

SETTLEMENT AGREEMENT

This Settlement Agreement (“Agreement”) is made and entered into between the Board of Ethics of the City of Philadelphia, the Hon. Bobby Henon, and Bobby 11, jointly referred to as “the Parties.”

RECITALS

- A. The Board of Ethics of the City of Philadelphia is a five-member, independent board established by ordinance, approved by Philadelphia voters in May 2006, and installed on November 27, 2006. Pursuant to section 4-1100 of the Home Rule Charter, the Board is charged with, among other things, enforcing the City’s campaign finance law which is found at Chapter 20-1000 of the Philadelphia Code. The Ethics Board has provided a detailed interpretation of the campaign finance law in its Regulation No. 1 (Campaign Finance).
- B. In 2011, Bobby 11 was the authorized candidate political committee for Bobby Henon, a candidate for Philadelphia City Council’s 6th District seat who won the November of 2011 general election and was seated as Councilman for the 6th District in January of 2012.
- C. David Driscoll Knight is the treasurer of Bobby 11.
- D. Because Councilman Henon was a candidate for City of Philadelphia elective office, he and his authorized political committee, Bobby 11, were subject to Philadelphia’s campaign finance law during the 2011 election.
- E. Pursuant to Philadelphia Code § 20-1002(2), in 2011, a political committee could not contribute more than \$10,600 to a City candidate’s candidate committee in a calendar year.
- F. Pursuant to Code § 20-1002(12), no candidate for City elective office may accept any contribution which exceeds the contribution limits set forth in Chapter 20-1000.
- G. Pursuant to Code § 20-1301(1), the acceptance of an excess contribution is subject to a civil monetary penalty of three times the amount by which an accepted contribution exceeded the limit, or \$2,000, whichever is less. However, if the candidate who accepted an excess contribution returns the excess amount to the donor within fifteen (15) days after receiving the contribution and so notifies the Board of Ethics in writing, then no fine or civil penalty shall be imposed.
- H. On October 9, 2011, Bobby 11 and Councilman Henon accepted a contribution of \$500 from the Steamfitters Local 420 PAC. Because the Steamfitters PAC had already contributed \$10,600 to Bobby 11 in 2011, this contribution exceeded the limits by \$500.
- I. On August 9, 2011, Bobby 11 and Councilman Henon accepted a contribution of \$1,000 from the Bricklayers and Allied Craftworkers Local 1 PAC. Because the Bricklayers PAC had already contributed \$10,600 to Bobby 11 in 2011, this contribution exceeded the limits by \$1,000.

- J. The Henon campaign discovered the excess contributions in late October 2011 while preparing Bobby 11's pre-election (cycle 5) campaign finance report. The campaign contacted Board enforcement staff on October 30, 2011, and promptly returned the excess contributions to the Steamfitters PAC and the Bricklayers PAC that same day. The Henon campaign disclosed to Board enforcement staff all relevant details regarding the excess contributions.
- K. Bobby 11 disclosed the excess contributions from the Steamfitters PAC and the Bricklayers PAC in the pre-election (cycle 5) campaign finance report it filed with the Board on October 28, 2011.
- L. At all times, Bobby 11, Councilman Henon, and the Henon campaign fully cooperated with the Board's investigation of the violations described in this Agreement.
- M. The Parties desire to enter into this Agreement in order to resolve the issues described herein.

AGREEMENT

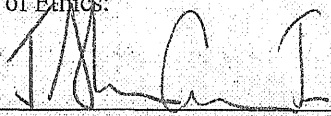
The Parties agree that:

1. Bobby 11's and Councilman Henon's acceptance of an excess contribution of \$500 from the Steamfitters Local 420 PAC violated § 20-1002(12) of the Philadelphia Code. Because Bobby 11 and Henon self-reported the excess contribution to the Board and refunded the contribution prior to election-day, they will not be subject to a monetary penalty for this violation.
2. Bobby 11's and Councilman Henon's acceptance of an excess contribution of \$1,000 from the Bricklayers and Allied Craftworkers Local 1 PAC violated § 20-1002(12) of the Philadelphia Code. Because Bobby 11 and Councilman Henon self-reported the excess contribution to the Board and refunded the contribution prior to election-day, they will not be subject to a monetary penalty for this violation.
3. Bobby 11 and Councilman Henon release and hold harmless the Board and its staff from any potential claims, liabilities, and causes of action arising from the Board's investigation, enforcement, and settlement of the violations described in the Agreement.
4. In consideration of the above and in exchange for Bobby 11's and Councilman Henon's compliance with all of the terms of the Agreement, the Board waives any further penalties or fines against them for the violations described in the Agreement.
5. The Parties will not make any public statements that are inconsistent with the terms of the Agreement.

6. If the Ethics Board is forced to seek judicial enforcement of the Agreement, and prevails, Bobby 11 and Councilman Henon shall be jointly and severally liable for attorneys' fees and costs reasonably expended in enforcing compliance with this Agreement. Fees for time spent by Board staff attorneys shall be calculated based upon standard and customary billing rates in Philadelphia for attorneys with similar experience.
7. The Agreement contains the entire agreement between the Parties.
8. The Parties will submit a signed copy of the Agreement to the Board for approval.
9. The Agreement shall become effective upon approval by the Board. The effective date of the Agreement shall be the date the Board approves the Agreement.
10. If the Board rejects the proposed Agreement, presentation to and consideration of the Agreement by the Board shall not preclude the Board or its staff from participating in or considering or resolving an administrative adjudication of the matters described in the Agreement.

By the Executive Director of the
Board of Ethics:

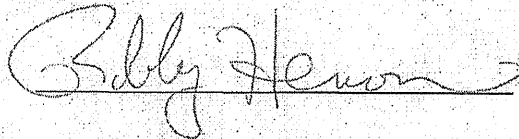
Dated: 2/21/12



J. Shane Creamer, Jr., Esquire

By Hon. Bobby Henon:

Dated: 2/17/12



Bobby Henon

By Bobby 11:

Dated: 2/17/12



David Driscoll Knight, Treasurer

Approved by the Board of Ethics:

Effective Date: 2/22/12



Richard Glazer, Esquire
Chair