FEDERAL ELECTION COMMISSION
WASHINGTON, D C 20463

ICG ICI -b A 9: 59

SENSITIVE

MEMORANDUM

November 6, 2008

TO: The Commission

THROUGH: Joseph F. Stoltz
             Acting Staff Director

FROM: John D. Gibson
             Chief Compliance Officer

             Lynn M. Fraser
             Acting Director, ADR Office

SUBJECT: ADR 426 Chicago Board of Options Exchange, Inc. PAC and Alan J. Dean,
             Treasurer, Withdrawal and Resubmission of Recommendation to Approve
             Settlement Agreement

> RESOLUTION TERMS: Send a representative to a FEC seminar; contract with a
> vendor specializing in preparation and filing of FEC reports; ensure vendor
> conducts monthly reconciliation of financial records and FEC reports filed for two
> years; have vendor certify annually that monthly reconciliations meet professional
> accounting standards; and pay a civil penalty of $3,000 (amount in dispute
> $128,715.79).

Attached for your review is a signed negotiated ADR Settlement Agreement pertaining to
ADR 426 (RAD 07L-46). This case was activated by the ADR Office on November 14,
2007.

> **SUMMARY:** The Reports Analysis Division (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 their 2007 April Monthly
> Report. Respondents' original 2007 April Monthly Report was filed April 18, 2007.
> Respondents filed an amended 2007 April Monthly Report on May 18, 2007 that
> disclosed receipts of $128,715.79. Respondents filed two additional amended 2007
> April Monthly Reports in July 2007, but there was no further change in receipts
> disclosed in those subsequent reports. Respondents contend that inexperienced staff
> made keypunch errors that resulted in receipts being incorrectly reported.

RECOMMENDATIONS:

1. Approve the attached settlement agreement of Chicago Board of Options Exchange, Inc. PAC and Alan J. Dean, Treasurer.

2. Approve the appropriate letters.

3. Close the file on this matter.