



Former Sen. Arlen Specter joins the DeNaples legal team

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Banned-from-banking Dunmore businessman Louis DeNaples enlisted a big name in the political and legal community in his fight with federal regulators: former U.S. Sen. Arlen Specter.

The Philadelphia Republican-turned-Democrat has joined forces with a team of Washington, D.C., banking attorneys in the bid to overturn the lifetime ban from banking regulators' imposed on Mr. DeNaples, a key shareholder and former president of the board of directors of Dunmore-based First National Community Bank. Mr. Specter's name appears on legal filings related to the case.

Last month, the D.C. Circuit Court of Appeals shot down Mr. DeNaples' request for a stay and he officially resigned from the bank board, but vowed to continue the legal fight.

Mr. Specter, who has a private law practice in Philadelphia, could not be reached for comment. Howard N. Cayne, lead attorney on the case, declined comment, saying he is not authorized to speak to the media.

The court granted Mr. DeNaples expedited review of his case. Mr. DeNaples argued the requirement to sell off the majority of his 1.6 million shares by Nov. 6 would cause "irreparable harm." He hopes to have a decision before then.

Now the DeNaples legal team can make its case with a former U.S. senator in its corner. Beyond star power, there is a value to hiring a high-profile attorney, said Scranton attorney Ernest Preate, a former state attorney general. But the marquee name alone does not win a case.

"Lot of people think by adding a big name you will get success," he said. "I feel the better-prepared party with a better argument comes out on top."

Mr. Preate has known Mr. Specter since the 1960s and called him an "extremely bright man and attorney." By hiring an experienced attorney and former senator, the DeNaples legal team may be able to get some new ideas on how to approach the judges on the D.C. Circuit Court of Appeals.

"Someone like Specter can offer insights into some of the issues, insight into the judges, historical perspective, and a look at the law itself," Mr. Preate said. "Some people will call this a political move, or something for show, but there are legitimate reasons."

Mr. Specter does know the judges of the Court of Appeals of the D.C. Circuit. As a member of the Senate Judiciary Committee from Jan. 5, 1981 to Jan 3, 2011, Mr. Specter had a say in the confirmation of federal judges. For a time, he served as chairman, and often ranking member of the committee.

A review of the biographies of the 13 judges on the D.C. Circuit Court of Appeals, a panel of which will hear Mr. DeNaples' case, shows all current sitting judges would have been vetted by the committee during Mr. Specter's three-decade tenure.

In a brief filed by Mr. DeNaples' attorneys, the fundamental arguments appear unchanged. They say Mr. DeNaples' deal with the district attorney of Dauphin County to withdraw perjury charges did not constitute a "pre-trial diversion program" as defined by regulators. Bank regulations prohibit those convicted of serious crimes or entering into a pre-trial diversion program from owning a controlling interest in, or serving as an officer or director of, a bank. Mr. DeNaples argues his deal doesn't apply.

Mr. Specter cut his teeth as a staffer to the Warren Commission investigating the assassination of the President John F. Kennedy. His work on behalf of accused murderer Ira Einhorn in 1979 helped get Mr. Einhorn out of jail, only to flee the country just before his murder trial and evade the law for decades. Elected as a senator in 1980, Mr. Specter quickly assumed a high-profile role as a moderate Republican. He is also

known for invoking Scottish Law in his opposition to the impeachment of President Bill Clinton.

Mr. DeNaples was an occasional donor to Mr. Specter's senatorial campaigns. In 2004, then-Senator Specter toured the Community Medical Center with Mr. DeNaples's son, Dr. Louis DeNaples Jr., and former Sen. Robert Dole. Mr. Specter changed political parties, becoming a Democrat, but then lost his seat to Republican Sen. Pat Toomey in 2010.

Arguments before the panel of the court are expected in late summer.

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