



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C.

Via Electronic Mail

January 24, 2025

Samuel C. Brown, Esq.
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RE: MUR 8150

Dear Messrs. Brown and Borden:

On August 1, 2023, the Federal Election Commission notified your client, Passionforest, LLC, of a Complaint alleging violations of the Federal Election Campaign Act of 1971, as amended (the "Act"). The Commission forwarded a copy of the Complaint to your client at that time.

On January 14, 2025, the Commission found reason to believe that Passionforest, LLC violated 11 C.F.R. § 110.1(g)(5), a provision of the Commission's regulations, by failing to provide required attribution information. The Commission also dismissed the allegations that Passionforest, LLC violated 52 U.S.C. § 30122 and 11 C.F.R. § 110.4(b) by knowingly permitting its name to effect a contribution in the name of another and that Passionforest, LLC violated 52 U.S.C. § 30121 and 11 C.F.R. § 110.20(b) by making a foreign national contribution. The Factual and Legal Analysis, which provides a basis for the Commission's findings, is enclosed for your information.

In order to expedite the resolution of this matter, the Commission has authorized the Office of General Counsel to enter into negotiations directed towards reaching a conciliation agreement in settlement of this matter prior to a finding of probable cause to believe. Pre-probable cause conciliation is not mandated by the Act or the Commission's regulations, but is a voluntary step in the enforcement process that the Commission is offering as a way to resolve this matter at an early stage and without the need for briefing the issue of whether the Commission should find probable cause to believe that the Committee violated the law. Enclosed is a conciliation agreement for your consideration [REDACTED]

[REDACTED]

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Please note that your client has a legal obligation to preserve all documents, records and materials relating to this matter until such time as you are notified that the Commission has closed its file in this matter. *See* 18 U.S.C. § 1519.

If your client is interested in engaging in pre-probable cause conciliation, please contact Rachel Coll, the attorney assigned to this matter, at (202) 694-1611 or rcoll@fec.gov within seven days of receipt of this letter. During conciliation, you may submit any factual or legal materials that you believe are relevant to the resolution of this matter. Because the Commission only enters into pre-probable cause conciliation in matters that it believes have a reasonable opportunity for settlement, we may proceed to the next step in the enforcement process if a mutually acceptable conciliation agreement cannot be reached within sixty days. *See* 52 U.S.C. § 30109(a), 11 C.F.R. Part 111 (Subpart A). Conversely, if you are not interested in pre-probable cause conciliation, the Commission may conduct formal discovery in this matter or proceed to the next step in the enforcement process. Please note that once the Commission enters the next step in the enforcement process, it may decline to engage in further settlement discussions until after making a probable cause finding.

Pre-probable cause conciliation, extensions of time, and other enforcement procedures and options are discussed more comprehensively in the Commission's "Guidebook for Complainants and Respondents on the FEC Enforcement Process," which is available on the Commission's website at http://www.fec.gov/em/respondent_guide.pdf.

Please be advised that, although the Commission cannot disclose information regarding an investigation to the public, it may share information on a confidential basis with other law enforcement agencies.¹

This matter will remain confidential in accordance with 52 U.S.C. § 30109(a)(4)(B) and 30109(a)(12)(A) unless you notify the Commission in writing that you wish the matter to be made public. For your information, we have enclosed a brief description of the Commission's procedures for handling possible violations of the Act.

¹ The Commission has the statutory authority to refer knowing and willful violations of the Act to the Department of Justice for potential criminal prosecution, 52 U.S.C. § 30109(a)(5)(C), and to report information regarding violations of law not within its jurisdiction to appropriate law enforcement authorities. *Id.* § 30107(a)(9).

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We look forward to your response.

On behalf of the Commission,

A handwritten signature in blue ink that reads "Ellen L. Weintraub" with a stylized flourish at the end.

Ellen L. Weintraub
Chair

Enclosures
Factual and Legal Analysis



FEDERAL ELECTION COMMISSION**FACTUAL AND LEGAL ANALYSIS****RESPONDENT:** Passionforest, LLC**MUR 8150****I. INTRODUCTION**

This matter arises from a Complaint alleging that Passionforest, LLC (“Passionforest”) allowed its name to be used to effect a \$500,000 contribution on October 28, 2022, to SOS America PAC and Gloria Maggiolo in her official capacity as treasurer (the “Committee”) on behalf of a true contributor or contributors in violation of the Federal Election Campaign Act of 1971, as amended (the “Act”). The Complaint further alleges that Passionforest may be owned and operated by one or more persons living in China and may therefore have been used to conceal contributions from foreign nationals. The Complaint bases these allegations on public information indicating that Passionforest did not have the financial means to make a \$500,000 contribution. Furthermore, the Complaint notes that Passionforest was allegedly registered as an LLC in Delaware and disclosed a Florida address in connection with the Committee’s contribution, whereas a U.S. Patent and Trademark Office application for the word “Passionforest” lists the patent applicant as a wholesaler of plastic flower arrangements at an address in Guangzhou, China.

Passionforest denies the allegations in its Response and states that the LLC referenced as “Passionforest” in the Complaint and the LLC that made the contribution to the Committee are two different entities and the latter has no connection to plastic flower arrangements or the city of Guangzhou. The Response states that Ivan Soto-Wright created the Passionforest entity that made the contribution in 2021 and that he funded it shortly thereafter to hold his assets.

1 Passionforest provided a sworn declaration from Soto-Wright in which he avers that he was the
2 sole provider of Passionforest's funds, and that none of its assets came from any foreign national.

3 The available information does not indicate that Passionforest received any funds for the
4 purpose of making a contribution. Accordingly, the Commission dismisses the allegations that
5 Passionforest knowingly permitted its name to be used to effect a contribution in the name of
6 another in violation of 52 U.S.C. § 30122 and 11 C.F.R. § 110.4(b). Furthermore, the
7 Commission dismisses the allegations that Passionforest made a foreign national contribution in
8 violation of 52 U.S.C. § 30121 and 11 C.F.R. § 110.20(b).

9 As for the proper attribution of the Passionforest contribution to Ivan Soto-Wright,
10 Passionforest acknowledged that it did not provide attribution information to the Committee at
11 the time it made the contribution or in response to an initial request from the Committee, but
12 rather did so only after a subsequent request from the Committee several months later when it
13 received notification of the Complaint. Accordingly, the Commission finds reason to believe
14 that Passionforest failed to provide attribution information to the Committee in violation of
15 11 C.F.R. § 110.1(g)(5).

16 **II. FACTUAL BACKGROUND**

17 Passionforest is a limited liability company that Ivan Soto-Wright established on
18 November 30, 2021, in Delaware, and its registered agent is Corporation Service Company.¹

¹ Passionforest Resp. (Sept. 20, 2023); Ivan Soto-Wright Decl. ¶ 3, Exhibit A (Sept. 19, 2023).

The Committee is an independent expenditure-only political committee (“IEOPC”) that registered with the Commission on January 20, 2022.² Its treasurer is Gloria Maggiolo.³ In its 2022 Post-General Report, the Committee reported receiving a \$500,000 contribution from “Passionforest, LLC” on October 28, 2022. The Committee initially identified Passionforest as a “flower wholesaler” and provided no attribution information associated with the contribution but stated in the Report that “contributor info has been requested for Passionforest LLC.”⁴ On July 25, 2023, the Complaint was filed in this matter and Soto-Wright became aware of the Complaint that same day.⁵ On July 31, 2023, in its 2023 Mid-Year Report, the Committee attributed the Passionforest contribution to Soto-Wright and stated in a memo entry that the “[c]ontribution was reported on Oct 28, 2022 with missing partnership attribution. . . . [R]elated Partnership Attribution to Passionforest LLC.”⁶

The Complaint alleges that Passionforest was not the true contributor of the \$500,000 contribution to the Committee.⁷ It bases this allegation on Passionforest’s lack of financial information available online through databases maintained by the Better Business Bureau, Bloomberg, the Securities and Exchange Commission, the Greater Miami Chamber of

² The Committee was originally named America for Everyone, *see* Am. For Everyone, Statement of Organization at 1 (Jan. 20, 2022), <https://docquery.fec.gov/pdf/701/202201209475067701/202201209475067701.pdf>. On June 2, 2023, the Committee filed an Amended Statement of Organization, changing its name to SOS America PAC, *see* SOS Am. PAC, Amended Statement of Organization at 1 (June 2, 2023), <https://docquery.fec.gov/pdf/988/202306029581699988/202306029581699988.pdf>.

³ SOS Am. PAC Amended Statement of Organization at 1 (June 28, 2022), <https://docquery.fec.gov/pdf/730/202306289582402730/202306289582402730.pdf>.

⁴ Am. For Everyone, 2022 Post-General Report at 8-9 (Dec. 8, 2022), <https://docquery.fec.gov/pdf/978/202212089550114978/202212089550114978.pdf>.

⁵ Soto-Wright Decl. ¶13; *see also* Press Release, Campaign Legal Ctr., CLC Alleges Straw Donor Scheme Funneled \$500,000 to Pro-Suarez Super PAC (July 25, 2023), <https://campaignlegal.org/document/clc-alleges-straw-donor-scheme-funneled-500000-pro-suarez-super-pac>.

⁶ SOS Am. PAC, 2023 Mid-Year Report at 25-26 (July 31, 2023), <https://docquery.fec.gov/pdf/638/202307319584587638/202307319584587638.pdf>.

⁷ Compl. ¶ 1 (July 25, 2023).

Commerce, or the Miami-Dade Chamber of Commerce, since the address disclosed in connection with the contribution at issue was in Miami, Florida.⁸ The Complaint concludes from the limited publicly available information concerning Passionforest that it did not have the financial means to make a \$500,000 contribution.⁹ Although the Complaint notes Passionforest’s registration as a Delaware domestic limited liability company, it alleges that the Committee’s reporting of Passionforest as a “flower wholesaler” is evidence that the relevant entity is an Amazon wholesaler of artificial flower arrangements with a U.S. Patent and Trademark Office application listing an address in China.¹⁰ On this basis the Complaint alleges that Passionforest was used as a straw donor to funnel a contribution from a foreign national in violation of the Act.¹¹

Passionforest responds that its contribution to the Committee came from Soto-Wright’s individual earnings and assets only and that its contribution was not a conduit contribution by a straw donor.¹² Soto-Wright avers that the use of Passionforest to make the contribution was a matter of financial convenience and not an effort to conceal Soto-Wright’s identity.¹³ The Response also denies that the contribution was made through a straw donor on behalf of a foreign national, stating that the Complaint connecting Passionforest the contributor to the Chinese wholesaler of plastic flower arrangements is a “clear case of mistaken identity” and that

⁸ *Id.* ¶ 13(c).

⁹ *Id.*

¹⁰ *Id.* ¶¶ 7, 9, 10, 13; *see also* SOS Am. PAC 2022 Post-General Report at 8 (Dec. 8, 2022), <https://docquery.fec.gov/pdf/978/202212089550114978/202212089550114978.pdf>.

¹¹ Compl. ¶¶ 31, 32.

¹² Soto-Wright Decl. ¶ 5; *see also* Passionforest Resp. at 5. Passionforest filed its Certificate of Formation on November 30, 2021, establishing the LLC 10 months and 28 days before it made the contribution to the Committee. *See* Passionforest LLC, Certificate of Formation.

¹³ Soto-Wright Decl. ¶ 14.

1 the Passionforest entity established by Soto-Wright has no affiliation with foreign nationals as
 2 alleged in the Complaint.¹⁴ The Soto-Wright Declaration also denies that Passionforest is
 3 involved in the business of selling artificial flowers and reiterates that all funds came from him, a
 4 United States citizen, and not via any foreign national.¹⁵ Passionforest's Response states that
 5 Soto-Wright is "the sole ultimate owner" that "Passionforest holds a number of assets," and that
 6 "a primary purpose of establishing Passionforest is to hold these assets separate from [Soto-
 7 Wright's] interest in MoonPay, Inc., a company of which [Soto-Wright is] co-founder and Chief
 8 Executive Officer."¹⁶

9 Soto-Wright acknowledges in his declaration that the Committee sent him an attribution
 10 form in December 2022, and that he did not return it, stating:

11 In December 2022, SOS America [PAC] sent me an attribution
 12 form, asking if the contribution from Passionforest should be
 13 attributed to an individual. Being unfamiliar with this form, I
 14 forwarded the form to one of my employees, as I often do with
 15 similar forms and other requests. My employee was also
 16 unfamiliar with the form, and consulted with legal counsel, but
 17 ultimately the form was not completed. For its part, SOS America
 18 [PAC] did not follow up on the issue further (reaching out again
 19 only this summer). As such, I assumed that it was not actually
 20 necessary that I complete the form, and I did not pursue the matter
 21 further.¹⁷

¹⁴ Passionforest Resp. at 5.

¹⁵ Soto-Wright Decl. ¶¶ 15, 16.

¹⁶ Passionforest Resp. at 2; Soto-Wright Decl. ¶ 5.

¹⁷ Soto-Wright Decl. ¶ 12.

III. LEGAL ANALYSIS

A. The Commission Dismisses the Allegation That Passionforest Allowed Its Name to Be Used to Make Contributions in the Name of Another in Violation of 52 U.S.C. § 30122 and 11 C.F.R. § 110.4(b)

The Act provides that a contribution includes “any gift, subscription, loan, advance, or deposit of money or anything of value made by any person for the purpose of influencing any election for Federal office.”¹⁸ The term “person” for purposes of the Act and Commission regulations includes partnerships, corporations, and “any other organization or group of persons.”¹⁹ The Act prohibits a person from making a contribution in the name of another person, knowingly permitting his or her name to be used to effect such a contribution, or knowingly accepting such a contribution.²⁰ The Commission’s regulations include illustrations of activities that constitute making a contribution in the name of another:

- (i) Giving money or anything of value, all or part of which was provided to the contributor by another person (the true contributor) without disclosing the source of money or the thing of value to the recipient candidate or committee at the time the contribution is made; or
- (ii) Making a contribution of money or anything of value and attributing as the source of the money or thing of value another person when in fact the contributor is the source.²¹

Both the Act and the Commission’s implementing regulations provide that a person who furnishes another with funds for the purpose of contributing to a candidate or committee “makes” the resulting contribution.²²

¹⁸ 52 U.S.C. § 30101(8)(A).

¹⁹ *Id.* § 30101(11); 11 C.F.R. § 100.10.

²⁰ 52 U.S.C. § 30122.

²¹ 11 C.F.R. § 110.4(b)(2)(i)-(ii).

²² *See* 52 U.S.C. § 30122; 11 C.F.R. § 110.4.

Here, the available information does not indicate that Passionforest operated as a conduit for the contribution to the Committee. Rather, the available information indicates that Soto-Wright deposited his own assets into the LLC and there is no indication that another person provided the funds used to make the contribution to the LLC in violation of 52 U.S.C. § 30122 and 11 C.F.R. § 110.4(b). Accordingly, the Commission dismisses the allegation that Passionforest violated 52 U.S.C. § 30122 and 11 C.F.R. § 110.4(b) by knowingly permitting its name to be used to effect a contribution in the name of another.

B. The Commission Dismisses the Allegation That Passionforest Made a Foreign National Contribution in Violation of 52 U.S.C. § 30121 and 11 C.F.R. § 110.20(b)

The Act and Commission regulations prohibit any “foreign national” from directly or indirectly making a contribution or donation of money or other thing of value, or an expenditure, independent expenditure, or disbursement, in connection with a federal, state, or local election.²³ The Act and Commission regulations further prohibit a person from knowingly accepting a contribution from a foreign national.²⁴ The Act’s definition of “foreign national” includes an individual who is not a citizen or national of the United States and who is not lawfully admitted for permanent residence.²⁵

The Complaint in this matter identified a trademark application for the word “Passionforest” in connection with the sale of artificial flowers, whose applicant provided an address in China.²⁶ The Complaint further notes that matching graphics on an Amazon seller

²³ 52 U.S.C. § 30121(a)(1); 11 C.F.R. § 110.20(b)-(c), (e)-(f).

²⁴ 52 U.S.C. § 30121(a)(2); 11 C.F.R. § 110.20(g).

²⁵ 52 U.S.C. § 30121(b); *see also* 11 C.F.R. § 110.20(a)(3).

²⁶ Compl. ¶ 10.

1 page display an address in Shenzhen, China and that a U.S. Patent and Trademark Office
 2 application for the word “Passionforest” lists the patent applicant as a wholesaler of plastic
 3 flower arrangements at an address in Guangzhou, China.²⁷ Based on this information, the
 4 Complaint alleges that Passionforest may be owned and operated by persons living in China,
 5 suggesting that the LLC may have been used to conceal illegal foreign national contributions.²⁸

6 Passionforest denies any connection to “plastic flower arrangements, online commerce,
 7 [the trademark applicant], or the city of Guangzhou,” and states that the Complaint’s allegation is
 8 a “clear case of mistaken identity.”²⁹ In addition, Soto-Wright avers that “Passionforest is not
 9 involved in the business of selling artificial flowers” [and that] “[a]ll of Passionforest’s funds and
 10 other assets were provided by me, a United States citizen.”³⁰

11 Given the information provided, the Commission dismisses the allegation that
 12 Passionforest violated 52 U.S.C. § 30121 and 11 C.F.R. § 110.20(b) by making a foreign
 13 national contribution.

14 **C. The Commission Finds Reason to Believe That Passionforest Violated**
 15 **11 C.F.R. § 110.1(g)(5) by Failing to Provide Required Attribution**
 16 **Information**
 17

18 The treasurer of an unauthorized political committee is responsible for reporting the
 19 identification of each person whose aggregate contributions exceed \$200 per calendar year,
 20 together with the date and amount of any such contribution.³¹ Commission regulations require
 21 committees to report certain attribution information for contributions from limited liability

²⁷ *Id.* ¶¶ 11, 12; see also *Passionforest*, AMAZON, <https://www.amazon.com/sp?ie=UTF8&seller=A2B0IPN9HH390U&asin=B09NN9NKT7> (last visited August 15, 2024).

²⁸ Compl. ¶ 4.

²⁹ *Passionforest Resp.* at 3, 6.

³⁰ *Soto-Wright Decl.* ¶¶ 15, 16.

³¹ 52 U.S.C. § 30104(b)(3)(A); 11 C.F.R. § 104.3(a)(4).

1 companies.³² Contributions by an LLC that has a single natural-person member and is not taxed
 2 as a corporation, *i.e.*, a tax-disregarded entity, must be attributed only to the LLC’s single
 3 natural-person member.³³ Furthermore, when an LLC makes a contribution, it must affirm to the
 4 recipient, at the time the LLC makes the contribution, that it is eligible to make a contribution
 5 and “provide information to the recipient committee as to how the contribution is to be
 6 attributed.”³⁴

7 Although the Commission’s regulations concerning the attribution of LLC contributions
 8 were promulgated prior to developments in the law that led to the creation of IEOPCs (such as
 9 the recipient committee in this matter), they apply on their face to all political committees and
 10 neither Congress, courts nor the Commission has exempted IEOPCs from their application.³⁵
 11 These regulations uphold the Act’s reporting framework and inhibit attempts to circumvent the
 12 Act’s contribution source prohibitions and amount limitations, including prohibitions applicable
 13 to IEOPCs.³⁶ The Commission has recognized that LLCs must affirmatively provide attribution
 14 information when making political contributions so that the recipient committees can accurately
 15 disclose those contributions to the public.³⁷

³² See 11 C.F.R. § 110.1(g).

³³ *Id.* § 110.1(g)(4).

³⁴ *Id.* § 110.1(g)(5).

³⁵ See Statement of Reasons of Chairman Dickerson, Vice Chair Walther and Comm’rs Broussard and Weintraub at 2, MUR 7454 (Blue Magnolia, *et al.*); Factual & Legal Analysis (“F&LA”) at 14-15, MUR 7464 (LZP, LLC) (citing 52 U.S.C. §§ 30116(a)(1), 30118(a)); Treatment of Limited Liability Companies Under the Federal Election Campaign Act, 64 Fed. Reg. 37,397, 37,398-99 (July 12, 1999) (“LLC E&J”) (discussing role of LLC attribution rules in identifying prohibited contributions from foreign national or government contractor sources, concerns that apply to all LLC contributions, including contributions to IEOPCs).

³⁶ See 52 U.S.C. §§ 30116(a)(1), 30118(a); LLC E&J, 64 Fed. Reg. at 37,398-99.

³⁷ F&LA at 14-15, MUR 7464 (LZP, LLC) (citing LLC E&J, 64 Fed. Reg. at 37,399 (“The Commission further notes that the recipient committee would have no way of knowing how to attribute a contribution made by an eligible multi-member or single member LLC, unless that information was provided.”)).

1 In the instant matter, Passionforest did not attribute the contribution to Soto-Wright at the
 2 time the contribution was made as is required by Commission regulations.³⁸ Nine months later,
 3 after the Complaint was filed, Passionforest attributed the contribution to Soto-Wright, which is
 4 reflected in the Committee’s 2023 Mid-Year Report filed on July 31, 2023.³⁹

5 The Passionforest Response identifies Soto-Wright as the “sole member of the LLC.”⁴⁰
 6 In his declaration, Soto-Wright states that he is the “sole ultimate owner” of the assets held by
 7 Passionforest,⁴¹ evidencing that Passionforest did not elect to be treated as a corporation by the
 8 Internal Revenue Service. Accordingly, pursuant to 11 C.F.R. § 110.1(g)(4), Passionforest’s
 9 contributions should have been attributed to the LLC’s single member, Soto-Wright.⁴²

10 Therefore, the Commission finds reason to believe that Passionforest violated 11 C.F.R.
 11 § 110.1(g)(5) by failing to provide attribution information required by 11 C.F.R. § 110.1(g)(4) to
 12 the recipient Committee at the time Passionforest made the contribution.

³⁸ See Soto-Wright Decl. ¶¶ 5, 12 (acknowledging a request from the Committee for information regarding the Passionforest contribution and admitting that he did not respond on behalf of the LLC).

³⁹ SOS Am. PAC, 2023 Mid-Year Report at 25-26 (July 31, 2023), <https://docquery.fec.gov/pdf/638/202307319584587638/202307319584587638.pdf>

⁴⁰ Passionforest Resp. at 2.

⁴¹ Soto-Wright Decl. ¶ 8.

⁴² Passionforest Resp. at 2; 11 C.F.R. § 110.1(g)(5) (stating that an LLC that makes a contribution pursuant to paragraph (g)(2) or (g)(4) of this section shall, at the time it makes the contribution, provide information to the recipient committee as to how the contribution is to be attributed, and affirm to the recipient committee that it is eligible to make the contribution).