EXHIBIT 1

INTRODUCTION

Thomas P. Allen, Jr. was elected Municipal Court Judge, South Bay Municipal Court, Los Angeles County, in November 1996. Effective January 2000, he was elevated to the Superior Court, Southwest Branch, Los Angeles County. He left office (retired) in January 2001, but later resumed work as an "assigned" judge in Riverside County.

Judges of courts of the judicial branch of government are required to file annual statements of economic interests disclosing their investments, interests in real property, and income. Respondent failed to properly disclose his investments on an annual statement of economic interests for two consecutive years.

For the purposes of this Stipulation, Respondent's violations of the Political Reform Act (the "Act")[1] are stated as follows:

COUNT 1: Respondent Thomas P. Allen, Jr. failed to properly disclose his investments on a 1998 annual statement of economic interests, filed on January 27, 1999, in violation of sections 87203 and 87206 of the Government Code.

COUNT 2: Respondent Thomas P. Allen, Jr. failed to properly disclose his investments on a 1999 annual statement of economic interests, filed on February 10, 2000, in violation of sections 87203 and 87206 of the Government Code.

SUMMARY OF THE LAW

In order to avoid conflicts of interest, Section 81002, subdivision (c) provides that the assets and income of public officials which may be materially affected by their official actions should be disclosed, and in appropriate circumstances the officials should be disqualified from acting.

In furtherance of this purpose, Article 2 of the Act, found at Sections 87200-87210, requires judges and commissioners of courts of the judicial branch of government to file periodic statements disclosing their reportable economic interests. Section 87500, subdivision (i) provides that such statements shall be filed with the clerk of the court, who must transmit the statements to the Fair Political Practices Commission.

Under Section 87203, judges are required to file an annual statement of economic interests

[1] The Political Reform Act is contained in Government Code sections 81000 through 91014. All statutory references are to the Government Code unless otherwise indicated. The regulations of the Fair Political Practices Commission are contained in sections 18109 through 18997 of Title 2 of the California Code of Regulations. All regulatory references are to Title 2, Division 6 of the California Code of Regulations, unless otherwise indicated.

("SEI"), each year, at a time specified by Commission regulations, disclosing their investments, interests in real property, and income. Under Section 87204, judges are also required to file a leaving office statement of economic interests, within thirty days after leaving office, disclosing their investments, interests in real property, and income. Under Regulation 18723, subdivision (d), when a judge leaves office during the first two months of a year, the annual statement and the leaving office statement may be combined into a single statement. Both the annual and leaving office statements are required to include any investments held at any time during the period covered by the statement, whether or not the investments are still held at the time of filing.

When an investment is required to be disclosed in an SEI, Section 87206 provides that the statement shall contain the following information regarding the investment:

> (a) A statement of the nature of the investment.
>
> (b) The name of the business entity in which each investment is held, and a general description of the business activity in which the business entity is engaged.
>
> (c) * * *
>
> (d) A statement of the fair market value of the investment, whether it equals or exceeds one thousand dollars ($1,000) but does not exceed ten thousand dollars ($10,000), whether it exceeds ten thousand dollars ($10,000) but does not exceed one hundred thousand dollars ($100,000), or whether it exceeds one hundred thousand dollars ($100,000).2
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> (e) In the case of a statement filed under Sections 87203 or 87204, if the investment was partially or wholly acquired or disposed of during the period covered by the statement, the date of acquisition or disposal.

Section 82034 defines the term "investment" to mean:

> …any financial interest in or security issued by a business entity, including but not limited to common stock, preferred stock, rights, warrants, options, debt instruments and any partnership or other ownership interest owned directly, indirectly or beneficially by the public official …or his or her immediate family, if the business entity or any parent, subsidiary or otherwise related business entity has an

2 Effective January 1, 2001, the basic threshold increased to $2,000, and the value ranges increased.

> interest in real property in the jurisdiction, or does business or plans to do business in the jurisdiction, or has done business within the jurisdiction at any time during the two years prior to the time any statement or other action is required under this title.

Under Section 82034, no asset is deemed an investment unless its fair market value equals or exceeds one thousand dollars ($1,000).[3]

Under Section 82029, the term "immediate family" means the spouse and dependent children of the filer.

SUMMARY OF THE FACTS

Thomas P. Allen, Jr. was elected Municipal Court Judge, South Bay Municipal Court, Los Angeles County, in November 1996. He was elevated to the Superior Court, Southwest Branch, Los Angeles County in January 2000. On January 2, 2001, he left office (retired), but later resumed work as an "assigned" judge. Judges of courts of the judicial branch of government are required to file annual statements disclosing their investments, interests in real property, and income.

Count 1

Respondent filed a 1998 annual SEI with the court clerk of the South Bay Municipal Court, on January 27, 1999. The statement covered the period January 1, 1998 through December 31, 1998. Included in the annual statement was Schedule A-1, entitled "Investments—Stocks, Bonds, and Other Interests." This schedule was incomplete on its face, as it simply made reference to three account numbers at a stock brokerage firm, without providing a statement of the nature of each investment, the name of the business entity in which each investment was held and a general description of the business activity in which the business entity was engaged, the fair market value of each investment, and the date of acquisition or disposal for each investment of $1,000 or more, held by Respondent and his wife during the year, as required by Section 87206.

By failing to fully and properly disclose his investment interests on the annual 1998 SEI that he filed on January 27, 1999, Respondent violated Sections 87203 and 87206.

After reviewing the 1998 annual SEI filed by Respondent, Emily Bowden of the Technical Assistance Division of the Fair Political Practices Commission sent a letter to Respondent on June 15, 1999. The letter advised Respondent of the requirement to itemize each reportable investment of $1,000 or more on Schedule A-1, and requested that he file an amendment. There was no response to this letter. Emily Bowden therefore sent a follow-up letter to Respondent on September 15, 1999.

Respondent filed an amended Schedule A-1 with the court clerk of the South Bay Municipal

3 Effective January 1, 2001, the threshold was increased to $2,000.

Court, on September 20, 1999. The amended schedule was still incomplete. The amendment did not itemize each reportable investment of $1,000 or more, held by Respondent and his wife *at all times during the year*. Additionally, the amendment did not provide the required information regarding each of those investments, including the date of acquisition or disposal for investments acquired or disposed of during the year. The amended schedule simply consisted of a copy of a brokerage firm's year-end statement covering the period, December 1 through December 31, 1998, for each of the investment accounts held by Respondent and his wife.

The amendment revealed that Respondent held twenty-nine (29) investments in 1998 that he had not previously disclosed on his 1998 annual SEI, filed on January 27, 1999, as follows:

Abbot Laboratories	National Golf Properties, Inc.
American Express	99 Cents Only Stores
American Homes Products Corp.	Onyx Acceptance Corp.
Archer-Daniels Midland Co.	Osicom Technologies, Inc.
Cadence Design Systems, Inc.	Pepsico, Inc.
Capital Automotive REIT	Primadonna Resorts, Inc.
Fremont General Financing	Sears Roebuck & Co.
Giant Industries, Inc.	Sempra Energy
Hartford Capital	Shoe Pavilion, Inc.
Incomnet Inc.	Synopsys, Inc.
Integrated Device Tech, Inc.	System Software Assoc., Inc.
Ivax Corp.	Tennessee Valley Authority
Lancer Corp.-Texas	Tricon Global Restaurants
Lucent Technologies, Inc.	Vanstar Corp.
Micron Electronics, Inc.	

After reviewing the amended Schedule A-1 filed by Respondent, Jennifer Brooks of the Technical Assistance Division sent a letter to Respondent on October 15, 1999. The letter advised Respondent that his Schedule A-1 was still incomplete, in that it did not contain all the required information for each investment interest, and requested an amendment. Additionally, the letter informed Respondent that a brokerage firm printout was not an acceptable form of disclosure, in a format approved by the Commission. There was no response to this letter. The matter was therefore referred to the Enforcement Division of the Fair Political Practices Commission for further action.

Investigator Bonnie Swaim of the Enforcement Division sent another letter to Respondent on March 21, 2000. The letter advised Respondent that his Schedule A-1 disclosure did not comply with state law, and requested that he file the appropriate amendment. He did not do so.

On October 25, 2000, an Enforcement Division attorney made another written demand on Respondent that he amend his 1998 annual SEI, specifically, Schedule A-1. The letter cited the applicable statutes governing disclosure, and explained that disclosing stock held during only one month of the year, and valued only on the last day of the year, did not satisfy the Act's disclosure requirements.

In response to this letter, on October 30, 2000, Respondent called Enforcement Division Senior Staff Counsel Deanne Canar. During that telephone conversation, Respondent expressed his reluctance to expend the time and effort necessary to compile information regarding his stock holdings in the manner prescribed by the Act. A letter, dated November 7, 2000, sent by Ms. Canar to Respondent, confirmed this conversation. The letter expressly stated that a brokerage firm printout was not an acceptable form of disclosure, because it did not provide all of the required information, and enclosed a sample spreadsheet format, approved by the Commission.

On November 21, 2000, Respondent filed with the Fair Political Practices Commission another amended Schedule A-1 for 1998 that properly disclosed Respondent's stock holdings, using the spreadsheet format provided to him by Ms. Canar. The amendment revealed that Respondent held five (5) investments not previously disclosed on either his 1998 annual SEI, filed on January 27, 1999, or his amended 1998 SEI, filed on September 20, 1999, because they had been disposed of prior to the end of the year. Those investments are, as follows:

Entergy (sold 11/98)
Moneygram (sold 6/98)
PG&E (sold 1/98)
Peco Energy (sold 7/98)
Viacom (sold 3/98

Count 2

Respondent filed a 1999 annual SEI with the court clerk of the South Bay Municipal Court on February 10, 2000. The statement covered the period January 1, 1999 through December 31, 1999. Included in the annual statement was Schedule A-1, entitled "Investments—Stocks, Bonds, and Other Interests." This schedule was incomplete on its face, as it simply made reference to account numbers at a stock brokerage firm, without providing a statement of the nature of each investment, the name of the business entity in which each investment was held and a general description of the business activity in which the business entity was engaged, the fair market value of each investment, and the date of acquisition or disposal for each investment of $1,000 or more, held by Respondent and his wife during the year, as required by Section 87206.

By failing to fully and properly disclose his investment interests on the 1999 annual SEI that he filed on February 10, 2000, Respondent violated Sections 87203 and 87206.

As stated in the factual summary of Count 1, Investigator Bonnie Swaim of the Enforcement Division sent a letter to Respondent, on March 21, 2000, in which he was advised that his Schedule A-1 disclosure did not comply with state law. The letter requested that he file the appropriate amendment.

In response to Investigator Swaim's letter, Respondent filed an amended Schedule A-1 with the court clerk of the South Bay Municipal Court on March 29, 2000. The amended schedule was still

incomplete. The amendment did not itemize each reportable investment of $1,000 or more, held by Respondent and his wife *at all times during the year*. Additionally, the amendment did not provide the required information regarding each of those investments, including the date of acquisition or disposal for investments acquired or disposed of during the year. It simply consisted of a copy of a stock brokerage firm's year-end statement covering the period, December 1 through December 31, 1999, for the investment accounts held by Respondent and his wife.

The amendment revealed that Respondent held thirty-three (33) investments in 1999 that he had not previously disclosed on his 1999 annual SEI, filed on February 10, 2000, as follows:

Abbot Laboratories	Lowes Co., Inc. (acquired 4/99)
American Express	Lucent Technologies, Inc.
American Homes Products Corp.	Micron Electronics, Inc.
Archer-Daniels Midland Co.	National Golf Properties, Inc.
Cadence Design Systems, Inc.	New Century Fin. Corp. (acquired 6/99)
Capital Automotive REIT	99 Cents Only Stores
Citigroup Capital (acquired 3/99)	Onyx Acceptance Corp.
Citizens Utilities Co. (acquired 4/99)	Osicom Technologies, Inc.
Etoys, Inc. (acquired 5/99)	Pepsico, Inc.
Fremont General Financing	Sempra Energy
Giant Industries, Inc.	Shoe Pavilion, Inc.
Hartford Capital	Synopsys, Inc.
Inacom Corp. (formerly Vanstar)	System Software Assoc., Inc.
Incomnet Inc.	Tennessee Valley Authority
Integrated Device Tech, Inc.	Tricon Global Restaurants
Ivax Corp.	Worldport Communications, Inc. (acquired 5/99)
Lancer Corp.-Texas	

As stated in the factual summary of Count 1, there were further communications with Respondent, in the form of letters and telephone contacts with an Enforcement Division attorney, Deanne Canar, in October and November of 2000. Included in those communications was a letter to Respondent, dated October 25, 2000, in which Ms. Canar requested that Respondent amend his 1999 annual SEI, specifically Schedule A-1.

On November 21, 2000, Respondent filed with the Fair Political Practices Commission another amended Schedule A-1 for 1999 that properly disclosed Respondent's stock holdings, using the spreadsheet format provided to him by Ms. Canar. The amendment revealed that Respondent held two (2) investments not previously disclosed on either his 1999 annual SEI, filed on February 10, 2000, or his amended 1999 SEI, filed on March 29, 2000, because they had been disposed of prior to the end of the year. Those investments are, as follows:

MGM (acquired Primadonna Resorts, Inc.)

Sears Roebuck & Co. (sold 5/99)

CONCLUSION

SEI non-disclosure is a serious violation. During the time in question, the public was not aware of the full extent of Respondent's stock holdings.

The violations were deliberate. Commission staff repeatedly advised Respondent, a judge, of the requirements of the state's economic disclosure law. Nonetheless, it took multiple contacts and the involvement of an Enforcement Division attorney to get Respondent to provide full disclosure of his investment interests for 1998 and 1999.

The violations reflect Respondent's unwillingness to provide disclosure regarding his stock holdings in the manner prescribed by the Act, rather than any attempt to conceal his assets. In general, Respondent's statements reveal a gross over- reporting on his part.

Respondent corrected his inaccurate disclosure, by filing amendments to his 1998 and 1999 annual SEI's.

Respondent has no history of Political Reform Act violations prior to those discussed in this report.

This matter consists of two counts, which carry a maximum administrative penalty of Four Thousand Dollars ($4,000).

The facts of this case, including the factors discussed above, justify imposition of the agreed upon penalty of Four Thousand Dollars ($4,000).