



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

RQ-2

August 5, 2018

JENNIFER MAY, TREASURER  
BRIAN FORDE FOR CONGRESS  
4521 CAMPUS DR #396  
IRVINE, CA 92612

**Response Due Date**  
**09/10/2018**

IDENTIFICATION NUMBER: C00650911

REFERENCE: AMENDED APRIL QUARTERLY REPORT (01/01/2018 - 03/31/2018),  
RECEIVED 04/19/2018

Dear Treasurer:

This letter is prompted by the Commission's preliminary review of the report referenced above. This notice requests information essential to full public disclosure of your federal election campaign finances. **Failure to adequately respond by the response date noted above could result in an audit or enforcement action.** Additional information is needed for the following 3 item(s):

1. Schedule A (see attached) discloses a contribution(s) from an individual(s) who has a mailing address outside of the United States of America. Please be advised that 52 U.S.C. § 30121(a) (formerly 2 U.S.C. §441e(a)) and 11 CFR §110.20 prohibit foreign nationals from making contributions in connection with any election for political office or in connection with any primary election, convention, or caucus held to select candidates for any political office.

If the apparently prohibited contribution(s) in question was incompletely or incorrectly disclosed, you should amend your original report with clarifying information.

If your committee follows the safe harbor guidelines outlined under 11 CFR §110.20(a)(7) for all contributions received from a foreign address to ensure that the sources of these contributions are not foreign nationals, please provide a detailed description of your procedures. These procedures must be used in all cases where a contributor or donor uses a foreign passport or passport number for identification purposes, provides a foreign address, makes a contribution or donation by means of a check or other written instrument drawn on a foreign bank or by wire transfer from a foreign bank, or resides abroad. A committee is deemed to have conducted a reasonable inquiry into the contributor or donor's nationality if you seek and obtain copies of current and valid U.S. passport papers for U.S. citizens. No person may rely on this safe harbor if he or she has actual

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knowledge that the source of the funds solicited, accepted, or received is a foreign national.

If you have received a contribution from a foreign national, you must refund the impermissible contribution to the donor in accordance with 11 CFR §103.3(b). Please inform the Commission of your corrective action immediately in writing and provide a photocopy of your check for the refund. In addition, any refunds should be disclosed on Schedule B supporting Line 20(a) of the report during which the transaction was made.

Although the Commission may take further legal action concerning the acceptance of a prohibited contribution(s), prompt action on your part to refund or provide clarifying information concerning these contributions will be taken into consideration.

2. Schedule A of your report discloses one or more contributions that appear to exceed the limits set forth in the Act (see attached).

An individual or a political committee other than an authorized committee or qualified multi-candidate committee may not make a contribution(s) to a candidate for federal office in excess of \$2,700 per election. An authorized committee may not make a contribution(s) to a candidate for federal office in excess of \$2,000 per election. A qualified multi-candidate committee and all affiliated committees may not make a contribution(s) to a candidate for federal office in excess of \$5,000 per election. The term "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. (52 U.S.C. § 30116(a) and (f) (formerly 2 U.S.C. § 441a(a) and (f)); 11 CFR § 110.1(b), (e) and (k))

If any apparently excessive contribution in question was incompletely or incorrectly disclosed, you must amend your original report with the clarifying information. If any contribution you received exceeds the limits, you may have to refund the excessive amount.

Excessive contributions may be retained if, within 60 days of receipt, the excessive portions are properly redesignated or reattributed. Guidelines for each option are provided below.

For reattributions, excessive contributions from individuals can be retained if, within 60 days of receipt, the excessive amount is properly reattributed to another person. Please note that reattributions only apply to excessive

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contributions from individuals. An excessive contribution is considered properly reattributed if (1) the contributors provide the committee with written documentation, signed by each contributor, authorizing a reattribution and indicating the amount of the contribution to be attributed to each contributor; or (2) the committee reattributes by presumption the excessive portion of the contribution if the contribution was made on a written instrument from a joint account and was signed by only one of the account holders. In this case, the treasurer must notify the contributors in writing within 60 days of receiving the contribution that the committee intends to reattribute the excessive portion and must give the contributor an opportunity to request a refund. (11 CFR § 110.1(k)(3)(ii)(B))

For redesignations, the funds can be retained if, within 60 days of receipt, the excessive amount is properly redesignated for a different election. An excessive contribution is considered properly redesignated if (1) the committee obtains signed written documentation from the contributor(s) authorizing the redesignation of the contribution for another election, provided that the new designation does not exceed the limitations on contributions made with respect to that election; or (2) your committee redesignates by presumption the excessive portion of the contribution for another election provided that the new designation does not exceed the limitations on contributions made with respect to that election. In this case, the treasurer must notify the contributor of the redesignation in writing within 60 days of the treasurer's receipt of the contribution. The notification must give the contributor an opportunity to request a refund. (11 CFR § 110.1(b)(5)(ii)(B)) Please note that you cannot presumptively redesignate an excessive contribution from a multi-candidate committee. Also, a contribution can only be redesignated to a previous election to the extent that the contribution does not exceed the committee's net debts outstanding for that election. (11 CFR § 110.1(b)(3)(i))

If the foregoing conditions for reattributions or redesignations are not met within 60 days of receipt of the contribution, the excessive amount must be refunded. See 11 CFR § 103.3(b)(1).

If you have not already done so, please inform the Commission of your corrective action immediately in writing and provide photocopies of any refund checks and/or letters reattributing or redesignating the contributions in question. Refunds are reported on Line 20(a), (b), or (c), as applicable, of the Detailed Summary Page and on a supporting Schedule B of the report covering the period in which they are made. Redesignations and reattributions are reported as memo entries on Schedule A of the report covering the period in which the authorization

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for the redesignation and/or reattribution is received. (11 CFR § 104.8(d)(2), (3) and (4))

Although the Commission may take further legal action concerning the acceptance of excessive contributions, your prompt action to refund, redesignate, and/or reattribute the excessive amount will be taken into consideration.

**3.** It appears that your report fails to properly disclose the receipt and/or liquidation of bitcoin transactions.

Please be advised that the receipt of a bitcoin contribution should be reported like an in-kind contribution, with both a receipt on Schedule A and an offsetting disbursement on Schedule B. The offsetting entry on Schedule B will allow cash-on-hand to remain unchanged while holding the bitcoins outside of a campaign depository. If there is no offsetting entry or more than one offsetting entry, cash-on-hand will be incorrect. Please see Advisory Opinion 2014-02, Attachment 1 for an example of how to report receiving bitcoins as contributions.

Reporting bitcoin liquidation depends on whether the bitcoins are sold to a known or unknown purchaser. When bitcoins are sold through an established market mechanism and the purchaser is not known, the purchaser is not considered to have made a contribution to the committee. To disclose the sale of bitcoins when the purchaser is unknown, please report a receipt with the market or exchange's name and address information, as well as the date of the sale and the value of the bitcoins sold. Include a notation stating how many bitcoins were sold and that the purchaser is unknown. As memo entries supporting the receipt from the market or exchange, please also disclose the original contributor's information, date of contribution, original value of the bitcoins, and the number of bitcoins originally given to the committee. It should be clear for the public record which memos correspond with each sale. Please see Advisory Opinion 2014-02, Attachment 2(b) for an example of how to report selling bitcoins to an unknown purchaser.

When bitcoins are sold directly to a known purchaser, the purchaser is considered to have made a contribution to the committee. To disclose the sale of bitcoins to a known purchaser, please report a receipt with the purchaser's name, address, and employer/occupation information as well as the date of the sale, the value of the bitcoins sold, and the number of bitcoins sold. In addition, report, as memo entries, the original contributor's information, date of contribution, original value of the bitcoins, and the number of bitcoins originally given to the

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committee. Please see Advisory Opinion 2014-02, Attachment 2(a) for an example of how to report selling bitcoins to a known purchaser.

Please amend your report to disclose the proper format for the receipt and/or liquidation of bitcoin transactions.

**Please note, you will not receive an additional notice from the Commission on this matter.** Adequate responses must be received by the Commission on or before the due date noted above to be taken into consideration in determining whether audit action will be initiated. Failure to comply with the provisions of the Act may also result in an enforcement action against the committee. Any response submitted by your committee will be placed on the public record and will be considered by the Commission prior to taking enforcement action. **Requests for extensions of time in which to respond will not be considered.**

Electronic filers must file amendments (to include statements, designations and reports) in an electronic format and must submit an amended report in its entirety, rather than just those portions of the report that are being amended. For additional information about the report review process or specific filing information for your committee type, please visit <http://transition.fec.gov/rad/>. If you should have any questions regarding this matter or wish to verify the adequacy of your response, please contact me on our toll free number (800) 424-9530 (at the prompt press 5 to reach the Reports Analysis Division) or my local number (202) 694-1138.

Sincerely,



Carolina Mongeon  
Sr. Campaign Finance & Reviewing Analyst  
Reports Analysis Division

**Excessive, Prohibited, and Impermissible Contributions  
Brian Forde for Congress (C00650911)**

**Contributions from Individuals with Foreign Addresses**

<b>Contributor Name</b>	<b>Date</b>	<b>Amount</b>	<b>Election</b>
Wong, Brian	3/26/18	\$20.00	P2018
Wong, Brian	3/26/18	\$1,980.77	P2018
Wong, Brian	3/26/18	\$2,400.00	P2018
Wong, Brian	3/31/18	\$300.00	P2018
Wong, Brian	3/31/18	\$700.00	G2018
Lewin, Peter	3/22/18	\$2,000.00	P2018

**Excessive Contributions from Individuals**

<b>Contributor Name</b>	<b>Date</b>	<b>Amount</b>	<b>Election</b>
Cantrell, Wife	1/18/18	\$5,400.00	P2018
Chu, Jehan	3/17/18	\$5,400.00	P2018
Kulback, John	3/17/18	\$1,000.00	P2018
Kulback, John	3/30/18	\$2,700.00	P2018
Larsen, Chris	3/16/18	\$1,500.00	P2018
Larsen, Chris	3/29/18	\$2,700.00	P2018
Long, Marshall	1/18/18	\$2,700.00	P2018
Long, Marshall	1/18/18	\$5,420.31	P2018
Makowski, Paul	12/22/17	\$1,000.01	P2018
Makowski, Paul	1/10/18	\$4,399.98	P2018
Makowski, Paul	1/10/18	\$1,699.98	P2018
O'Neill, Maura	7/25/17	\$2,700.00	P2018
Oneill, Maura	2/20/18	\$1,000.00	P2018
Roszack, Katherine	1/18/18	\$5,400.00	P2018
Roszak, Katherine	1/18/18	\$2,700.00	P2018
Wong, Brian	3/26/18	\$1,980.77	P2018
Wong, Brian	3/26/18	\$20.00	P2018
Wong, Brian	3/26/18	\$2,400.00	P2018
Wong, Brian	3/31/18	\$300.00	P2018

**Excessive, Prohibited, and Impermissible Contributions**  
**Brian Forde for Congress (C00650911)**

Wong, Jason	3/23/18	\$3,000.99	P2018
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