

Re: M&T Bank PAC C00137273
Mid-Year Report (1/1/05-6/30/05)

This is in response to your letter to me dated January 13, 2006, wherein you requested additional information concerning a contribution received by the Manufacturers and Traders Trust Company Political Action Committee (the M&T Bank PAC) from the Allfirst Financial Inc. State PAC (the Allfirst State PAC) on April 13, 2005.

By way of background, the M&T Bank PAC engages in both federal and nonfederal election activity and is sponsored by M&T Bank, which is a New York State chartered banking organization. On April 1, 2003, M&T Bank acquired Allfirst Bank, which was a Maryland State chartered bank that was the sponsor of the Allfirst State PAC. As a result of that acquisition, M&T Bank became the sponsor of, and controls, the Allfirst State PAC. The Allfirst State PAC engages solely in nonfederal election activity in Maryland and is, therefore, not required to register with the Federal Election Commission.

Under Maryland campaign finance law, we are not able to transfer all of the funds held by the Allfirst State PAC to the M&T Bank PAC, which was our preference; instead, the Allfirst State PAC may only transfer \$6,000 per election cycle to the M&T Bank PAC in addition to making contributions in connection with nonfederal election activity. As a result, it is our belief that the contribution made by the Allfirst State PAC to the M&T Bank PAC on April 3, 2005, was not prohibited and consisted of permissible funds.

Please let me know if you have any questions or require additional information.
