

SENSITIVE



THE FEDERAL ELECTION COMMISSION
Washington, DC 20463

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2007 OCT 17 A 9:49

MEMORANDUM

October 16, 2007

TO: The Commission

THROUGH: Patrina M. Clark *[Signature]*
Staff Director

FROM: John D. Gibson *[Signature]*
Chief Compliance Officer

Deborah Ruth Kant *[Signature]*
Director, ADR Office

SUBJECT: ADR 408 Matt Brown for U.S. Senate, and Tim Patterson, Treasurer,
Recommendation to Approve Settlement Agreement

RESOLUTION TERMS: Termination of the Committee, and civil penalty
of \$1,100 (amount in dispute \$149,505)

Attached for your review is a signed negotiated ADR Settlement Agreement pertaining to
ADR 408 (RAD 07L-24). This case was received by the ADR Office on July 20, 2007,
and was assigned to the ADR Office on August 13, 2007.

SUMMARY: Treasurers are required to disclose the amount and nature of outstanding
debts and obligations owed by or to such political committee. 2 U.S.C. § 434(b)(8), 11
C.F.R. §104.3(d). In this case, the Respondents (or the "Committee") failed to report
\$94,835.32 in additional debt on its 2006 April Quarterly Report (a 55% increase) and
\$54,669.69 on its 2006 July Quarterly Report (a 17% increase). The Committee amended
both reports twice, and in response to the RFAs on both reports, the Committee stated that
the invoices relating to the additional debt were received late. The Committee also
contended that the Committee had undergone a series of financial and other setbacks,
including staff layoffs. The Committee apologized for the inadvertent errors.

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RECOMMENDATIONS:

1. Approve the attached settlement agreement of Matt Brown for U.S. Senate, and Tim Patterson, Treasurer.
2. Approve the appropriate letters.
3. Close the file on this matter.