



FEDERAL ELECTION COMMISSION
Washington, DC 20463

June 2, 2023

Via Electronic Mail

E. Stewart Crosland
Jones Day
51 Louisiana Avenue N.W.
Washington, D.C. 20001
scrosland@jones.day.com

RE: MUR 8092
Aspen Lodging Group, LLC
d/b/a Provenance Hotels

Dear Mr. Crosland:

On May 23, 2023, the Federal Election Commission accepted the signed conciliation agreement submitted on your client's behalf in settlement of a violation of 52 U.S.C. §§ 30122, 30116(a)(1)(A), (a)(1)(C), and 11 C.F.R. § 110.4(b)(1)(i), provisions of the Federal Election Campaign Act of 1971, as amended ("the Act"). Accordingly, the file has been closed in this matter.

Documents related to the case will be placed on the public record within 30 days. *See* Disclosure of Certain Documents in Enforcement and Other Matters, 81 Fed. Reg. 50,702 (Aug. 2, 2016). Information derived in connection with any conciliation attempt will not become public without the written consent of the respondent 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) 746-8564.

Sincerely,

Kimberly D. Hart

Kimberly D. Hart
Attorney

Enclosure
Conciliation Agreement

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of)	
)	
Aspen Lodging Group LLC d/b/a)	MUR 8092
Provenance Hotels)	

CONCILIATION AGREEMENT

This matter was initiated by a *sua sponte* submission (“the Submission”) made to the Federal Election Commission (“the Commission”) by Aspen Lodging Group LLC d/b/a Provenance Hotels (“Respondent” or “the Company”). The Commission found reason to believe that Respondent violated 52 U.S.C. §§ 30122 and 30116(a)(1)(A), (a)(1)(C), and 11 C.F.R. § 110.4(b)(1)(i), provisions of the Federal Election Campaign Act (the “Act”) and Commission regulations, by making excessive contributions in the name of others.

NOW, THEREFORE, the Commission and Respondent, 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 the Respondent 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. Respondent has had a reasonable opportunity to demonstrate that no action should be taken in this matter.

III. Respondent enters voluntarily into this agreement with the Commission.

IV. The pertinent facts and law in this matter are as follows:

1. Respondent is a limited liability company based in Portland, Oregon, and elects to be treated as a partnership for tax purposes.

2. Bashar Wali (“Wali”) was Respondent’s President from June 2010 through May 30, 2020.

3. From April 2018 to September 2018, Wali; his spouse, Eileen Wali; and Leslie Lew, Respondent’s former Vice President of Revenue, made the following political contributions:

Date	Conduit	Recipient	Amount
4/24/18	Bashar Wali	NRSC	\$33,900
4/30/18	Bashar Wali	Tillis Majority Committee (primary)	\$10,400
9/18/18	Bashar Wali	American Hotel & Lodging Assoc. PAC (AHLA PAC)	\$5,000
3/28/19	Bashar Wali	Thom Tillis Committee (primary)	\$100
3/29/19	Bashar Wali	Thom Tillis Committee (primary)	\$5,400
3/28/19	Bashar Wali	Thom Tillis Committee (general)	\$100
4/17/19	Bashar Wali	Wyden for Senate (primary)	\$2,800
4/17/19	Bashar Wali	Wyden for Senate (general)	\$2,800
4/17/19	Bashar Wali	Hoops PAC	\$5,000
6/11/19	Bashar Wali	AHLA PAC	\$5,000
10/21/19	Bashar Wali	AHLA PAC	\$10,000
Total Bashar Wali Reimbursed Contributions for 2018-2019			\$80,500
9/18/18	Eileen Wali	AHLA PAC	\$5,000
3/29/19	Eileen Wali	Thom Tillis Committee (P)	\$2,800
3/29/19	Eileen Wali	Thom Tillis Committee (G)	\$2,800
4/17/19	Eileen Wali	Hoops PAC	\$5,000
6/11/19	Eileen Wali	AHLA PAC	\$5,000
Total Eileen Wali Reimbursed Contributions for 2018-2019			\$20,600
9/18/18	Leslie Lew	AHLA PAC	\$5,000
Total Leslie Lew Reimbursed Contributions for 2018-2019			\$5,000
TOTAL REIMBURSED CONTRIBUTIONS			\$106,038

4. On April 25, 2019, July 12, 2019, and October 14, 2019, Wali sent three separate emails to Holly Landry, Respondent’s former Corporate Controller, instructing her to process and issue contribution reimbursements to him totaling \$106,038 in the form of three \$50,000 bonus payments as described above.

5. On May 8, 2019, July 19, 2019, and October 18, 2019, Landry, acting on Wali’s instructions, reimbursed him for political contributions made in the names of Wali, Eileen Wali, and Lew totaling \$106,038 in the form of three \$50,000 bonus payments. These bonus

payments were in addition to Wali's annual performance bonus approved by the Company's Board of Directors.

6. After Wali had departed the Company, Respondent's current management retained an outside law firm to independently investigate claims that Wali might have used Respondent's funds for his personal political contributions. The outside law firm's investigation began in May 2020 and concluded in August 2020.

7. Following the outside law firm's investigation and discovery of the political contribution reimbursements to Wali, Respondent took remedial measures, including filing of the Submission and seeking and receiving the repayment of the reimbursement amounts from Wali.

8. Respondent also has revamped its financial controls and reporting structure, including by hiring a new CFO who oversees the Company's financial operations and whose duties include the review and approval of employee expense reimbursement requests. Lastly, the Respondent has retained outside counsel that specializes in campaign finance issues and is available to provide advice on any future political compliance issues that may arise.

9. Under Section 30122, no person shall make a contribution in the name of another. 52 U.S.C. § 30122; *see also* 11 C.F.R. § 110.4(b)(1)(i). The term "person" for purposes of the Act and Commission regulations includes partnerships, corporations, and other organizations, including LLCs. *See* 52 U.S.C. § 30101(11); 11 C.F.R. § 100.10.

10. The Act limits the amount a person may contribute to a candidate committee per election. 52 U.S.C. § 30116(a)(1)(A); *see also* 11 C.F.R. § 110.1(b). During the 2017-2018 election cycle, the Act and Commission regulations limited a person to making a total of \$2,700 per election to a candidate committee. 52 U.S.C. § 30116(a)(1)(A), (2)(A); 11 C.F.R.

§§ 110.1(a)–(b), 110.2(b)(1). *See also Price Index Adjustments for Contribution and Expenditure Limitations and Lobbyist Disclosure Threshold*, 82 Fed. Reg. 10904, 10905-06 (Feb. 7, 2017). During the 2019-2020 election cycle, a person was limited to making a total of \$2,800 per election cycle to a candidate committee. 52 U.S.C. § 30116(a)(1)(A), (2)(A); 11 C.F.R. §§ 110.1(a)–(b), 110.2(b)(1). *See also Price Index Adjustments for Contribution and Expenditure Limitations and Lobbyist Disclosure Threshold*, 85 Fed. Reg. 9772, 9774 (Feb. 20, 2020).

11. Further, the Act prohibits a person from making a contribution to a multicandidate committee that exceeds \$5,000 in a calendar year. 52 U.S.C. § 30116(a)(1)(C).

12. Under Commission regulations, if an LLC elects to be treated as a partnership, or makes no election at all, then the LLC is treated as a partnership for purposes of the contribution limits. 11 C.F.R. § 110.1(g)(2). A partnership or partner who is not otherwise prohibited from making contributions may contribute up to the individual limits based on the type of recipient committee. *Id.* § 110.1(e). Contributions made by partnerships are attributable both to the partnerships and to the partners according to the partnership agreement or according to a formula set forth in Commission regulations. *Id.* In contrast, an LLC that elects to be treated as a corporation by the IRS is treated as a corporation for contribution purposes and is prohibited from making contributions. *Id.* § 110.1(g)(3).

13. A principal is liable vicariously for the acts of its agent committed within the scope of agency. RESTATEMENT (THIRD) OF AGENCY § 7.07.

14. Respondent contends that the outside law firm's internal investigation commissioned following Wali's departure establishes that Respondent's liability is due solely to

the actions of its former President, Wali, causing the Company to use its funds to reimburse his political contributions.

15. Respondent contends that the outside law firm's investigation found no evidence that any executives or employees of the Company, other than Wali, Landry, Lew and Wright, had knowledge of the reimbursements or that the Board of Directors knew about Wali's reimbursement practices.

16. Respondent further contends that the law firm's investigation directly concluded that no other employees, including Respondent's Founder, Gordon Sondland, and Katy Durant, Respondent's current President, had ever sought reimbursement for their political contributions from the Company.

V. Respondent violated 52 U.S.C. §§ 30122 and 30116(a)(1)(A), (a)(1)(C), and 11 C.F.R. § 110.4(b)(1)(i) by making excessive contributions in the names of others.

VI. Respondent will take the following actions:

1. Respondent will cease and desist from violations of 52 U.S.C. §§ 30122 and 30116(a)(1)(A), (a)(1)(C), and 11 C.F.R. § 110.4(b)(1)(i).

2. Respondent will pay a civil penalty of Twenty-Eight Thousand Five Hundred Dollars (\$28,500), pursuant to 52 U.S.C. § 30109(a)(5)(A).

3. Respondent also waives its rights to a refund from any of the recipient committees.

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

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 same and the Commission has approved the entire agreement.

IX. Except as otherwise provided, Respondents shall have no more than 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:

Lisa J. Stevenson
Acting General Counsel

Charles
Kitcher

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Charles Kitcher
Date: 2023.06.02
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BY:

Charles Kitcher
Associate General Counsel
for Enforcement

6/2/23

Date

FOR THE RESPONDENT:

BY:


E. Stewart Crosland
Counsel for Respondent

5/8/2023

Date