritten signature in dark ink, appearing to read "Lawrence M. Noble", written over a horizontal line.

Lawrence M. Noble
General Counsel

96043743969



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

September 23, 1996

**Kevin F. Barnard
5 Maywood Ct.
Darien, Connecticut 06820**

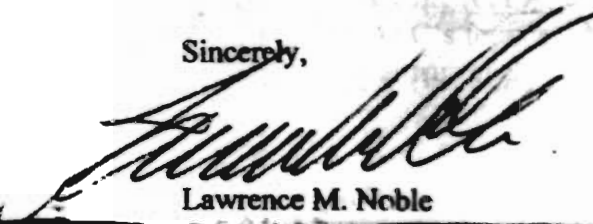
**RE: MUR 4107
Kevin F. Barnard**

Dear Mr. Barnard:

On June 25, 1996, the Commission found reason to believe that you violated 2 U.S.C. § 441d(a), but took no further action and closed this matter.

Reason to believe is only a preliminary finding and is a statutory prerequisite to an investigation to ascertain whether there is probable cause to believe a violation has occurred. Thus, a finding of reason to believe does not constitute a determination by the Commission that a violation has occurred. The Commission did not determine that there was probable cause to believe you violated the Federal Election Campaign Act of 1971, as amended.

Sincerely,


**Lawrence M. Noble
General Counsel**