

MAR 26 2007

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FEDERAL ELECTION  
COMMISSION

BEFORE THE FEDERAL ELECTION COMMISSION

2007 MAR 26 A 11:33

**SENSITIVE**

In the Matter of )

DNC Services Corporation/Democratic National  
Committee and Andrew Tobias, in his official capacity )  
as Treasurer )

MUR 5851

**GENERAL COUNSEL'S REPORT #2**

**I. ACTION RECOMMENDED**

Accept the attached proposed conciliation agreement with the DNC Services Corporation/Democratic National Committee and Andrew Tobias, in his official capacity as Treasurer, and close the file.

**II. BACKGROUND**

On October 18, 2006, the Commission found reason to believe that the DNC Services Corporation/Democratic National Committee and Andrew Tobias, in his official capacity as Treasurer ("the Committee") violated the Federal Election Campaign Act of 1971, as amended ("the Act"), during the 2004 election cycle. Specifically, the Commission found reason to believe that the Committee violated 2 U.S.C. § 434(g)(2)(A) and 11 C.F.R. § 104.4(b)(2) by failing to file five 48 Hour Notices for nine independent expenditures totaling \$165,190.98 and 2 U.S.C. § 434(g)(1)(A) and 11 C.F.R. § 104.4(c) by failing to file four 24 Hour Notices for nine independent expenditures totaling \$1,196,239.07.

the Committee demonstrated

it had filed a 48 Hour Notice for one independent expenditure in the amount of \$58,220.89 that  
had been included in the Commission's findings; the source of the confusion was that the  
Committee reported this expenditure in the 48 Hour Notice using a different name than it did on  
Schedule E.

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MUR 5851  
General Counsel's Report #2

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**IV. RECOMMENDATIONS**

1. Accept the attached conciliation agreement with DNC Services Corporation/Democratic National Committee and Andrew Tobias, in his official capacity as Treasurer;
2. Approve the appropriate letter; and
3. Close the file.

Thomasenia P. Duncan  
Acting General Counsel

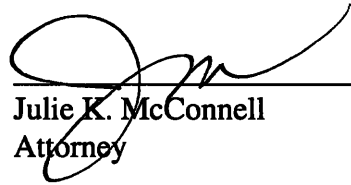
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3/23/07

  
BY: Rhonda J. Vosdinger  
Associate General Counsel for Enforcement

  
Ann Marie Terzaken  
Assistant General Counsel

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Julie K. McConnell  
Attorney

Attachment:  
Proposed Conciliation Agreement

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