



Federal Election Commission
Washington, DC 20463

October 1, 2015

Derek Lawlor, Esq.
Covington & Burling, LLP
850 Tenth Street, NW
Washington, DC 20001

Re: ADR 755
Friends of George Demos and Robert Cole, Treasurer

Dear Mr. Lawlor:

Enclosed is the signed copy of the Negotiated Settlement resolving the referral initiated on April 15, 2015, by the Federal Election Commission ("FEC/Commission") involving the above-shown Respondents. The Negotiated Settlement was approved by the Commission on September 29, 2015 – the effective date of the agreement.

Note the specific time frames for compliance in Paragraph 6 of the agreement. **Please forward to this office, a statement confirming Respondent's compliance with the terms listed in the aforementioned agreement.** The letter should note the dates on which Respondents satisfied each of the terms listed in Paragraph 6, and contain the ADR caption and case number. **The civil penalty payment should be sent to the attention of the Accounting/Finance Office of the FEC. The civil penalty under the agreement is due on or before October 29, 2015.¹ Please put the ADR case number on the civil penalty check as well, to ensure crediting to the correct case.**

As you are aware, the Negotiated Settlement will be made part of the record that is released to the public. The Commission will also place on the record copies of the

¹ Please note, if the Commission refers an unpaid civil penalty to the US Treasury or third party collection agent, additional costs and fees will be assessed.

complaint/referral, correspondence exchanged between your office and this office prior to our negotiations, and reports prepared for the Commission by this office to assist in its consideration of this matter. The Commission is obliged by Federal statute to place on the public record documents in closed enforcement and alternative dispute resolution cases; accordingly, copies of documents relative to this matter will be forwarded shortly to the FEC's Public Information Office.

This agreement resolves the matter that was initiated by the Commission pursuant to information ascertained in the normal course of carrying out its supervisory responsibilities regarding violations of federal election campaign laws. I appreciate your assistance in effectively resolving this matter and bringing the case to a mutually acceptable conclusion.

Sincerely,



Krista J. Roche
Assistant Director
Alternative Dispute Resolution Office

Enc: Negotiated Settlement

cc: Gwendolyn Holmes, Finance and Accounting Office



**Federal Election Commission
Washington, DC 20463**

Case Number: ADR 755
Source: RAD 15L-08
Case Name: Friends of George Demos

NEGOTIATED SETTLEMENT

This matter was initiated by the Federal Election Commission (Commission) pursuant to information ascertained in the normal course of carrying out its supervisory responsibilities. Following review of the matter, and in an effort to promote compliance with the Federal Election Campaign Act of 1971, as amended, (FECA) and resolve this matter, the Commission entered into negotiations with George Demos representing Friends of George Demos and Robert Cole, in his official capacity as Treasurer (the Committee or Respondents). It is understood that this agreement will have no precedential value relative to any other matters coming before the Commission.

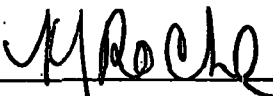
Negotiations between the Commission and Respondents addressed the issues raised in this referral. The parties agree to resolve the matter according to the following terms:

1. The Commission entered into this agreement as part of its responsibility for administering the FECA, and in an effort to promote compliance on the part of Respondents. The Commission's use of alternative dispute resolution procedures (ADR) is guided by "The Administrative Dispute Resolution Act of 1996," 5 U.S.C. § 572 and is an extension of 52 U.S.C. § 30109.
2. Respondents voluntarily enter into this agreement with the Commission.
3. The Reports Analysis Division (RAD) referred Respondents for a failure to refund or redesignate 2014 General Election contributions totaling \$46,400 within the permissible timeframe following the candidate's loss in the 2014 Primary Election held on June 24, 2014.
4. If the candidate is not a candidate in a general election, any contributions made for the general election shall be refunded to the contributors, redesignated, or reattributed within sixty (60) days. 52 U.S.C. 30116(a), 11 C.F.R. §§ 102.9(e), 110.1(b).
5. In a Miscellaneous Electronic Submission (Form 99) filed on November 25, 2014, Respondents indicated that all General Election contributions were refunded on October 1, 2014. Respondents contend that while there was a delay in the refunds, none of the general election contributions were spent by the Committee, all contributions were timely and properly disclosed upon receipt, and all contributions in question were from permissible sources. The Committee asserts that it now wishes to terminate its political committee status.

6. Respondents, in an effort to resolve this matter, agree to pay a civil penalty of \$1,000 within thirty days of the effective date of this agreement. As the Committee wishes to terminate its political committee status, Respondents will certify the closure of the Committee's federal account and work with Commission staff to terminate their political committee status and reporting obligations with the Commission within sixty (60) days from the closure of any outstanding matters before the Commission. The Committee will continue reporting until such time as the termination has been approved.
7. Respondents agree that all information provided to resolve this matter is true and accurate to the best of their knowledge and that they sign this agreement under penalty of perjury pursuant to 28 U.S.C. § 1746.
8. The parties agree that if Respondents fail to comply with the terms of this settlement, the Commission may submit any unpaid civil penalty to the U.S. Treasury for collection or undertake civil action in the U.S. District Court for the District of Columbia to secure compliance.
9. This agreement shall become effective on the date signed by all parties and approved by the Commission. Respondents shall comply with the terms of this agreement as set out in paragraph 6 above, and shall certify compliance with the above settlement terms in writing to the Alternative Dispute Resolution Office on or before the date each term becomes due.
10. This Negotiated Settlement constitutes the entire agreement between the parties on ADR 755 (RAD 15L-08), and resolves those issues identified in paragraph 3 above. No other statement, promise or agreement, either written or oral, made by either party, not included herein, shall be enforceable.

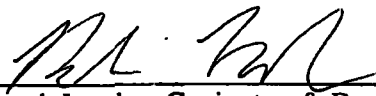
FOR THE COMMISSION:

Krista J. Roche, Assistant Director
Alternative Dispute Resolution Office



Date Signed

FOR THE RESPONDENTS:



Derek Lawlor, Covington & Burling LLP
Representing Friends of George Demos and
Robert Cole, Treasurer



Date Signed