



FEDERAL ELECTION COMMISSION
999 E Street, N.W.
Washington, DC 20463

October 5, 2005

Mr. Ralph Santora
Independent Action, Inc.
1619 13th Street, N.W.
Washington, D.C. 20009

Re: ADR 246/RR 05L-01

Dear Mr. Santora:

Enclosed is the signed copy of the agreement between the Federal Election Commission and The Independent Action, Inc. and you as Treasurer, resolving the matter that was initiated by a review by the Commission's Reports Analysis Division of the records of the Committee. The agreement, ADR 246/RR 05L-01, was approved by the Federal Election Commission on September 30, 2005 -- the effective date of the agreement.

As you are aware, the settlement agreement will be made part of the record that is released to the public. In addition, as of January 1, 2004, the Commission also will place on the record copies of correspondence exchanged between your office and this office prior to our entry into settlement negotiations and reports prepared by this office to assist the Commission in its consideration of this matter. The Commission is obliged by Federal 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 effectively resolves the issues raised in the submission referenced above.

I appreciate your assistance in resolving this matter and helping to bring this case to a mutually satisfactory conclusion.

Sincerely,

A handwritten signature in black ink, appearing to read "Allan D. Silberman", written over a horizontal line.

Allan D. Silberman,
Director, ADR Office

Enclosure: a/s

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FEDERAL ELECTION COMMISSION
Washington, DC 20463

Case Number: ADR 246
Source: RR 05L-01
Case Name: Independent Action, Inc.

NEGOTIATED SETTLEMENT

This matter was initiated by the Federal Election Commission ("the Commission") pursuant to information ascertained in the normal course of carrying out its supervisory responsibilities. Following a review of the record and in an effort to promote compliance with the Federal Election Campaign Act of 1971, as amended ("the FECA" or "Act"), and to resolve this matter, the Commission entered into negotiations with Ralph Santora representing Independent Action, Inc. and Ralph Santora, Treasurer (the "Respondents" or "Committee"). 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 the Respondents have addressed all the issues raised in this matter. The parties have agreed to resolve the matter according to the following terms:

1. The Commission has entered into this agreement as part of its responsibility for administering the Federal Election Campaign Act and in an effort to promote compliance with the FECA on the part of the Respondents. The Commission's use of ADR procedures is authorized in "The Administrative Dispute Resolution Act of 1996", 5 U.S.C. § 572 and is an extension of 2 U.S.C. § 437g.
2. The Respondents have voluntarily entered into this agreement with the Commission.
3. The Reports Analysis Division determined that Respondents failed to timely file its 2003 Mid-Year, 2003 Year-End and 2004 April Quarterly reports. The missing reports were subsequently filed disclosing respectively: \$52,974.61 in receipts and \$55,499.92 in disbursements for the 2003 Mid-Year reporting period; \$66,179.60 in receipts and \$50,658.22 in disbursements for 2003 Year-End report; and \$42,618.84 in receipts and \$36,079.23 in disbursements for the 2004 April Quarterly reporting period.
4. Each treasurer of a political committee shall file reports of receipts and disbursements in accordance with the provisions of the Act. 2 U.S.C. § 434(a)(1) and 11 C.F.R. § 104.5(c)(1).
5. The Committee, in response to four Failure to File notices, subsequently filed on July 16, 2004, July 17, 2004 and July 18, 2004 respectively, the missing reports which disclosed receipts and disbursements for the 2003 Mid-Year and Year-End reports and the 2004 April Quarter.

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6. Respondents acknowledge failing to file the aforementioned financial reports, explaining that staff turnover and unfamiliarity with the Commission's reporting requirements led to delays in submitting the required reports. In order to resolve these matters and avoid similar errors in the future, Respondents agree to: 1) send, within fifteen months of the effective date of this agreement, a Committee representative to a FEC seminar on campaign reporting requirements; 2) prepare and maintain guidelines to assist Respondent's staff in complying with the FEC reporting requirements, a copy of which will be forwarded, within ninety days following the effective date of the agreement, to the Commission; and 3) pay a civil penalty of \$12,000.
 7. 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.
 8. The parties agree that if the Respondents fail to comply with the terms of this settlement, the Commission may undertake civil action in the U.S. District Court for the District of Columbia to secure compliance and/or forward any outstanding civil penalty to the US Treasury for collection.
 9. This agreement will become effective on the date signed by all the parties and approved by the Commission. Respondents shall comply with the terms of settlement listed in paragraph six (6) above with regard to item one within fifteen (15) months of the effective date of this agreement, within ninety (90) days for item two (2) and within twelve months for item three (3), payment being made in installments over the course of the aforementioned twelve months.
 15. This Negotiated Settlement constitutes the entire agreement between the parties on ADR 246/RR 05L-01 and effectively resolves this matter. No other statement, promise or agreement, either written or oral, made by either party, not included in herein, shall be enforceable.

FOR THE COMMISSION:

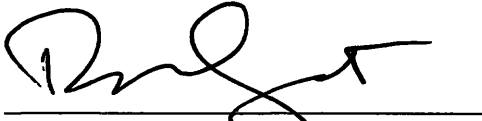
Allan D. Silberman,
Director Alternative Dispute Resolution Office



Allan D. Silberman

Oct 5, 2005
Date

FOR THE RESPONDENTS:



Ralph Santora, on behalf of
Independent Action, Inc.

9-2-05
Date