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**SENSITIVE**

MEMORANDUM

November 18, 2009

TO: The Commission

THROUGH: Alec Palmer  
Acting Staff Director *AP*

FROM: John D. Gibson *JDG*  
Chief Compliance Officer

Lynn M. Fraser *LMF*  
Director, ADR Office

SUBJECT: ADR 523 SEFCU and SEFCU Insurance Agency  
Informational Memo on Assignment

The Office of General Counsel referred P-MUR 492 for processing on November 9, 2009, and the ADR Office designated the matter as ADR 523. We include a summary and discussion of the referral for your information. We anticipate initiating communication with Respondents in ADR 523 November 20, 2009. Please contact Lynn Fraser if you have any questions or concerns before then.

**Summary of Case:** The *sua sponte* submission by SEFCU, a federally chartered credit union, and its wholly owned subsidiary, SEFCU Asset Management Services LLC d/b/a/ SEFCU Insurance Agency (collectively Respondents) served to notify the Federal Election Commission (FEC or Commission) of inadvertent potential violations of the Federal Election Campaign Act of 1971, as amended (FECA) by Respondents. The submission admits to making two contributions totaling \$4,250 to a political committee organized to re-elect the mayor of Albany, New York and to the New York Republican State Committee in violation of 2 U.S.C. § 441b(a) and 11 C.F.R. §114.2(a). SEFCU stated that it first learned that the subsidiary was prohibited from making contributions for any election while conducting a due diligence review for an acquisition. Upon learning of the prohibition under the FECA, Respondents filed the *sua sponte* submission with the Commission and notified the two recipients that the contributions violated the FECA and possibly state election law. Respondents also requested a refund of the contributions.

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