

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of)

Auto Sound Company, Inc.)
Howard Honigbaum)

MUR 4931

CONCILIATION AGREEMENT

This matter was initiated by the Federal Election Commission ("Commission"), pursuant to information ascertained in the normal course of carrying out its supervisory responsibilities. The Commission found reason to believe that Respondents Auto Sound Company, Inc. and Howard Honigbaum knowingly and willfully violated 2 U.S.C. §§ 441f and 441b(a).

NOW, THEREFORE, the Commission and the Respondents, having participated in informal methods of conciliation, prior to a finding of probable cause to believe, do hereby agree as follows:

- I. The Commission has jurisdiction over the Respondents and the subject matter of this proceeding, and this agreement has the effect of an agreement entered pursuant to 2 U.S.C. § 437g(a)(4)(A)(i).
- II. Respondents have had a reasonable opportunity to demonstrate that no action should be taken in this matter.
- III. Respondents enter voluntarily into this agreement with the Commission.
- IV. The pertinent facts in this matter are as follows:

Actions

1. Respondent Auto Sound Company, Inc. ("Auto Sound"), located in Brockton, Massachusetts, is a distributor of Audiovox Corporation ("Audiovox") products.
2. Respondent Howard Honigbaum is the President of Auto Sound.
3. Philip Christopher is the Executive Vice President of Audiovox and the President of Audiovox Communications Corporation, a subsidiary of Audiovox.

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Applicable Law

4. The Federal Election Campaign Act of 1971, as amended (the "Act"), makes it unlawful for any person to make a contribution in the name of another person or for any person to knowingly permit his or her name to be used to make such a contribution. Moreover, no person may knowingly help or assist any person in making a contribution in the name of another. 2 U.S.C. § 441f; 11 C.F.R. § 110.4(b)(1)(iii).

Events Regarding Violations

5. Between 1995 and 1999, Honigbaum made eighteen \$1,000 contributions to candidates for federal office at Christopher's request.
6. Between 1995 and 1999, Audiovox, through Christopher, made payments totaling \$95,935 to Auto Sound.
7. Honigbaum contributed \$1,000 to Shelby for U.S. Senate on January 25, 1996, and \$1,000 to Friends of Lee Hamilton on March 8, 1996. On April 4, 1996, Audiovox made a \$2,000 payment to Auto Sound.
8. Honigbaum contributed \$1,000 to the Clinton/Gore '96 Primary Committee on April 22, 1996, and \$1,000 to Hoke for Congress on April 30, 1996. On May 13, 1996, Audiovox made a \$3,000 payment to Auto Sound.

Violations

V. Reason to believe is a statutory prerequisite to an investigation as to whether there is probable cause to believe a violation occurred. The Commission has neither considered nor made findings as to whether there is probable cause to believe that the violations in this matter were knowing and willful. Respondent Howard Honigbaum acknowledges that by permitting

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3.

Audiovox to make campaign contributions in his name he violated 2 U.S.C. § 441f. Respondent Auto Sound Company, Inc. acknowledges that by assisting Audiovox in making campaign contributions in Howard Honigbaum's name it violated 2 U.S.C. § 441f. Respondents will cease and desist from violating 2 U.S.C. § 441f.

Civil Penalty

VI. Respondents will pay a civil penalty to the Federal Election Commission in the amount of Thirty Thousand dollars (\$30,000), in three payments of \$10,000, pursuant to 2 U.S.C.

§ 437g(a)(5)(B). The civil penalty will be paid as follows:

1. The initial payment of \$10,000 is due upon the signing of this agreement.
2. The second payment of \$10,000 is due no more than 30 days from the date this agreement becomes effective.
3. The third payment of \$10,000 is due no more than 60 days from the date this agreement becomes effective.
4. In the event that any installment payment is not received by the Commission by the fifth day after it becomes due, the Commission may, at its discretion, accelerate the remaining payments and cause the entire amount to become due upon ten days written notice to the respondents. Failure by the Commission to accelerate the payments with regard to any overdue installment shall not be construed as a waiver of its right to do so with regard to future overdue installments.

Other Provisions

VII. The Commission, on request of anyone filing a complaint under 2 U.S.C. § 437g(a)(1) concerning the matters at issue herein or on its own motion, may review compliance with this agreement. If the Commission believes that this agreement or any requirement thereof has been

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violated, it may institute a civil action for relief in the United States District Court for the District of Columbia.

VIII. Pursuant to 2 U.S.C. § 437g(a)(4)(A)(i), this agreement, unless violated, is a complete bar to further action by the Commission against or concerning Respondents Howard Honigbaum and Auto Sound Company, Inc. in connection with the facts relating to this matter.

IX. This agreement shall become effective as of the date that all parties hereto have executed same and the Commission has approved the entire agreement.

X. Respondents understand that the recipient campaign committees will be requested to disgorge the above-referenced reimbursed contributions to the United States Treasury. Respondents waive any and all claims they may have to the refund or reimbursement of such contributions.

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XI This Conciliation Agreement constitutes the entire agreement between the parties on the matters raised herein, and no other statement, promise, or agreement, either written or oral, made by either party or by agents of either party, that is not contained in this written agreement shall be enforceable.

FOR THE COMMISSION:

Lawrence H. Norton
General Counsel

BY:

Rhonda J. Vording
Rhonda J. Vording
Associate General Counsel
for Enforcement

5/16/03
Date

FOR THE RESPONDENTS:

Howard M. Honigbaum
Auto Sound Company, Inc.
Title: President

4/16/03
Date

Howard M. Honigbaum
Howard Honigbaum

4/16/03
Date