

DISPOSITION AGREEMENT

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April

This disposition agreement ("Agreement") is entered into as of ~~March~~ 6, 2016, by and between the Office of Campaign and Political Finance ("OCPF") and the Massachusetts Republican State Committee ("the Party"), in which OCPF and the Party mutually agree, for the purposes of this Agreement only, as follows:

I. Introduction

1. The political contributions, expenditures and other activities described in this Agreement are subject to the provisions of M.G.L. c. 55, the Massachusetts campaign finance law, and the regulations promulgated thereunder, and also the regulations issued by the Federal Election Commission ("FEC") governing allocation of expenses between the federal and non-federal (state) accounts of party committees.

2. Political party committees that engage in both federal and nonfederal election activities must, under federal law, follow certain rules to ensure that the federal activity is financed with funds that comply with the limits and prohibitions of federal law. Federal activity includes, for example, contributions and expenditures at least, in part, made on behalf of federal candidates. State activity includes contributions and expenditures solely on behalf of state candidates. To comply with federal law, the Party has established two separate accounts: a federal account and a state account. The federal account is registered as a federal political committee, subject to federal reporting rules and other requirements. The state account is subject to state reporting requirements. OCPF has issued regulations 970 CMR 2.16 and a memorandum, M-08-01, to provide guidance regarding the use of federal and state accounts in the context of party committee activity in Massachusetts.

3. OCPF has the power and authority to review and investigate the legality, validity, completeness and accuracy of all reports and actions required to be filed or taken by candidates, treasurers, political committees, and any other person or entity pursuant to M.G.L. c. 55 or any other laws of the Commonwealth relative to campaign contributions and expenditures.

4. OCPF received a complaint referring to a story in the *Boston Globe*, published on June 8, 2015. The newspaper story reported that the Party used federal funds to make payments to three persons who provided services to state candidates including Governor Baker and Lieutenant Governor Polito. The persons paid from the Party's federal account were David Drummond, Christopher Lane, and Charlyce Bozzello. The complaint also alleged that expenditures for rent for the Party's Boston headquarters and for an office used by the Party in Shrewsbury were illegal because the headquarters and Shrewsbury office were used to benefit state candidates. The complaint asked OCPF to investigate whether the arrangement violated the campaign finance law, alleging that some portion of the \$398,598 in Party expenses made from the federal account of the Party between January 1 and April 30, 2015 should be reimbursed by the Baker and Polito Committees to the Party.

II. Facts

1. Having considered and investigated the matters raised in the complaint, OCPF has determined the following facts:

David Drummond

2. According to the *Globe* story, David Drummond, the Party's finance director, was paid from the Party's federal account to raise funds for the political committees organized on behalf of Baker and Polito during 2015.

3. During the period relevant to this Agreement (December 1, 2014 to April 30, 2015) Drummond received payments from the Party's federal account, the Baker Committee, the Polito Committee, and the Baker-Polito Inaugural Committee. At times, specifically in periods of transition, he also provided services to those committees on a voluntary, uncompensated basis. The payments are summarized in the following table, and discussed in the paragraphs which follow.

Payments to David Drummond, December 1, 2014 to April 30, 2015

Drummond's Services provided to:→	Baker-Polito Inaugural Committee	Baker Committee	Polito Committee	Republican State Committee
Period services provided:				
December 2014	\$6,000 paid by Inaugural Committee			
January 2015	\$8,000 paid by Inaugural Committee			
February 2015	\$8,000 paid by Inaugural Committee			
March - April 2015		\$2,000 (Paid by Baker Committee on May 18)	\$1,000 (Paid by Polito Committee on May 18)	\$2,393 (from federal account; payments continue each month after April of between \$3,288/month and \$3,528/month)

4. Drummond provided fundraising services for the Baker-Polito Inaugural Committee during the period December 2014 through early March 2015. The inaugural fund paid him \$22,000 for his services: \$6,000 for services provided in December, \$8,000 for January, and \$8,000 for February.

5. In March, 2015, as his work for the inaugural committee was winding down and as a staff transition was underway at the Party, the Party has stated that he volunteered his personal services on behalf of both the inaugural committee and the Party. Drummond was not paid by the inaugural committee for services provided in March.

6. On April 1, 2015, Drummond commenced his work as the Party's finance director. As finance director, Drummond meets with donors and directs fundraising for both the federal and state accounts of the Party. He also works to raise money for Republican candidates, including Baker and Polito. Because the federal limit on individual contributions to state party committees (\$10,000) is twice the state contribution limit (\$5,000), he is able to raise more money for the federal account than for the state account and initially directs contributions to the federal account. He also helps raise funds for Mass. Victory, the federally organized joint fundraising committee created by the Republican National Committee and the federal account of the Party in Massachusetts. Mass. Victory is organized with the Federal Election Commission as a joint fundraising committee that raises money for the Republican National Committee and the Massachusetts Republican Committee's federal account. Such joint fundraising entities could raise up to \$43,400 during 2015 because the annual limit that could be given to the Republican National Committee's general account was \$33,400 and the limit that could be given to the federal account of the state party was \$10,000.

7. On April 9, 2015, the Party made its first payment to Drummond (\$1,062) from its federal account, for services rendered as finance director in the first week of April. The *Globe* story stated that after the *Globe* began to inquire about expenditures to Drummond, the Baker committee reported its first payment (of \$2,000) to Drummond, and the Polito committee also reported a payment to Drummond (of \$1,000) the same day, May 18, 2015.

8. The payments to Drummond were made pursuant to separate verbal agreements (not formal written contracts) Drummond had with the Baker and Polito Committees. Although the payments to Drummond were made after the *Globe* initiated its inquiries, they were made in response to invoices Drummond claims to have provided to the Baker and Polito Committees in April, before, according to the Party, the *Globe* began its inquiries.

9. Drummond also received payments for his work as finance director twice a month, starting in April, 2015, from the Party's federal account. The amount paid was approximately

\$2,400 in April and \$3,300 per month from May through November. The Party paid these amounts, as allowed under federal regulations, in their entirety from its federal account and did not allocate payments between the Party's federal and state accounts.

10. The complaint alleged that the payments from the Party's federal account to Drummond included payments made for fundraising efforts benefitting the Baker and Polito committees and that such payments should not have been made using federal funds. Under the federal regulations, however, the Party had a choice to allocate the payment between federal and state accounts, or pay the entire amount due to Drummond from the federal account only. The Party chose to pay Drummond entirely from the federal account.

11. Publicly-filed reports of the inaugural committee's deposits and the Party reveal the following receipts, generated substantially through Drummond's efforts as a financial consultant or employee (rounded to the nearest \$1,000) during the time period at issue:

<u>Month</u>	<u>Massachusetts GOP</u>	<u>Baker-Polito Inaugural Committee</u>
December 2014	Federal: \$27,000 ¹ State: \$44,415	\$842,000
January 2015	Federal: \$24,000 State: \$36,000	\$1,160,000
February 2015	Federal: \$93,000 State: \$13,000	\$145,000
March 2015	Federal: \$65,000 ² State: \$6,000	\$182,000

12. The Party paid Drummond entirely from its federal account, and did not allocate payment to Drummond between the federal and state accounts. The Party stated that more than 25% of Drummond's time was spent raising money for the federal account and, therefore, under federal

¹ This figure is from the November 25 to December 31, 2014 report filed with the FEC.

² This figure does not include a transfer of \$120,000 from the Republican National Committee.

regulations, Drummond had to be paid entirely from the federal account.

13. OCPF has determined that Drummond was engaged in providing services to the Baker-Polito inaugural committee and also was involved in federal election activity during the period December 1, 2014 to April 30, 2015. Neither the Party nor Drummond maintained a log reflecting the percent of Drummond's time devoted to federal election matters versus state election matters because since Drummond was raising funds for federal election purposes, the Party understood that it was not required to maintain a log under federal law.

Payments to Christopher Lane and Charlyce Bozzello

14. In March 2015, Hannah Kane of Shrewsbury was a candidate for the State House of Representatives in a special election in the 11th Worcester District. A primary was held on March 3, and Kane was elected in a general election held on March 31.

15. The Party's staff—including Chris Lane, the Party's Political Director, and Charlyce Bozzello, a Regional Field Director for the Party—undertook numerous activities to support Kane's election.

16. Specifically, as the Party's Political Director, Lane worked to identify, recruit and assist state and federal Republican candidates, worked on surveys, including surveys relating to federal issues, and coordinated some of the Party's efforts with the Republican National Committee. In addition, he managed interns and trained Party staff members in data systems, and was responsible for creating a "GOP toolbox" describing tools and services provided by the Party to federal and state candidates. He also worked directly with the Kane Committee, assisting with political strategy and helping recruit and manage volunteers in support of Kane's election.

17. Bozzello provided data collection services for the Party. She also trained volunteers who did field work for Kane and managed the Party's Shrewsbury office. Unlike Lane, she did not engage in any activities in connection with federal elections.

18. As stated above, in paragraph 9, federal law allowed the Party to pay Lane from the Party's federal account, and in accordance with federal law, all payments to Lane starting in August, 2014, when he was promoted to political director, were made from the federal account. Similarly, the Party's payments from the federal account to Bozzello started on October 7, 2014, before there was a special election.

19. While the Party was entitled to pay Lane and Bozzello from its federal account in 2014 and in January 2015, OCPF has determined that, as Lane and Bozzello began to engage in substantial activities in connection with Kane's special election, the Party should have begun compensating them with funds from its state account.

20. However, the Party did not maintain a log defining the extent that Lane and Bozzello's work involved federal election matters versus state election matters. In addition to being required under federal regulations in those instances where a party committee allocates expenses, a monthly log is also required to demonstrate that payment from the federal account to a staff member complies with state regulations, where the employee did little or no work in connection with federal elections during a particular month. *See M-08-01*. OCPF has consistently advised, and advised prior to the expenditures that were made in this case, that party committees must keep a monthly log of staff time where staff provides services both for federal and state activity. *See M-08-01*.

21. Because no logs were maintained to document Lane's and Bozzello's work, it was not possible for OCPF to determine the precise point at which the Party should have begun to compensate them using funds from its state account. Nevertheless, based upon its investigation, OCPF believes that Bozzello was engaged exclusively in activities in connection with state elections during the weeks immediately preceding the special election for the 11th Worcester House seat, and that Lane was engaged primarily in such activities during that same time.

22. Accordingly, OCPF has determined that the amount paid from the federal account that should be attributed to efforts in connection with Kane's election was \$5,152, comprised of all or portions of payments made from the Party's federal account to Lane (\$3,357) and Bozzello (\$1,795)

during the period February 11 through April 8. Specifically, these amounts are the sum of the following payments made from the federal account to Lane and Bozzello for work done in connection with Kane's election prior to the special election:

Payments to Lane between March 11 and April 8 in connection with Kane election:

\$1,457	(paid on March 11, 2015)
\$1,267	(paid on March 25, 2015)
<u>\$633</u>	(1/2 of the \$1,267 paid on April 8, 2015)
\$3,357	

Payments to Bozzello between February 11 and April 8 in connection with Kane election:

\$606	(paid on February 11, 2015)
\$202	(paid on February 25, 2015)
\$202	(paid on March 11, 2015)
\$202	(paid on March 25, 2015)
<u>\$583</u>	(paid on April 8, 2015)
\$1,795	

23. In sum, because no log was maintained, and based on the office's review of the work done, OCPF has determined that all of the payments made to Bozzello between February 11 and April 8, and a portion of the payments made to Lane between March 11 and April 8, should have been made from the Party's state account, and not from the Party's federal account.

Payments for office space

24. The Party began renting an office in Shrewsbury on August 15, 2014. The lease expired after the November 2014 election. Following the expiration of the initial term, the Party moved to another space in the same complex and has rented the space on a month-to-month basis without a lease since. The monthly rental for Shrewsbury was initially \$1,000 per month, increasing to \$1,200 per month after November 15, 2014. The rental payments for the Shrewsbury office, which continued in 2015, were paid from the Party's federal account.

25. The Shrewsbury office was part of an effort by the Party to maintain the Party's presence in the Worcester area (the Party, for several years, had an office in Worcester), to provide a convenient location for meetings, including meetings of party subcommittees, and serve as a satellite storage facility (for storage of laptops printers, phone systems and other equipment, and also campaign materials such as yard signs). Some of the material stored in the office was used to support federal candidates.

26. In addition to being used by Kane for phone banking and other campaign activities late in 2014 and in 2015, the Shrewsbury office was also used by the Party during that period to prepare for the 2016 election. The Party anticipates that the office will also be used by other Republican candidates, including candidates for federal office. As discussed below, in Part III, federal regulations allowed the Party to make expenditures for rent entirely from its federal account, without allocating expenses between federal and state accounts.

27. During 2015, the Party used its federal account to pay rent for its Boston headquarters. As with the Shrewsbury office, federal regulations allowed the Party to make expenditures for rent entirely from its federal account, without allocating expenses between federal and state accounts.

28. Both offices are used for voter identification and get-out-the-vote activity, to recruit volunteers and Republican candidates for federal and state office, for Party administrative functions, and to collect data, for example by setting up phone banks to conduct polls, including polls relating to federal issues relevant to the 2016 election.

29. During 2015, the Party chose not to allocate expenditures for office space between the Party's federal and state accounts.

III. OCPF's Legal Analysis and Conclusions

1. Background

State party committees have separate federal and state accounts. To comply with federal law, the federal account must be used for any federal election activity or activities in connection

with federal elections. Expenditures that solely relate to state election activity may, under federal law, be paid for from the state account. For expenditures that relate to both federal and state election activity, federal law gives committees an option to pay part of the expense from the federal account while paying the remainder from the state account. This is referred to in the regulations as “allocation” of expenditures.

Unlike other cases that have featured an element of federal committee expenditures, this case involves allocation, a term defined by federal law. It does not involve a *transfer* from a federal political committee to a candidate or candidate’s committee. Transfers are prohibited by the Massachusetts campaign finance law. See M.G.L. c. 55, § 7. Instead, this case requires OCPF’s evaluation of decisions by a party committee to allocate, or not allocate, expenditures for administrative costs and salaries. Allocation is regulated by federal law, which is administered by the FEC.³

The FEC requires that a state political party pay all rent and salary expenses either entirely with funds from its federal account, or with an allocated mix of federal and nonfederal funds. The FEC requires a party committee to use 100% federal funds to compensate employees who spend more than 25% of their compensated time in a given month on federal election activities or activities in connection with a federal election, and further requires a party to compensate employees who spend 25% or less of their time on federal matters using **either** entirely federal funds or an allocated mix of federal and nonfederal, i.e., state account, funds. It also allows state party committees to pay rent solely from their federal account.⁴

11 C.F.R. § 106.7 is the federal allocation regulation for non-federal political party committees. It establishes five classifications of expenditures, two of which are relevant in this case: (1) salaries, wages and fringe benefits; and (2) administrative costs—defined to include “rent,

³ Interested persons seeking guidance regarding the operation of the allocation rules should contact the FEC. OCPF provides guidance regarding the state, not the federal, campaign finance law.

⁴ The federal regulations broadly define federal election activity, and state that such activity must be paid from funds subject to the federal campaign finance restrictions. The law reflects an intent to prevent funds not regulated by federal law from being spent in federal elections since in most states, the state campaign finance law is less restrictive than the federal law.

utilities, office equipment, office supplies, postage for other than mass mailings, and routine building maintenance, upkeep and repair.” 11 C.F.R. § 106.7(c)(1) & (2). Each type of expenditure is subject to a different allocation requirement.

The Massachusetts campaign finance law allows a state party committee to make unlimited in-kind contributions to a candidate from the party committee’s non-federal (state) account. *See* M.G.L. c. 55, § 6 (4th paragraph, which specifies that limits on party committee contributions apply to “contributions of money”). Expenditures by the Party made in coordination with candidates are subject to the limits of the campaign finance law and regulations. 970 CMR § 2.16 is the Massachusetts regulation at issue. It states that “all state committee expenditures made primarily for the purpose of aiding, promoting or preventing the nomination or election of any person to a state or local public office must be made from the state account, **unless such expenditure is required to be made out of the federal account** of the state committee by the Federal Election Campaign Act or regulations promulgated under its authority.” 970 CMR § 2.16(2) (emphasis added).

A. Expenditures for Rent

The federal allocation regulation requires that a political party’s expenditures for rent⁵ must either be paid entirely from a party’s federal account, or *may* be allocated between federal and non-federal accounts. 11 C.F.R. § 106.7(c)(2). In other words, as OCPF noted in M-08-01, “Federal regulations require that administrative costs such as rent, utilities, office equipment, postage, etc. **may be paid entirely from the federal account**, or the cost may be allocated between federal and state accounts in accordance with federal rules” (emphasis added.)

⁵ Expenditures for utilities, office equipment, office supplies, postage and maintenance are treated the same way as expenditures for rent.

If a party committee opts not to pay such costs entirely from its federal account, but instead chooses to allocate them, the regulation further requires that, in a presidential and non-senatorial election year such as 2016 and in the preceding year (2015), the party “must allocate at least 28% of administrative expenses to [its] Federal account.” 11 C.F.R. § 106.7(d)(2)(i). This requirement reflects a determination by the Federal Election Commission that—even in an off-year such as 2015—a state party committee is at all times engaging in some minimum level of federal activity which, pursuant to federal law, must be paid with funds from the party’s federal account. The 28 percent requirement applies only to party committees that are allocating. It does not apply to committees, like the Massachusetts Republican Party, that have elected to pay one hundred percent of administrative costs using federal funds.

B. Salaries, Wages and Fringe Benefits

The treatment of salaries, wages and fringe benefits is more complex, and is subject to a three-tiered approach. Under the federal allocation regulation, a political party **must** compensate employees who spend **more than 25 percent** of their time in a given month on federal election activities, or on activities in connection with a federal election, **entirely with federal funds**. 11 C.F.R. § 106.7(d)(1)(ii). OCPF recognizes this requirement and incorporates it into its own regulations. *See* OCPF Memo M-08-01.⁶

Federal rules also state that a party **may** compensate employees who spend 25 percent or less of their time on federal matters using one hundred percent federal funds, or using federal and non-federal funds pursuant to an allocation. 11 C.F.R. § 106.7(d)(1)(i). *See* M-08-01.⁷

⁶ “Under federal regulations, wages and fringe benefits for all employees paid by the state party **must be paid from the federal account** for these employees who spend more than 25% of their compensated time in a given month on federal election activities or on activities in connection with a federal election.” M-08-01 at p. 2 (emphasis added.)

⁷ Employees who spend 25% or less of their compensated time on federal election activities **may be paid entirely from the federal account** or the party may allocate these salaries between federal and non-federal accounts in the same manner as administrative expenses, in accordance with the method defined in 11 CFR 106.7(d)(2).” *See* M-08-01 at p. 2 (emphasis added).

However, for employees who spend “**none** of their compensated time in a given month on Federal election activities or on activities in connection with a federal election,” the party “**may**” under the federal rules pay those employees entirely with non-federal funds. 11 C.F.R. § 106.7(d)(1)(iii) (emphasis added). OCPF, however, **requires** Massachusetts state party committees to compensate such employees using 100% state funds, stating in M-08-01 that the salary “of employees who spend none of their compensated time in a given month on federal election activities or on activities in connection with a federal election may, under federal regulations, be paid entirely with funds from the state account (but under OCPF regulations, such expenditures **must** be paid from the state account).” (Emphasis in original).

2. Questioned Expenditures

(a) Payments to Christopher Lane, Charlyce Bozzello and David Drummond

As discussed above, wages and fringe benefits for all employees paid by the Party must be paid from the federal account of Party for those employees who spend more than 25% of their compensated time in a given month on federal election activities or on activities in connection with a federal election. Employees who spend 25% or less of their compensated time on federal election activities may be paid entirely from the federal account or the party may allocate these salaries between federal and non-federal accounts in the same manner as administrative expenses, in the manner defined in federal regulations. Where parties allocate payment of salary, the Party must keep a monthly log of such activity to demonstrate compliance. Wages and fringe benefits of employees who spend none of their compensated time in a given month on federal election activities or on activities in connection with a federal election must be paid, under state law, from the state account.

The expenditures from the Party’s federal account to pay Lane and Bozzello made during the period immediately before the special election on March 31, 2015, did not comply with OCPF’s regulations and guidance, as discussed below.

Lane and Bozzello's work for the Party supported Kane in her special election campaign for state legislative office. The fact that the Party later might use the results of that work, including data and volunteers, in support of federal candidates, is too tenuous a connection to establish that the work itself is in connection with a federal election, such that the Party would be entitled to pay for it using funds from its federal account.

Thus, OCPF concludes that, during the period leading up to the special election, Lane and Bozzello devoted their time to state election purposes. The Party did not allocate payments to Lane and Bozzello between the Party's federal and state accounts, although OCPF believes that significantly less than 25% of the time for these employees was spent on federal election activities during the weeks immediately before the special election.

The Party did not keep a log defining the extent to which Lane and Bozzello provided federal election vs. state election related services. Unlike in the situation with Drummond, where demonstrably **more** than 25% of Drummond's time was devoted to federal election matters, as evidenced by contributions received by the Party's federal account, the Party could not demonstrate that Bozzello and Lane spent enough of their time on federal election matters during the period before the special election to support payment of 100% of their compensation from the Party's federal account. OCPF has accordingly determined that the payments made to Bozzello from February through April 2015 should have been paid entirely from the state account, and the payments made to Lane on March 11 and March 25, 2015, and 1/2 of the payment made on April 8, 2015, should have been paid entirely from the state account.

In contrast, however, the payments made to Drummond from the Party's federal account, complied with the federal regulations and OCPF guidance because Drummond, while being paid from the federal account, spent more than 25% of his time in federal election related activity, i.e., to raise money into the Party's federal account. Given this circumstance, the federal account *was required* to be used for all of Drummond's payments.

(b) Payments for Office space

Based upon OCPF's review of the Party's expenditures, OCPF has concluded that the payments for office space did not violate the campaign finance law. The offices were used, in part, for federal election activity and activities in connection with federal elections.

Federal regulations specify that administrative expenses such as rent, utilities, office equipment, postage, etc., may be paid entirely from a party's federal account, or the cost may be allocated between federal and state accounts in accordance with federal rules. *See* 11 CFR 106.7(d)(2) and M-08-01. Although it may have been a preferable policy decision to allocate part of the office cost from the Party's state account, the decision to pay entirely from the Party's federal account was consistent with the federal regulations and M-08-01.

IV. The Party's Position

The Party maintains that federal law permits it to pay 100% of overhead and administrative expenses, including but not limited to employee salaries and benefits, using funds from its federal account. The Party relies upon Federal Election Commission Advisory Opinion 1993-17 (Massachusetts Democratic Party) and further maintains that, to the extent Massachusetts law and regulation would compel the Party to use state funds to pay for all or a portion of expenses that federal law permits to be paid entirely from the Party's federal account, federal law preempts Massachusetts law.

The Party also asserts that, even if Massachusetts law is not preempted, at least 25 percent of the work performed by all of its employees during the time at issue constituted federal election activities or activities in connection with a federal election, such that the Party was entitled under both federal and state law to compensate them using entirely federal funds. The Party further asserts that, even if Massachusetts law is not preempted, and even if the employees at issue did not spend at least 25 percent of their time on federal matters, the Party still demonstrated to OCPF that those employees performed at least some federal work in each of the months at issue, therefore entitling

the Party to compensate them using entirely federal funds. The Party also contends that, because data Bozzello collected and volunteers she trained during the time period at issue later could and would be used by the Party in connection with federal elections, and because she managed an office that stored assets of the Party's federal account and was paid for with funds from the Party's federal account, Bozzello was engaged in activities in connection with federal elections.

Lastly, the Party contends that the Federal Election Commission does not require "non-allocating" committees, like the Party, which have opted to pay 100 percent of employee salaries and benefits using funds from their federal accounts, to keep employee time logs, and that OCPF's recitation of the log requirement for "allocating" committees, in the middle of a paragraph summarizing the federal allocation regulations, is insufficient to establish employee time logs as a matter of Massachusetts law.

Nevertheless, to avoid the costs and uncertainty of further investigation and potential litigation, reserving all legal rights and arguments with respect to those rights, and without admitting any violation of laws or regulations at issue, the Party has agreed to this disposition.

V. Resolution

In order to resolve the matters now before OCPF, OCPF and the Party agree, pursuant to 970 CMR 3.07(1) and M.G.L. c. 55, § 3, for the purposes of this Agreement only, as follows:

1. Upon execution of this Agreement:

(a) The Party will make a payment, from its state account, to its federal account, in the amount of \$5,152.

(b) The Party will make a payment to the Commonwealth of Massachusetts in the amount of \$2,500, in the nature of a civil forfeiture.

2. OCPF agrees not to refer the Party or any person associated with it to any other governmental agency, including without limitation, the Office of the Attorney General, for any failure to comply with the provisions of M.G.L. c. 55 during the period that is referenced in the Agreement.

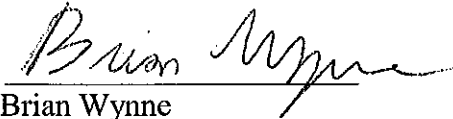
3. OCPF and the Party have entered into this Agreement, knowingly and voluntarily, in an effort to resolve all matters set forth in the Agreement. It is an agreement, each party preserving their respective positions, and not a final adjudication of the merits of those positions.

4. This Agreement is a public record under Section 7 of M.G.L. c. 4 and shall be subject to public inspection as required by Section 10 of M.G.L. c. 66.

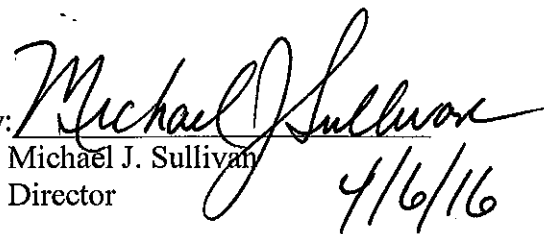
MASSACHUSETTS REPUBLICAN
STATE COMMITTEE

OFFICE OF CAMPAIGN AND
POLITICAL FINANCE

By:


Brian Wynne
Executive Director

By:


Michael J. Sullivan
Director
4/6/16