



FEDERAL ELECTION COMMISSION
Washington, DC 20463

Dr. Arthur Robinson, Treasurer
Art Robinson for Congress
P.O. Box 1250
Cave Junction, OR 97523

AUG 01 2019

RE: MUR 7351
Art Robinson for Congress and
Art Robinson in his official
capacity as treasurer

Dear Dr. Robinson:

On March 30, 2018, the Federal Election Commission (“Commission”) notified Art Robinson for Congress and Noah Edward Robinson in his official capacity as treasurer¹ (the “Robinson Committee”), of a complaint in the above-numbered matter under review (“MUR”) alleging violations of the Federal Election Campaign Act of 1971, as amended (“the Act”) and Commission regulations. A copy of the complaint was forwarded to the Robinson Committee at that time. Upon review of the allegations contained in the complaint and the Robinson Committee’s response, the Commission, on July 24, 2019, found reason to believe that the Robinson Committee violated 52 U.S.C. § 30121, a provision of the Act, and the Commission’s regulation at 11 C.F.R. § 110.20(i). The Factual and Legal Analysis, which formed a basis for the Commission’s finding, is enclosed.

You may submit any factual or legal materials that you believe are relevant to the Commission’s further consideration of this matter. Please submit such materials, along with responses to the enclosed questions and document requests, to the Office of the General Counsel within 15 days of receiving this notification. Where appropriate, statements should be submitted under oath. In the absence of additional information, the Commission may find probable cause to believe that a violation has occurred and proceed with conciliation. *See* 52 U.S.C. § 30109(a)(4).

If you intend to be represented by counsel in this matter, please advise the Commission by completing the enclosed form stating the name, address and telephone number of such counsel, and authorizing such counsel to receive any notifications and other communications from the Commission. Please note that you have 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.

¹ Noah Edward Robinson was the committee’s treasurer at the time. The committee named you as its treasurer on May 5, 2018. *See* Art Robinson for Congress, Amend. Statement of Org. (May 5, 2018).

Letter to Dr. Arthur Robinson re: MUR 7351

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If you are interested in pursuing conciliation prior to finding of probable cause to believe a violation has occurred, you should make such a request by letter to the Office of the General Counsel. *See* 11 C.F.R. § 111.18(d). Upon receiving such a request, the Office of the General Counsel will recommend either that the Commission enter into an agreement in settlement of the matter or decline to pursue pre-probable cause conciliation at this time. The Office of the General Counsel may recommend not pursuing pre-probable cause conciliation in order to complete its investigation of the matter. Further, the Commission will not entertain requests for pre-probable cause conciliation after briefs on probable cause have been delivered to the respondents.

Requests for extensions of time are not routinely granted and may be conditioned on entering into a tolling agreement with the Commission. Requests must be made in writing at least five days prior to the due date of the response and good cause must be demonstrated. In addition, the Office of the General Counsel ordinarily will not give extensions beyond 20 days. 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.²

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. If you have any questions, please contact Saurav Ghosh, the attorney assigned to this matter, at (202) 694-1643 or sghosh@fec.gov

On behalf of the Commission,



Ellen L. Weintraub
Chair

Encl.

Questions
Factual and Legal Analysis
Procedures
Designation of Counsel Form

² 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).

QUESTIONS AND DOCUMENT REQUESTS – ART ROBINSON FOR CONGRESS

Please answer these questions regarding the activities of Art Robinson for Congress, and Cambridge Analytica's involvement with that political committee. Identify any individuals with personal recollection, knowledge, or understanding of the answers and provide us with any communications, documents, records, or other information that provide a basis for your answers. If you do not know the complete answer to any question, please answer to the extent possible and indicate your inability to answer the remainder of the question. If you believe you cannot answer any question based on a legal limitation or claim of privilege, please state the basis for your belief that you cannot answer and provide as much information as you believe you can provide.

In each of these questions and document requests, unless otherwise specified, any reference to "Cambridge Analytica" means Cambridge Analytica LLC as well as any parent, subsidiary, or affiliated company — including Cambridge Analytica LTD, SCL Group LTD, SCL Elections, and SCL USA — and any officers, employees, agents, and other persons acting on behalf of Cambridge Analytica LLC or any parent, subsidiary, or affiliated company; and any reference to "Committee" means Art Robinson for Congress.

1. Identify any person employed by or acting on behalf of Cambridge Analytica who provided services to the Committee, including the person's name; their nationality, citizenship and/or U.S. immigration status; their job title; and a current or last known mailing address, telephone number, and email address. For each person, also describe:
 - a. The dates during which the person provided services to the Committee;
 - b. The services provided, including the tasks and functions involved, goals and objectives, and deliverable products or recommendations provided;
 - c. The physical location or, if more than one, locations at which the person provided services to the Committee;
 - d. The person's supervisor or manager at Cambridge Analytica; and
 - e. The person at the Committee who managed, supervised, or directed the services the person at Cambridge Analytica who provided services to the Committee.
2. Describe how Cambridge Analytica became known to and retained by the Committee, including who participated in the Committee's decision to retain Cambridge Analytica.
3. Provide all documents, records, or communications related to the Committee's decision to retain Cambridge Analytica.
4. Describe and identify any person employed by or acting on behalf of Cambridge Analytica who advised on, provided services related to, or participated in any of the following areas or decisions:
 - a. Fundraising and solicitation of contributions for the Committee;

- b. Determining how the Committee allocated actual or potential expenditures, including the authorization or directing of expenditures or the budgeting, prioritizing or spending for Committee communications or events;
 - c. Determining how the Committee allocated its resources or was otherwise administered, including managing or directing persons employed by, volunteering for, affiliated with, or acting on behalf of or under the direction or control of the Committee;
 - d. Developing, disseminating, or targeting communications, including determining the subject matter, theme, message, or content of communications and identifying or determining the target audience for communications;
 - e. Planning or implementing the travel, movement, or appearances of any federal candidate, surrogate, or agent.
5. Provide all documents relating to Cambridge Analytica's involvement in the Committee's activities described in response to Request 4.
 6. Describe any formal or informal policies, procedures, trainings, or guidance that the Committee adopted or implemented regarding the participation of foreign nationals in the Committee's activities, as well as any discussions between the Committee and Cambridge Analytica regarding any such policies, procedures, trainings, or guidance.
 7. Provide all documents relating to the Committee's policies, procedures, trainings, or guidance described in response to Request 6.
 8. Describe how Cambridge Analytica charged for its services to the Committee, including how the Committee's disbursements were allocated for Cambridge Analytica's services.
 9. Provide all documents related to the Committee's payments to Cambridge Analytica.

FEDERAL ELECTION COMMISSION**FACTUAL AND LEGAL ANALYSIS**

RESPONDENTS: Art Robinson for Congress and
Art Robinson in his official capacity
as treasurer

MUR 7351

I. INTRODUCTION

This matter was generated by a complaint filed with the Federal Election Commission (“Commission”). *See* 52 U.S.C. § 30109(a)(1). The complaint alleges that Art Robinson for Congress and Art Robinson in his official capacity as treasurer (the “Robinson Committee”) violated the provisions of the Federal Election Campaign Act of 1971, as amended (“Act”), and Commission regulations that prohibit foreign nationals from directly or indirectly participating in the decision-making process of a political committee’s contributions or expenditures in connection with a federal election. These allegations stem from services that Cambridge Analytica LLC (“Cambridge”) provided to the Robinson Committee during the 2014 election cycle.¹ For the reasons explained fully below, the Commission finds reason to believe that the Robinson Committee violated 52 U.S.C. § 30121 and 11 C.F.R. § 110.20(i).

II. FACTUAL AND LEGAL ANALYSIS**A. Background**

Cambridge is a limited liability company organized in Delaware on December 31, 2013.² SCL Group LTD (“SCL”) is based in England and registered in the United Kingdom on July 20, 2005.³ Cambridge reportedly began working for political committees in the U.S. during the

¹ *See* MUR 7351 Compl. (Mar. 26, 2018).

² Cambridge Analytica LLC, Delaware Div. of Corps., <https://icis.corp.delaware.gov/ecorp/entitysearch/NameSearch.aspx> (viewed July 19, 2018).

³ SCL Group Limited, U.K. Companies House Registration, Company No. 05514098, <https://beta.companieshouse.gov.uk/company/05514098> (last visited Oct. 29, 2018).

1 2014 election cycle.⁴ The Complaints allege, based on news reports, that Cambridge was
 2 “effectively a shell” and “any contracts won by Cambridge . . . would be serviced by London-
 3 based SCL and overseen by [Alexander] Nix, a British citizen,” who is a director of SCL and
 4 chief executive of Cambridge.⁵ “Most SCL employees and contractors” were reportedly foreign
 5 nationals from Canada or Europe.⁶

6 According to former employees quoted in media reports, during the 2014 election cycle,
 7 Cambridge, like SCL, was “overwhelmingly staffed by non-U.S. citizens,”⁷ at least two of whom
 8 “were still answering ultimately to [Alexander] Nix” while working for U.S. political
 9 committees.⁸ Christopher Wylie, who worked for Cambridge during the 2014 election cycle and
 10 is a foreign national, reportedly asserts that he and “many foreign nationals worked on the

⁴ See MUR 7351 Compl. at ¶¶ 5, 13; Craig Timberg and Tom Hamburger, *Former Cambridge Analytica Workers Say Firm Sent Foreigners to Advise U.S. Campaigns*, WASH. POST (Mar. 25, 2018), available at https://www.washingtonpost.com/politics/former-cambridge-analytica-workers-say-firm-sent-foreigners-to-advise-us-campaigns/2018/03/25/6a0d7d90-2fa2-11e8-911f-ca7f68bff0fc_story.html (“Timberg Article”) (cited in MUR 7351 Complaint) (“The company aggressively courted political work beginning in 2014[.]”).

⁵ See MUR 7351 Compl. at ¶ 16 (citing Matthew Rosenberg, Nicholas Confessore and Carole Cadwalladr, *How Trump Consultants Exploited the Facebook Data of Millions*, N.Y. TIMES (Mar. 17, 2018), available at <https://www.nytimes.com/2018/03/17/us/politics/cambridge-analytica-trump-campaign.html> (“NYT March 17 Article”)); Matthew Rosenberg, *Cambridge Analytica Suspends C.E.O. Amid Facebook Data Scandal*, N.Y. TIMES (Mar. 20, 2018), available at <https://www.nytimes.com/2018/03/20/world/europe/cambridge-analytica-ceo-suspended.html> (“[The SCL Group and Cambridge Analytica] were set up with a convoluted corporate structure, and their operations are deeply intertwined. Mr. Nix, for instance, holds dual appointments at the two companies. Cambridge Analytica is registered in Delaware . . . but it is effectively a shell — it holds intellectual property rights to its psychographic modeling tools, yet its clients are served by the staff at London-based SCL and overseen by Mr. Nix, who is a British citizen.”); see also SCL Group Limited, U.K. Companies House Registration, Company No. 05514098, <https://beta.companieshouse.gov.uk/company/05514098/officers> (last visited Oct. 29, 2018) (listing Nix as SCL director from 2005-2012 and from 2016-2018).

⁶ NYT March 17 Article.

⁷ Timberg Article.

⁸ Carole Cadwalladr and Emma Graham-Harrison, *Staff Claim Cambridge Analytica Ignored US Ban on Foreigners Working on Elections*, GUARDIAN (Mar. 17, 2018), available at <https://www.theguardian.com/uk-news/2018/mar/17/cambridge-analytica-non-american-employees-political> (“Guardian Article”).

1 campaigns, and many were embedded in the campaigns around the U.S.”⁹ Wylie also asserts
2 that he was personally part of “multiple conference calls in 2014” with Nix and Stephen K.
3 Bannon, a Cambridge board member, in which “strategic campaign matters were discussed.”¹⁰
4 According to Wylie, on some of these calls, Cambridge’s leaders discussed whether the company
5 was violating federal law by using foreign nationals to work on American political campaigns.¹¹
6 However, Cambridge reportedly provided no compliance training for its foreign employees on
7 what conduct to avoid in order to comply with federal law while working for U.S. political
8 committees.¹²

9 The primary service that Cambridge offered its clients was a form of voter targeting that
10 it described as “psychological profiling to reach voters with individually tailored messages.”¹³
11 Cambridge allegedly employed many foreign national data scientists, including Dr. Alexander

⁹ MUR 7351 Compl. at ¶ 26 (citing Anna R. Schecter, *Wylie: Foreigners Worked for Cambridge Analytica on NC Senate Campaign*, NBC NEWS (Mar. 23, 2018), available at <https://www.nbcnews.com/politics/elections/wylie-foreigners-worked-cambridge-analytica-nc-senate-campaign-n859526> (“Schecter Article”). Wylie apparently played a significant role in founding Cambridge. See NYT March 17 Article (“[Wylie] helped found Cambridge and worked there until late 2014.”). Wylie reportedly left Cambridge at the end of the 2014 election cycle, although there is some dispute as to precisely when he left the company. Schecter Article (“Cambridge has said that Wylie left the company in July 2014. Wylie [claims that] while he gave notice in July, he continued to work for the company until just before the elections on Nov. 4, 2014.”).

¹⁰ MUR 7351 Compl. at ¶ 30 (quoting Timberg Article). Both Nix and Bannon, along with three others, are described by an internal Cambridge legal memorandum as “managers” of Cambridge; the memorandum notes that “Cambridge is currently being managed day to day by Mr. Nix,” a foreign national. CONFIDENTIAL MEMORANDUM FROM LAURENCE LEVY TO REBEKAH MERCER, STEVE BANNON, AND ALEXANDER NIX at 6 (July 22, 2014), available at <http://cdn.cnn.com/cnn/2018/images/03/26/levy.memo.pdf> (discussed in Schecter Article).

¹¹ Timberg Article.

¹² Guardian Article (“There were no briefings on the kind of work that non-US citizens should avoid, or warnings about the legal risks.”).

¹³ Timberg Article; see also Sasha Issenberg, *Cruz-Connected Data Miner Aims to Get Inside U.S. Voters’ Heads*, BLOOMBERG (Nov. 12, 2015), available at <https://www.bloomberg.com/news/features/2015-11-12/is-the-republican-party-s-killer-data-app-for-real-> (“Issenberg Article”) (“Cambridge Analytica’s trophy product is ‘psychographic profiles’ of every potential voter in the U.S. interwoven with more conventional political data. The emphasis on psychology helps to differentiate the Brits from other companies that specialized in ‘microtargeting,’ a catch-all term typically used to describe any analysis that uses statistical modeling to predict voter intent at the individual level.”).

1 Tayler, who led the data science team as the company’s Chief Data Officer.¹⁴ Cambridge
2 reportedly helped political committees “decide what voters to target with political messages and
3 what messages to deliver to them,” while also offering additional services such as “fundraising,
4 planning events, and providing communications strategy[.]”¹⁵ Wylie asserts that he and other
5 foreign nationals working for Cambridge “weren’t just working on messaging” but “were
6 instructing campaigns on which messages go where and to who.”¹⁶ Other employees have
7 supported this assertion, claiming that Cambridge “didn’t handle only data” but worked on
8 message development and targeting strategy.¹⁷

9 During the 2014 election cycle, Cambridge worked for several political committees,
10 including the Robinson Committee, Arthur Robinson’s authorized campaign committee in
11 Oregon’s 4th Congressional District.¹⁸ For the Robinson Committee, Cambridge states that it
12 took on a “comprehensive set of responsibilities and effectively managed the campaign in its
13 entirety, with strategic advice channeled through US nationals on the [Cambridge-SCL] team.”¹⁹
14 Cambridge’s 2014 internal assessment report noted that although the Robinson Committee hired
15 Cambridge to provide “supportive intervention to augment an existing campaign
16 infrastructure[,] . . . on the ground, it became clear that no such professional ‘campaign team’

¹⁴ MUR 7351 Compl. at ¶ 9.

¹⁵ MUR 7351 Compl. at ¶ 28 (quoting Timberg Article).

¹⁶ *Id.* at ¶ 26 (quoting Schechter Article).

¹⁷ Timberg Article.

¹⁸ MUR 7351 Compl. at ¶ 13.

¹⁹ Cambridge Analytica 2014 Activity Summary Report at 1, *available at* <https://www.washingtonpost.com/apps/g/page/politics/2014-cambridge-analytica-report-on-congressional-and-legislative-races/2294/> (“2014 Report”); *see* MUR 7351 Compl. at ¶ 31 (quoting Timberg Article).

1 existed[.]”²⁰ As such, Cambridge supplied a wide range of deliverables, such as
2 “communications strategy, including key topics and slogans[,], talking points, speeches, planning
3 for events and candidate travels[,],” and management of a range of campaign functions from
4 canvassing to social media engagement.²¹

5 Robinson, who responded on behalf of his authorized committee, asserts that all
6 “resource allocation and campaign decisions” concerning the committee’s election activity were
7 “made by our campaign” but acknowledges that in formulating those decisions, the Robinson
8 Committee “listened to advice from many individuals and organizations, including Cambridge
9 Analytica.”²²

10 **B. Legal Analysis**

11 1. Foreign Nationals May Not Directly or Indirectly Make Contributions, 12 Donations, Expenditures, or Disbursements

13 The Act and Commission regulations prohibit any “foreign national” from directly or
14 indirectly making a contribution or donation of money or other thing of value, or an expenditure,
15 independent expenditure, or disbursement, in connection with a federal, state, or local election.²³
16 The Act’s definition of “foreign national” includes an individual who is not a citizen or national
17 of the United States and who is not lawfully admitted for permanent residence, as well as a
18 “foreign principal” as defined at 22 U.S.C. § 611(b), which, in turn, includes a “partnership,

²⁰ 2014 Report at 2.

²¹ *Id.* at 4.

²² Arthur Robinson Resp. at 1-2 (Apr. 18, 2018).

²³ 52 U.S.C. § 30121(a)(1); 11 C.F.R. § 110.20(b), (c), (e), (f). Courts have consistently upheld the provisions of the Act prohibiting foreign national contributions on the ground that the government has a clear, compelling interest in limiting the influence of foreigners over the activities and processes that are integral to democratic self-government, which include making political contributions and express-advocacy expenditures. *See Bluman v. FEC*, 800 F. Supp. 2d 281, 288-89 (D.D.C. 2011), *aff’d* 132 S. Ct. 1087 (2012); *United States v. Singh*, 924 F.3d 1030, 1040-44 (9th Cir. 2019).

1 association, corporation, organization, or other combination of persons organized under the laws
2 of or having its principal place of business in a foreign country.”²⁴ Commission regulations
3 implementing the Act’s foreign national prohibition provide:

4 A foreign national shall not direct, dictate, control, or directly or indirectly
5 participate in the decision-making process of any person, such as a corporation,
6 labor organization, political committee, or political organization with regard to
7 such person’s Federal or non-Federal election-related activities, such as decisions
8 concerning the making of contributions, donations, expenditures, or
9 disbursements . . . or decisions concerning the administration of a political
10 committee.²⁵

11
12 The Commission has explained that this provision also bars foreign nationals from “involvement
13 in the management of a political committee.”²⁶

14 In light of these provisions, Commission regulations permit any person or company —
15 foreign or domestic — to provide goods or services to a political committee, without making a
16 contribution, if that person or company does so as a “commercial vendor,” *i.e.*, in the ordinary
17 course of business, and at the usual and normal charge, as long as foreign nationals do not
18 directly or indirectly participate in any committee’s management or decision-making process in
19 connection with its election-related activities.²⁷ For example, in MUR 5998, the Commission

²⁴ 52 U.S.C. § 30121(b); 22 U.S.C. § 611(b)(3); *see also* 11 C.F.R. § 110.20(a)(3).

²⁵ 11 C.F.R. § 110.20(i).

²⁶ Contribution Limits and Prohibitions, 67 Fed. Reg. 69,928, 69,946 (Nov. 19, 2002); *see also* Advisory Op. 2004-26 at 2-3 (Weller) (noting that foreign national prohibition at section 110.20(i) is broad and concluding that, while a foreign national fiancé of the candidate could participate in committees’ activities as a volunteer without making a prohibited contribution, she “must not participate in [the candidate’s] decisions regarding his campaign activities” and “must refrain from managing or participating in the decisions of the Committees”).

²⁷ 11 C.F.R. § 114.2(f)(1); *see* 11 C.F.R. § 116.1(c) (defining “commercial vendor” as “any persons providing goods or services to a candidate or political committee whose usual and normal business involves the sale, rental, lease or provision of those goods or services). The Act defines a contribution to include “anything of value,” which in turn includes all “in-kind contributions,” such as “the provision of any goods or services without charge or at a charge that is less than the usual and normal charge for such goods or services.” 11 C.F.R. § 100.52(d)(1); *see* 52 U.S.C. § 30101(8). Goods or services provided at the usual and normal charge do not constitute a contribution under the Act. However, soliciting, accepting, or receiving information in connection with an election from a foreign national, as opposed to purchasing the information at the usual and normal charge or hiring a foreign

1 found that the foreign national owners of a venue did not make or facilitate a contribution to a
2 political committee by allowing the committee to rent the venue for a fundraising event.²⁸ The
3 venue at issue was rented out for events in the ordinary course of business, and the owners
4 charged the committee the usual and normal amount for the service.²⁹ The Commission noted
5 that there was no available information to suggest — and the foreign nationals and political
6 committee expressly denied — that the foreign nationals had any “decision-making role in the
7 event.”³⁰

8 The Commission has found that not all participation by foreign nationals in the election-
9 related activities of others will violate the Act. In MUR 6959, for example, the Commission
10 found no reason to believe that a foreign national violated 52 U.S.C. § 30121 by performing
11 clerical duties, such as online research and translations, during a one month-long internship with
12 a party committee.³¹ Similarly, in MURs 5987, 5995, and 6015, the Commission found no
13 reason to believe that a foreign national violated 52 U.S.C. § 30121 by volunteering his services
14 to perform at a campaign fundraiser and agreeing to let the political committee use his name and
15 likeness in its emails promoting the concert and soliciting support, where the record did not
16 indicate that the foreign national had been involved in the committee’s decision-making process

national in a bona fide commercial transaction to perform services for a federal campaign, could potentially result in the receipt of a prohibited in-kind contribution.

²⁸ Factual and Legal Analysis at 4-6, MUR 5998 (Lord Jacob Rothschild).

²⁹ *Id.*

³⁰ *Id.* at 5.

³¹ Factual and Legal Analysis at 4-5, MUR 6959 (Cindy Nava) (noting that the available information, which was based on two press reports that did not detail the foreign national’s activities, did not indicate that the foreign national participated in any political committee’s decision-making process). The Commission also found that a \$3,000 stipend that the foreign national received from third parties resulted in an in-kind contribution from the third parties to the committee, but the value of the foreign national volunteer’s services to the committee was not a contribution. *Id.* at 4-5 (citing 52 U.S.C. § 30101(8)(A)(ii); 11 C.F.R. § 100.54; Advisory Op. 1982-04 (Apodaca)).

1 in connection with the making of contributions, donations, expenditures, or disbursements.³² By
2 contrast, the Commission has consistently found a violation of the foreign national prohibition
3 where foreign national officers or directors of a U.S. company participated in the company's
4 decisions to make contributions or in the management of its separate segregated fund.³³

5 2. There is Reason to Believe that the Robinson Committee Violated
6 52 U.S.C. § 30121 and 11 C.F.R. § 110.20(i) When Foreign Nationals
7 Directly or Indirectly Participated in a Decision-Making Process
8 Regarding the Committee's Election-Related Activities

9 Cambridge's usual and normal business involved providing data analytics and message
10 targeting services, and there is no specific information suggesting that Cambridge charged any
11 committee less than its usual and normal rate for such services. Even if Cambridge, which was
12 organized under the laws of Delaware and therefore appears to be a domestic company, was,
13 *arguendo*, a foreign company, it could provide services to a political committee as a commercial
14 vendor without thereby making a contribution to that committee, but foreign nationals may not
15 directly or indirectly participate in any committee's management or decision-making process in
16 connection with its election-related spending.

17 Wylie, a Cambridge foreign national employee, appears to have participated in the
18 decision-making processes of Cambridge's clients with respect to their election-related activities.

³² Factual and Legal Analysis at 6-9, MURs 5987, 5995, and 6015 (Hillary Clinton for President); *see also* Factual and Legal Analysis at 5, MUR 5998 (Lord Jacob Rothschild); Advisory Op. 2004-26 (Weller).

³³ *See, e.g.*, Conciliation Agreement, MUR 6093 (Transurban Grp.) (U.S. subsidiary violated Act by making contributions after its foreign parent company's board of directors directly participated in determining whether to continue political contributions policy of its U.S. subsidiaries); Conciliation Agreement, MUR 6184 (Skyway Concession Company, LLC) (U.S. company violated Act by making contributions after its foreign national CEO participated in company's election-related activities by vetting campaign solicitations or deciding which nonfederal committees would receive company contributions, authorizing release of company funds to make contributions, and signing contribution checks); Conciliation Agreement, MUR 7122 (American Pacific International Capital, Inc. ("APIC")) (U.S. corporation owned by foreign company violated Act by making contribution after its board of directors, which included foreign nationals, approved proposal by U.S. citizen corporate officer to contribute).

1 Wylie reportedly admits that he “worked on all of the company’s U.S. political campaigns in
2 2014,”³⁴ and that he was personally part of “multiple conference calls in 2014” with Nix and
3 Stephen K. Bannon, a Cambridge board member, in which “strategic campaign matters were
4 discussed.”³⁵ During this period of time, Cambridge not only provided political committees with
5 communications and targeting advice, *i.e.*, advice about how to effectively craft tailored
6 communications and target them to receptive voters in order to maximize the messages’ impact,
7 but “directed” the committees in their messaging.³⁶

8 According to Wylie and internal Cambridge documents, he and other foreign nationals
9 were embedded in political committees and were “instructing campaigns on which messages go
10 where and to who.”³⁷ By providing strategic advice to committees on both the content and target
11 audience for their campaign communications, Wylie may have helped shape political
12 committees’ election-related spending decisions.

13 The available information supports a finding that Wylie or other foreign national
14 Cambridge employees may have participated in the decision-making processes with regard to
15 election-related activities of the Robinson Committee. In contrast to the circumstances presented
16 in Advisory Opinion 2004-26, it appears that foreign nationals were “managing or participating
17 in the decisions” of the Robinson Committee, because Cambridge, which employed mostly
18 foreigners in 2014, assumed “comprehensive” responsibilities for the Robinson Committee
19 during the 2014 election cycle, including managing basic campaign functions and providing

³⁴ Schecter Article.

³⁵ Timberg Article.

³⁶ *See, e.g.*, 2014 Report at 16-17 (describing Cambridge’s successful “direction” of the Bolton PAC).

³⁷ Schecter Article.

1 strategic advice.³⁸ Robinson acknowledges that Cambridge, through its foreign national
2 employees, was at least indirectly participating in a decision-making process material to the
3 committee's election-related spending.³⁹ Even if, as Robinson contends, the Robinson
4 Committee's staff made all final decisions regarding the committee's management and electoral
5 strategy, the record indicates that Wylie or other foreign national Cambridge employees
6 participated, either directly or indirectly, in the Robinson Committee's management or decision-
7 making process in connection with its expenditures.

8 Based on the available information regarding the direct or indirect participation of foreign
9 nationals in a decision-making process with respect to the Robinson Committee's election-
10 related activity, the Commission finds reason to believe that the Robinson Committee violated
11 52 U.S.C. § 30121 and 11 C.F.R. § 110.20(i).

³⁸ Advisory Op. 2004-26 at 3; 2014 Report at 1.

³⁹ See Arthur Robinson Resp. at 1-2.

**DESCRIPTION OF PRELIMINARY PROCEDURES
FOR PROCESSING POSSIBLE VIOLATIONS DISCOVERED BY
THE FEDERAL ELECTION COMMISSION**

Possible violations discovered during the normal course of the Commission's supervisory responsibilities shall be referred to the Enforcement Division of the Office of the General Counsel where they are assigned to a staff member.

Following review of the information which generated the matter, a recommendation on how to proceed, based on a preliminary legal and factual analysis, shall be submitted to the Commission. This initial report shall recommend either: (a) that the Commission find reason to believe that a possible violation of the Federal Election Campaign Act of 1971, as amended (hereinafter the "Act") may have occurred or is about to occur; or (b) that the Commission find no reason to believe that a possible violation of the Act has occurred or is about to occur, and that the Commission close the file in the matter.

Thereafter, if the Commission decides by an affirmative vote of four Commissioners to open a Matter Under the Review (MUR) and finds that there is reason to believe that a violation of the Act has been committed or is about to be committed, the Office of the General Counsel shall conduct an investigation into the matter. Within 15 days of notification of the Commission's finding(s), a respondent(s) may submit any factual or legal materials relevant to the allegations. During its investigation, the Commission shall have the power to subpoena documents, to subpoena individuals to appear for depositions, and to order written answers to interrogatories. The respondent(s) may be contacted more than once by the Commission during its investigation.

If, during this period of investigation, the respondents(s) indicate a desire to enter into conciliation, the Office of the General Counsel may recommend that the Commission enter into conciliation prior to a finding of probable cause to believe a violation has been committed. Conciliation is an attempt to correct or prevent a violation of the Act by informal methods of conference and persuasion. Most often, the result of

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conciliation is an agreement signed by the Commission and the respondent(s). The conciliation agreement must be adopted by four votes of the Commission before it becomes final. After signature by the Commission and the respondent(s), the Commission shall make public the conciliation agreement.

If the investigation warrants, and no conciliation agreement is entered into prior to a probable cause to believe finding, the General Counsel must notify the respondent(s) of his/her intent to recommend that the Commission proceed to a vote on probable cause to believe that a violation of the Act has been committed or is about to be committed. Included with the notification to the respondent(s) shall be a brief setting forth the position of the General Counsel on the legal and factual issues of the case. Within 15 days of receipt of such brief, the respondent(s) may submit a brief stating their position on the issues. Both briefs will then be filed with the Commission Secretary and will be considered by the Commission. Thereafter, if the Commission determines by an affirmative vote of four Commissioners that there is probable cause to believe that a violation of the Act has been committed, or is about to be committed, conciliation must be undertaken for a period of at least 30 days but not more than 90 days. If the Commission is unable to correct or prevent any violation of the Act through conciliation the Office of the General Counsel may recommend that the Commission file a civil suit against the respondent(s) to enforce the Act. Thereafter, the Commission may, upon an affirmative vote of four Commissioners, institute civil action for relief in the United States District court.

See 52 U.S.C. § 30109, 11 C.F.R. Part 111.

Form 14 Designation of Counsel (2015)



FEDERAL ELECTION COMMISSION
Washington, DC 20463

Statement of Designation of Counsel

Provide one form for each Respondent/Witness
FAX 202-219-3923

CASE: _____

Name of Counsel: _____

Firm: _____

Address: _____

Telephone: (_____) _____ Fax: (_____) _____

The above named individual and/or firm is hereby designated as my counsel and is authorized to receive any notifications and other communications from the Commission and to act on my behalf before the Commission.

Date Signature Title

RESPONDENT: _____
(Committee Name/Company Name/Individual Named In Notification Letter)

MAILING ADDRESS:

Telephone:(H): _____ (W): _____

This form relates to a Election Commission matter that is subject to the confidentiality provisions of 52 U.S.C. § 30109(a)(12)(A). This section prohibits making public any notification or investigation conducted by the Federal Election Commission without the express written consent of the person receiving the notification or the person with respect to whom the investigation is made.