



Federal Election Commission
Washington, DC 20463

October 16, 2014

Benjamin L. Ginsberg, Esq.
JONES DAY
51 Louisiana Ave, NW
Washington, DC 2001-2113

Re: ADR 717
Defend America PAC and John J. Lloyd, Treasurer

Dear Mr. Ginsberg:

Enclosed is the signed copy of the Negotiated Settlement resolving the referral initiated on May 7, 2014 by the Federal Election Commission ("FEC/Commission") involving the above-shown Respondents. The Negotiated Settlement was approved by the Commission on **October 14, 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 confirming 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 13, 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 Negotiated Settlement will be made part of the record that is released to the public. The Commission will also place on the record copies of the complaint/referral, correspondence exchanged between your office and this office prior to our negotiations, and reports prepared for the Commission by this office to assist 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.

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.

This agreement resolves the matter that was initiated by the Commission pursuant to information ascertained in the normal course of carrying out its supervisory responsibilities regarding violations of federal election campaign laws. I appreciate your assistance in effectively resolving this matter and bringing the case to a mutually acceptable conclusion.

Sincerely,



Krista J. Roche
Assistant Director
Alternative Dispute Resolution Office

Enc: Negotiated Settlement

cc: Gwendolyn Holmes, Finance and Accounting Office

11-10-09 10:40:00



**Federal Election Commission
Washington, DC 20463**

Case Number: ADR 717
Source: RAD 14L-13
Case Name: Defend America PAC

NEGOTIATED SETTLEMENT

This matter was initiated by the Federal Election Commission (Commission) pursuant to information ascertained in the normal course of carrying out its supervisory responsibilities. 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 Benjamin Ginsberg, Esq., representing Defend America PAC and John J. Lloyd, in his official capacity as Treasurer (the Committee or 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 referral. The parties agree to resolve the matter according to the following terms:

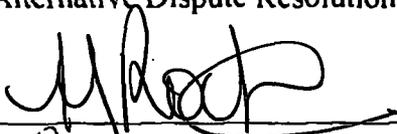
1. The Commission entered into this agreement as part of its responsibility for administering the FECA, and in an effort to promote compliance on the part of Respondents. The Commission's use of alternative dispute resolution procedures (ADR) is guided by "The Administrative Dispute Resolution Act of 1996," 5 U.S.C. § 572 and is an extension of 52 U.S.C. § 30109 (formerly 2 U.S.C. § 437g).
2. Respondents voluntarily enter into this agreement with the Commission.
3. On July 15, 2012, the Committee filed an Amended 2012 June Monthly Report disclosing \$204,250 in additional receipts. The Reports Analysis Division referred Respondents for failing to disclose all financial activity on the original 2012 June Monthly Report.
4. Treasurers of political committees are required to report all financial activity, including all receipts, pursuant to the FECA, 52 U.S.C. §§ 30104(a)(1) (formerly 2 U.S.C. §§ 434(a)(1), 434(b)(2)), 11 C.F.R. §§ 104.1, 104.3(a).
5. The Committee filed its 2012 June Monthly Report on June 16, 2012. The Committee contends it realized the error at issue on its own the following month and, on July 15, 2012, the same date the errors were discovered, amended the 2012 June Monthly Report to disclose \$204,250 in additional receipts.
6. On November 1, 2012, the Reports Analysis Division requested additional information concerning the amended 2012 June Monthly Report. The Committee responded in a timely manner on December 6, 2012, filing a Miscellaneous Electronic

Submission (Form 99) stating that dates for four contribution/deposit batches were incorrectly entered into reporting software causing the omission of these receipts on the original 2012 June Monthly Report. Respondents assert that the Committee has a strong reporting history, with no previous reporting violations. They emphasize that prior to any request for information by the Reports Analysis Division, the Committee properly amended the monthly report on its own initiative. Respondents also contend that the harm to the public was minimal because the omission was a clerical error and the report was amended immediately upon discovery of the error, prior to the next monthly report and well before any election.

7. Respondents, in an effort to avoid similar errors in the future, agree to: (a) certify that a representative of the Committee participated in an FEC conference within twelve (12) months of the effective date of this agreement; and (b) pay a civil penalty of \$4,500 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 7 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 717 (RAD 14L-13), 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.

FOR THE COMMISSION:

Krista J. Roche, Assistant Director
Alternative Dispute Resolution Office



10/14/14

Date Signed

FOR THE RESPONDENTS:

Benjamin Ginsberg, Esq.
Representing Defend America PAC and
John J. Lloyd, Treasurer

Sept. 18, 2014

Date Signed