



FEDERAL ELECTION COMMISSION
Washington DC 20463

THIS IS THE BEGINNING OF ADMINISTRATIVE FINE CASE # 3001

DATE SCANNED 9/16/15

SCANNER NO. 2

SCAN OPERATOR JB



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

2015 APR -7 PM 4:46
FEDERAL ELECTION
COMMISSION
SECRETARIAT

2015 APR -7 PM 4:46

April 7, 2015

MEMORANDUM

SENSITIVE

TO: The Commission

THROUGH: Alec Palmer *AP*
Staff Director

FROM: Patricia C. Orrock *PCO*
Chief Compliance Officer

Debbie Chacona *DC*
Assistant Staff Director
Reports Analysis Division

BY: Kristin D. Roser *KDR*
Compliance Branch

SUBJECT: Reason to Believe Recommendation -
Failure to File 48-Hour Notices under the Administrative Fine Program

Attached is the name of a principal campaign committee that has failed to file 48-hour notices with the Commission for contributions of \$1,000.00 or more received from the close of books for the Ohio 12 Day Pre-General Report up to 48 hours before the November 4, 2014 General Election in accordance with 52 U.S.C. § 30104(a) and 11 CFR § 104.5(f). The committee, Fred Kundrata for Congress Committee, represents a candidate who lost the General Election. The committee is being referred for failing to file a 48-hour notice for a contribution totaling \$40,000.00.

A 48-hour notice is required to report all contributions of a \$1,000.00 or more, to any authorized committee of a candidate, including contributions from the candidate, loans from the candidate and other non-bank sources and endorsements or guarantees of loans from banks, as per, 11 CFR § 104.5(f).

We have attached an information sheet which includes the contributor name, date of receipt and amount of the contribution for which a 48-hour notice was not filed.

In accordance with the schedule of civil money penalties outlined within 11 CFR § 111.44, this committee should be assessed the civil money penalty so indicated.

Recommendation

1. Find reason to believe that Fred Kundra for Congress Committee and William M. Bristol, Treasurer, violated 52 U.S.C. § 30104(a) and make a preliminary determination that a civil money penalty of \$4,110 be assessed.
2. Send the appropriate letter.

Attachment

UNCLASSIFIED

44-38861-1500

Committee ID: C00559336

Report Type: 30 Day Post-General Report (10/16/2014 - 11/24/2014)

48-Hour Reporting Period: 10/16/2014 - 11/1/2014

CONTRIBUTOR	DATE	AMOUNT
KUNDRATA, FREDERICK L. III	10/27/2014	\$40,000.00
	TOTAL	\$40,000.00

Proposed Civil Money Penalty: \$4,110.00 ((1 Notice Not Filed at \$110 each) + (10% of the Overall Contributions Not Filed))

**Federal Election Commission
Reason to Believe Circulation Report
48-Hour Notification Report**

AF# 3001

Committee ID
C00559336

Committee Name
FRED KUNDURTA FOR
CONGRESS COMMITTEE

State OH

Election
2014

Candidate Name
KUNDRATA, FREDERICK
LOUIS III

Treasurer
JAM M BRISTOL

Prev Violations

Notices Not Filed
1

LOA
\$40,000

Penalty \$4 110

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of)
)
Reason To Believe Recommendation –) AF 3001
Failure to File 48-Hour Notices under the)
Administrative Fine Program: Fred)
Kundrata for Congress Committee and)
William M. Bristol, Treasurer)

CERTIFICATION

I, Shawn Woodhead Werth, Secretary and Clerk of the Federal Election Commission, do hereby certify that on April 09, 2015, the Commission decided by a vote of 6-0 to take the following actions in AF 3001:

1. Find reason to believe that Fred Kundrata for Congress Committee and William M. Bristol, Treasurer, violated 52 U.S.C. § 30104(a) and make a preliminary determination that a civil money penalty of \$4,110 be assessed.
2. Send the appropriate letter.

Commissioners Goodman, Hunter, Petersen, Ravel, Walther, and Weintraub voted affirmatively for the decision.

Attest:

April 10, 2015
Date

Shawn Woodhead Werth
Shawn Woodhead Werth
Secretary and Clerk of the Commission



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

April 10, 2015

William M. Bristol, in official capacity as Treasurer
Fred Kundra for Congress Committee
120 East Fourth Street, Suite 1040
Cincinnati, OH 45202

C00559336
AF#: 3001

Dear Mr. Bristol:

The Federal Election Campaign Act of 1971, as amended, 52 U.S.C. § 30101, *et seq.* ("the Act"), requires principal campaign committees of candidates for federal office to notify in writing either the Secretary of the Senate or the Federal Election Commission ("FEC"), and the Secretary of State, as appropriate, of any contribution of \$1,000 or more, received by any authorized committee of the candidate after the 20th day, but more than 48 hours before, any election. 52 U.S.C. § 30104(a)(6)(A). The Act further requires notification to be made within 48 hours after the receipt of the contribution and to include the name of the candidate and office sought, the date of receipt, the amount of the contribution, and the identification of the contributor. *Id.* These notification requirements are in addition to all other reporting requirements. 52 U.S.C. § 30104(a). Our records indicate that Fred Kundra for Congress Committee did not submit a 48-Hour Notice for a contribution of \$1,000 or more, received on October 27, 2014, totaling \$40,000, as required by 52 U.S.C. § 30104(a)(6)(A). Attachment 1.

The Act permits the FEC to impose civil money penalties for violations of the reporting requirements of 52 U.S.C. § 30104(a). 52 U.S.C. § 30109(a)(4). On April 9, 2015, the FEC found that there is Reason to Believe ("RTB") that Fred Kundra for Congress Committee and you, in your official capacity as treasurer, violated 52 U.S.C. § 30104(a) by failing to file the 48-Hour Notices. Based on the FEC's schedule of civil money penalties at 11 CFR § 111.44, the amount of your civil money penalty calculated at the RTB stage is \$4,110. Please see the attached copy of the Commission's administrative fine regulations at 11 CFR §§ 111.30-111.55. Attachment 2. The Commission's website contains further information about how the administrative fine program works and how the fines are calculated. <http://www.fec.gov/af/af.shtml>. 11 CFR § 111.34. The amount of the civil money penalty is \$110 for each non-filed notice plus 10 percent of the dollar amount of the contributions not timely reported. The civil money penalty increases by 25 percent for each prior violation. Send your payment of \$4,110 within forty (40) days of the finding, or by May 19, 2015.

At this juncture, the following courses of action are available to you:

1. If You Choose to Challenge the RTB Finding and/or Civil Money Penalty

The FEC will only consider challenges that are based on at least one of three grounds: (1) a factual error in the RTB finding; (2) miscalculation of the calculated civil money penalty by the FEC; or (3) your demonstrated use of best efforts to file in a timely manner when prevented from doing so by reasonably unforeseen circumstances that were beyond your control. 11 CFR § 111.35(b). In order for a challenge to be considered on the basis of best efforts, you must have filed the required report no later than 24 hours after the end of these reasonably unforeseen circumstances. *Id.* Examples of circumstances that will be considered reasonably unforeseen and beyond your control include, but are not limited to: (1) a failure of Commission computers or Commission-provided software despite your seeking technical assistance from Commission personnel and resources; (2) a widespread disruption of information transmissions over the Internet that is not caused by a failure of the Commission's or your computer systems or Internet service provider; and (3) severe weather or other disaster-related incident. 11 CFR § 111.35(c). Examples of circumstances that will not be considered reasonably unforeseen and beyond your control include, but are not limited to: (1) negligence; (2) delays caused by vendors or contractors; (3) treasurer and staff illness, inexperience or unavailability; (4) committee computer, software, or Internet service provider failures; (5) failure to know filing dates; and (6) failure to use filing software properly. 11 CFR § 111.35(d).

If you intend to be represented by counsel, please advise the Office of Administrative Review. You should provide, in writing, the name, address and telephone number of your counsel and authorize counsel to receive notifications and communications relating to this challenge and imposition of the calculated civil money penalty.

If you do not pay the calculated civil money penalty and do not submit a written response, the FEC will assume that the preceding factual allegations are true and make a final determination that Fred Kundrata for Congress Committee and you, in your official capacity as treasurer, violated 52 U.S.C. § 30104(a) and assess a civil money penalty.

Unpaid civil money penalties assessed through the Administrative Fine regulations will be subject to the Debt Collection Act of 1982 ("DCA"), as amended by the Debt Collection Improvement Act of 1996, 31 U.S.C. § 3701 *et seq.* The FEC may take any and all appropriate

action authorized and required by the DCA, as amended, including transfer to the U.S. Department of the Treasury for collection. 11 CFR § 111.51(a)(2).

3. If You Choose to Pay the Civil Money Penalty

If you should decide to pay the calculated civil money penalty, send the enclosed remittance form, along with your payment, to the FEC at the address on page 4. Upon receipt of your payment, the FEC will send you a final determination letter.

NOTICE REGARDING PARTIAL PAYMENTS AND SETTLEMENT OFFERS

4. Partial Payments

If you make a payment in an amount less than the calculated civil money penalty, the amount of your partial payment will be credited towards the full civil money penalty that the Commission assesses upon making a final determination.

5. Settlement Offers

Any offer to settle or compromise a debt owed to the Commission, including a payment in an amount less than the calculated civil money penalty assessed or any restrictive endorsements contained on your check or money order or proposed in correspondence transmitted with your check or money order, will be rejected. Acceptance and deposit or cashing of such a restricted payment does not constitute acceptance of the settlement offer. Payments containing restrictive endorsements will be deposited and treated as a partial payment towards the civil money penalty that the Commission assesses upon making a final determination. All unpaid civil money penalty amounts remaining will be subject to the debt collection procedures set forth in Section 2, above.

This matter was generated based on information ascertained by the FEC in the normal course of carrying out its supervisory responsibilities. 52 U.S.C. § 30109(a)(2). Unless you notify the FEC in writing that you wish the matter to be made public, it will remain confidential in accordance with 52 U.S.C. § 30109(a)(4)(B) and 30109(a)(12)(A) until it is placed on the public record at the conclusion of this matter in accordance with 11 CFR § 111.42.

As noted earlier, you may obtain additional information on the FEC's administrative fine program, including the final regulations, on the FEC's website at <http://www.fec.gov/af/af.shtml>. If you have questions regarding the payment of the calculated civil money penalty, please contact David Garr in the Reports Analysis Division at our toll free number (800) 424-9530 (at the prompt press 5) or (202) 694-1130. If you have questions regarding the submission of a challenge, please contact the Office of Administrative Review at our toll free number (800) 424-9530 (press 0, then ext. 1660) or (202) 694-1660.

On behalf of the Commission,



Ann M. Ravel
Chair

ADMINISTRATIVE FINE REMITTANCE & PAYMENT INSTRUCTIONS

In accordance with the schedule of penalties at 11 CFR § 111.44, the amount of your civil money penalty calculated at RTB is \$4,110 for the 2014 General Election 48-Hour Notification Report.

Please mail this remittance with a check or money order made payable to the Federal Election Commission to the following address:

Federal Election Commission
P.O. Box 979058
St. Louis, MO 63197-9000

If you choose to send your remittance and payment by courier or overnight delivery, please use this address:

U.S. Bank - Government Lockbox
FEC #979058
1005 Convention Plaza
Attn: Government Lockbox, SL-MO-C2GL
St. Louis, MO 63101

The remittance and your payment are due by May 19, 2015. Upon receipt of your remittance and payment, the FEC will send you a final determination letter.

PAYMENTS BY PERSONAL CHECK

Personal checks will be converted into electronic funds transfers (EFTS). Your account will be electronically debited for the amount on your check, usually within 24 hours, and the debit will appear on your regular statement. We will destroy your original check and keep a copy of it. In case the EFT cannot be processed for technical reasons, you authorize us to process the copy in lieu of the original check. Should the EFT not be completed because of insufficient funds, we may try to make the transfer twice.

PLEASE DETACH AND RETURN THE PORTION BELOW WITH YOUR PAYMENT

FOR: Fred Kundrata for Congress Committee

FEC ID#: C00559336

AF#: 3001

PAYMENT DUE DATE: May 19, 2015

PAYMENT AMOUNT DUE: \$4,110

Contributions for Which a 48-Hour Notice Was Not Received

AF 3001

Committee ID: C00559336

Committee Name: Fred Kundra for Congress Committee

Report Type: 30 Day Post-General Report (10/16/2014 - 11/24/2014)

48-Hour Reporting Period: 10/16/2014 - 11/1/2014

CONTRIBUTOR	DATE	AMOUNT
KUNDRATA, FREDERICK L. III	10/27/2014	\$40,000.00
	TOTAL	\$40,000.00

Proposed Civil Money Penalty: \$4,110.00 ((1 Notice Not Filed at \$110 each) + (10% of the Overall Contributions Not Filed))

GARY F. FRANKE CO., L.P.A.
120 EAST FOURTH STREET, SUITE 1040
CINCINNATI, OHIO 45202
TELEPHONE: (513) 564-9222
FACSIMILE: (513) 564-9990

**FEC OFFICE OF
ADMIN REVIEW**

2015 MAY 19 PM 1:42

GARY F. FRANKE
HAL L. FRANKE
WILLIAM M. BRISTOL
MICHAEL D. O'NEILL

OF COUNSEL:
JOHN E. BREHM, JR.
JAMES V. HEATH (1934-2010)

May 18, 2015

FEC
Office of Administrative Review
999 E Street, NW
Washington, DC 20463

In re: Fred Kundrata for Congress Committee
William Bristol, Treasurer
C00559336
AF No.: 3001

To Whom it May Concern:

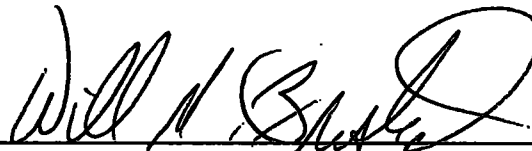
This correspondence will serve as the Fred Kundrata for Congress Committee's written response to the civil money penalty, pursuant to the FEC's Reason to Believe that the Fred Kundrata for Congress Committee violated 52 U.S.C. § 30104(a). The Fred Kundrata for Congress Committee chooses to challenge the RTB Finding as well as challenges the civil money penalty.

It is quite disturbing that this campaign committee, that raised a total of \$39,273.18 in contributions, outside the candidate's own money for his own campaign, is targeted for a sizable civil money penalty while the chairwoman of the Federal Elections Commission, Ann M. Ravel, states "The likelihood of the laws being enforced is slim." And "I never want to give up, but I'm not under any illusions. People think the F.E.C. is dysfunctional. It's worse than dysfunctional."

There has been no prejudice, no harm, no intent to deceive or mislead and no rationale that this campaign committee should be penalized. The reporting submitted by this campaign committee reported every single contribution, cash, check or otherwise naming every individual and political action committee that contributed. Further, every report itemized virtually every expenditure, with little or no aggregation of costs, all in an effort to be as fully transparent and in compliance as possible. The alleged violation was a loan by the candidate to the campaign committee that was fully reported on the subsequent reports by the committee.

Therefore, the Fred Kundrata for Congress Committee asserts that the civil money penalty contains (1) a factual error, and (2) miscalculates the penalty.

Respectfully submitted,



William M. Bristol
Treasurer, Fred Kundrata for Congress Committee
120 East Fourth Street, Suite 1040
Cincinnati, Ohio 45202
Tel: (513) 564-9222
Fax: (513) 564-9990
wmb@garyfrankelaw.com



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

May 21, 2015

Mr. William M. Bristol, Treasurer
Fred Kundra for Congress Committee
120 East Fourth Street, Suite 1040
Cincinnati, OH 45202

C00559336
AF#: 3001

Dear Mr. Bristol:

On May 19, 2015, the Commission's Office of Administrative Review ("OAR") received your written response ("challenge") for Fred Kundra for Congress Committee and you, in your official capacity as Treasurer, which is being reviewed by OAR. If you have any questions regarding your challenge, please contact this Office on our toll free number (800) 424-9530 (press 0, then ext. 1660) or (202) 694-1660.

Sincerely,

A handwritten signature in cursive script that reads "Rhiannon Magruder".

Rhiannon Magruder
Reviewing Officer
Office of Administrative Review



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

FEDERAL ELECTION COMMISSION
2015 JUL 14 AM 10:26

SENSITIVE

July 14, 2015

MEMORANDUM

To: The Commission

Through: Alec Palmer *AP*
Staff Director

From: Patricia C. Orrock *PCO*
Chief Compliance Officer

Rhiannon Magruder *RM*
Reviewing Officer
Office of Administrative Review

Subject: Reviewing Officer Recommendation in AF# 3001 – Fred Kundrata for Congress
Committee and William M. Bristol, in his official capacity as Treasurer
(C00559336)

The attached Reviewing Officer Recommendation is being circulated on an informational basis. A copy was also sent to the respondents in accordance with 11 C.F.R. § 111.36(f). The respondents may file with the Commission Secretary a written response within 10 days of transmittal of the recommendation. After the 10 day period, the Reviewing Officer Recommendation and the respondents' written response, if any, will be circulated to the Commission to make a final determination.

Attachment



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

July 14, 2015

**REVIEWING OFFICER RECOMMENDATION
OFFICE OF ADMINISTRATIVE REVIEW ("OAR")**

AF# 3001 – Fred Kundrata for Congress Committee and William M. Bristol, in his official capacity as Treasurer (C00559336)

Summary of Recommendation

Make a final determination that the respondents violated 52 U.S.C. § 30104(a) and assess a \$4,110 civil money penalty.

Reason-to-Believe Background

In connection with the 2014 Ohio General Election held on November 4, 2014, the respondents were required to file 48-Hour Notices for contributions of \$1,000 or more received between October 16, 2014 and November 1, 2014. On April 9, 2015, the Commission found reason to believe ("RTB") that the respondents violated 52 U.S.C. § 30104(a) for failing to timely file the 48-Hour Notice for one contribution totaling \$40,000.00 and made a preliminary determination that the civil money penalty was \$4,110 based on the schedule of penalties at 11 C.F.R. § 111.44. A letter was mailed to the respondents' address of record from the Reports Analysis Division ("RAD") on April 10, 2015 to notify them of the Commission's RTB finding and civil money penalty.

Legal Requirements

The Federal Election Campaign Act ("Act") requires that the principal campaign committee of a candidate must notify the Commission, in writing, of any contribution of \$1,000 or more received after the 20th day but more than 48 hours before an election. The principal campaign committee must notify the Commission within 48 hours of receipt of the contribution. The 48-hour notification shall be in addition to all other reporting requirements under the Act. 52 U.S.C. § 30104(a)(6)(A) and 11 C.F.R. § 104.5(f). Reports electronically filed must be received and validated at or before 11:59 pm Eastern Standard/Daylight Time on the filing deadline to be timely filed. 11 C.F.R. §§ 100.19(c) and 104.5(e). The treasurer shall be personally responsible for the timely filing of reports. 11 C.F.R. § 104.14(d).

Respondents' Challenge

On May 19, 2015, the Commission received the written response ("challenge") from the Committee's Treasurer challenging the RTB finding and the civil money penalty. The Treasurer states he is disturbed that the Committee, which was funded mostly by the Candidate, was assessed a sizeable civil money penalty. He further explains:

"The reporting submitted by this campaign committee reported every single contribution, cash, check or otherwise naming every individual and political action committee that contributed. Further, every report itemized virtually every expenditure, with little or no aggregation of costs, all in an effort to be as fully transparent and in compliance as possible. The alleged violation was a loan by the [C]andidate to the campaign committee that was fully reported on the subsequent reports by the committee."

The Treasurer concludes by stating that the civil money penalty is factually incorrect and miscalculated.

Analysis

The Candidate participated in the 2014 Ohio General Election held on November 4, 2014. Therefore, the Committee was required to file 48-Hour Notices for contributions of \$1,000 or more received during the 48-Hour Notice period of October 16, 2014 through November 1, 2014. The Committee failed to file a 48-Hour Notice for a \$40,000 loan from the Candidate, received on October 27, 2014.

On January 28, 2015, RAD sent a Request for Additional Information ("RFAI") to the Committee regarding their failure to file the 48-Hour Notice for the candidate loan. On February 10, 2015, the Committee filed a Miscellaneous Document (FEC Form 99) in response to the RFAI, which states:

"With regard to the Fred Kundrata for Congress Committee missing notification of the 48-Hour Notice in conjunction with a loan from the Candidate, Fred Kundrata. The loan was made on October 20, 2014 in the amount of \$40,000.00 made from the [C]andidate's personal funds. The campaign was not aware that the loan from the [C]andidate was made until after the assistant treasurer supplied the financials for the period to the campaign Treasurer. This was an oversight, and we have taken steps to, such sure that sch (sic) information is timely supplied to the Treasurer. We sincerely apologize for that oversight and will make absolutely sure that no further notifications will be missed."

According to RAD telecoms (written records of telephone conversation), on April 21, 2015, the RAD Compliance Analyst contacted the Treasurer regarding the RTB letter. The Treasurer acknowledged the receipt of the RTB letter and stated he was not aware 48-Hour notices for candidate loans were required to be filed.

While the Treasurer may not have been aware that 48-Hour Notice requirements apply to candidate loans, the Commission's regulations, publications, and website explain this requirement. Candidate loans are specifically included in the definition of a contribution at 11 C.F.R. § 100.52. In addition, page 81 of the *Campaign Guide for Congressional Candidates and Committees* explains that 48-Hour Notice requirements "[apply] to all types of contributions to any authorized committee of the candidate, including...loans from the candidate..." Further, on October 1, 2014, the Commission's Information Division sent an email to "info@fredkundrata.com," the email address disclosed on the Committee's Statement of Organization. The email included a link to the 2014 Pre-General Report Prior Notice on the Commission's website. The notice detailed the reporting requirements in connection with the 2014 Ohio General Election, including the 48-Hour Notice requirement for contributions of \$1,000 or more received from October 16, 2014 through November 1, 2014. Within the Prior Notice, there was a link to the Supplemental Filing Information for Congressional Committees page of the Commission's website, which states:

"The principal campaign committee must file notices if any authorized committees receive any contribution **(including in-kind gifts or advances of goods or services; Loans from the candidate or other non-bank sources; and guarantees or endorsements of bank loans to the candidate or committee)** of \$1,000 or more per source, during the period less than 20 days but more than 48 hours before any election in which the candidate is running. See 11 CFR 104.5(f)." (emphasis included)

The respondents contend the Commission made a factual error in the RTB finding. However, the candidate loan in question is considered a contribution pursuant to 11 C.F.R. § 100.52. In addition, the contribution was of \$1,000 or more and received during the 2014 Ohio General Election 48-Hour Notice period of October 16, 2014 through November 1, 2014. Therefore, a 48-Hour Notice was required for the candidate loan pursuant to 11 C.F.R. § 104.5(f). The Reviewing Officer confirms that the Committee failed to file the required 48-Hour Notice, and the Commission did not make a factual error in the RTB finding.

The respondents also contend that the Commission miscalculated the civil money penalty. The civil money penalty calculation for 48-Hour Notices is contained at 11 C.F.R. § 111.44. The calculation is \$110 plus 10% of the amount of the contributions not reported on each 48-Hour Notice. The respondents failed to file a 48-Hour Notice for one contribution totaling \$40,000. Therefore, the amount of the civil money penalty is $(\$110 \times 1) + (.10 \times \$40,000)$ or \$4,110. The Reviewing Officer confirms that the Commission did not miscalculate the civil money penalty at RTB.

Negligence is specifically included at 11 C.F.R. § 111.35(d) as an example of a circumstance that will not be considered reasonably unforeseen and beyond the respondents' control. Their challenge fails to address any of the three valid grounds at 11 C.F.R. § 111.35(b). These are: (i) the RTB finding is based on factual errors; and/or (ii) the improper calculation of the civil money penalty; and/or (iii) they used best efforts to file on time but were prevented from doing so by reasonably unforeseen circumstances that were beyond their control and they filed the report no later than 24 hours after the end of these circumstances. 11 C.F.R. § 104.14(d). Therefore, the Reviewing Officer recommends that the Commission

make a final determination that the respondents violated 52 U.S.C. § 30104(a) and assess a \$4,110 civil money penalty.

OAR Recommendations

1. Adopt the Reviewing Officer recommendation for AF# 3001 that the Fred Kandrata for Congress Committee and William M. Bristol, in his official capacity as Treasurer, in making the final determination;
2. Make a final determination in AF# 3001 that the Fred Kandrata for Congress Committee and William M. Bristol, in his official capacity as Treasurer, violated 52 U.S.C. § 30104(a) and assess a \$4,110 civil money penalty; and
3. Send the appropriate letter.

Attachments

- Attachment 1 -
- Attachment 2 - Page 81 of *Campaign Guide for Congressional Candidates and Committees*
- Attachment 3 -
- Attachment 4 - Declaration from RAD
- Attachment 5 - Declaration from OAR

Election Year Reporting

Election years are years in which regularly scheduled federal elections are held (even-numbered years).

Pre-Election Reports

In addition to quarterly reports, a committee must file pre-election reports:

- A pre-primary report must be filed before the election in which the candidate seeks nomination.
- A pre-general report must be filed if the candidate runs in the general election.
- A pre-runoff report must be filed when a candidate is involved in a runoff election. (Note: this may be either a primary or a general election.)

A pre-election report is due 12 days before the election and covers activity through the 20th day before the election. If sent by registered or certified mail, priority mail with a delivery confirmation, express mail with a delivery confirmation, or overnight delivery service with an online tracking system, the report must be postmarked no later than the 15th day before the election.³ 104.5(a)(2)(i).

Authorized committees must file appropriate pre- and post-election reports even if the candidate is unopposed or if the election is not held. AO 1986-21.

Post-General Election Reports

There is no requirement for post-primary reports, but a committee must file a post-general report if the candidate runs in the general election. A post-

general election report covers activity through the 20th day after the election and is due 30 days after the election. 104.5(a)(2)(ii). Committees filing the post-general report must include the Post-Election Detailed Summary Page. See Chapter 13, Section 27, for more information. (Committees of campaigns not running in the general election include this form with the year-end report following the election.)

Last-Minute Contributions (48-Hour Notice)

Campaign committees must file special notices regarding contributions of \$1,000 or more received less than 20 days but more than 48 hours before 12:01 a.m. of the day of any election in which the candidate is running. 104.5(f). (These are often called "48-Hour Notices.") This rule applies to all types of contributions to any authorized committee of the candidate, including:

- Contributions from the candidate;
- Loans from the candidate and other non-bank sources; and
- Endorsements or guarantees of loans from banks. See Chapter 3, Section 2.

Committees filing electronically must file their 48-hour notices electronically. See Section 5, "Electronic Filing" below.

Paper-filing committees may file their 48-hour notices using FEC Form 6. Alternatively, a paper-filing committee may file online using the FEC's web-based forms (www.fec.gov/electfil/online.shtml), or may use its own paper or stationery for the notice, provided that it contains the following information:

- The candidate's name and the office sought;
- The identification of the contributor; and
- The amount and date of receipt of the contribution.

Committees filing paper forms may fax the notice to the appropriate office using the following numbers: FEC, 202/219-0174; Secretary of the Senate, 202/224-1851. The committee should keep fax receipts of all transmissions.

The FEC or the Secretary of the Senate must receive the notice within 48 hours of the committee's receipt of the contribution. The committee must itemize all last-minute contributions in the committee's next scheduled report. 104.5(f). See reporting example Chapter 13, Section 15.

³ In several instances, the Commission has been asked to determine a state's primary date for purposes of the Act. In those states in which a party caucus or convention has authority to select a nominee (Virginia) or has authority to select a nominee and is held in addition to a primary (Connecticut and Utah), pre-election reports must be filed for the caucus or convention. See AOs 2004-20, 1992-25, 2000-29 and "Party Caucus or Convention" in Chapter 4. See also, the Commission's Interpretive Rule on the Date of Political Party Nominations of Candidates for Special Primary Elections in New York at <http://go.usa.gov/8hU9>, and *FEC v. Citizens for Senator Wofford*, No. 1: CV-94-2057, slip op. at 8-10 (M.D. Pa. Sept. 27, 1995) (Holding that state party convention constituted a "primary election" under the Act and Commission regulations even though state law required the party to file a subsequent certificate of nomination with the state.)

DECLARATION OF KRISTIN D. ROSER

1. I am the Chief of the Compliance Branch for the Reports Analysis Division of the Federal Election Commission ("Commission"). In my capacity as Chief of the Compliance Branch, I oversee the initial processing of the Administrative Fine Program. I make this declaration based on my personal knowledge and, if called upon as a witness, could and would testify competently to the following matters.
2. I hereby certify that documents identified herein are true and accurate copies of the following sent by the Commission to Fred Kundrata for Congress Committee:
 - A) Request for Additional Information Letter for the 2014 30 Day Post-General Report, dated January 28, 2015, referencing the missing 48-Hour Notices (sent via electronic mail to: info@fredkundrata.com);
 - B) Reason-to-Believe Letter, dated April 10, 2015, referencing the missing 48-Hour Notices (sent via overnight mail to the address of record).
3. I hereby certify that I have searched the Commission's public records and find that Fred Kundrata for Congress Committee has not yet filed the missing 48-Hour Notices with the Commission.
4. Pursuant to 28 U.S.C. 1746, I declare under penalty of perjury that the foregoing is true and correct and that all relevant telecoms for the matter have been provided. This declaration was executed at Washington, D.C. on the 22nd day of May, 2015.



Kristin D. Roser
Chief, Compliance Branch
Reports Analysis Division
Federal Election Commission



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

RQ-2

January 28, 2015

WILLIAM M. BRISTOL, TREASURER
FRED KUNDRATA FOR CONGRESS COMMITTEE
120 EAST FOURTH STREET SUITE 1040
CINCINNATI, OH 45202

Response Due Date

03/04/2015

IDENTIFICATION NUMBER: C00559336

REFERENCE: 30 DAY POST-GENERAL REPORT (10/16/2014 - 11/24/2014)

Dear Treasurer:

This letter is prompted by the Commission's preliminary review of the report referenced above. This notice requests information essential to full public disclosure of your federal election campaign finances. **Failure to adequately respond by the response date noted above could result in an audit or enforcement action.** Additional information is needed for the following 1 item(s):

- Schedule A of your report indicates that your committee may have failed to file one or more of the required 48-hour notices regarding "last minute" contributions received by your committee after the close of books for the 12 Day Pre-General Report (see attached). A principal campaign committee must notify the Commission, in writing, within 48 hours of any contribution of \$1,000 or more received between two and twenty days before an election. These contributions are then reported on the next report required to be filed by the committee. To ensure that the Commission is notified of last minute contributions of \$1,000 or more to your campaign, it is recommended that you review your procedures for checking contributions received during the aforementioned time period. The failure to file 48-hour notices may result in civil money penalties or legal enforcement action. (11 CFR § 104.5(f))

If any contribution of \$1,000 or more was incorrectly reported, you must amend your original report with the clarifying information.

Please note, you will not receive an additional notice from the Commission on this matter. Adequate responses must be received by the Commission on or before the due date noted above to be taken into consideration in determining whether audit action will be initiated. Failure to comply with the provisions of the Act may also result in an enforcement action against the committee. Any response submitted by your committee will be placed on the public record and will be considered by the Commission prior to

FRED KUNDRATA FOR CONGRESS COMMITTEE

Page 2 of 2

taking enforcement action. **Requests for extensions of time in which to respond will not be considered.**

Electronic filers must file amendments (to include statements, designations and reports) in an electronic format and must submit an amended report in its entirety, rather than just those portions of the report that are being amended.

If you should have any questions regarding this matter or wish to verify the adequacy of your response, please contact me on our toll-free number (800) 424-9530 (at the prompt press 5 to reach the Reports Analysis Division) or my local number (202) 694-1132.

Sincerely,



Chris Jones
Campaign Finance Analyst
Reports Analysis Division

UNCLASSIFIED

Missing 48-Hour Notices
Fred Kundrata for Congress Committee (C00559336)

Contributor Name	Date	Amount	Election
Kundrata, Frederick L. III	10/27/14	\$40,000.00	G2014

11/03/2014 10:00 AM

DECLARATION OF RHIANNON MAGRUDER

- 1) I am the Reviewing Officer in the Office of Administrative Review for the Federal Election Commission ("Commission"). In my capacity as Reviewing Officer, I conduct research with respect to all challenges submitted in accordance with the Administrative Fine program.
- 2) The principal campaign committee of a candidate must file notifications disclosing contributions of \$1,000 or more which are received after the 20th day but more than 48 hours before an election. These notifications (also called 48-Hour Notices) must be filed with the Commission within 48 hours of the committee's receipt of the contribution(s).
- 3) It is the practice of the Reports Analysis Division to document all calls to or from committees regarding a letter they receive or any questions relating to the administrative fine regulations, including due dates of reports and filing requirements.
- 4) I hereby certify that I have searched the Commission's public records and that the documents identified herein are the true and accurate copies of:
 - a) Statement of Organization filed by Fred Kundra for Congress Committee and William M. Bristol, in his official capacity as Treasurer. The document was filed on February 25, 2014 and lists "info@fredkundra.com" as the Committee's official email address..
 - b) Report Cover Page, 1 page of Schedule A, and 1 page of Schedule C for the 2014 Post-General Report filed by Fred Kundra for Congress Committee and William M. Bristol, in his official capacity as Treasurer. According to the Commission's records, the report covers the period from October 16, 2014 through November 24, 2014, and was received on December 4, 2014. The report discloses the receipt of a \$40,000 loan from the Candidate on October 27, 2014.
 - c) Miscellaneous Document filed by Fred Kundra for Congress Committee and William M. Bristol, in his official capacity as Treasurer, on February 10, 2015.
- 5) Pursuant to 28 U.S.C. § 1746, I declare under penalty of perjury that the foregoing is true and correct and that this declaration was executed at Washington, D.C. on the 14th day of July, 2015.



Rhiannon Magruder
Reviewing Officer
Office of Administrative Review
Federal Election Commission

FEC
FORM 1

STATEMENT OF
ORGANIZATION

RECEIVED

2014 FEB 25 AM 9:56

FEC MAIL CENTER

1. NAME OF
COMMITTEE (in full)

☐ (Check if name
is changed)

Example: If typing, type
over the lines.

12FE4M5

Fred Kundrata for Congress Committee

ADDRESS (number and street)

120 East Fourth Street

Suite 1040

☐ (Check if address
is changed)

Cincinnati

OH

45202

CITY

STATE

ZIP CODE

COMMITTEE'S E-MAIL ADDRESS (Please provide only one e-mail address)

☐ (Check if address
is changed)

info@fredkundrata.com

COMMITTEE'S WEB PAGE ADDRESS (URL)

☐ (Check if address
is changed)

fredkundrata.com

2. DATE

02

14

2014

3. FEC IDENTIFICATION NUMBER

C

4. IS THIS STATEMENT



NEW (N)

OR



AMENDED (A)

I certify that I have examined this Statement and to the best of my knowledge and belief it is true, correct and complete.

Type or Print Name of Treasurer

William M. Bristol

Signature of Treasurer

William M. Bristol

Date

02

14

2014

NOTE: Submission of false, erroneous, or incomplete information may subject the person signing this Statement to the penalties of 2 U.S.C. 5437g.

ANY CHANGE IN INFORMATION SHOULD BE REPORTED WITHIN 10 DAYS.

Office
Use
Only

For further information contact:
Federal Election Commission
Toll Free 800-424-9530
Local 202-894-1100

FEC FORM 1
(Revised 02/2009)

**FEC
FORM 3****REPORT OF RECEIPTS
AND DISBURSEMENTS**
For An Authorized Committee

Office Use Only

1. NAME OF COMMITTEE (in full) TYPE OR PRINT ▼ Example: If typing, type over the lines. 12FE4M5

Fred Kundrata for Congress Committee

ADDRESS (number and street) ▼

120 East Fourth Street

Suite 1040

Check if different
than previously
reported. (ACC)

Cincinnati

OH

45202

2. FEC IDENTIFICATION NUMBER ▼

C C00559336

CITY ▲

STATE ▲

ZIP CODE ▲

STATE ▼ DISTRICT

3. IS THIS
REPORT

X

NEW
(N)

OR

AMENDED
(A)

OH

01

4. TYPE OF REPORT (Choose One)

(a) Quarterly Reports:

April 15 Quarterly Report (Q1)

July 15 Quarterly Report (Q2)

October 15 Quarterly Report (Q3)

January 31 Year-End Report (YE)

Termination Report (TER)

(b) 12-Day PRE-Election Report for the:

Primary (12P)

General (12G)

Runoff (12R)

Convention (12C)

Special (12S)

Election on

in the
State of

(c) 30-Day POST-Election Report for the:

X

General (30G)

Runoff (30R)

Special (30S)

Election on

11

04

2014

in the
State of

OH

5. Covering Period 10 16 2014 through 11 24 2014

I certify that I have examined this Report and to the best of my knowledge and belief it is true, correct and complete.

Type or Print Name of Treasurer William M. Bristol

Signature of Treasurer William M. Bristol

[Electronically Filed]

Date

12

04

2014

NOTE: Submission of false, erroneous, or incomplete information may subject the person signing this Report to the penalties of 2 U.S.C. §437g.

Office
Use
Only**FEC FORM 3**
(Revised 02/2003)

SCHEDULE A (FEC Form 3)
ITEMIZED RECEIPTS

 Use separate schedule(s)
 for each category of the
 Detailed Summary Page

FOR LINE NUMBER: PAGE 11 OF 46

(check only one)

<input type="checkbox"/> 11a	<input type="checkbox"/> 11b	<input type="checkbox"/> 11c	<input type="checkbox"/> 11d	<input type="checkbox"/> 15
<input type="checkbox"/> 12	<input checked="" type="checkbox"/> 13a	<input type="checkbox"/> 13b	<input type="checkbox"/> 14	

Any information copied from such Reports and Statements may not be sold or used by any person for the purpose of soliciting contributions or for commercial purposes, other than using the name and address of any political committee to solicit contributions from such committee.

NAME OF COMMITTEE (In Full)

Fred Kundrata for Congress Committee

Full Name (Last, First, Middle Initial)

Frederick L. Kundrata III

A.

Mailing Address 1324 Pendleton Street

City

Cincinnati

State

OH

Zip Code

45202

FEC ID number of contributing federal political committee.

C

H2OH02093

Name of Employer

Delta Air Lines

Occupation

Pilot

Receipt For: 2014

Primary ☒ General

Other (specify)

Election Cycle-to-Date

255251.82

Date of Receipt

10 27 2014

Transaction ID : SA13A.4904

Amount of Each Receipt this Period

40000.00

Candidate Loan

Full Name (Last, First, Middle Initial)

Frederick L. Kundrata III

B.

Mailing Address 1324 Pendleton Street

City

Cincinnati

State

OH

Zip Code

45202

FEC ID number of contributing federal political committee.

C

H2OH02093

Name of Employer

Delta Air Lines

Occupation

Pilot

Receipt For: 2014

Primary ☒ General

Other (specify)

Election Cycle-to-Date

6300.00

Date of Receipt

11 05 2014

Transaction ID : SA13A.4905

Amount of Each Receipt this Period

6300.00

Candidate Loan

Full Name (Last, First, Middle Initial)

Frederick L. Kundrata III

C.

Mailing Address 1324 Pendleton Street

City

Cincinnati

State

OH

Zip Code

45202

FEC ID number of contributing federal political committee.

C

H2OH02093

Name of Employer

Delta Air Lines

Occupation

Pilot

Receipt For: 2014

Primary ☒ General

Other (specify)

Election Cycle-to-Date

8800.00

Date of Receipt

11 07 2014

Transaction ID : SA13A.4906

Amount of Each Receipt this Period

2500.00

Candidate Loan

SUBTOTAL of Receipts This Page (optional)

48800.00

TOTAL This Period (last page this line number only)



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

July 14, 2015

Mr. William M. Bristol, Treasurer
Fred Kundra for Congress Committee
120 East Fourth Street, Suite 1040
Cincinnati, OH 45202

C00559336
AF#: 3001

Dear Mr. Bristol:

On April 9, 2015, the Federal Election Commission ("Commission") found reason to believe ("RTB") that Fred Kundra for Congress Committee and you, in your official capacity as Treasurer ("respondents"), violated 52 U.S.C. § 30104(a) for failing to file a 48-Hour Notice for one contribution totaling \$40,000. The Commission also made a preliminary determination that the civil money penalty was \$4,110 based on the schedule of penalties at 11 C.F.R. § 111.44.

After reviewing your written response and any supplemental information submitted by you and Commission staff, the Reviewing Officer has recommended that the Commission make a final determination. A copy of the Reviewing Officer's recommendation is attached.

You may file with the Commission Secretary a written response to the recommendation within 10 days of the date of this letter. Your written response should be sent to the Commission Secretary, 999 E Street, NW, Washington, DC 20463 or via facsimile (202-208-3333). Please include the AF # in your response. Your response may not raise any arguments not raised in your original written response or not directly responsive to the Reviewing Officer's recommendation. 11 C.F.R. § 111.36(f). The Commission will then make a final determination in this matter.

Please contact me at the toll free number 800-424-9530 (press 0, then press 1660) or 202-694-1660 if you have any questions.

Sincerely,

A handwritten signature in black ink that reads "Rhiannon Magruder". The signature is fluid and cursive.

Rhiannon Magruder
Reviewing Officer
Office of Administrative Review

GARY F. FRANKE Co., L.P.A.

120 EAST FOURTH STREET, SUITE 1040

CINCINNATI, OHIO 45202

TELEPHONE: (513) 564-9222

FACSIMILE: (513) 564-9990

GARY F. FRANKE
HAL L. FRANKE
WILLIAM M. BRISTOL
MICHAEL D. O'NEILL

OF COUNSEL:
JOHN E. BREHM, JR.
JAMES V. HEATH (1934-2010)

July 23, 2015

VIA FACSIMILE (202) 208-3333

FEC
Commission Secretary
999 E Street, NW
Washington, DC 20463

In re: Fred Kundrata for Congress Committee
William Bristol, Treasurer
C00559336
AF No.: 3001

2015 JUL 24 A 8:32
SECTION
SECRETARIAT

To Whom it May Concern:

This correspondence will serve as the Fred Kundrata for Congress Committee's written response to the recommendation of the Reviewing Officer that the Commission make a final determination that respondents violated 52 U.S.C. § 30104(a) and assess a civil money penalty in the amount of \$4,110.

We again reiterate that it appears equitably unjust and overly punitive to assess such a large sum as a penalty against a campaign that raised a total of \$39,273.18 in contributions, outside the candidate's own money for his own campaign. We believe the Commission must have the discretion to assess a civil money penalty that is warranted by the actions alleged to have violated the Federal Election Campaign Act. A single violation of non-reporting without any harm and without intent to deceive or mislead should not lead to an overly punitive and debilitating assessment against a campaign committee so small as to barely register with voters, and even less with contributors.

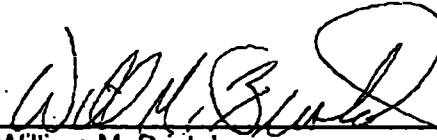
We further reiterate that we attempted to make our reporting as transparent and complete as humanly possible. The reporting submitted by this campaign committee reported every single contribution, cash, check or otherwise naming every individual and political action committee that contributed. Further, every report itemized virtually every expenditure, with little or no aggregation of costs, all in an effort to be as fully

transparent and in compliance as possible. The alleged violation was a loan by the candidate to the campaign committee that was fully reported on the subsequent reports by the committee.

With all due respect to the Reviewing Officer, the assessment of a large penalty in this instance is chilling to any and all persons who want to start and run a small, grass-roots campaign. We state again that we believe the Commission should have the discretion to assess a penalty that is equitably reasonable and commensurate with the type of violation, within the perspective of the size and impact of the campaign at issue.

We respectfully request the Commission greatly reduce the civil money penalty, in its discretion, to an amount that is not prohibitive to this campaign committee, nor so inequitably punitive.

Respectfully submitted,



William M. Bristol

Treasurer, Fred Kundrata for Congress Committee
120 East Fourth Street, Suite 1040
Cincinnati, Ohio 45202
Tel: (513) 564-9222
Fax: (513) 564-9990
wmb@garyfrankelaw.com



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

2015 AUG -5 PM 3: 52

August 5, 2015

MEMORANDUM

SENSITIVE

To: The Commission

Through: Alec Palmer *AP*
Staff Director

From: Patricia C. Orrock *PCO*
Chief Compliance Officer

Rhiannon Magruder *RM*
Reviewing Officer
Office of Administrative Review

Subject: Final Determination Recommendation in AF# 3001 – Fred Kundrata for Congress Committee and William M. Bristol, in his official capacity as Treasurer (C00559336)

On April 9, 2015, the Commission found reason to believe ("RTB") that the respondents violated 52 U.S.C. § 30104(a) for failing to timely file a 48-Hour Notice for one contribution totaling \$40,000 and made a preliminary determination that the civil money penalty was \$4,110 based on the schedule of penalties at 11 C.F.R. § 111.44.

On May 19, 2015, the Commission received their written response ("challenge"). After reviewing the challenge, the Reviewing Officer Recommendation ("ROR") dated July 14, 2015 was forwarded to the Commission, a copy was forwarded to the respondents, and is hereby incorporated by reference. They submitted no evidence that a factual error was made in the RTB finding, that the penalty was miscalculated at RTB, or that they used best efforts to file on time. 11 C.F.R. § 111.35(b). Therefore, the Reviewing Officer recommended that the Commission make a final determination that the respondents violated 52 U.S.C. § 30104(a) and assess a \$4,110 civil money penalty.

Within 10 days of transmittal of the recommendation, they may file a written response with the Commission Secretary which may not raise any arguments not raised in their challenge or not directly responsive to the ROR. 11 C.F.R. § 111.36(f). On July 24, 2015, the Commission received the written response to the ROR. The respondents reiterate the points made in the original challenge and "...request the Commission greatly reduce the civil money

140062700674

penalty, in its discretion, to an amount that is not prohibitive to this campaign committee, nor so inequitably punitive."

The respondent's original challenge and response to the ROR provided no evidence that a factual error was made in the RTB finding, that the penalty was miscalculated at RTB, or that they used best efforts to file on time. 11 C.F.R. § 111.35(b). Therefore, the Reviewing Officer recommends that the Commission make a final determination that the respondents violated 52 U.S.C. § 30104(a) and assess a \$4,110 civil money penalty.

OAR Recommendations

1. Adopt the Reviewing Officer Recommendation for AF# 3001 involving Fred Kundrata for Congress Committee and William M. Bristol, in his official capacity as Treasurer, in making the final determination;
2. Make a final determination in AF# 3001 that the Fred Kundrata for Congress Committee and William M. Bristol, in his official capacity as Treasurer, violated 52 U.S.C. § 30104(a) and assess a \$4,110 civil money penalty; and
3. Send the appropriate letter.

Attachment

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of)
)
Final Determination Recommendation –) AF 3001
Fred Kundrata for Congress Committee)
and William M. Bristol, in his official)
capacity as Treasurer (C00559336))

CERTIFICATION


I, Shawn Woodhead Werth, Secretary and Clerk of the Federal Election Commission, do hereby certify that on August 20, 2015, the Commission decided by a vote of 6-0 to take the following actions in AF 3001:

1. Adopt the Reviewing Officer Recommendation for AF# 3001 involving Fred Kundrata for Congress Committee and William M. Bristol, in his official capacity as Treasurer, in making the final determination.
2. Make a final determination in AF# 3001 that the Fred Kundrata for Congress Committee and William M. Bristol, in his official capacity as Treasurer, violated 52 U.S.C. § 30104(a) and assess a \$4,110 civil money penalty.
3. Send the appropriate letter.

Commissioners Goodman, Hunter, Petersen, Ravel, Walther, and Weintraub voted affirmatively for the decision.

Attest:

August 20, 2015
Date


Shawn Woodhead Werth
Secretary and Clerk of the Commission



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

August 25, 2015

Mr. William M. Bristol, Treasurer
Fred Kundra for Congress Committee
120 East Fourth Street, Suite 1040
Cincinnati, OH 45202

C00559336
AF#: 3001

Dear Mr. Bristol:

On April 9, 2015, the Federal Election Commission ("the Commission") found reason to believe ("RTB") that Fred Kundra for Congress Committee and you, in your official capacity as Treasurer, violated 52 U.S.C. § 30104(a) for failing to file a 48-Hour Notice for a contribution of \$1,000 or more received between October 16, 2014 and November 1, 2014. By letter dated April 10, 2015, the Commission sent notification of the RTB finding that included a civil money penalty calculated at RTB of \$4,110 in accordance with the schedule of penalties at 11 C.F.R. § 111.44. On May 19, 2015, the Office of Administrative Review received your written response challenging the RTB finding.

The Reviewing Officer reviewed the Commission's RTB finding with its supporting documentation and your written response. Based on this review, the Reviewing Officer recommended that the Commission make a final determination that Fred Kundra for Congress Committee and you, in your official capacity as Treasurer, violated 52 U.S.C. § 30104(a) and assess a civil money penalty in the amount of \$4,110 in accordance with 11 C.F.R. § 111.44. A copy of the Reviewing Officer Recommendation was sent to you on July 14, 2015.

On August 20, 2015, the Commission adopted the Reviewing Officer's recommendation and made a final determination that Fred Kundra for Congress Committee and you, in your official capacity as Treasurer, violated 52 U.S.C. § 30104(a) and assessed a civil money penalty in the amount of \$4,110. A copy of the Final Determination Recommendation is attached.

At this juncture, the following courses of action are available to you:

1. If You Choose to Appeal the Final Determination and/or Civil Money Penalty

If you choose to appeal the final determination, you should submit a written petition, within 30 days of receipt of this letter, to the U.S. District Court for the district in which the committee or you reside, or transact business, requesting that the final determination be modified or set aside. See 52 U.S.C. § 30109(a)(4)(C)(iii). Your failure to raise an argument in a timely

fashion during the administrative process shall be deemed a waiver of the respondents' right to present such argument in a petition to the district court under 52 U.S.C. § 30109. 11 CFR § 111.38.

2. If You Choose Not to Pay the Civil Money Penalty and Not to Appeal

Unpaid civil money penalties assessed through the Administrative Fine regulations will be subject to the Debt Collection Act of 1982 ("DCA") as amended by the Debt Collection Improvement Act of 1996 ("DCIA"), 31 U.S.C. § 3701 *et seq.* If you do not pay this debt within 30 days (or file a written petition to a federal district court - see below), the Commission will transfer the debt to the U.S. Department of the Treasury ("Treasury") for collection. Within 5 days of the transfer to Treasury, Treasury will contact you to request payment. Treasury currently charges a fee of 28% of the civil money penalty amount for its collection services. The fee will be added to the amount of the civil money penalty that you owe. Should Treasury's attempts fail, Treasury will refer the debt to a private collection agency ("PCA"). If the debt remains unpaid, Treasury may recommend that the Commission refer the matter to the Department of Justice for litigation.

Actions which may be taken to enforce recovery of a delinquent debt by Treasury may also include: (1) offset of any payments, which the debtor is due, including tax refunds and salary; (2) referral of the debt to agency counsel for litigation; (3) reporting of the debt to a credit bureau; (4) administrative wage garnishment; and (5) reporting of the debt, if discharged, to the IRS as potential taxable income. In addition, under the provisions of DCIA and other statutes applicable to the FEC, the debtor may be subject to the assessment of other statutory interest, penalties, and administrative costs.

In accordance with the DCIA, at your request, the agency will offer you the opportunity to inspect and copy records relating to the debt, the opportunity for a review of the debt, and the opportunity to enter into a written repayment agreement.

3. If You Choose to Pay the Civil Money Penalty

If you should decide to pay the civil money penalty, send the enclosed remittance form, along with your payment, to the address on page 4 within 30 days of receipt of this letter.

NOTICE REGARDING PARTIAL PAYMENTS AND SETTLEMENT OFFERS

4. Partial Payments

If you make a payment in an amount less than the civil money penalty, the amount of your partial payment will be credited towards the full civil money penalty that the Commission assessed upon making a final determination.

5. Settlement Offers

Any offer to settle or compromise a debt owed to the Commission, including a payment in an amount less than the civil money penalty assessed or any restrictive endorsements contained on your check or money order or proposed in correspondence transmitted with your check or money order, will be rejected. Acceptance and deposit or cashing of such a restricted payment does not constitute acceptance of the settlement offer. Payments containing restrictive

endorsements will be deposited and treated as a partial payment towards the civil money penalty that the Commission assessed upon making a final determination. All unpaid civil money penalty amounts remaining will be subject to the debt collection procedures set forth in Section 2, above.

The confidentiality provisions at 52 U.S.C. § 30109(a)(12) no longer apply and this matter is now public. Pursuant to 11 C.F.R. §§ 111.42(b) and 111.20(c), the file will be placed on the public record within 30 days from the date of this notification.

If you have any questions regarding the payment of the civil money penalty, please contact Rhiannon Magruder on our toll free number (800) 424-9530 (press 0, then ext. 1660) or (202) 694-1660.

On behalf of the Commission,



Ann M. Ravel
Chair

ADMINISTRATIVE FINE PAYMENT INSTRUCTIONS

In accordance with the schedule of penalties at 11 C.F.R. § 111.44, the civil money penalty is \$4,110 for the failure to file a 48-Hour Notice.

This penalty should be paid by check or money order, made payable to the Federal Election Commission. It should be sent by mail to:

Federal Election Commission
PO Box 979058
St. Louis, MO 63197-9000

If you choose to send your payment by courier or overnight delivery, please use this address:

U.S. Bank - Government Lockbox
FEC # 979058
1005 Convention Plaza
Attn: Government Lockbox, SL-MO-C2GL
St. Louis, MO 63101

The form and payment are due within 30 days of receipt of this letter.

PAYMENTS BY PERSONAL CHECK

Personal checks will be converted into electronic funds transfers (EFTs). Your account will be electronically debited for the amount on the check, usually within 24 hours, and the debit will appear on your regular statement. We will destroy your original check and keep a copy of it. In case the EFT cannot be processed for technical reasons, you authorize us to process the copy in lieu of the original check. Should the EFT not be completed because of insufficient funds, we may try to make the transfer twice.

PLEASE DETACH AND RETURN THE PORTION BELOW WITH YOUR PAYMENT

FOR: Fred Kundrata for Congress Committee

FEC ID: C00559336

AF#: 3001

PAYMENT AMOUNT DUE: \$4,110



FEDERAL ELECTION COMMISSION
Washington DC 20463

THIS IS THE END OF ADMINISTRATIVE FINE CASE # 3001

DATE SCANNED 9/16/15

SCANNER NO. 2

SCAN OPERATOR JB