

THIS SETTLEMENT AGREEMENT is entered into between the Philadelphia Board of Ethics (hereinafter "the Board"), and the Honorable Carol Ann Campbell, Secretary to the Democratic City Committee (hereinafter "Candidate Campbell"); the Honorable Frank Oliver, Treasurer, Democratic Campaign Committee PAC; and Martin Weinberg, Esquire, Treasurer, Finance Committee of the Philadelphia Democratic County Executive Committee PAC.

## RECITALS

- A. The Philadelphia Board of Ethics is an independent board that was established by ordinance, approved by voters, and installed on November 27, 2006. It is charged with providing ethics training for all city employees and enforcing city campaign finance, financial disclosure, and conflict of interest laws. The Ethics Board has authority to render advice, investigate complaints and issue fines.
- B. Candidate Campbell is a declared candidate for the City elective office of City Council. Candidate Campbell is also the Secretary of the Democratic City Committee and is involved with that Committee's two Political Action Committees: the Democratic Campaign Committee and the Finance Committee of the PDC Executive Committee Political Action Committee (together, the "Democratic PACs").
- C. The Honorable Frank Oliver is the Treasurer of the Democratic Campaign Committee PAC (the "Campaign PAC").
- D. Martin Weinberg, Esquire is Treasurer of the Finance Committee of the Philadelphia Democratic County Executive Committee PAC (the "Finance Committee PAC").
- E. As a declared candidate for City Council, Candidate Campbell is subject to the City's campaign finance law. That law grants jurisdiction to the Board and mandates that the Board enforce its provisions.
- F. Section 20-1003 of the campaign finance law, known as the "Single Committee Rule," provides that a candidate for a City elective office shall have no more than one political committee and one checking account for the city office being sought, into which all contributions for such office shall be made and out of which all expenditures for that office shall be made.
- G. Under the Single Committee Rule, when a candidate for office also maintains a political or non-political account other than that candidate's single committee/account, such funds collected in these accounts shall not be used for the purpose of influencing the outcome of a covered election. Philadelphia Code § 20-1003. "Covered elections" include all elections for all City elective offices. Id. at §§ 20-1001(7) & (5).

- H. Candidate Campbell's single candidate committee, pursuant to § 20-1003 of the Philadelphia Code, is the "Friends of Carol Ann Campbell" committee.
- I. Pursuant to its mandate, the Ethics Board commenced an investigation into the Democratic PACs. Through its investigation, the Ethics Board secured recorded statements under oath from Candidate Campbell, the Treasurers of the Democratic PACs, the Assistant Treasurer of the Campaign PAC, the Bookkeeper for the Campaign PAC, and the Accountant for the Democratic PACs, who is also the Treasurer of the Friends of Carol Ann Campbell committee. In addition, the Ethics Board also obtained bank records and expenditure documents for the Democratic PACs.
- J. During the course of its investigation, the Board discovered evidence indicating that Ms. Campbell has directed campaign contributions and other expenditures of the Democratic PACs to influence "covered elections", in violation of the Single Committee Rule. Ms. Campbell denies that she has authority to authorize the financial decisions and/or expenditures of the Democratic PACs or that she has violated the Single Committee Rule.

#### AGREEMENT

- A. The Parties hereby desire to enter into this Settlement Agreement and agree as follows:
  - 1. Candidate Campbell will refrain from taking any action whatsoever to authorize and/or influence the financial decisions and/or expenditures of the Campaign and Finance Committee PACs until after May 15, 2007.
  - 2. Rep. Oliver, in his capacity as Treasurer to the Campaign PAC represents that he has authority to bind the officers, agents and staff of that PAC and further agrees that all officers, agents and staff of the Campaign PACs shall refrain from accepting or following any instructions from Candidate Campbell on matters relating to the financial decisions and/or expenditures of the Campaign PACs until after May 15, 2007.
  - 3. Mr. Weinberg, in his capacity as Treasurer of the Finance Committee PAC represents that he has the authority to bind the officers, agents and staff of that PAC and further agrees that all officers, agents and staff of the Finance Committee PACs shall refrain from accepting or following any instructions from Candidate Campbell on matters relating to the financial decisions and/or expenditures of the Finance Committee PACs until after May 15, 2007.
  - 4. Rep. Oliver, in his capacity as Treasurer to the Campaign PAC represents that he has authority to bind the officers, agents and staff of that PAC and

further agrees to provide the Ethics Board on a rolling basis with complete and detailed information concerning all expenditures already made by the Campaign PAC that are intended to influence any of the May 15, 2007 primary elections. The information will be provided as soon as possible, but no later than May 24, 2007.

5. The Ethics Board reserves the right to obtain additional recorded statements under oath and to issue Administrative Subpoenas, pursuant to its continuing investigation into all expenditures already made by the Campaign PAC that are intended to influence any of the May 15, 2007 primary elections.
  6. Mr. Weinberg, in his capacity as Treasurer of the Finance Committee PAC represents that he has the authority to bind the officers, agents and staff of that PAC and further agrees to provide the Ethics Board on a rolling basis with complete and detailed information concerning all expenditures already made by the Finance Committee PAC that are intended to influence any of the May 15, 2007 primary elections, but no later than May 24, 2007.
  7. The Ethics Board reserves the right to obtain additional recorded statements under oath and to issue Administrative Subpoenas, pursuant to its continuing investigation into all expenditures already made by the Finance Committee PAC that are intended to influence any of the May 15, 2007 primary elections.
  8. The Ethics Board will continue to monitor the expenditures of the Democratic Committee PACs under terms to be agreed with Rep. Oliver, in his capacity as Treasurer to the Campaign PAC, and Mr. Weinberg, in his capacity as Treasurer of the Finance Committee PAC.
- B. In consideration of the above, the Ethics Board agrees not to pursue injunctive relief at this time. In addition, the Ethics Board agrees not to pursue any penalties or fines for any potential violations of the Single Committee Rule at this time, but reserves the right to pursue penalties and fines for specific expenditures of the Democratic PACs up to and including the date of this Agreement that the Board may determine upon further investigation constituted violations of the Single Committee Rule or other campaign finance laws
- C. Other than as previously stated in Paragraph A.8 above, this Settlement Agreement contains the entire agreement between the Board and Candidate Campbell, Representative Oliver, in his capacity as Treasurer of the Campaign PAC and Mr. Weinberg, in his capacity as Treasurer of the Finance Committee PAC with regard to the matters set forth herein.

D. This Settlement Agreement shall become effective on execution.

By the Board:

Dated: \_\_\_\_\_

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Richard Glazer, Esquire, Chair

Dated: \_\_\_\_\_

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J. Shane Creamer, Jr., Esquire  
Interim Executive Director

By the Candidate:

Dated: \_\_\_\_\_

\_\_\_\_\_  
The Honorable Carol Ann Campbell

Dated: \_\_\_\_\_

\_\_\_\_\_  
Gary Samms, Esquire

By the Campaign PAC:

Dated: \_\_\_\_\_

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The Honorable Frank Oliver,  
Treasurer

Dated: \_\_\_\_\_

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Thomas Nocella, Esquire

By the Finance Committee PAC:

Dated: \_\_\_\_\_

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Martin Weinberg, Esquire, Treasurer

Dated: \_\_\_\_\_

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Walter Phillips, Esquire