



RECEIVED  
FEDERAL ELECTION COMMISSION  
SECRETARIAT

2017 MAR 22 PM 3:20

**SENSITIVE**

Federal Election Commission  
Washington, DC 20463

**MEMORANDUM**

March 22, 2017

TO: The Commission

THROUGH: Alec Palmer *AP*  
Staff Director

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

Lynn M. Fraser *JM*  
Director, ADR Office

SUBJECT: ADR 810 Independence USA PAC and Diane Gubelli,  
Treasurer, Recommendation to Approve Settlement  
Agreement

RESOLUTION TERMS: Certify that a representative of the Committee participated  
in an FEC conference, webinar, or other program developed  
in consultation with the FEC's Information Division; file an  
additional Miscellaneous Form 99 to clarify the  
circumstances relating to this transaction; and pay a civil  
penalty of \$3,300.

Attached for your review is a signed negotiated ADR Settlement Agreement pertaining to  
ADR 810 (RAD 16L-14). The ADR Office received this referral on August 26, 2016.

**SUMMARY:** In this case, the Reports Analysis Division (RAD) referred the Independence USA PAC and Diane Gubelli, Treasurer (Respondents or the Committee) for failing to disclose all financial transactions on its 2015 November Monthly Report. On December 18, 2015, Respondents amended their 2015 November Monthly Report to disclose additional in-kind contributions received totaling \$189,800, which were not disclosed in the original report.

The Committee contends that it amended its 2015 November Monthly Report to disclose a third-party payment to a vendor in connection with the dissemination of

Recommendation to Approve  
Settlement Agreement  
ADR 810 (RAD 16L-14)  
Page 1

non-federal issue ads. These ads did not refer or relate to a federal office holder or candidate, a political party, or a federal election. In addition, assuming that the subject amendment was required, it was filed only 28 days after the original monthly report. No federal election occurred in the intervening period, or for that matter, any time between September 2015 and the end of the year.

**RECOMMENDATIONS:**

1. Approve the attached settlement agreement of Independence USA PAC and Diane Gubelli, Treasurer.
2. Approve the appropriate letters.
3. Close the file on this matter.