



Federal Election Commission
Washington, DC 20463

October 14, 2014

Kenneth G. Fall, Chief Government Relations Counsel
Marsh & McLennan Companies, Inc.
1166 Avenue of Americas
New York, NY 10036

Re: ADR 708 (P-MUR 572)
Marsh & McLennan Companies, Inc., Alex Moczarski, the Marsh & McLennan
Companies, Inc. PAC and Karen A. Farrell, Treasurer

Dear Mr. Fall:

Enclosed is the signed copy of the agreement resolving the referral initiated on March 24, 2014 by the Federal Election Commission ("FEC/Commission") involving Marsh & McLennan Companies, Inc., Alex Moczarski, the Marsh & McLennan Companies, Inc. PAC and Karen A. Farrell, Treasurer ("Respondents"). The agreement for ADR 708 (P-MUR 572) was approved by the Commission on October 7, 2014 – the effective date of the agreement.

Note the specific time frames for compliance in **paragraph 7** of the agreement. **Please forward to this office, a statement certifying Respondent's compliance with the terms listed in the aforementioned agreement.** The letter should note the dates on which Respondents satisfied each of the terms listed in paragraph 7, and contain the ADR caption and case number. **The civil penalty payment should be sent to the attention of the Accounting/Finance Office of the FEC. The civil penalty under the agreement is due on or before November 7, 2014.¹ Please put the ADR case number on the civil penalty check as well, to ensure crediting to the correct case.**

As you are aware, the settlement agreement will be made part of the record that is released to the public. The Commission will also place on the record copies of the submission, correspondence exchanged between your office and this office prior to our entry into settlement negotiations and reports prepared for the Commission by this office to assist in its consideration of this matter. The Commission is obliged by Federal

¹ Please note, if the Commission refers an unpaid civil penalty to the US Treasury or third party collection agent, additional costs and fees will be assessed.

statute to place on the public record documents in closed enforcement and alternative dispute resolution cases; accordingly, copies of documents relative to this matter will be forwarded shortly to the FEC's Public Information Office.

This agreement resolves the matter that was initiated by the Commission that was brought to the attention of the FEC by Marsh & McLennan Companies, Inc. regarding an alleged violation of the federal election campaign laws. I appreciate your assistance in effectively resolving this matter and bringing the case to a mutually acceptable conclusion.

Sincerely,

Lynn M. Fraser, Director
Alternative Dispute Resolution Office
202-694-1665

Enclosure: Agreement

cc: Gwen Holmes and Adam Liu, Finance and Accounting Office
Room 819



Federal Election Commission
Washington, DC 20463

Case Number: ADR 708
Source: P-MUR 572
Case Name: Marsh & McLennan
Companies, Inc. PAC

NEGOTIATED SETTLEMENT

This matter was initiated by *sua sponte* submission filed with the Federal Election Commission (Commission) by Marsh & McLennan Companies, Inc. PAC. Following review of the matter, and in an effort to promote compliance with the Federal Election Campaign Act of 1971, as amended, (FECA) and resolve this matter, the Commission entered into negotiations with Kenneth G. Fall, Chief Government Relations Counsel representing Marsh & McLennan Companies, Inc., Alex Moczarski, the Marsh & McLennan Companies, Inc. PAC and Karen A. Farrell, in her official capacity as Treasurer (the Committee or collectively Respondents). It is understood that this agreement will have no precedential value relative to any other matters coming before the Commission.

Negotiations between the Commission and Respondents addressed the issues raised in this submission. The parties agree to resolve the matter according to the following terms:

1. The Commission entered into this agreement as part of its responsibility for administering the FECA, and in an effort to promote compliance on the part of Respondents. The Commission's use of alternative dispute resolution procedures (ADR) is guided by "The Administrative Dispute Resolution Act of 1996," 5 U.S.C. § 572 and is an extension of 2 U.S.C. § 437g.
2. Respondents voluntarily enter into this agreement with the Commission.
3. Respondents asserted in a *sua sponte* submission on March 6, 2014 that an employee of Marsh & McLennan Companies, Inc., who is not currently a US citizen, permanent resident, or green card holder, made four (4) annual \$5,000 contributions from 2010 through 2013 for a total of \$20,000 to the Committee, which is a separate segregated fund, in violation of the FECA. The Committee accepted those contributions, also in violation of the FECA.
4. Respondents asserted that in response to an inquiry from the employee in January 2014, it was determined that Alex Moczarski, who is employed and resides in New York and holds a L-1A visa (Intracompany Transferee for Executive or Manager), was not eligible to make, nor the Committee to accept, contributions from an individual who is not

currently a US citizen, permanent resident, or green card holder. The Committee issued a refund to the employee on February 14, 2014.

5. Respondents contend that upon discovering the prohibited contributions they did a thorough review of 462 individual employees to determine whether any other eligibility issues existed with respect to employee contributions to the PAC, and developed an improved process for the solicitation and receipt of contributions.
6. The FECA prohibits foreign nationals from making contributions, donations, expenditures, independent expenditures or disbursements, directly or indirectly, in connection with a Federal, State, or local election. It also prohibits the solicitation, receipt or acceptance of a contribution or donation from a foreign national. 2 U.S.C. § 441e, 11 C.F.R. §§ 103.3(b), 110.20.
7. Respondents, in an effort to avoid similar errors in the future, agree to: (a) certify that Marsh & McLennan Companies, Inc. developed and circulated a policy on the eligibility and limitations on contributions to the Committee within thirty (30) days of the effective date of this agreement; (b) certify that the Committee designated a compliance specialist within thirty (30) days of the effective date of this agreement; (c) certify that a representative of the Committee participated in an FEC conference within twelve (12) months of the effective date of this agreement; and (d) pay a civil penalty of \$3,000 within thirty (30) days of the effective date of this agreement.
8. Respondents agree that all information provided to resolve this matter is true and accurate to the best of their knowledge and that they sign this agreement under penalty of perjury pursuant to 28 U.S.C. § 1746.
9. The parties agree that if Respondents fail to comply with the terms of this settlement, the Commission may submit any unpaid civil penalty to the U.S. Treasury for collection or undertake civil action in the U.S. District Court for the District of Columbia to secure compliance.
10. This agreement shall become effective on the date signed by all parties and approved by the Commission. Respondents shall comply with the terms of this agreement as set out in paragraph 6 above, and shall certify compliance with the above settlement terms in writing to the Alternative Dispute Resolution Office on or before the date each term becomes due.
11. This Negotiated Settlement constitutes the entire agreement between the parties on ADR 708 (P-MUR 572), and resolves those issues identified in paragraph 3 above. No other statement, promise or agreement, either written or oral, made by either party, not included herein, shall be enforceable.

