



Federal Election Commission
Washington, DC 20463

March 20, 2017

Michael Bayes, Esq.
Holtzman Vogel Josefiak Torchinsky PLLC
45 North Hill Drive, Suite 100
Warrenton, VA 20186

Re: ADR 804 (RR 15L-38)
Americans For a Conservative Direction

Dear Mr. Bayes:

Enclosed is the signed copy of the agreement resolving the referral initiated on June 16, 2016 by the Federal Election Commission ("FEC/Commission") involving Americans For a Conservative Direction ("Respondent"). The agreement for ADR 804 (RR 15L-38) was approved by the Commission on March 17, 2017 – the effective date of the agreement.

Note the specific time frame for compliance in paragraph 5 of the agreement. 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 April 17, 2017.¹ 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 settlement agreement will be made part of the record that is released to the public. The Commission will also place on the record copies of the referral, correspondence exchanged between your office and this office prior to our entry into settlement 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.

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.



Federal Election Commission
Washington, DC 20463

Case Number: ADR 804
Source: RR 15L-38
Case Name: Americans For A
Conservative Direction

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 Mike Bayes, Esq., representing Americans For A Conservative Direction (Respondent). It is understood that this agreement will have no precedential value relative to any other matters coming before the Commission.

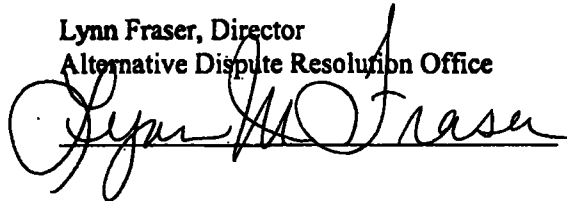
Negotiations between the Commission and Respondent addressed the issues raised in this referral. The parties agree to resolve the matter according to the following terms:

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 Respondent. 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. Respondent voluntarily enters into this agreement with the Commission.
3. The Reports Analysis Division (RAD) referred Respondent failing to timely file the 2014 July Quarterly Report. On April 25, 2014, Respondent filed a 24-Hour Report disclosing two (2) independent expenditures totaling \$102,035, made in support of one (1) federal candidate, on Schedule 5-E (Itemized Independent Expenditures). No 2014 July Quarterly Report was filed to support the independent expenditures disclosed on its 24-Hour Report. On September 10, 2015, Respondent filed a 2014 July Quarterly Report disclosing the independent expenditures totaling \$102,035, which were previously reported on the 24-Hour Report dated April 25, 2014.
4. Entities that are not political committees within the meaning of the FECA that spend in excess of \$250 on independent expenditures within a calendar year with respect to a given election must also file a quarterly report (*i.e.*, Form 5) for any quarterly period in which the independent expenditures exceed \$250 and any subsequent quarterly period during that calendar year when additional independent expenditures are made. 52 U.S.C. §30104(c), 11 C.F.R. §109.10(b).

5. Respondent, in an effort to resolve this matter, agrees to pay a civil penalty of \$2,550 within thirty (30) days of the effective date of this agreement.
6. Respondent agrees 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.
7. The parties agree that if Respondent fails 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.
8. This agreement shall become effective on the date signed by all parties and approved by the Commission. Respondent 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.
9. This Negotiated Settlement constitutes the entire agreement between the parties on ADR 804 (RR 15L-38), 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:

Lynn Fraser, Director
Alternative Dispute Resolution Office



3/17/17
Date Signed

FOR THE RESPONDENT:


Michael Bayes, Esq.
Representing Americans For A Conservative Direction

1/27/2017
Date Signed