



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

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**SENSITIVE**

**MEMORANDUM**

October 30, 2018

TO: The Commission

THROUGH: Alec Palmer *AP by JAH*  
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.

Recommendation to Approve  
Settlement Agreement  
ADR 852 (AD 17-10)  
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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.