



FEDERAL ELECTION COMMISSION  
Washington, DC 20463

*Silberman*  
**SENSITIVE**

DATE & TIME OF TRANSMITTAL: Friday, June 24, 2005 12:00

BALLOT DEADLINE: Wednesday, June 29, 2005 4:00

COMMISSIONER: MASON, McDONALD, SMITH, THOMAS, TONER, WEINTRAUB

SUBJECT: **ADR 262/RR 05L-12 – Chicago Board of Options Exchange  
PAC. Recommendation to Assign Case. Memorandum  
from the Director, ADR Office dated June 23, 2005.**

( ) I approve the recommendation(s)

( ) I object to the recommendation(s)

( ) I am recused from voting.

COMMENTS: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

DATE: \_\_\_\_\_

SIGNATURE: \_\_\_\_\_

A definite vote is required. All ballots must be signed and dated. Please return ONLY THE BALLOT to the Commission Secretary. Please return ballot no later than date and time shown above.

FROM THE OFFICE OF THE SECRETARY OF THE COMMISSION

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THE FEDERAL ELECTION COMMISSION  
Washington, DC 20463

RECEIVED  
FEDERAL ELECTION  
COMMISSION  
SECRETARIAT

2005 JUN 24 A 9:15

MEMORANDUM

June 23, 2005

TO: The Commission

THROUGH: James A. Pehrkon  
Staff Director

FROM: Allan D. Silberman  
Director, ADR Office

BY: Lynn M. Fraser  
Assistant Director, ADR Office

SUBJECT: ADR 262 Chicago Board of Options Exchange PAC  
Recommendation to Assign Case

**SENSITIVE**

On June 10, 2005, the ADR Office received RAD Referral 05L-12 to review and determine its appropriateness for ADR processing. Based on that review, we determined that the case is appropriate for ADR and recommend that it be assigned to the ADR Office.

**SUMMARY:** RAD referred the Chicago Board of Options Exchange Inc. PAC and Alan J. Dean, Treasurer ("Respondents" or the "Committee") for failing to disclose all financial activity on its 2003 August Monthly and 2003 Year End Reports. In October 2004 the Committee amended its 2003 August Monthly Report to disclose additional disbursements that, in aggregate, total \$64,500 and additional receipts of \$19,522.07. In October 2004 the Committee also amended its 2003 Year End Report to disclose additional receipts totaling \$75,517.58 and additional disbursements of \$2,000. In reply to the RFAI's sent to the Committee, Respondents contend that there was a problem with their vendor software in which the system default was improperly set for 2004. When the Committee detected the problem, amended reports were filed for all reports affected by the error.

Attached for the Commission's review is the ADR Case Analysis Report, along with copies of the EPS Rating and ADR Rating reports. The ADR Case Analysis Report

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includes an analysis of the case and a description of the issues that the ADR Office anticipates addressing if the case is assigned to ADR. In addition, the ADR Case Analysis Report has been reviewed by the Office of General Counsel, which concurs in the description of the case.

If the Commission concurs in the recommendation, the above case description will be provided to Respondents as part of ADR Office's notification package sent to Respondents.

**RECOMMENDATION:**

1. Assign ADR 262/RR 05L-12 to the ADR Office.

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## ADR CASE ANALYSIS REPORT

**ADR Case:** 262

**Respondents:**

Chicago Board of Options Exchange Inc. PAC  
Alan J. Dean, Treasurer

**RAD Referral:** 05L-12

**Respondents' Rep.:** Alan J. Dean

**Date Forwarded to ADRO:** 6/10/05

**Committee Type:** Non-Party

**Date Reviewed by ADRO:** 6/17/05

**Committee Name:** Chicago Board of Options  
Exchange Inc. PAC

**District & State:** N/A

**Election Cycle:** 2004

**Summary of Referral:** RAD referred the Chicago Board of Options Exchange Inc. PAC and Alan J. Dean, Treasurer ("Respondents" or the "Committee") for failing to disclose all financial activity on its 2003 August Monthly and 2003 Year End Reports. In October 2004 the Committee amended its 2003 August Monthly Report to disclose additional disbursements that, in aggregate, total \$64,500 and additional receipts of \$19,522.07. In October 2004 the Committee also amended its 2003 Year End Report to disclose additional receipts totaling \$75,517.58 and additional disbursements of \$2,000.

**Respondents' Reply to RAD:** In reply to the RFAI's sent to the Committee, Respondents contend that there was a problem with their vendor software in which the system default was improperly set for 2004. When the Committee detected the problem, amended reports were filed for all reports affected by the error. The Committee advised that it has taken other proactive steps to enhance its software system to ensure timely reporting of all transactions and to ensure compliance with the FECA.

**Analysis:** The statute and regulations require committees to file reports disclosing all contributions received during the reporting period.

**Issues:**

- Reporting receipts for the reporting period 2 U.S.C. § 434(b)(2), 11 C.F.R. § 104.3(a)
- Reporting disbursements for the reporting period 2 U.S.C. § 434(b)(4), 11 C.F.R. § 104.3(b)

**Recommendation:** ASSIGN to ADRO

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