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Federal Election Commission  
Washington, DC 20463

**MEMORANDUM**

March 12, 2014

TO: The Commission

THROUGH: Alec Palmer *AP*  
Staff Director

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

Lynn M. Fraser *LMF*  
Director, ADR Office

BY: Krista J. Roche *KJR*  
Assistant Director, ADR Office

SUBJECT: ADR 701 Eugene Yu for Congress Inc., Donnie Miller, Treasurer,  
Wayne B. Brown, and Waynetworks, LLC, Informational Memo on  
Assignment

The Office of General Counsel referred P-MUR 569 on March 10, 2014, and the ADR Office designated the referral as ADR 701. We include a summary and discussion of the referral for your information. We anticipate initiating communication with Respondents in ADR 701 on March 17, 2014. Please contact Krista Roche if you have any questions or concerns before then.

**Summary of Case:** In a *sua sponte* submission dated December 6, 2013, Eugene Yu for Congress Inc., Donnie Miller, Treasurer, (Respondents or the Committee) Wayne B. Brown, and Waynetworks, LLC, (Brown Respondents) indicated that four separate checks totaling \$50,000 were deposited into the Committee's account from Wayne Brown and Waynetworks, LLC, Mr. Brown's business entity. The checks were issued between August 2013 and October 2013, and the refund was issued on November 15, 2013.

Respondents contend that the payments were part of an agreement to purchase real estate between Mr. Brown and Eugene Yu, federal candidate. The parties state that due to their inexperience with federal campaign finance law they did not

realize these payments to Mr. Yu from Mr. Brown could not be made directly to the Committee's account instead of Mr. Yu individually. The Committee contends that once the error was discovered, reports were promptly amended and the appropriate refunds were made. The Committee asserts in the *sua sponte* submission that to ensure future compliance with the FECA that remedial actions have been undertaken including hiring a new accountant to assist the treasurer, participation by Committee officers in FEC on-line training courses, and retaining a law firm to provide guidance with regard to FECA compliance.