

REPORTS ANALYSIS DIVISION REFERRAL

TO

OFFICE OF GENERAL COUNSEL

DATE: May 21, 213

ANALYST: Tyler Culberson

I. COMMITTEE: Maragos4NY
C00497099
Khaleda Malique, Treasurer
307 Melbourne Road
Great Neck, NY 11021

II. RELEVANT STATUTES: 11 CFR §§ 104.3(a) and (b)
2 U.S.C. § 434(b)(2) and (4)

III. BACKGROUND:

Failure to Provide Supporting Schedules (Failure to Disclose All Financial Activity)

Maragos4NY ("the Committee") amended its 2012 April Quarterly Report to disclose additional receipts of \$794,085.56 and additional disbursements of \$800,000.00 which were not included in the original report (Attachment 2).

On April 13, 2012, the Committee filed the original 2012 April Quarterly Report covering the period from January 1, 2012 through March 31, 2012. The report disclosed no receipts on Line 11(a)(i) (Itemized Contributions from Individuals), \$40,960.07 in receipts on Line 13(a) (Loans Made or Guaranteed by the Candidate), and no disbursements on Line 19(a) (Loan Repayments of Loans Made or Guaranteed by the Candidate) of the Detailed Summary Page (Images 12020312093-94).

On July 12, 2012, a Request for Additional Information (RAI) was sent to the Committee, referencing the 2012 April Quarterly Report. The RAI requested clarification regarding multiple loans combined into a single figure on Schedule C (Loans). The RAI also requested that the committee report interest payments and/or interest carried as debt for outstanding loans with interest rates (Image 12330009314).

On August 30, 2012, the Committee filed an Amended 2012 April Quarterly Report (Image 12020654186). The report disclosed \$250.00 in receipts on Line 11(a)(i),

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\$834,795.63 on Line 13(a), a total increase in receipts of \$794,085.56. The amendment also disclosed \$800,000.00 in disbursements on Line 19(a) of the Detailed Summary Page (Image 12020654189-90, Attachment 2).

On November 29, 2012, an RFAI was sent to the Committee, referencing the Amended 2012 April Quarterly Report, received August 30, 2012. The RFAI requested clarification regarding the substantial increase in receipts and disbursements that were not disclosed in the original filing (Image 12330017161).

On March 18, 2013, the Reports Analysis Division (RAD) Analyst left a voicemail message for Khaleda Malique, Committee Treasurer, to inform him that the Committee would be referred to another office within the FEC for increased activity on the Amended 2012 April Quarterly Report, received August 30, 2012 (Attachment 3).

On March 18, 2013, the RAD Analyst called the candidate, George Maragos, to inform him the Committee would be referred for further Commission action for the increase in receipts and disbursements disclosed on the Amended 2012 April Quarterly Report, received August 30, 2012. Mr. Maragos asked if the Committee would have time to respond to these issues. The Analyst encouraged the Committee to provide any supporting or clarifying information. Mr. Maragos stated that the Committee would respond to these matters as soon as possible (Attachment 3).

On March 19, 2013, the RAD Analyst received a call from Arthur Luken, Accountant for the Committee, who discussed the referable issues previously relayed to Mr. Maragos. Mr. Luken indicated that the Committee was unaware of any RFAs referencing the Amended 2012 April Quarterly Report, received August 30, 2012. The Analyst explained to Mr. Luken how to view all RFAs sent to the Committee on the FEC website, and urged him to ensure that all issues referenced were addressed, including those related to increased receipts and disbursements reported on the Committee's Amended 2012 April Quarterly Report, received August 30, 2012. Mr. Luken indicated that he would need a week or two to respond to these issues. The Analyst encouraged Mr. Luken to submit any responses as soon as possible (Attachment 3).

On March 25, 2013, Mr. Maragos left a voicemail for the RAD Analyst to update him on the Committee's response to the referable issues that had been discussed. He stated that a response to the issue had been mailed to the Commission. The Analyst left a return voicemail asking Mr. Maragos to call with any further questions (Attachment 3).

On April 1, 2013, the RAD Analyst left a voicemail for Mr. Luken to follow up on the Committee's response to referable issues related to the Amended 2012 April Quarterly Report, received August 30, 2012 (Attachment 3).

On April 4, 2013, the Committee filed a Miscellaneous Electronic Submission ("Form 99") referencing the Amended 2012 April Quarterly Report. The Committee stated, in part:

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"Please be advised that at the time the original report was prepared all of the records were not available.

Upon revisiting the April Quarterly Report (1/1/12-3/31/12) it was deemed necessary to revise the original report. The reason for this was because some of the numbers were reported net of each item.

First – a contribution received on March 24, 2012 was incorrectly categorized in the original report and corrected on the amended report in the amount of \$250.00.

Second – a loan to the committee in the amount of \$825,000.00 was offset by a partial repayment of said loan in the amount of \$800,000.00. These amounts were originally netted and incorrectly reported. The correction was made on the revised report" (Image 13020150521).

On April 10, 2013, Mr. Maragos contacted the RAD Analyst. Among other items, the Analyst informed Mr. Maragos that RAD had received the Committee's Form 99 addressing the referable issues related to the increase in activity on the Amended 2012 April Quarterly Report (Attachment 3).

To date, no further communications have been received from the Committee regarding this matter.

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