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SENSITIVE

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

MEMORANDUM

February 7, 2023

TO: The Commission

THROUGH: Alec Palmer *AP*
Staff Director

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

Krista J. Roche *KJR*
Director, ADR Office

Joshua A. Rebollozo *JAR*
Assistant Director, ADR Office

SUBJECT: Recommendation to Approve Negotiated Settlement
ADR 1090 - Defeating Communism PAC and Robert Phillips III, Treasurer (C00728386)

RESOLUTION TERMS: Develop and certify implementation of a compliance operations manual which includes internal controls; certify that a representative of the Committee participated in an FEC training; and pay a civil penalty of \$2,400.

Attached for your review is a signed Negotiated Settlement pertaining to ADR 1090 (RAD 22L-20). The ADR Office received this referral from the Reports Analysis Division (RAD) on October 18, 2022.

SUMMARY: RAD referred Defeating Communism PAC and Robert Phillips III, Treasurer (Respondents or the Committee) for failing to timely file four (4) 24-Hour Reports totaling \$32,020.36 to support five (5) independent expenditures disclosed on the 2022 April Quarterly Report. On June 22, 2022, the Committee filed one (1) 24-Hour Report to support these independent expenditures, albeit untimely.

During negotiations, the Committee stated the issue arose as the result of internal miscommunication. In response, the Committee filed a Form 99 (Miscellaneous

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Electronic Submission) on June 28, 2022, stating it reviewed the regulations related to independent expenditure committees and would continue to timely file all required reports.

RECOMMENDATIONS:

1. Approve the attached Negotiated Settlement of Defeating Communism PAC and Robert Phillips III, Treasurer.
2. Approve the appropriate letters.
3. Close the file on this matter.