

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of)

Philip Christopher)

MUR 4931

CONCILIATION AGREEMENT

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

NOW, THEREFORE, the Commission and the Respondent, 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 Respondent 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. Respondent has had a reasonable opportunity to demonstrate that no action should be taken in this matter.

III. Respondent enters voluntarily into this agreement with the Commission.

IV. The pertinent facts in this matter are as follows:

Actors

1. Respondent Philip Christopher is the Executive Vice President of Audiovox Corporation ("Audiovox") and the President of Audiovox Communications Corporation ("ACC"), an Audiovox subsidiary.

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2. **Audiovox is a corporation within the meaning of 2 U.S.C. § 441b(a). Audiovox markets and supplies, world-wide, a diverse line of aftermarket products, which include cellular telephones and accessories, automotive sound equipment and accessories, and consumer electronics.**
3. **Audiovox Communications Corporation ("ACC") is a subsidiary of Audiovox.**
4. **Quintex Mobile Communications Corporation ("Quintex") is a subsidiary of ACC.**
5. **Former employee William Funovits was, in or around 1995 and until October 1, 2000, the Vice President of Quintex for the Pittsburgh region.**
6. **Thomas Doherty is ACC's Controller.**
7. **Daniel McGuire is ACC's Regional Manager for CDMA Technology.**
8. **Neil Levine is ACC's Vice President of Finance.**
9. **Robert Rossano was President of Autosound Delaware Valley, Inc. ("Autosound Delaware Valley"), a distributor of Audiovox products located in Pennsauken, New Jersey.**
10. **Howard Honigbaum is President of Auto Sound Company, Inc. ("Auto Sound"), a distributor of Audiovox products located in Brockton, Massachusetts.**
11. **Gary Tabackman is President of GLM Security and Sound, Inc. ("GLM"), a distributor of Audiovox products located in Valley Stream, New York.**
12. **The International Coordinating Committee Justice for Cyprus ("PSEKA") is an international Greek-Cypriot organization founded in 1976 for "the purpose of coordinating the struggle of the Cypriot people for freedom and justice." Mr. Christopher has been president of PSEKA since 1989.**

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13. Sophia Cotzia is the Executive Director of PSEKA.

Applicable Law

14. The Federal Election Campaign Act of 1971, as amended (the "Act"), makes it unlawful for corporations to make contributions or expenditures from their general treasury funds in connection with any election of any candidate for federal office. Corporate officers and directors are also prohibited from consenting to such contributions or expenditures. 2 U.S.C. § 441b(a).
15. It is unlawful for any person to make a contribution in the name of another, 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).

Factual Background

16. Mr. Christopher invited, among others, the following employees and distributors to make campaign contributions to various candidates for federal office.
17. During December of 1995, former employee William Funovits contributed \$1,000 to the Committee to Elect Gary Ackerman and \$1,000 to Torricelli for U.S. Senate. Mr. Funovits submitted expense reports to obtain reimbursement from Quintex for both campaign contributions.
18. In June of 1997, Daniel McGuire contributed \$1,000 to Citizens for Biden.
19. In July of 1997, Thomas Doherty, Neil Levine, and Daniel McGuire each contributed \$500 to Friends of Senator D'Amato.

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20. Mr. Doherty submitted an expense report to obtain reimbursement for his campaign contribution. Mr. Doherty also prepared an expense report to obtain reimbursement for Mr. McGuire for both of his campaign contributions. Mr. Doherty has stated that he did not know that these reimbursements violated the Act.
21. The FEC has information that Mr. Levine also submitted an expense report to obtain reimbursement for his campaign contribution.
22. Mr. Christopher signed the expense reports for Mr. Doherty, Mr. McGuire, and Mr. Levine. Mr. Christopher has stated that he was not aware that the expense reports were for reimbursement of campaign contributions, but acknowledges that he must take responsibility for the actions of his employees.
23. During April of 1996, Robert Rossano contributed \$1,000 to the Clinton/Gore '96 Primary Committee. In May of 1996, Mr. Rossano contributed \$1,000 to Hoke for Congress.
24. Mr. Christopher authorized payments to Auto Sound, GLM, and Autosound Delaware Valley. The FEC has evidence that they in turn used those funds to reimburse Howard Honigbaum, Gary Tabackman, and Robert Rossano, respectively, for their campaign contributions.
25. Mr. Christopher acknowledges that, using his own money, he reimbursed Sophia Cotzia for her \$1,000 contributions to Dole for President and the New York Republican Federal Campaign Committee.

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Violations

- V. Respondent violated 2 U.S.C. §§ 441f and 441b(a) by assisting Audiovox in making corporate contributions and by consenting to those prohibited contributions.
- VI. Respondent violated 2 U.S.C. § 441f by making contributions in Sophia Cotzia's name.
- VII. Respondent will cease and desist from violating 2 U.S.C. §§ 441f and 441b(a).

Civil Penalty

- VIII. Respondent will pay a civil penalty to the Federal Election Commission in the amount of One Hundred Thirty Thousand dollars (\$130,000.00) from his personal funds pursuant to 2 U.S.C. § 437g(a)(5) and 11 C.F.R. § 111.24(a).

Other Provisions

- IX. Respondent, as Executive Vice President of Audiovox Corporation and President of Audiovox Communications Corporation, will take measures to educate his current and future employees about the prohibitions on making corporate contributions to political candidates and reimbursing individuals for their campaign contributions.
- X. Respondent understands that the recipient campaign committees will be requested to disgorge the above-referenced reimbursed contributions in violation of the Act. Respondent waives any and all claims he may have to the refund or reimbursement of such contributions and will provide the Commission with a letter instructing each recipient committee that any such disgorgement will be to the United States Treasury.
- XI. 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.


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

XIII. Respondent shall have no more than 30 days from the date this agreement becomes effective to comply with and implement the requirements contained in this agreement and to so notify the Commission.

XIV. 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. Vosdingh
Associate General Counsel
for Enforcement

2/17/03
Date


Philip Christopher

3/26/03
Date

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