



FEDERAL ELECTION COMMISSION
Washington, DC 20463

AUG 09 2016

Stephen M. Ryan
McDermott Will & Emery LLP
500 N. Capitol Street N.W.
Washington, DC 20001

RE: MUR 7052
Freedom Fund and Lance Kolbet in
his official capacity as treasurer
Thomas O'Gara

Dear Mr. Ryan:

On August 8, 2016, the Federal Election Commission accepted the signed conciliation agreement that you submitted on behalf of your clients, Freedom Fund and Lance Kolbet in his official capacity as treasurer, and Thomas O'Gara (collectively, "Respondents"), in settlement of violations of 52 U.S.C. §§ 30102(c), 30104(b), 30116(f), 30116(a)(1)(C). Accordingly, the file has been closed in this matter.

Documents related to this matter will be placed on the public record within 30 days. *See* Statement of Policy Regarding Disclosure of Closed Enforcement and Related Files, 68 Fed. Reg. 70,426 (Dec. 18, 2003) and Statement of Policy Regarding Placing First General Counsel's Reports on the Public Record, 74 Fed. Reg. 66,132 (Dec. 14, 2009). Information derived in connection with the conciliation process will not become public without the written consent of Respondents and the Commission. *See* 52 U.S.C. § 30109(a)(4)(B).

Enclosed you will find a copy of the fully executed conciliation agreement for your files. Please note that the civil penalty is due within 30 days of the conciliation agreement's effective date. If you have any questions, please contact me at (202) 694-1643.

Sincerely,

Saurav Ghosh
Attorney

Enclosure
Conciliation Agreement

BEFORE THE FEDERAL ELECTION COMMISSION

In the matter of

Freedom Fund and
Lance Kolbet, in his official capacity
as treasurer, *et al.*

MUR 7052

CONCILIATION AGREEMENT

This matter was generated by a *sua sponte* submission by Freedom Fund and Lance Kolbet in his official capacity as treasurer ("Freedom Fund"),
and Mr. Thomas O'Gara. The Federal Election Commission ("Commission") found reason to believe that Freedom Fund violated 52 U.S.C. §§ 30102(c), 30104(b), 30116(f), and Thomas O'Gara (collectively, "Respondents") violated 52 U.S.C. § 30116(a)(1)(C). The Commission has not found probable cause to believe that Respondents' violations in this matter were knowing and willful.

NOW, THEREFORE, the Commission and Respondents, having participated in informal methods of conciliation, prior to a finding of probable cause to believe, do hereby agree as follows:

- I. The Commission has jurisdiction over Respondents and the subject matter of this proceeding, and this agreement has the effect of an agreement entered pursuant to 52 U.S.C. § 30109(a)(4)(A)(i).
- II. Respondents have had a reasonable opportunity to demonstrate that no action should be taken in this matter.
- III. Respondents enter voluntarily into this agreement with the Commission.
- IV. The pertinent facts in this matter are as follows:

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1. Freedom Fund is Senator Mike Crapo's leadership political action committee and Lance Kolbet is its treasurer of record.

2. At the relevant times, the Federal Election Campaign Act of 1971, as amended ("Act"), prohibited any person from making aggregate contributions to a political committee, other than a candidate's authorized committee, in excess of \$5,000 per calendar year. 52 U.S.C. § 30116(a)(1)(C).

3. The Act prohibits political committees from knowingly accepting excessive contributions. 52 U.S.C. § 30116(f).

4. The Act requires that committees file periodic disclosure reports with the Commission disclosing the nature and amount of all contributions, in-kind or otherwise, that they receive. 52 U.S.C. § 30104(a), (b); *see* 11 C.F.R. § 104.3(a).

5. The Act requires the treasurer of a political committee to keep records of all contributions received by or on behalf of the committee, along with information identifying any person who makes a contribution in excess of \$50, or aggregate annual contributions of more than \$200. 52 U.S.C. § 30102(c); *see* 11 C.F.R. § 102.9(a).

6. Thomas O'Gara hosted an annual event, called the Hook & Bullet, every summer at his home in Idaho, featuring outdoor activities and entertainment. In 2011 and 2012, the Hook & Bullet event was partly a fundraising event for Freedom Fund. Attendees were a mixture of O'Gara's personal guests and political supporters of Freedom Fund.

7. In 2011 and 2012, Freedom Fund paid for the skeet-shooting expenses, but O'Gara paid for all other expenses. O'Gara did not invoice Freedom Fund for his expenses and was not reimbursed for his payments at the time. Freedom Fund did not keep records relating to

the resulting in-kind contributions, or timely report these payments as in-kind contributions by O'Gara in its disclosure reports filed with the Commission.

8. O'Gara therefore made, and Freedom Fund knowingly accepted, in-kind contributions totaling \$18,678.60 for payments related to the 2011 event and \$23,928.77 for payments related to the 2012 event.

9. Freedom Fund reimbursed O'Gara \$43,307.37 for the 2011 and 2012 event expense payments on September 28, 2015.

10. Respondents contend that the resulting violations of the Act were inadvertent.

V. Freedom Fund violated 52 U.S.C. §§ 30102(c), 30104(b), 30116(f) by knowingly accepting excessive in-kind contributions, failing to keep required records relating to those contributions, and failing to timely disclose those contributions in its disclosure reports filed with the Commission. Thomas O'Gara violated 52 U.S.C. § 30116(a)(1)(C) by making excessive in-kind contributions to Freedom Fund.

VI. 1. Respondents will pay a civil penalty to the Commission in the amount of twelve thousand six hundred dollars (\$12,600), pursuant to 52 U.S.C. § 30109(a)(5)(A).

2. Freedom Fund will cease and desist from committing violations of 52 U.S.C. §§ 30102(c), 30104(b), 30116(f).

3. Thomas O'Gara will cease and desist from committing violations of 52 U.S.C. § 30116(a)(1)(C).

VII. The Commission, on request of anyone filing a complaint under 52 U.S.C. § 30109(a)(1) concerning the matters at issue herein or on its own motion, may review compliance with this agreement. If the Commission believes that this agreement or any

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requirement thereof has been violated, it may institute a civil action for relief in the United States District Court for the District of Columbia.

VIII. This agreement shall become effective as of the date that all parties hereto have executed the same and the Commission has approved the entire agreement.

IX. Respondents shall have no more than thirty (30) days from the date this agreement becomes effective to comply with and implement the requirements contained in this agreement and to so notify the Commission.

X. This Conciliation Agreement constitutes the entire agreement between the parties on the matters raised herein, and no other statement, promise, or agreement, either written or oral, made by either party or by agents of either party, that is not contained within this written agreement shall be enforceable.

FOR THE COMMISSION:

Daniel A. Petalas
Acting General Counsel

BY: Kathleen Guith
Kathleen Guith
Acting Associate General Counsel for Enforcement

8-9-16
Date

FOR THE RESPONDENTS:

Stephen M. Ryan
Stephen M. Ryan
Counsel for Respondents

6-8-16
Date

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