

DISPOSITION AGREEMENT

This disposition agreement (“Agreement”) is entered into as of September 4, 2020, by and between the Office of Campaign and Political Finance (“OCPF”), Select Demo Services, L.L.C. (“Select Demo”), and Select Demo’s President, Ryan Denver (“Denver”). The parties mutually agree to this Disposition Agreement, as follows:

I. Introduction

1. Select Demo is a limited liability company registered in the State of New Hampshire. Ryan Denver is Select Demo’s President.

2. The fundraising activities on behalf of candidates and political committees, as described in this Agreement, are subject to the provisions of M.G.L. c. 55, the Massachusetts campaign finance law.

3. At all times relevant to this Agreement, the Committee to Elect Martin J. Walsh (the “Walsh Committee”) and the Committee to Elect Michael Flaherty (the “Flaherty Committee”) were duly organized political committees subject to the provisions of M.G.L. c. 55.

4. 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 political contributions and expenditures.

5. The political contributions and other activities noted herein are subject to the provisions of M.G.L. c. 55 and the regulations promulgated thereunder.

II. Facts

1. After a routine review of the campaign reports filed by the Committees referenced above in Section I, OCPF commenced an investigation to determine whether the contributions were actually made by the named contributors using their own funds. Denver, on behalf of Select Demo, cooperated with OCPF’s investigation.

2. Based upon a review of bank records and other information obtained by OCPF, OCPF determined that several employees of Select Demo, as well as other individuals affiliated with Select Demo and/or its employees, received and deposited funds from Select Demo into their personal checking accounts either shortly before or shortly after they made contributions to candidates.

III. Specific Transactions

1. On or about September 19, 2019, one Select Demo employee made a contribution to the Flaherty Committee, in the amount of \$1,000. Select Demo acknowledges that the employee was either reimbursed for the contribution to the Flaherty Committee with corporate funds, or was provided corporate funds that were ultimately used to make the contribution.

2. In December 2019, twenty Select Demo employees and/or other individuals affiliated with Select Demo made contributions to the Walsh Committee. Each contribution was in the amount of \$1,000, made via personal check written on the individual's personal checking account, or charged to the individual's personal credit card. The contributions made via personal check were dated on or about December 4, 2019. On or about December 3, 2019, Select Demo issued checks to each of the named contributors in the amount of \$1,000.

3. All of the contributions referenced in Section III, Paragraphs 1 and 2 were made at the request or suggestion of Denver, with assurances that any contributions made as a result of his request could be submitted to Select Demo for reimbursement. All of the contributions were made voluntarily; none of the contributors were pressured to make the contributions.

4. The Committees had no knowledge of the conduct OCPF has concluded violates Chapter 55 until notified about its investigation and conclusions. These contributions were made using personal checks drawn on the individual checking accounts of the named contributors, or using the contributors' personal credit or debit cards. It would have appeared to the Committees that the funds, absent other information, were, in fact, from the personal accounts of these individuals. OCPF has no reason to believe that the Committees knew or had any reason to suspect that the named contributors did not, in fact, make the contributions from their own personal funds.

5. The Committees fully cooperated with OCPF upon learning of OCPF’s investigation. The Committees will voluntarily disgorge the contributions received, in the aggregate amounts of \$1,000 (by the Flaherty Committee) and \$20,000 (by the Walsh Committee) in accordance with G.L. c. 55, § 18 by September 30, 2020.

IV. Conclusions

Based upon OCPF’s review, OCPF has concluded that Select Demo violated the following Section of Chapter 55:

1. Corporate Contributions – M.G.L. c. 55, § 8

Section 8 states that limited liability corporations (LLCs) may not “directly or indirectly” contribute to a candidate. The statute also provides that officers or agents acting on behalf of an LLC may not make such contributions using corporate money. Select Demo, in violation of Section 8, provided funds totaling at least \$21,000 to persons who used all of the funds provided to make contributions to candidates.

2. Contributions Made in a Manner Intended to Disguise the True Source of the Contributions – M.G.L. c. 55, § 10

Section 10 states that no person may “make a campaign contribution in any name except his own, or in any manner for the purpose of disguising the true origin of the contribution . . .”. Select Demo violated this provision by arranging for persons associated with Select Demo to make multiple contributions, totaling at least \$21,000, using Select Demo funds in a manner that disguised the true origin of the funds.

V. Respondents’ Position

Whoever contributed funds ultimately derived from Select Demo did so willingly, voluntarily, and without malintent. Although Denver was unaware of Chapter 55 at the time, he now understands how conduct as described in Section III may be viewed as a violation of campaign finance laws. Denver only wanted to support candidates whom he believed shared similar values. Neither Denver nor Select Demo has ever asked for or received anything in exchange for supporting the particular candidates; indeed, Select Demo has never directly bid for or performed work for the City of Boston.

VI. Resolution

In order to resolve the matters now before OCPF, and preserving their respective positions and conclusions, the parties 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, Select Demo will make a payment totaling \$75,000 to the Commonwealth of Massachusetts in the nature of a civil forfeiture.
2. Select Demo and Denver, in both his individual capacity and as President of Select Demo, further agree not to provide or arrange to provide funds to any third person or entity to enable that person or entity to make a political contribution to any Massachusetts candidate or political committee.
3. Select Demo and Denver have voluntarily implemented an educational program relating to matters addressed in this Agreement, to be completed by all employees of Select Demo by September 30, 2020.
4. OCPF agrees not to refer Select Demo or Denver 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, cited herein, with respect to the conduct that is specifically referenced in this Agreement.
5. OCPF may, at any time, review compliance with this Agreement. If it believes that the provisions of this Agreement have been violated, after notice to Select Demo, OCPF may, notwithstanding the provisions of the foregoing paragraph, proceed with any action consistent with M.G.L. c. 55 or otherwise authorized by law.
6. This Agreement shall be binding upon OCPF, Select Demo, and Denver, including their successors.
7. This Agreement constitutes a complete disposition of all matters specifically referenced herein for the referenced period.

8. The parties have entered into this Agreement, knowingly and voluntarily, in an effort to resolve all matters set forth in the Agreement.

9. 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.

SELECT DEMO SERVICES, LLC

By: Ryan Denver
Ryan Denver, President

RYAN DENVER

By: Ryan Denver
Ryan Denver, Individually

OFFICE OF CAMPAIGN AND
POLITICAL FINANCE

By: Michael J. Sullivan
Michael J. Sullivan
Director Pro Tem