

BEFORE THE FEDERAL ELECTION COMMISSION

SENSITIVE

In the Matter of)
)
 Tim Ryan) MUR 5262
 Tim Ryan for Congress and)
 Michael Fraioli, Treasurer)

GENERAL COUNSEL'S REPORT # 3

I. ACTIONS RECOMMENDED

1. Accept the attached conciliation agreement with Tim Ryan and Tim Ryan for Congress, Michael Fraioli, Treasurer.
2. Close the file
3. Approve the appropriate letters.

II. BACKGROUND

This matter pertains to a \$25,175 guarantee on a \$50,350 bank loan taken out by the candidate, Tim Ryan, for campaign purposes.¹ The guarantor, Dennis Rossi, was Mr. Ryan's former high school basketball coach; the bank's loan officer, Shawn Pompelia, had also played basketball for Mr. Rossi, and the three men later coached together. Mr. Ryan, relying on erroneous information from his campaign treasurer who was new to federal campaigns, assured Mr. Rossi and Mr. Pompelia that the loan was legal. See Aug. 25, 2004 Memorandum to the

¹ This matter pertains to a 2002 Congressional election in the 17th Congressional District of Ohio. All of the facts in this matter occurred prior to the effective date of the Bipartisan Campaign Reform Act of 2002 ("BCRA"), Pub. L. 107-155, 116 Stat. 81 (2002). Accordingly, unless specifically noted to the contrary, all citations to the Act herein are as it read prior to the effective date of BCRA and all citations to the Commission's regulations herein are to the 2002 edition of Title 11, Code of Federal Regulations, which was published prior to the Commission's promulgation of any regulations under BCRA.

1 Commission, MUR 5262. Of course, Mr Rossi's guarantee was not legal; it was an excessive
2 contribution.²

3 **III. DISCUSSION**

4 Attached is a conciliation agreement that has been signed by the attorney for Tim Ryan
5 and Tim Ryan for Congress, Michael Fraioli, Treasurer, on behalf of her clients

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² On March 23, 2004, the Commission found reason to believe that Tim Ryan and Tim Ryan for Congress, Michael Fraioli, Treasurer ("Committee") violated 2 U.S.C. § 441a(f). On the same day, the Commission also found reason to believe that Dennis Rossi violated 2 U.S.C. § 441a(a)(1)(A) and (a)(3). On October 25, 2004, the Commission accepted a conciliation agreement with Dennis Rossi for \$4,000, and closed the file as to Mr. Rossi.

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we recommend that the Commission accept the
attached conciliation agreement with Tim Ryan and Tim Ryan for Congress, Michael Fraioli,
Treasurer, and close the file.

IV. RECOMMENDATIONS

- 1 Accept the attached conciliation agreement with Tim Ryan and Tim Ryan for Congress, Michael Fraioli, Treasurer
- 2 Close the file.
3. Approve the appropriate letters

Lawrence H. Norton
General Counsel

Lawrence L. Calvert, Jr.
Deputy Associate General Counsel for Enforcement

11/19/04
Date

BY: Cynthia E. Tompkins
Cynthia E Tompkins
Assistant General Counsel


Margaret J. Toalson
Attorney

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- 6 Attachment
- 7 Signed conciliation agreement
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