



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

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COMMISSION
SECRETARIAT

2008 MAY 23 P 12:12

MEMORANDUM

May 21, 2008

SENSITIVE

TO: The Commission

THROUGH: Patrina M. Clark *PM*
Staff Director

FROM: John D. Gibson *JG*
Chief Compliance Officer

Deborah Ruth Kant *DRK*
Director, ADR Office

SUBJECT: ADR 458 Schenectady County Democratic Committee,
Recommendation to Approve Settlement Agreement and Dismiss
Respondent Canarx Services¹

RESOLUTION TERMS: Issuance of policy on prohibited contributions and civil
penalty of \$3500 (amount in dispute \$5000)

Attached for your review is a signed negotiated ADR Settlement Agreement pertaining to
ADR 458 (MUR 5975). This case was received by the ADR Office on March 20, 2008.

SUMMARY: The Federal Election Campaign Act ("FECA") bars any political
committee, including unregistered local party committees from accepting contributions
from foreign nationals in connection with any federal, state, or local election. 2 U.S.C. §
441e, 11 C.F.R. § 110.20(b), (c), (g). In this case, Complainant, Thomas D. Buchanan,
Chairman of the Schenectady County GOP, asserted that Schenectady County Democratic
Committee ("the Committee") solicited and received a \$5000 contribution from a foreign
national, Canarx Services, Inc. In response, the Committee acknowledged that it deposited
the contribution from Canarx Services in the Committee's bank account. The Committee
explained that it was unaware of federal restrictions on contributions from foreign

¹ William Kasper signed the response as the representative of the Committee in his capacity as treasurer.
William Kasper is not a named respondent since treasurers of unregistered local party committees are not
subject to the FECA as the legally responsible party.

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nationals. The Committee further asserted that it refunded the contribution to the Canadian company, and it attached a copy of the refund letter and check to its response. Respondent Canarx Services did not file a response with the Commission.

RECOMMENDATIONS:

1. Approve the attached settlement agreement of Schenectady County Democratic Committee.
2. Dismiss the matter as to Respondent Canarx Services.
2. Approve the appropriate letters.
3. Close the file on this matter.

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