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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

SENSITIVE

MEMORANDUM

October 30, 2018

TO: The Commission

THROUGH: Alec Palmer *AP by PMAH*
Staff Director

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

Krista J. Roche *KJR*
Director, ADR Office

SUBJECT: ADR 852 American Principles and Eytan Laor, Treasurer,
Recommendation to Approve Negotiated Settlement

RESOLUTION TERMS: Amend relevant 2015-2016 reports to address any
inadequate responses and nonresponses to requests for
additional information from RAD; certify that two
representatives of the Committee participated in an FEC
conference, webinar, or other program developed in
consultation with the FEC's Information Division; and pay
a civil penalty of \$5,000

Attached for your review is a signed negotiated ADR Settlement Agreement pertaining to
ADR 852 (AD 17-10). The ADR Office received this referral on November 8, 2017.

SUMMARY: The Reports Analysis Division referred and the Audit Division
transferred Respondents for a series of reporting errors and other FECA violations
during the 2015-2016 election cycle. A political committee may be referred if, after
an internal review of reports filed by the committee, the Commission determines
the reports do not meet the threshold requirements for substantial compliance with
the FECA. The Committee's reporting errors included, among other items: failure
to file reports and late filing; mathematical discrepancies, failure to provide
supporting schedules, and failure to properly itemize disbursements.

Respondents contend that there were reporting challenges during the 2016 election cycle, and that the Committee is dedicated to enhancing its compliance efforts to ensure accurate reporting in the future.

RECOMMENDATIONS:

1. Approve the attached negotiated settlement of American Principles and Eytan Laor, Treasurer.
2. Approve the appropriate letters.
3. Close the file on this matter.