

RECEIVED

By Office of the Commission Secretary at 11:24 am, Nov 30, 2017



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

SENSITIVE

MEMORANDUM

TO: The Commission

FROM: Erin Chlopak *EC*
Acting Associate General Counsel for Policy

Lorenzo Holloway *LH*
Assistant General Counsel
Compliance Advice

Margaret J. Forman *MJF*
Attorney

SUBJECT: Administrative Termination Referral – Coalition of Americans for Political Equality (C00493486) (AT 16-01)

I. INTRODUCTION

We recommend that the Commission administratively terminate the Coalition of Americans for Political Equality (the “Committee”) at this time because the Committee now meets all of the requirements for administrative termination. 11 C.F.R. § 102.4.

II. BACKGROUND

The Reports Analysis Division (“RAD”) referred the Committee to the Office of General Counsel (“OGC”) for possible administrative termination after the Committee made “a formal request ... for Administrative termination of its filing requirements.” *See* Attachment 1 at 14-15 (Correspondence from Margaret Berardinelli, Treasurer, to Christopher Morse, Requesting Administrative Termination of Coalition of Americans for Political Equality PAC (Jan. 5, 2016)). The Committee’s last filed report, the 2017 Mid-Year Report filed on July 3, 2017, disclosed \$0 in receipts, disbursements, and cash-on-hand, and \$386,137.58 in disputed debts owed to three vendors. *See* Attachment 2. The Committee has been filing reports showing no financial activity since its 2014 April Quarterly Report, which disclosed \$1,898.24 in disbursements on February 18, 2014.

In our previous memorandum to the Commission on the Committee's request for administrative termination, we recommended that the Commission not administratively terminate the Committee because it had a disputed debt of \$318,484.46 with Google, a Federal contractor, and we needed more information about the resolution of that disputed debt. *See* Attachment 2. In that memorandum, we noted that the Commission may administratively terminate a political committee's reporting obligation on its own initiative or upon the committee's request based on eight factors set forth at 11 C.F.R. § 102.4(a). *See* Attachment 2. We analyzed the eight factors and concluded that the Committee satisfied all but one factor, and, therefore, advised against administrative termination at that time. *Id.* The remaining factor pertained to the Committee's outstanding, disputed debt with Google. We did not know at that time whether the Committee's outstanding debt to Google would result in a contribution to the Committee. *Id.*; *see* 11 C.F.R. § 102.4(a)(6).

The Commission approved our recommendation not to administratively terminate the Committee, and advised the Office of General Counsel to send a letter to the Committee informing it of its options. *See* Attachment 3. The Commission provided three options: (1) If the Committee resolves the dispute in a manner that demonstrates that there is no debt owed to Google, the Committee should notify the Commission that the debt has been resolved in this manner; (2) If the Committee resolves the dispute in a manner that acknowledges that there is a debt, the Committee may either pay the full amount owed (and notify the Commission of such) or settle with Google to pay a lesser amount (and submit a debt settlement plan on FEC Form 8); (3) If the Committee believes that the applicable state statute of limitations has expired as to the debt in question, the Committee should notify the Commission and reference the Office of the General Counsel's correspondence and Advisory Opinion 1999-38 (Calvert). *Id.*

III. THE COMMISSION SHOULD ADMINISTRATIVELY TERMINATE THE COMMITTEE

The Committee responded 16 months later with a "2nd Request for Administrative Termination of Coalition of Americans for Political Equality PAC Committee ID C00493486." *See* Attachment 4. The Committee asserts that the applicable state statute of limitations has expired with respect to the disputed debt with Google.¹ The Committee notes that five years have passed, and, citing California Civil Code of Procedure §§ 337 and 339, further notes that the collection of the disclosed debts is now legally barred. *See* Attachment 4.

We agree with the Committee that California law governs the determination of the applicable statute of limitations, as both the Committee and Google are physically located in California and their agreement, whether written or oral, originated there. Under the California Civil Code of Procedure, the statute of limitations for written contracts is four years, while the limitations period for oral contracts is two years "from the date upon which the facts that entitle the aggrieved party to rescind occurred." Cal. Civ. Proc. Code §§ 337 and 339. It is unclear here

¹ As directed by the Office of the General Counsel, the Committee referenced the Office of the General Counsel's correspondence and Advisory Opinion 1999-38 (Calvert).

whether the agreement between the Committee and Google was written or oral, because the Committee has informed us that it has no record of an executed written contract with Google for its services. The Committee states that it received an unexecuted contract approximately two months after services began, but at that time services had already ceased due to the billing dispute. *See* Attachment 5. We are therefore uncertain as to which statute of limitations period applies, however, we believe the limitations period has run even if the longer, four-year period applies.

California courts have recognized “the maxim that ‘in ordinary tort and contract actions, the statute of limitations begins to run upon the occurrence of the last element essential to the cause of action.’ ” *April Enters., Inc. v. KTTV*, 147 Cal.App.3d 805, 195 Cal.Rptr. 421, 432 (1983) (internal alterations omitted) (quoting *Neel v. Magana, Olney, Levy, Cathcart & Gelfand*, 6 Cal.3d 176, 98 Cal.Rptr. 837, 491 P.2d 421 (1971)). The possible cause of action in this matter would have been breach of contract for non-payment of the Committee’s debt.² The last essential element for a breach of contract is the failure by one party to perform a duty required by the contract. *Abbit v. ING USA Annuity and Life Ins. Co.* 999 F.Supp.2d 1189, 1197 (S.D. Cal. 2014) (citing *Harris v. Rudin, Richman & Appel*, 74 Cal.App.4th 299, 307 (1999) (breach of contract claim in California requires that plaintiff state defendant’s failure to perform)). The Committee arguably breached its contract with Google when it failed to pay the disputed bill on the date it was due, *i.e.*, September 30, 2012. *See* Attachment 6. Even if the longer, four-year statute of limitations period applies, it is still too late for Google to file suit for breach of contract. Cal. Civ. Proc. Code § 337.

The Commission has previously considered disputed debts in an administrative termination, and has concluded that a committee with a disputed debt may request, and be granted, administrative termination under section 102.4(a), so long as the committee satisfies all eight factors for administrative termination.³ Advisory Opinion 1990-15 (Kramer); *see also* Advisory Opinion 1999-38 (Calvert) (acknowledging the conclusion in Advisory Opinion 1990-15 (Kramer) that the Commission may consider the expiration of the statute of limitations regarding the collection of a committee’s remaining, disputed debts as a factor in evaluating a request for administrative termination).

The Commission has already considered the other seven factors set forth at 11 C.F.R. § 102.4(a); the only remaining factor to consider here is the Committee’s disputed debt with Google. We therefore recommend that the Commission approve the Committee’s request for administrative termination at this time.

² We reference breach of contract only as a possible cause of action because Google never filed suit to recover the debt.

³ The running of the statute of limitations for disputed debts is a factor that the Commission may consider in administrative terminations, but is not, in itself, proof that no contribution occurred. *See* Advisory Opinion 1988-44 (Bonner). Based on the available information, we are not aware of any other factor indicating a possible contribution from Google to the Committee.

IV. RECOMMENDATION

We recommend that the Commission administratively terminate the Coalition of Americans for Political Equality, approve appropriate letters, and close the file.

Attachments:

Attachment 1 – Administrative Termination Referral from Patricia C. Orrock, Chief Compliance Officer, Debbie Chacona, Assistant Staff Director, and Kristin D. Roser, Compliance Branch Chief, Reports Analysis Division, dated February 8, 2016

Attachment 2 – Memorandum to Commission regarding Administrative Termination Referral – Coalition of Americans for Political Equality (AT 16-01) (March 22, 2016)

Attachment 3 – Correspondence to Coalition of Americans for Political Equality (April 26, 2016)

Attachment 4 – Correspondence from Coalition of Americans for Political Equality (September 1, 2017)

Attachment 5 – Email from Marc Bonanni to Margaret J. Forman

Attachment 6 – Invoice from Google to Coalition of Americans for Political Equality (September 30, 2012)



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

February 8, 2016

MEMORANDUM

To: Daniel A. Petalas
Acting General Counsel

Through: Alec Palmer
Staff Director

From: Patricia C. Orrock *PCO*
Chief Compliance Officer

Debbie Chacona *DC*
Assistant Staff Director
Reports Analysis Division

By: Kristin Roser *KR*
Compliance Branch Chief
Reports Analysis Division

Subject: Administrative Termination Referral

The committee referenced within this memorandum is being referred to the Office of General Counsel (OGC) pursuant to the Reports Analysis Division (RAD)'s 2015-2016 *Review and Referral Procedures for Unauthorized Committees (Standard 29)*.

The highlighted committee does not meet the criteria for administrative termination by RAD and, as such, is being referred to your office for further research and a final recommendation of disposition to the Commission.

A brief summary of the committee's status, activity and supporting information is provided for the convenience of OGC.

If you should have any questions, please contact Kristin Roser, Compliance Branch Chief, at extension 1153.

Committee: Coalition of Americans for Political Equality (C00493486)
13681 Newport Avenue - Suite 8617
Tustin, CA 92780

Treasurer: Margaret Berardinelli

Committee Type: Independent Expenditure-Only Committee

Last Report Filed: 2015 Year- End - Filed as a Termination Report
(Image: 201601059004432805)

Cash on Hand: \$0.00

Total Obligations: \$386,137.58

Committee Contacts: Margaret Berardinelli, Treasurer - [REDACTED]
Mark Bonanni - (949) 293-1177
Shawna Polk - [REDACTED]

The Coalition of Americans for Political Equality committee filed a request for Administrative Termination on 1/9/2016. The committee's last filed report, the 2015 Year- End Report, filed as a Termination report and received on 1/5/2016, disclosed \$0.00 in receipts and \$0.00 in disbursements, an ending cash-on-hand balance of \$0.00 and \$386,137.58 in disputed debts owed to two vendors. The committee has been filing zero activity reports since the 2014 April Quarterly Report which disclosed \$1,898.24 in disbursements on 2/18/2014.

The committee has no outstanding compliance or enforcement matters. RAD last made contact with the committee on 2/5/2016.

Attachment 1: O-Index

Attachment 2: RAD Communication Log

O-Index (2015-2016)															
Cmte. ID: C00493486 Cmte. Name: COALITION OF AMERICANS FOR POLITICAL EQUALITY															
Treasurer Name: MARGARET BERARDINELLI Address: 13681 NEWPORT AVENUE SUITE 8617, TUSTIN, CA 92780															
Cmte. Type: O (INDEPENDENT EXPENDITURE-ONLY COMMITTEE) Cmte. Designation: U (UNAUTHORIZED) Filing Frequency: QUARTERLY FILER															
Form Tp	Rpt Tp	A/I	Recpt Dt	Pgs	Begin Img#	Beg Cvg Dt	End Cvg Dt	Ltr Mail Dt	Begin Cash	Recpts	Disb	End Cash	Debits	Loans	Debits & Loans
F3XN	MY	N	7/3/2015	9	201507039000055337	1/1/2015	6/30/2015		\$0	\$0	\$0	\$0	\$321,137	\$65,000	\$386,137
F3XN	TER	N	1/5/2016	9	201601059004432805	7/1/2015	1/5/2016		\$0	\$0	\$0	\$0	\$321,137	\$65,000	\$386,137
F1	T		1/9/2016	4	201601110300037669				-	-	-	-	-	-	-
Totals									\$0	\$0	\$0	\$0	\$0	\$0	\$0

O-Index (2013-2014)															
Cmte. ID: C00493486 Cmte. Name: COALITION OF AMERICANS FOR POLITICAL EQUALITY															
Treasurer Name: MARGARET BERARDINELLI Address: 13681 NEWPORT AVENUE SUITE 8617, TUSTIN, CA 92780															
Cmte. Type: O (INDEPENDENT EXPENDITURE-ONLY COMMITTEE) Cmte. Designation: U (UNAUTHORIZED) Filing Frequency: QUARTERLY FILER															
Form Tp	Rpt Tp	A/I	Recpt Dt	Pgs	Begin Img#	Beg Cvg Dt	End Cvg Dt	Ltr Mail Dt	Begin Cash	Recpts	Disb	End Cash	Debits	Loans	Debits & Loans
MS-T			7/29/2013	4	13031102122	4/1/2012	6/30/2012		-	-	-	-	-	-	-
F3XN	MY	N	7/26/2013	9	13964445595	1/1/2013	6/30/2013		\$1,898	\$0	\$0	\$1,898	\$321,137	\$65,000	\$386,137
F3XA	MY	A	7/26/2013	9	13964447249	1/1/2013	6/30/2013		\$1,898	\$0	\$0	\$1,898	\$321,137	\$130,000	\$386,137
F3XN	YE	N	1/28/2014	9	14960066465	7/1/2013	12/31/2013		\$1,898	\$0	\$0	\$1,898	\$321,137	\$65,000	\$386,137
F3XN	Q1	N	4/25/2014	10	14941158995	1/1/2014	3/31/2014		\$1,898	\$0	\$1,898	\$0	\$321,137	\$65,000	\$386,137
F3XN	Q2	N	7/8/2014	9	14961531773	4/1/2014	6/30/2014		\$0	\$0	\$0	\$0	\$321,137	\$65,000	\$386,137
F3XN	Q3	N	10/8/2014	9	14978096799	7/1/2014	9/30/2014		\$0	\$0	\$0	\$0	\$321,137	\$65,000	\$386,137
F3XN	12G	N	10/21/2014	9	14951891868	10/1/2014	10/15/2014		\$0	\$0	\$0	\$0	\$321,137	\$65,000	\$386,137
F3XN	30G	N	12/1/2014	9	14952659954	10/16/2014	11/24/2014		\$0	\$0	\$0	\$0	\$321,137	\$65,000	\$386,137
F3XN	YE	N	1/9/2015	9	15950015586	11/25/2014	12/31/2014		\$0	\$0	\$0	\$0	\$321,137	\$65,000	\$386,137
F24N	24		3/20/2013	2	13940492728				-	-	-	-	-	-	-
F24N	48		3/20/2013	2	13940492849				-	-	-	-	-	-	-
F24N	48		3/20/2013	1	13940492896				-	-	-	-	-	-	-
F24N	48		4/11/2013	2	13940523713				-	-	-	-	-	-	-
F24N	48		4/11/2013	5	13940525389				-	-	-	-	-	-	-
F24N	48		4/26/2013	2	13962148408				-	-	-	-	-	-	-
Totals									\$0	\$1,898	\$0	\$0	\$0	\$0	\$0

O-Index (2011-2012)															
Cmte. ID: C00493486 Cmte. Name: COALITION OF AMERICANS FOR POLITICAL EQUALITY															
Treasurer Name: MARGARET BERARDINELLI Address: 13681 NEWPORT AVENUE SUITE 8617, TUSTIN, CA 92780															
Cmte. Type: O (INDEPENDENT EXPENDITURE-ONLY COMMITTEE) Cmte. Designation: U (UNAUTHORIZED) Filing Frequency: QUARTERLY FILER															
Form Tp	Rpt Tp	A/I	Recpt Dt	Pgs	Begin Img#	Beg Cvg Dt	End Cvg Dt	Ltr Mail Dt	Begin Cash	Recpts	Disb	End Cash	Debits	Loans	Debits & Loans
MS-T			8/25/2012	2	12030881675				-	-	-	-	-	-	-
MS-N		A	9/6/2012	1	12330012083				-	-	-	-	-	-	-
RQ2	YE	N	5/18/2012	2	12330006530	7/1/2011	12/31/2011	5/18/2012	-	-	-	-	-	-	-
RQ2	Q2	A	2/6/2013	2	13330021952	4/1/2012	6/30/2012	2/6/2013	-	-	-	-	-	-	-
RQ2	Q2	A	5/21/2013	2	13330032115	4/1/2012	6/30/2012	5/21/2013	-	-	-	-	-	-	-
RQ2	Q3	N	2/7/2013	6	13330022054	7/1/2012	9/30/2012	2/7/2013	-	-	-	-	-	-	-
RQ2	12G	A	5/21/2013	4	13330032117	10/1/2012	10/17/2012	5/21/2013	-	-	-	-	-	-	-
RQ2	30G	A	5/21/2013	4	13330032121	10/18/2012	11/26/2012	5/21/2013	-	-	-	-	-	-	-
F3X	Q1	N	4/18/2011	10	11030593879	1/1/2011	3/31/2011		\$0	\$175	\$0	\$0	\$175	\$0	\$0
F3X	Q2	N	7/11/2011	7	11030623617	4/1/2011	6/30/2011		\$0	\$700	\$0	\$0	\$700	\$0	\$0
F3X	YE	N	1/31/2012	3	12030722330	7/1/2011	12/31/2011		\$875	\$0	\$0	\$875	\$0	\$0	\$0
F3X	YE	A	5/22/2012	7	12030814538	7/1/2011	12/31/2011		-	\$0	\$0	-	-	-	-

F3XN	Q1	N	4/13/2012	134	12970932874	1/1/2012	3/31/2012	\$800	\$90,699	\$0	\$91,499	\$49,409	\$49,409
F3XA	Q1	A	4/14/2012	134	12951417034	1/1/2012	3/31/2012	\$800	\$90,699	\$0	\$91,499	\$49,409	\$49,409
F3XA	Q1	A	10/10/2012	132	12954308449	1/1/2012	3/31/2012	\$800	\$79,449	\$50,054	\$30,194	-	\$49,409
F3XN	Q2	N	7/13/2012	825	12952437213	4/1/2012	6/30/2012	\$13,145	\$481,738	\$0	\$494,884	\$127,790	\$127,790
F3XA	Q2	A	10/10/2012	823	12954308582	4/1/2012	6/30/2012	\$30,194	\$474,678	\$540,901	(\$36,027)	-	\$127,790
F3XA	Q2	A	4/11/2013	879	13940522808	4/1/2012	6/30/2012	\$30,194	\$463,063	\$540,901	(\$47,642)	-	\$127,790
F3XA	Q2	A	4/26/2013	880	13962145956	4/1/2012	6/30/2012	\$30,194	\$528,063	\$540,901	\$17,357	-	\$192,790
F3XA	Q2	A	7/15/2013	881	13964057297	4/1/2012	6/30/2012	(\$36,027)	\$864,772	\$774,522	\$54,222	-	\$439,242
F3XN	Q3	N	10/16/2012	1478	12972692985	7/1/2012	9/30/2012	(\$36,027)	\$867,024	\$774,572	\$56,424	-	\$439,242
F3XA	Q3	A	3/20/2013	1571	13940496620	7/1/2012	9/30/2012	(\$47,642)	\$867,024	\$774,572	\$44,809	-	\$439,242
F3XA	Q3	A	4/11/2013	1571	13940523715	7/1/2012	9/30/2012	\$17,357	\$867,024	\$774,572	\$109,809	-	\$504,242
F3XN	12G	N	10/24/2012	54	12940422943	10/1/2012	10/17/2012	\$54,222	\$13,939	\$52,997	\$15,164	-	\$340,229
F3XA	12G	A	4/11/2013	54	13940525286	10/1/2012	10/17/2012	\$44,809	\$13,889	\$52,997	\$5,701	-	\$340,229
F3XA	12G	A	4/26/2013	56	13962148410	10/1/2012	10/17/2012	\$109,809	\$13,889	\$52,997	\$70,701	-	\$405,229
F3XN	30G	N	12/5/2012	44	12961435871	10/18/2012	11/26/2012	\$23,731	\$10,073	\$65,494	(\$31,690)	-	\$321,137
F3XA	30G	A	4/11/2013	44	13940525340	10/18/2012	11/26/2012	\$5,701	\$10,073	\$65,494	(\$49,720)	-	\$321,137
F3XA	30G	A	4/26/2013	47	13962148466	10/18/2012	11/26/2012	\$70,701	\$10,073	\$65,494	\$15,279	-	\$386,137
F3XN	YE	N	1/29/2013	9	13960518325	11/27/2012	12/31/2012	\$13,220	\$0	\$13,220	\$0	\$321,137	\$321,137
F3XA	YE	A	4/11/2013	9	13940525394	11/27/2012	12/31/2012	(\$49,720)	\$0	\$13,220	(\$62,941)	\$321,137	\$321,137
F3XA	YE	A	4/29/2013	11	13962151231	11/27/2012	12/31/2012	\$15,279	\$0	\$13,380	\$1,898	\$321,137	\$386,137
F1		N	2/23/2011	5	11030580750								
F24N	24		10/22/2012	3	12960681042								
Totals									\$1,499,374	\$1,497,401			

FEC FORM 3X

REPORT OF RECEIPTS AND DISBURSEMENTS For Other Than An Authorized Committee

Office Use Only

1. NAME OF COMMITTEE (in full) TYPE OR PRINT Example: If typing, type over the lines. 12FE4M5 Coalition of Americans for Political Equality

ADDRESS (number and street) 13681 Newport Avenue Suite 8617 Tustin CA 92780 Check if different than previously reported. (ACC)

2. FEC IDENTIFICATION NUMBER C C00493486 3. IS THIS REPORT NEW (N) OR AMENDED (A)

4. TYPE OF REPORT (Choose One) (a) Quarterly Reports: April 15, July 15, October 15, January 31, July 31 Mid-Year Report, Termination Report (TER) (b) Monthly Report Due On: Feb 20 (M2) to Jan 31 (YE) (c) 12-Day PRE-Election Report for the: Primary (12P), General (12G), Runoff (12R), Convention (12C), Special (12S) (d) 30-Day POST-Election Report for the: General (30G), Runoff (30R), Special (30S)

5. Covering Period 07 / 01 / 2015 through 01 / 05 / 2016

I certify that I have examined this Report and to the best of my knowledge and belief it is true, correct and complete.

Type or Print Name of Treasurer Margaret Berardinelli

Signature of Treasurer Margaret Berardinelli [Electronically Filed] Date 01 / 05 / 2016

NOTE: Submission of false, erroneous, or incomplete information may subject the person signing this Report to the penalties of 2 U.S.C. §437g.

Office Use Only table with 10 columns and 1 row. FEC FORM 3X Rev. 12/2004

**SUMMARY PAGE
OF RECEIPTS AND DISBURSEMENTS**

FEC Form 3X (Rev. 02/2003)

Page 2

Write or Type Committee Name

Coalition of Americans for Political Equality

Report Covering the Period: From: / / To: / /

	COLUMN A This Period	COLUMN B Calendar Year-to-Date
6. (a) Cash on Hand January 1, <input type="text" value="2015"/>	<input type="text" value="0.00"/>	<input type="text" value="0.00"/>
(b) Cash on Hand at Beginning of Reporting Period.....	<input type="text" value="0.00"/>	
(c) Total Receipts (from Line 19)	<input type="text" value="0.00"/>	<input type="text" value="0.00"/>
(d) Subtotal (add Lines 6(b) and 6(c) for Column A and Lines 6(a) and 6(c) for Column B).....	<input type="text" value="0.00"/>	<input type="text" value="0.00"/>
7. Total Disbursements (from Line 31).....	<input type="text" value="0.00"/>	<input type="text" value="0.00"/>
8. Cash on Hand at Close of Reporting Period (subtract Line 7 from Line 6(d)).....	<input type="text" value="0.00"/>	<input type="text" value="0.00"/>
9. Debts and Obligations Owed TO the Committee (Itemize all on Schedule C and/or Schedule D)	<input type="text" value="0.00"/>	
10. Debts and Obligations Owed BY the Committee (Itemize all on Schedule C and/or Schedule D)	<input type="text" value="386137.58"/>	

This committee has qualified as a multicandidate committee. (see FEC FORM 1M)

For further information contact:

Federal Election Commission
999 E Street, NW
Washington, DC 20463

Toll Free 800-424-9530
Local 202-694-1100

DETAILED SUMMARY PAGE
of Receipts

FEC Form 3X (Rev. 06/2004)

Write or Type Committee Name

Coalition of Americans for Political Equality

Report Covering the Period: From: 07 / 01 / 2015 To: 01 / 05 / 2016

I. Receipts	COLUMN A Total This Period	COLUMN B Calendar Year-to-Date
11. Contributions (other than loans) From:		
(a) Individuals/Persons Other Than Political Committees		
(i) Itemized (use Schedule A).....	0.00	0.00
(ii) Unitemized	0.00	0.00
(iii) TOTAL (add Lines 11(a)(i) and (ii))..... ▶	0.00	0.00
(b) Political Party Committees	0.00	0.00
(c) Other Political Committees (such as PACs).....	0.00	0.00
(d) Total Contributions (add Lines 11(a)(iii), (b), and (c)) (Carry Totals to Line 33, page 5)	0.00	0.00
12. Transfers From Affiliated/Other Party Committees.....	0.00	0.00
13. All Loans Received	0.00	0.00
14. Loan Repayments Received.....	0.00	0.00
15. Offsets To Operating Expenditures (Refunds, Rebates, etc.) (Carry Totals to Line 37, page 5).....	0.00	0.00
16. Refunds of Contributions Made to Federal Candidates and Other Political Committees.....	0.00	0.00
17. Other Federal Receipts (Dividends, Interest, etc.).....	0.00	0.00
18. Transfers from Non-Federal and Levin Funds		
(a) Non-Federal Account (from Schedule H3).....	0.00	0.00
(b) Levin Funds (from Schedule H5)	0.00	0.00
(c) Total Transfers (add 18(a) and 18(b))..	0.00	0.00
19. Total Receipts (add Lines 11(d), 12, 13, 14, 15, 16, 17, and 18(c))..... ▶	0.00	0.00
20. Total Federal Receipts (subtract Line 18(c) from Line 19)..... ▶	0.00	0.00

DETAILED SUMMARY PAGE
of Disbursements

II. Disbursements	COLUMN A Total This Period	COLUMN B Calendar Year-to-Date
21. Operating Expenditures:		
(a) Allocated Federal/Non-Federal Activity (from Schedule H4)		
(i) Federal Share	0.00	0.00
(ii) Non-Federal Share.....	0.00	0.00
(b) Other Federal Operating Expenditures	0.00	0.00
(c) Total Operating Expenditures (add 21(a)(i), (a)(ii), and (b))	0.00	0.00
22. Transfers to Affiliated/Other Party Committees.....	0.00	0.00
23. Contributions to Federal Candidates/Committees and Other Political Committees.....	0.00	0.00
24. Independent Expenditures (use Schedule E)	0.00	0.00
25. Coordinated Party Expenditures (2 U.S.C. §441a(d)) (use Schedule F).....	0.00	0.00
26. Loan Repayments Made.....	0.00	0.00
27. Loans Made.....	0.00	0.00
28. Refunds of Contributions To:		
(a) Individuals/Persons Other Than Political Committees	0.00	0.00
(b) Political Party Committees	0.00	0.00
(c) Other Political Committees (such as PACs).....	0.00	0.00
(d) Total Contribution Refunds (add Lines 28(a), (b), and (c)).....	0.00	0.00
29. Other Disbursements	0.00	0.00
30. Federal Election Activity (2 U.S.C. §431(20))		
(a) Allocated Federal Election Activity (from Schedule H6)		
(i) Federal Share	0.00	0.00
(ii) "Levin" Share.....	0.00	0.00
(b) Federal Election Activity Paid Entirely With Federal Funds	0.00	0.00
(c) Total Federal Election Activity (add .. Lines 30(a)(i), 30(a)(ii) and 30(b))....	0.00	0.00
31. Total Disbursements (add Lines 21(c), 22, 23, 24, 25, 26, 27, 28(d), 29 and 30(c)) ..	0.00	0.00
32. Total Federal Disbursements (subtract Line 21(a)(ii) and Line 30(a)(ii) from Line 31).....	0.00	0.00

DETAILED SUMMARY PAGE
of Disbursements

FEC Form 3X (Rev. 02/2003)

Page 5

III. Net Contributions/Operating Expenditures	COLUMN A Total This Period	COLUMN B Calendar Year-to-Date
33. Total Contributions (other than loans) (from Line 11(d), page 3)	0.00	0.00
34. Total Contribution Refunds (from Line 28(d))	0.00	0.00
35. Net Contributions (other than loans) (subtract Line 34 from Line 33)	0.00	0.00
36. Total Federal Operating Expenditures (add Line 21(a)(i) and Line 21(b))	0.00	0.00
37. Offsets to Operating Expenditures (from Line 15, page 3).....	0.00	0.00
38. Net Operating Expenditures (subtract Line 37 from Line 36)	0.00	0.00

SCHEDULE C (FEC Form 3X)

LOANS

NAME OF COMMITTEE (In Full) **Coalition of Americans for Political Equality** Transaction ID : **CAPEESC947BEEE023C799**

LOAN SOURCE Full Name (Last, First, Middle Initial) Charitable Funding, LLC	Election: 2012 <input type="checkbox"/> Primary <input checked="" type="checkbox"/> General <input type="checkbox"/> Other (specify) ▼
Mailing Address 1712 Pioneer Ave. Suite 813	
City Cheyenne State WY ZIP Code 82001	

Original Amount of Loan 65000.00	Cumulative Payment To Date 0.00	Balance Outstanding at Close of This Period 65000.00
-------------------------------------	------------------------------------	---

TERMS

Date Incurred: M 06 / D 15 / Y 2012 Date Due: M 12 / D 15 / Y 2013 Interest Rate: 3.00 % (apr) Secured: Yes No

List All Endorsers or Guarantors (if any) to Loan Source

1. Full Name (Last, First, Middle Initial)	Name of Employer
Mailing Address	Occupation
City State ZIP Code	Amount Guaranteed Outstanding: []
2. Full Name (Last, First, Middle Initial)	Name of Employer
Mailing Address	Occupation
City State ZIP Code	Amount Guaranteed Outstanding: []
3. Full Name (Last, First, Middle Initial)	Name of Employer
Mailing Address	Occupation
City State ZIP Code	Amount Guaranteed Outstanding: []
4. Full Name (Last, First, Middle Initial)	Name of Employer
Mailing Address	Occupation
City State ZIP Code	Amount Guaranteed Outstanding: []

SUBTOTALS This Period This Page (optional)..... ▶	65000.00
TOTALS This Period (last page in this line only)..... ▶	65000.00

Carry outstanding balance only to LINE 3, Schedule D, for this line. If no Schedule D, carry forward to appropriate line of Summary.

FEC MISCELLANEOUS TEXT RELATED TO A REPORT, SCHEDULE OR ITEMIZATION

Form/Schedule: SC/10

Transaction ID :

2012 Disputed Obligation, Not a New Debt - Charitable Funding, LLC - Address: 1712 Pioneer Ave., Suite 813, Cheyenne, WY 82001 - Amount \$65,000.00 - Election: General; Open Line of Credit Used as Needed for PAC's Administrative and Operating Expenses

Form/Schedule:

Transaction ID:

SCHEDULE D (FEC Form 3X)

DEBTS AND OBLIGATIONS

Excluding Loans

(Use separate schedule(s) for each numbered line)	PAGE 8 OF 9
	FOR LINE NUMBER: (check only one) <input type="checkbox"/> 9 <input checked="" type="checkbox"/> 10

NAME OF COMMITTEE (In Full)
Coalition of Americans for Political Equality

A. Full Name (Last, First, Middle Initial) of Debtor or Creditor Google	Nature of Debt (Purpose): Online Advertising
Mailing Address 1600 Amphitheater Parkway	
City State Zip Code Mountain View CA 94043	

Outstanding Balance Beginning This Period 318484.46	Transaction ID : CAPESD0000000094043	
Amount Incurred This Period 0.00	Payment This Period 0.00	Outstanding Balance at Close of This Period 318484.46

B. Full Name (Last, First, Middle Initial) of Debtor or Creditor GoogleTV	Nature of Debt (Purpose): Video Broadcasts
Mailing Address 901 Cherry Ave	
City State Zip Code San Bruno CA 94066	

Outstanding Balance Beginning This Period 2653.12	Transaction ID : CAPESD0000000094066	
Amount Incurred This Period 0.00	Payment This Period 0.00	Outstanding Balance at Close of This Period 2653.12

C. Full Name (Last, First, Middle Initial) of Debtor or Creditor	Nature of Debt (Purpose):
Mailing Address	
City State Zip Code	

Outstanding Balance Beginning This Period		
Amount Incurred This Period	Payment This Period	Outstanding Balance at Close of This Period

1) SUBTOTALS This Period This Page (optional)..... ▶	321137.58
2) TOTALS This Period (last page this line number only)..... ▶	321137.58
3) TOTAL OUTSTANDING LOANS from Schedule C (last page only) ▶	65000.00
4) ADD 2) and 3) and carry forward to appropriate line of Summary Page (last page only) ▶	386137.58

FEC MISCELLANEOUS TEXT RELATED TO A REPORT, SCHEDULE OR ITEMIZATION

Form/Schedule: SD10

Transaction ID :

2012 Disputed Obligation, Not a New Debt - Payee Name: Google - Address: 1600 Amphitheater Parkway, Mountain View, CA 94043-1351 - Amount: \$318,484.46 - Purpose: Online Media Marketing - Disputed Debt: \$318,484.46
Vendor Failed to Credit Pre-Payments on Account; Additional Charges Unauthorized As Exceeds Contract Amount; Settlement Negotiations in Process

Form/Schedule: SD10

Transaction ID:

2012 Disputed Obligation, Not a New Debt - Payee Name: GoogleTV - Address: 901 Cherry Ave San Bruno, CA 94066 - Amount: \$2,653.12 - Purpose: TV Advertisement - Candidate: Barack Obama (Opposed) - Office Sought: President - State: General - Disputed Debt: \$2,653.12 Charges Unauthorized; Settlement Negotiations in Process

CAPEPAC

RECEIVED
FEC MAIL CENTER

2016 JAN 11 AM 7:13

January 5, 2016

Federal Election Commission
Attn: Christopher Morse,
Senior Campaign Finance Analyst
Reports Analysis Division
999 E Street, NW
Washington, DC 20463

Re: Requesting Administrative *TERMINATION OF:*
Coalition of Americans for Political Equality PAC
Committee ID: C00493486

Dear Mr. Morse:

To support the FEC Termination Report filed today by The Coalition of Americans for Political Equality PAC ("CAPE"), a registered Super PAC, please accept this letter as a formal request by CAPE for Administrative Termination of its filing requirements. This request is being made pursuant to Rule 102.4(a) of Chapter 11, CFR. Administrative termination is being requested for several reasons as set forth below.

As the filed reports over the past three years will support, CAPE has not conducted any activity, nor has accepted any donations or performed any election-related or business functions in the last three years with the exception of filing its required periodic FEC reports. The only purpose for which continued filing of periodic reports was to disclose unresolved, disputed debt. CAPE's outstanding debts and obligations exceed the total of the committee's reported cash-on-hand balance as reflected in reports for the last three years.

With respect to the unresolved and disputed debts identified in all FEC filings, each of these were incurred as overcharges for services not requested, or received by CAPE in 2012. As such, formal disputes were immediately lodged with each vendor for the disputed amounts with a demand that they explain the overcharges and a request that they each provide an accounting and verification of their charges against CAPE. These accountings were never received. Along with the disputes, CAPE provided payments of all amounts billed that were not in dispute. All such payments were properly reported in CAPE's FEC filings in 2012.

CAPEPAC

Vendors sent repeated billing statements and in the case of Google, demand letters for payment of the disputed charges. Nothing more was done by the disputed vendors to collect the alleged debts. Each of the vendors listed as disputed debts failed to respond to CAPE's requests for an accounting and justification for the amounts charged.

Numerous attempts by CAPE were made to resolve the disputed debts in the first two years since CAPE operations ceased in September 2012. However, despite offers to settle the disputes, all but Google ignored each of our communications. Google's response was to ignore settlement offers and to periodically continue billing for the disputed amounts on a periodic basis until August 2013 when, no further billings or collection efforts were received by CAPE. The reported debts remain disputed and unresolved as a result. In summary, there has been no attempt by any vendor, including Google, the largest alleged debtor, to collect the funds they claimed was owned to them or to settle the disputes since August 2013. The forgoing notwithstanding, CAPE has no independent assets or income in which to satisfy the disputed debts.

Since CAPE is a registered Super PAC, the committee's outstanding debts and obligations, if treated as a contribution, would not appear to present a possible violation of the 11CFR, parts 110 and 114 contribution prohibitions and limitations.

In summary, I believe that CAPE's circumstance meets the qualifications necessary to allow administrative termination to occur. As such, I request that the FEC take immediate action to administratively terminate CAPE's registration and filing requirements.

Respectfully Submitted,



Margaret Berardinelli
Treasurer

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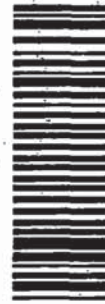
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MARGARET BERARDINELLI Expected Delivery Date: 01/09/16
CAPE PAC
13681 NEWPORT AVE STE 8617 **0006**
TUSTIN CA 92780-4689

SIGNATURE REQUIRED **C000**

SHIP
TO: FEC: REPORTS ANALYSIS DIVISION
ATTN: C. MORSE, SR. CAMPAIGN FINANCE ANALYST
999 E ST NW
WASHINGTON DC 20463-0001

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Attachment 1 at 16

Federal Election Commission
ENVELOPE REPLACEMENT PAGE FOR INCOMING DOCUMENTS
 The FEC added this page to the end of this filing to indicate how it was received.

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<input type="checkbox"/> USPS First Class Mail	Postmarked Date of Receipt
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<input checked="" type="checkbox"/> USPS Priority Mail	Postmarked 1/9/16
<input type="checkbox"/> USPS Priority Mail Express	Postmarked
<input type="checkbox"/> Postmark Illegible	
<input type="checkbox"/> No Postmark	
<input type="checkbox"/> Overnight Delivery Service (Specify):	Shipping Date
	Next Business Day Delivery <input type="checkbox"/>
<input type="checkbox"/> Received from House Records & Registration Office	Date of Receipt
<input type="checkbox"/> Received from Senate Public Records Office	Date of Receipt
<input type="checkbox"/> Received from Electronic Filing Office	Date of Receipt
<input type="checkbox"/> Other (Specify):	Date of Receipt or Postmarked

PREPARER  DATE PREPARED 1/11/16

(3/2015)

20160109 10:11:00 AM



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

2016 MAR 02 PM 1:45

MAR 2 2 2016

SENSITIVE

MEMORANDUM

TO: The Commission

FROM: Adav Noti ^{AN}
Acting Associate General Counsel for Policy

Lorenzo Holloway ^{LH}
Assistant General Counsel
Compliance Advice

Margaret J. Forman ^{MJF for MDZ}
Attorney

SUBJECT: Administrative Termination Referral – Coalition of Americans for Political Equality (AT 16-01)

I. INTRODUCTION

We recommend that the Commission not administratively terminate the Coalition of Americans for Political Equality (the “Committee”) at this time because it has a disputed debt with a Federal contractor, and we do not know if the resolution of this disputed debt will result in a contribution to the Committee.

The Reports Analysis Division (“RAD”) referred the Committee to the Office of General Counsel (“OGC”) for possible administrative termination. The Committee’s last filed report, the 2015 Year-End Report, filed as a Termination report, disclosed \$0 in receipts, disbursements, and cash-on-hand, and \$386,137.58 in disputed debts owed to three vendors. The Committee has been filing reports showing no financial activity since its 2014 April Quarterly Report, which disclosed \$1,898.24 in disbursements on February 18, 2014. In addition to filing a Termination report, the Committee also made “a formal request ... for Administrative termination of its filing requirements.” See Attachment 1 at 14-15 (*Correspondence from Margaret Berardinelli, Treasurer to Christopher Morse, “Requesting Administrative Termination of Coalition of Americans for Political Equality PAC (Jan. 5, 2016).*)

II. THE COMMITTEE SHOULD NOT BE ADMINISTRATIVELY TERMINATED AT THIS TIME

The Committee, however, has a disputed debt with a Federal contractor, and we need more information about the resolution of this disputed debt. The Commission may administratively terminate a political committee's reporting obligation on its own initiative or upon the committee's request based on eight factors set forth at 11 C.F.R. § 102.4(a). The Commission has previously considered disputed debts in an administrative termination, and has concluded that a committee with a disputed debt may request, and be granted, administrative termination under section 102.4(a), so long as the committee satisfies all eight factors for administrative termination. Advisory Opinion 1990-15 (Kramer).¹

Our analysis focuses on one of these factors – factor six at 11 C.F.R. § 102.4(a)(6) :

The committee's last report disclosed that the committee's outstanding debts and obligations do not appear to present a possible violation of the prohibitions and limitations of 11 C.F.R. parts 110 and 114.²

We do not know if the Committee's outstanding debt will result in a contribution to the Committee because its last report disclosed \$386,137.58 in disputed debts owed to three vendors, one of whom is a Federal contractor.³ See 11 C.F.R. § 102.4(a)(6). A disputed debt does not mean that the Committee has received a contribution. Rather, it means that there is "an actual or potential debt or obligation owed by a political committee ... where there is a bona fide disagreement between the creditor and the political committee as to the existence or amount of the obligation owed by the political committee." 11 C.F.R. § 116.1(d). A disputed debt must be disclosed on the Committee's reports, but the committee may also note on its disclosure reports that the disclosure does not constitute an admission of liability or a waiver of any claims against the creditor. 11 C.F.R. § 116.10.

¹The Committee currently satisfies nearly all of the criteria for administrative termination. The Committee's last filed report, the 2015 Year-End Report, filed as a Termination report, disclosed \$0 in receipts, disbursements, and cash-on-hand, and \$386,137.58 in disputed debts owed to three vendors. The Committee has been filing reports showing no financial activity since its 2014 April Quarterly Report, which disclosed \$1,898.24 in disbursements on February 18, 2014. See 11 C.F.R. § 102.4(a)(1-5, 7-8).

² We are recommending no administrative termination at this time based on one factor because we do not yet know if the resolution of the disputed debt will result in a contribution. See Advisory Opinion 1990-15 (Commission concluded that all factors were satisfied with the possible exception of one factor because the Commission did not know the creditor's corporate status, and therefore did not know whether the resolution of the disputed debt could result in a contribution). While the other factors applicable here address financial activity, which is relevant to the level of activity of the Committee, this factor is important because it directly addresses the possibility of a violation of the prohibitions and limitations of the Federal Election Campaign Act. 11 C.F.R. § 102.4(a)(6).

³ Similarly, in Advisory Opinion 1990-15, the Commission did not administratively terminate the committee at that time because it needed more information about the corporate status of the creditor with whom the committee had a disputed debt.

A contribution may arise out of the resolution of the disputed debt if the Committee receives something of value in the transaction that resolves the dispute. 11 C.F.R. § 100.52(a). If the Committee resolves the disputed debt in a way that does not result in a contribution to the Committee, then it may be eligible for administrative termination. 11 C.F.R. § 102.4(c)(3). If, however, the debt resolution results in a contribution to the Committee this could present a problem in satisfying factor six. Specifically, factor six references 11 C.F.R. parts 110 and 114, which govern limitations and prohibitions regarding contributions by individuals and involving the activities of labor unions and corporations, respectively. 11 C.F.R. § 102.4(a)(6). Section 102.4(a)(6), however, does not specifically reference 52 U.S.C. § 30119(a)(1) or part 115 of the Commission's regulations, which prohibit contributions by Federal contractors.

This raises the issue of whether the prohibition against contributions by Federal contractors should be considered in administrative termination matters. We conclude that the prohibition against Federal contractor contributions should apply to administrative terminations. The Committee is an Independent Expenditure Only Political Committee, and as such, it may accept unlimited contributions from individuals and corporations that are not otherwise prohibited from making contributions. Advisory Opinion 2011-11 (Colbert). The Committee, however, may not accept contributions from Federal contractors (or from foreign nationals, national banks, or federally chartered corporations). *Id.*; *see also* Press Release, FEC Statement on *Carey v. FEC*. This prohibition against contributions from Federal contractors is statutory. 52 U.S.C. § 30119(a)(1). Thus, the fact that section 102.4(a)(6) does not specifically incorporate the prohibition by reference does not indicate that the Commission should (or could) waive it merely because the issue arises in the context of an administrative termination.

In this administrative termination, the Committee disclosed \$318,484.46 in disputed debts to one of the creditors, Google, which is a Federal contractor. *See Dunn and Bradstreet Business Information Report, Government Activity Section, and USA Spending.Gov, Recipient Profile of Google, <https://www.usaspending.gov/transparency/Pages/RecipientProfile.aspx?DUNSNumber=060902413&FiscalYear=2015>* (last visited February 26, 2016); *see* Advisory Opinion 2011-11 (Colbert). As such, Google is prohibited from making contributions to the Committee.

While we do not know if the resolution of this debt will result in contribution to the Committee, the Committee asserts that it paid all amounts billed that were not in dispute, and that the amount in dispute resulted from the Committee being overcharged, and that pre-payments on the account were not credited. *See* Attachment at 12-15. If the Committee resolves this dispute and provides the Commission with relevant documentation demonstrating that the disputed debt with Google is not owed, then this will not result in a contribution to the Committee. Alternatively, if the Committee resolves in a way that shows that part or all of the debt is owed, the Committee may settle with this creditor and file a debt settlement plan with the Commission. The Commission will review the plan to determine if it results in a contribution to the Committee. 11 C.F.R. § 116.7. If the Commission approves the plan, then the Committee will be eligible for administrative termination. *See* 11 C.F.R. § 102.4(c)(1).

III. RECOMMENDATION

We recommend that the Commission not administratively terminate the Coalition of Americans for Political Equality.

Attachment:

Attachment 1 – Administrative Termination Referral from Patricia C. Orrock, Chief Compliance Officer, Debbie Chacona, Assistant Staff Director, and Kristin D. Roser, Compliance Branch Chief, Reports Analysis Division, dated February 8, 2016



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

APR 26 2016

Coalition of Americans for Political Equality and
Margaret Berardinelli, in her capacity as Treasurer
13681 Newport Avenue
Suite 8617
Tustin, CA 92780

RE: AT 16-01 – Administrative Termination Referral – Coalition of Americans for Political Equality (C00493486)

Dear Ms. Berardinelli:

On April 12, 2016, the Commission considered your request that the Coalition of Americans for Political Equality (“Committee”) be administratively terminated. The Commission decided not to administratively terminate the Committee, because the Committee has a disputed debt with a federal contractor, Google, and the Commission cannot determine from the information before it whether the resolution of this disputed debt will result in a contribution to the Committee.

You, however, have options available to assist the Commission in a possible future termination of the Committee.

1. **Option if debt is not owed.** If the Committee resolves the dispute in a manner that demonstrates that there is no debt owed to Google, such as through an acknowledgment of a billing error on Google’s part, the Committee should notify the Commission that the debt has been resolved in this manner.
2. **Option if resolution results in debt.** If the Committee resolves the dispute in a manner that acknowledges that there is a debt, the Committee may either pay the full amount owed or settle with Google to pay a lesser amount. If the Committee pays the full amount owed, it should notify the Commission that the debt has been paid in full. If the Committee agrees to pay a lesser amount, it must submit a debt settlement plan. The Commission’s debt settlement plan form, FEC Form 8, is available on the FEC website at

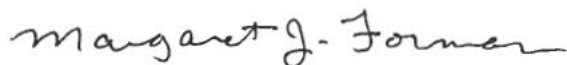
<http://www.fec.gov/pdf/forms/fecfrm8.pdf>, and related instructions are available at <http://www.fec.gov/pdf/forms/fecfrm8i.pdf>.

- 3. Option if state statute of limitations on disputed debts has expired.** If, after reviewing the applicable state statute of limitations, you determine that the statute of limitations has expired as to the debt in question, you should notify the Commission. *See* Advisory Opinion 1999-38 (Calvert). You should reference this correspondence and Advisory Opinion 1999-38 when you contact the Commission.

Until you resolve the debt or the Commission approves your debt settlement plan, you are required to continue filing reports disclosing the debt. 11 C.F.R. § 104.11(a). The Commission will notify you when the Committee is no longer required to file reports.

If you have any questions, you may contact me at (202) 694-1353.

Sincerely,



Margaret J. Forman
Attorney, Office of General Counsel

Enclosure: Advisory Opinion 1999-38 (Calvert)



FEDERAL ELECTION COMMISSION
Washington, DC 20463

June 14, 2000

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

ADVISORY OPINION 1999-38

Nicholas C. Vasels
Law Offices
1601 Dove Street, Suite 200
Newport Beach, California 92660

Dear Mr. Vasels:

This refers to your letters dated May 5, and April 28, 2000, and November 17, 1999, on behalf of the Ken Calvert for Congress campaign committee ("the Committee"), concerning the application of the Federal Election Campaign Act of 1971, as amended ("the Act"), and Commission regulations to the proper reporting of several disputed debts with former Committee vendors.

FACTS

You state that the Committee has, through several Form 3 reports filed in the past, reported four specific Schedule D debts which the Committee contends it does not owe. You explain that on its report of receipts and disbursements filed for the period ending June 30, 1999, the Committee "charged off" the subject amounts by simply eliminating the designated creditors from the Form 3 Schedule D. Subsequent to this and following its review of the report, the FEC in a letter dated October 19, 1999 from Commission staff, indicated that the Schedule D deletions created a discrepancy with the Form 3, Schedule B in that the Schedule B did not identify any corresponding payments to the creditors who no longer appeared on the Schedule D. In response, you state that the Committee filed an amended Schedule D reinstating the charged off amounts. Your request includes copies of the June 30, 1999, Schedule D; the Commission October 19, 1999 letter; and a November 2, 1999 letter from you responding to the Commission staff's inquiries and transmitting the Committee's amended Schedule D. Your request

also includes copies of letters between the Committee and the vendors whose underlying transactions with the Committee form the background of this request.

Although it may be currently considered in compliance by balancing the 6/30/99 Form 3, you state that the Committee remains confronted with the continuing obligation to report the subject "debt" items when, you assert, it has no obligation to pay those items at all. The Committee seeks to delete the items from future reports without having to report the amounts as either paid by way of disbursements, or as contributions (cash or in-kind).

The four debt items reinstated on the amended Schedule D are Fieldworks Development (\$3,000); Pacific West Communications (\$2,915); Gangi Graphics (\$2,085); and Calloway Vineyard & Winery (\$2,370). Of the four, the debt owed to Calloway Vineyard, you state, was previously resolved by individual in-kind contributions which the committee will reconcile with reports it will file with the Commission. The other three items, which the Committee claims it does not owe, are the subject of this advisory opinion request.

a) *Fieldworks Development*: Fieldworks Development, you explain, is the business name for an individual named David Terrie who had been engaged to create certain computerized mailing lists during Mr. Calvert's 1994 primary election campaign. There were problems with the program Mr. Terrie created, and his subsequent invoice for \$3,000 for the work performed was disputed by the Committee which refused to pay the full amount and sought instead to settle the bill by compromise. During the ensuing negotiations, in which you represented the Committee, an employee of the Committee erroneously posted the face amount of the invoice as a payable which then was mistakenly reported as a debt for \$3,000 on the Form 3, Schedule D, filed for the period ending 12/31/94. In early 1995, the Committee tendered a check to satisfy the invoice which the vendor refused to accept, and although Mr. Terrie demanded full payment of the bill, he never attempted collection through filing a lawsuit or otherwise. You assert that neither your office as campaign counsel nor the Committee has heard from Mr. Terrie on this matter for several years, and the applicable California Statute of Limitations has expired on the claim. You state that no amount of the disputed invoice can be collected by the vendor, and the Committee has no intention of volunteering any further payment in relation to this matter. You characterize the reported \$3,000 Schedule D item, has having been "discharged in substance" that "should be discharged in form."

b) *Pacific West Communications*: You explain that this vendor performed certain services connected with the production of a video used in Mr. Calvert's 1996 general election campaign. The \$2,915 indicated on the amended Schedule D were overcharges by Pacific West that were disputed by the Committee because the services for which the amounts were billed were both unauthorized and were defectively performed by the vendor, causing extra cost to the campaign to correct. You state that Pacific West neither contested the Committee's contentions, nor pressed any claim for the disputed amount. The Committee considered that it did not owe the money and that the matter was settled.

You explain that meanwhile, the disputed amount had been erroneously reported as a Schedule D debt on the Form 3, filed for the period ending 9/30/96, as an unpaid balance on the original Pacific West invoice, following the resolution of the claim itself. You state that the item has been carried as a Schedule D debt since that time and should be eliminated from further reporting. In addition, the Committee has been informed that Pacific West Communications no longer exists as a business.

c) *Gangi Graphics*: You state that Gangi was a vendor associated with Pacific West Communications (see above) that performed certain services connected with production of the same video used in the 1996 general election campaign. The \$2,085 indicated on the amended Schedule D, you explain, was an overcharge by Gangi which the Committee disputed for the same reasons it disputed the above-mentioned amounts charged by Pacific West. Gangi later dropped its claim. The disputed amount, you explain, was also erroneously reported as a Schedule D debt on the Form 3 filed for the period ending 9/30/96 after that amount had been withdrawn by the vendor as a claim; therefore, it should not have been reported. The item has also been carried as a Schedule D debt since that time, and you contend that it should be eliminated from further reporting.

It is the Committee's view that, given the facts and circumstances set forth above, charging off the foregoing Schedule D items would not be actual discharges of debts, would not create corollary contributions or receipts, could not be accurately reported as Schedule B disbursements, and would not be offsets or rebates. The Committee contends that it is not obligated to pay the subject amounts reported and would not receive any benefits by charging off the items from its records. It further contends that the amounts were in the first instances reported in error and sees no legitimate reason to continue reporting the amounts on any future Schedule D. Finally, you note that the four year California Statute of Limitations, which governs these transactions, has expired for all three matters and whatever potential claim a vendor might make is thereby extinguished.¹

You state that the Committee would like to delete the subject amounts and creditor designations from the next Form 3 report, following the approval of an affirmative advisory opinion from the Commission. If this is not permissible, the Committee seeks, in the alternative, an advisory opinion as to how best to charge off the subject items and resolve the reporting issues.

¹ Under the California Statute of Limitations, a legal action for obligations arising from a written contract must be brought within four years of the contract breach. See CAL CODE OF CIVIL PROCEDURE § 337 (West 1982). The period for commencing an action for obligations arising out of a oral contact is two years. CAL CODE § 339. According to the materials you provide, the dispute with Fieldworks Development dates from 1994, and the disputes with Gangi Graphics and Pacific West Communications date from March 1996. Whatever the type of contract, the statute of limitations for all three disputes has apparently expired.

ACT AND COMMISSION REGULATIONS

Each report filed under 11 CFR 104.1 shall, on schedule C or D, as appropriate, disclose the amount and nature of outstanding debts and obligations owed by or to the reporting committee. Where such debts and obligations are settled for less than their reported amount or value, each report filed under 11 CFR 104.1 shall contain a statement as to the circumstances and conditions under which such debts or obligations were extinguished and the amount paid. 2 U.S.C. §434(b)(8) and 11 CFR 104.3(d); *see also* 11 CFR 104.11, 116.2(b) and 116.7.

Debts and obligations owed by a political committee which remain outstanding shall be continuously reported until extinguished. 11 CFR 104.11(a). If the exact amount of a debt or obligation is not known, the report shall state that the amount reported is an estimate. Once the exact amount is determined, the political committee shall either amend the report(s) containing the estimate or indicate the correct amount on the report for the reporting period in which such amount is determined. 11 CFR 104.11(b).

With regard to reporting disputed debts, a political committee shall report a disputed debt in accordance with 11 CFR 104.3(d) and 104.11, if the creditor has provided something of value to the political committee. Until the dispute is resolved, the political committee shall disclose on the appropriate reports any amounts paid to the creditor, any amount the political committee admits it owes and the amount the creditor claims is owed. The political committee may also note on the appropriate reports that the disclosure of the disputed debt does not constitute an admission of liability or a waiver of any claims the political committee may have against the creditor. 11 CFR 116.10(a).

APPLICATION TO PROPOSAL

The Commission regulations require the continuous reporting of disputed debts. Since the documentation you provide indicates that demands were made for payment by the three vendors for services rendered the Committee, the Committee was correct in its initial action to report the disputed debts. The documentation you have provided does not indicate an actual resolution of the dispute with any of three vendors. Rather, you have asserted that all three vendors have simply ceased their efforts to obtain payment or never challenged the Committee's contentions after the initial demand for payment was made. In one case the vendor, Pacific West Communications, no longer exists.² The Commission also notes your statement that these claims are now legally barred.³

² Commission regulations address cases where a creditor has gone out of business and no other entity has a right to be paid the (undisputed) amount owed by an ongoing political committee. 11 CFR 116.9(a) and (c).

³ In a past opinion the Commission did not permit the termination of a committee despite the fact that legal action to collect the remaining debts of the committee were barred by a State statute of limitations. The Commission noted that the statute of limitations did not extinguish the underlying claims, only the collection of those claims. *See* Advisory Opinion 1988-44. Nonetheless, in Advisory Opinion 1990-15, while acknowledging the holding of Advisory Opinion 1988-44, the Commission noted that the expiration of the statute of limitations regarding the collection of a committee's remaining debts was a factor the Commission could consider in a committee's request for administrative termination. Advisory Opinion

In these circumstances, the Commission agrees that the Committee is not obligated to indefinitely report these disputed debts. However, before it discontinues its reporting of the three debts, the Committee is obligated to explain the circumstances in its next report, using 11 CFR 104.3(d) and 104.11(a) as guidelines. Therefore, in its next report following the issuance of this opinion, the Committee should file a Schedule D which lists the three disputed debts with Fieldworks Development, Pacific West Communications and Gangi Graphics. It should list an outstanding balance of zero for each debt as of the close of the reporting period. In the column provided to show payments made during the reporting period, the Committee should disclose in parenthesis an amount indicating that each debt is paid in full. To explain its representation that the debts are, in effect, paid, the Committee should include a memo entry which cites this advisory opinion, states the Committee's position that these amounts were disputed with the three vendors, that the vendors have ceased to demand Committee payment, and that the statute of limitations for these debts has expired making collection unenforceable in the legal process. It should also state that the Committee will no longer list the three debts on its Schedule D. After the Committee has taken these steps, it will have no future reporting obligation regarding these three debts.

This response constitutes an advisory opinion concerning the application of the Act, or regulations prescribed by the Commission, to the specific transaction or activity set forth in your request. See 2 U.S.C. §437f.

Sincerely,

(signed)

Darryl R. Wold
Chairman

Enclosures (AOs 1990-15 and 1988-44)

1988-44 is distinguishable from your situation since none of the debts there at issue were described as disputed debts.

CAPEPAC

September 1, 2017

Federal Election Commission
Attn: Margaret J. Forman,
Attorney, Office of General Counsel
999 E Street, NW
Washington, DC 20463

Re: 2nd Request for Administrative *TERMINATION OF:*
Coalition of Americans for Political Equality PAC
Committee ID: C00493486

Dear Ms. Foreman:

This letter is to request reconsideration of a request for administrative termination for the above referenced committee. Please see your original letter AT-16-01 dated April 26, 2016, which included Advisory Opinion 1999-38 (Calvert). Administrative termination is being requested for the reasons set forth below.

As the filed reports over the past five years will support, CAPE has not conducted any activity, nor has CAPE accepted any donations or performed any election-related or business functions in the last five years with the exception of filing its required periodic FEC reports. The only purpose for which continued filing of periodic reports was required was to disclose unresolved, disputed debt, all three of which were debts incurred in the year 2012 and reported on Schedules C and D of our committee reports.

Despite numerous attempts by CAPE to resolve the disputed debts since CAPE operations ceased in September 2012, the reported debts remain disputed and unresolved. Collection of the reported debts is now legally barred pursuant to California Civil Code of Procedure §337¹ and California Civil Code of Procedure §339², which governs these transactions.

In summary, the statute of limitations on the disputed debts has expired and the debts reported on Schedule C&D are legally barred. Pursuant to Advisory Opinion 1999-38 and your letter dated April 26, 2016, the committee requests termination pursuant to Option #3. As such, I request that the FEC take immediate action to administratively terminate CAPE's registration and filing requirements.

¹California Civil Code of Procedure C.C.P. §337

Within four years: 1. An action upon any contract, obligation or liability founded upon an instrument in writing, except as provided in Section 336a of this code; provided, that the time within which any action for a money judgment for the balance due upon an obligation for the payment of which a deed of trust or mortgage with power of sale upon real property or any interest therein was given as security, following the exercise of the power of sale in such deed of trust or mortgage, may be brought shall not extend beyond three months after the time of sale under such deed of trust or mortgage.

²California Civil Code of Procedure §339

Within two years: 1. An action upon a contract, obligation or liability not founded upon an instrument of writing, except as provided in Section 2725 of the Commercial Code or subdivision 2 of Section 337 of this code; or an action founded upon a contract, obligation or liability, evidenced by a certificate, or abstract or guaranty of title of real property, or by a policy of title insurance; provided, that the cause of action upon a contract, obligation or liability evidenced by a certificate, or abstract or guaranty of title of real property or policy of title insurance shall not be deemed to have accrued until the discovery of the loss or damage suffered by the aggrieved party thereunder.

Respectfully Submitted,


Margaret Berardinelli
Treasurer



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

APR 26 2016

Coalition of Americans for Political Equality and
Margaret Berardinelli, in her capacity as Treasurer
13681 Newport Avenue
Suite 8617
Tustin, CA 92780

COPY

RE: AT 16-01 – Administrative Termination Referral – Coalition of Americans for Political Equality (C00493486)

Dear Ms. Berardinelli:

On April 12, 2016, the Commission considered your request that the Coalition of Americans for Political Equality (“Committee”) be administratively terminated. The Commission decided not to administratively terminate the Committee, because the Committee has a disputed debt with a federal contractor, Google, and the Commission cannot determine from the information before it whether the resolution of this disputed debt will result in a contribution to the Committee.

You, however, have options available to assist the Commission in a possible future termination of the Committee.

1. **Option if debt is not owed.** If the Committee resolves the dispute in a manner that demonstrates that there is no debt owed to Google, such as through an acknowledgment of a billing error on Google’s part, the Committee should notify the Commission that the debt has been resolved in this manner.
2. **Option if resolution results in debt.** If the Committee resolves the dispute in a manner that acknowledges that there is a debt, the Committee may either pay the full amount owed or settle with Google to pay a lesser amount. If the Committee pays the full amount owed, it should notify the Commission that the debt has been paid in full. If the Committee agrees to pay a lesser amount, it must submit a debt settlement plan. The Commission’s debt settlement plan form, FEC Form 8, is available on the FEC website at

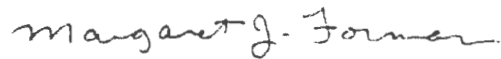
<http://www.fec.gov/pdf/forms/feefrm8.pdf> , and related instructions are available at
<http://www.fec.gov/pdf/forms/feefrm8i.pdf>.

- 3. Option if state statute of limitations on disputed debts has expired.** If, after reviewing the applicable state statute of limitations, you determine that the statute of limitations has expired as to the debt in question, you should notify the Commission. *See* Advisory Opinion 1999-38 (Calvert). You should reference this correspondence and Advisory Opinion 1999-38 when you contact the Commission.

Until you resolve the debt or the Commission approves your debt settlement plan, you are required to continue filing reports disclosing the debt. 11 C.F.R. § 104.11(a). The Commission will notify you when the Committee is no longer required to file reports.

If you have any questions, you may contact me at (202) 694-1353.

Sincerely,



Margaret J. Forman
Attorney, Office of General Counsel

Enclosure: Advisory Opinion 1999-38 (Calvert)



FEDERAL ELECTION COMMISSION
Washington, DC 20463

June 14, 2000

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

ADVISORY OPINION 1999-38

Nicholas C. Vasels
Law Offices
1601 Dove Street, Suite 200
Newport Beach, California 92660

Dear Mr. Vasels:

This refers to your letters dated May 5, and April 28, 2000, and November 17, 1999, on behalf of the Ken Calvert for Congress campaign committee ("the Committee") concerning the application of the Federal Election Campaign Act of 1971, as amended ("the Act"), and Commission regulations to the proper reporting of several disputed debts with former Committee vendors.

FACTS

You state that the Committee has, through several Form 3 reports filed in the past, reported four specific Schedule D debts which the Committee contends it does not owe. You explain that on its report of receipts and disbursements filed for the period ending June 30, 1999, the Committee "charged off" the subject amounts by simply eliminating the designated creditors from the Form 3 Schedule D. Subsequent to this and following its review of the report, the FEC in a letter dated October 19, 1999 from Commission staff, indicated that the Schedule D deletions created a discrepancy with the Form 3, Schedule B in that the Schedule B did not identify any corresponding payments to the creditors who no longer appeared on the Schedule D. In response, you state that the Committee filed an amended Schedule D reinstating the charged off amounts. Your request includes copies of the June 30, 1999, Schedule D; the Commission October 19, 1999 letter; and a November 2, 1999 letter from you responding to the Commission staff's inquiries and transmitting the Committee's amended Schedule D. Your request

also includes copies of letters between the Committee and the vendors whose underlying transactions with the Committee form the background of this request.

Although it may be currently considered in compliance by balancing the 6/30/99 Form 3, you state that the Committee remains confronted with the continuing obligation to report the subject "debt" items when, you assert, it has no obligation to pay those items at all. The Committee seeks to delete the items from future reports without having to report the amounts as either paid by way of disbursements, or as contributions (cash or in-kind).

The four debt items reinstated on the amended Schedule D are Fieldworks Development (\$3,000); Pacific West Communications (\$2,915); Gangi Graphics (\$2,085); and Calloway Vineyard & Winery (\$2,370). Of the four, the debt owed to Calloway Vineyard, you state, was previously resolved by individual in-kind contributions which the committee will reconcile with reports it will file with the Commission. The other three items, which the Committee claims it does not owe, are the subject of this advisory opinion request.

a) *Fieldworks Development*: Fieldworks Development, you explain, is the business name for an individual named David Terrie who had been engaged to create certain computerized mailing lists during Mr. Calvert's 1994 primary election campaign. There were problems with the program Mr. Terrie created, and his subsequent invoice for \$3,000 for the work performed was disputed by the Committee which refused to pay the full amount and sought instead to settle the bill by compromise. During the ensuing negotiations, in which you represented the Committee, an employee of the Committee erroneously posted the face amount of the invoice as a payable which then was mistakenly reported as a debt for \$3,000 on the Form 3, Schedule D, filed for the period ending 12/31/94. In early 1995, the Committee tendered a check to satisfy the invoice which the vendor refused to accept, and although Mr. Terrie demanded full payment of the bill, he never attempted collection through filing a lawsuit or otherwise. You assert that neither your office as campaign counsel nor the Committee has heard from Mr. Terrie on this matter for several years, and the applicable California Statute of Limitations has expired on the claim. You state that no amount of the disputed invoice can be collected by the vendor, and the Committee has no intention of volunteering any further payment in relation to this matter. You characterize the reported \$3,000 Schedule D item, has having been "discharged in substance" that "should be discharged in form."

b) *Pacific West Communications*: You explain that this vendor performed certain services connected with the production of a video used in Mr. Calvert's 1996 general election campaign. The \$2,915 indicated on the amended Schedule D were overcharges by Pacific West that were disputed by the Committee because the services for which the amounts were billed were both unauthorized and were defectively performed by the vendor, causing extra cost to the campaign to correct. You state that Pacific West neither contested the Committee's contentions, nor pressed any claim for the disputed amount. The Committee considered that it did not owe the money and that the matter was settled.

You explain that meanwhile, the disputed amount had been erroneously reported as a Schedule D debt on the Form 3, filed for the period ending 9/30/96, as an unpaid balance on the original Pacific West invoice, following the resolution of the claim itself. You state that the item has been carried as a Schedule D debt since that time and should be eliminated from further reporting. In addition, the Committee has been informed that Pacific West Communications no longer exists as a business.

c) *Gangi Graphics*. You state that Gangi was a vendor associated with Pacific West Communications (see above) that performed certain services connected with production of the same video used in the 1996 general election campaign. The \$2,085 indicated on the amended Schedule D, you explain, was an overcharge by Gangi which the Committee disputed for the same reasons it disputed the above-mentioned amounts charged by Pacific West. Gangi later dropped its claim. The disputed amount, you explain, was also erroneously reported as a Schedule D debt on the Form 3 filed for the period ending 9/30/96 after that amount had been withdrawn by the vendor as a claim; therefore, it should not have been reported. The item has also been carried as a Schedule D debt since that time, and you contend that it should be eliminated from further reporting.

It is the Committee's view that, given the facts and circumstances set forth above, charging off the foregoing Schedule D items would not be actual discharges of debts, would not create corollary contributions or receipts, could not be accurately reported as Schedule B disbursements, and would not be offsets or rebates. The Committee contends that it is not obligated to pay the subject amounts reported and would not receive any benefits by charging off the items from its records. It further contends that the amounts were in the first instances reported in error and sees no legitimate reason to continue reporting the amounts on any future Schedule D. Finally, you note that the four year California Statute of Limitations, which governs these transactions, has expired for all three matters and whatever potential claim a vendor might make is thereby extinguished.¹

You state that the Committee would like to delete the subject amounts and creditor designations from the next Form 3 report, following the approval of an affirmative advisory opinion from the Commission. If this is not permissible, the Committee seeks, in the alternative, an advisory opinion as to how best to charge off the subject items and resolve the reporting issues.

¹ Under the California Statute of Limitations, a legal action for obligations arising from a written contract must be brought within four years of the contract breach. See CAL CODE OF CIVIL PROCEDURE § 337 (West 1982). The period for commencing an action for obligations arising out of a oral contract is two years. CAL CODE § 339. According to the materials you provide, the dispute with Fieldworks Development dates from 1994, and the disputes with Gangi Graphics and Pacific West Communications date from March 1996. Whatever the type of contract, the statute of limitations for all three disputes has apparently expired.

ACT AND COMMISSION REGULATIONS

Each report filed under 11 CFR 104.1 shall, on schedule C or D, as appropriate, disclose the amount and nature of outstanding debts and obligations owed by or to the reporting committee. Where such debts and obligations are settled for less than their reported amount or value, each report filed under 11 CFR 104.1 shall contain a statement as to the circumstances and conditions under which such debts or obligations were extinguished and the amount paid. 2 U.S.C. §434(b)(8) and 11 CFR 104.3(d); *see also* 11 CFR 104.11, 116.2(b) and 116.7.

Debts and obligations owed by a political committee which remain outstanding shall be continuously reported until extinguished. 11 CFR 104.11(a). If the exact amount of a debt or obligation is not known, the report shall state that the amount reported is an estimate. Once the exact amount is determined, the political committee shall either amend the report(s) containing the estimate or indicate the correct amount on the report for the reporting period in which such amount is determined. 11 CFR 104.11(b).

With regard to reporting disputed debts, a political committee shall report a disputed debt in accordance with 11 CFR 104.3(d) and 104.11, if the creditor has provided something of value to the political committee. Until the dispute is resolved, the political committee shall disclose on the appropriate reports any amounts paid to the creditor, any amount the political committee admits it owes and the amount the creditor claims is owed. The political committee may also note on the appropriate reports that the disclosure of the disputed debt does not constitute an admission of liability or a waiver of any claims the political committee may have against the creditor. 11 CFR 116.10(a).

APPLICATION TO PROPOSAL

The Commission regulations require the continuous reporting of disputed debts. Since the documentation you provide indicates that demands were made for payment by the three vendors for services rendered the Committee, the Committee was correct in its initial action to report the disputed debts. The documentation you have provided does not indicate an actual resolution of the dispute with any of three vendors. Rather, you have asserted that all three vendors have simply ceased their efforts to obtain payment or never challenged the Committee's contentions after the initial demand for payment was made. In one case the vendor, Pacific West Communications, no longer exists.² The Commission also notes your statement that these claims are now legally barred.³

² Commission regulations address cases where a creditor has gone out of business and no other entity has a right to be paid the (undisputed) amount owed by an ongoing political committee. 11 CFR 116.9(a) and (c).

³ In a past opinion the Commission did not permit the termination of a committee despite the fact that legal action to collect the remaining debts of the committee were barred by a State statute of limitations. The Commission noted that the statute of limitations did not extinguish the underlying claims, only the collection of those claims. *See* Advisory Opinion 1988-44. Nonetheless, in Advisory Opinion 1990-15, while acknowledging the holding of Advisory Opinion 1988-44, the Commission noted that the expiration of the statute of limitations regarding the collection of a committee's remaining debts was a factor the Commission could consider in a committee's request for administrative termination. *Advisory Opinion*

In these circumstances, the Commission agrees that the Committee is not obligated to indefinitely report these disputed debts. However, before it discontinues its reporting of the three debts, the Committee is obligated to explain the circumstances in its next report, using 11 CFR 104.3(d) and 104.11(a) as guidelines. Therefore, in its next report following the issuance of this opinion, the Committee should file a Schedule D which lists the three disputed debts with Fieldworks Development, Pacific West Communications and Gangi Graphics. It should list an outstanding balance of zero for each debt as of the close of the reporting period. In the column provided to show payments made during the reporting period, the Committee should disclose in parenthesis an amount indicating that each debt is paid in full. To explain its representation that the debts are, in effect, paid, the Committee should include a memo entry which cites this advisory opinion, states the Committee's position that these amounts were disputed with the three vendors, that the vendors have ceased to demand Committee payment, and that the statute of limitations for these debts has expired making collection unenforceable in the legal process. It should also state that the Committee will no longer list the three debts on its Schedule D. After the Committee has taken these steps, it will have no future reporting obligation regarding these three debts.

This response constitutes an advisory opinion concerning the application of the Act, or regulations prescribed by the Commission, to the specific transaction or activity set forth in your request. See 2 U.S.C. §437f.

Sincerely,

(signed)

Darryl R. Wold
Chairman

Enclosures (AOs 1990-15 and 1988-44)

1988-44 is distinguishable from your situation since none of the debts there at issue were described as disputed debts.

January 5, 2016

Federal Election Commission
Attn: Christopher Morse,
Senior Campaign Finance Analyst
Reports Analysis Division
999 E Street, NW
Washington, DC 20463

COPY

Re: Requesting Administrative *TERMINATION OF:*
Coalition of Americans for Political Equality PAC
Committee ID: C00493486

Dear Mr. Morse:

To support the FEC Termination Report filed today by The Coalition of Americans for Political Equality PAC (“CAPE”), a registered Super PAC, please accept this letter as a formal request by CAPE for Administrative Termination of its filing requirements. This request is being made pursuant to Rule 102.4(a) of Chapter 11, CFR. Administrative termination is being requested for several reasons as set forth below.

As the filed reports over the past three years will support, CAPE has not conducted any activity, nor has accepted any donations or performed any election-related or business functions in the last three years with the exception of filing its required periodic FEC reports. The only purpose for which continued filing of periodic reports was to disclose unresolved, disputed debt. CAPE’s outstanding debts and obligations exceed the total of the committee’s reported cash-on-hand balance as reflected in reports for the last three years.

With respect to the unresolved and disputed debts identified in all FEC filings, each of these were incurred as overcharges for services not requested, or received by CAPE in 2012. As such, formal disputes were immediately lodged with each vendor for the disputed amounts with a demand that they explain the overcharges and a request that they each provide an accounting and verification of their charges against CAPE. These accountings were never received. Along with the disputes, CAPE provided payments of all amounts billed that were not in dispute. All such payments were properly reported in CAPE’s FEC filings in 2012.

CAPEPAC

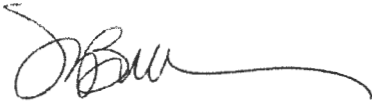
Vendors sent repeated billing statements and in the case of Google, demand letters for payment of the disputed charges. Nothing more was done by the disputed vendors to collect the alleged debts. Each of the vendors listed as disputed debts failed to respond to CAPE's requests for an accounting and justification for the amounts charged.

Numerous attempts by CAPE were made to resolve the disputed debts in the first two years since CAPE operations ceased in September 2012. However, despite offers to settle the disputes, all but Google ignored each of our communications. Google's response was to ignore settlement offers and to periodically continue billing for the disputed amounts on a periodic basis until August 2013 when, no further billings or collection efforts were received by CAPE. The reported debts remain disputed and unresolved as a result. In summary, there has been no attempt by any vendor, including Google, the largest alleged debtor, to collect the funds they claimed was owned to them or to settle the disputes since August 2013. The forgoing notwithstanding, CAPE has no independent assets or income in which to satisfy the disputed debts.

Since CAPE is a registered Super PAC, the committee's outstanding debts and obligations, if treated as a contribution, would not appear to present a possible violation of the 11CFR, parts 110 and 114 contribution prohibitions and limitations.

In summary, I believe that CAPE's circumstance meets the qualifications necessary to allow administrative termination to occur. As such, I request that the FEC take immediate action to administratively terminate CAPE's registration and filing requirements.

Respectfully Submitted,



Margaret Berardinelli
Treasurer

From: Marc Bonanni
To: [Margaret Forman](mailto:Margaret.Forman)
Cc: capepac@gmail.com; [Lorenzo Holloway](mailto:Lorenzo.Holloway)
Subject: Re: FW: Coalition of Americans for Political Equality PAC (Committee ID C00493486) AT 16-01
Date: Thursday, September 28, 2017 10:48:50 AM
Attachments: [GoogleAdWordsTOS_040212.pdf](#)
[Google AdWords MSA 29 Feb 2012 GO-623473-1.pdf](#)
[Aug Inv Due Sept 30.pdf](#)

Dear Ms. Forman:

In response to your requests, please note that the company does not have a record of an executed written contract with Google for their services. The attached contract and terms of service were provided by Google two months after services were begun, however, it was not formally executed prior to ceasing services following the disputed charges in September 2012. Nevertheless, services were invoiced and paid each month from March 2012 through the disputed invoice received in September 2012. All Google services ceased at that time.

Attached per your request you will also find the last invoice for services rendered, which was the basis for the dispute.

Please let me know if you need anything further to establish the timeline under which the statute of limitation is evoked.

Best Regards,

Marc Bonanni, Esq.

Direct Line: [\(949\) 293-1177](tel:9492931177)
mb2law@gmail.com

Jeremiah 29:11

PRIVILEGED ATTORNEY/CLIENT, ATTORNEY WORK PRODUCT

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 *Please consider the environment before printing this eMail.*

On Wed, Sep 27, 2017 at 8:49 AM, Margaret Forman <mforman@fec.gov> wrote:

Dear Mr. Bonanni and Ms. Berardinelli:

We have reviewed the September 1, 2017 correspondence CAPE PAC sent, in response to our April 26, 2016 correspondence. Before we can reopen this administrative termination matter for the Commission's consideration, we will need some more information. This information will assist

us in verifying whether the statute of limitations has run in the Committee's disputed debt with Google. Specifically, we would request that you inform us whether you had a written contract with Google regarding the services which are the subject of the disputed debt. We also request that you provide us with a copy of the invoice(s) showing the disputed amount, or double-billing that you state occurred, resulting in additional, unauthorized charges from Google. Please provide this information and documentation by October 11, 2017.

If you have any questions, please feel free to contact me.

Thank you,

Margaret J. Forman, Attorney

Federal Election Commission

Office of General Counsel

Policy Division, Compliance Advice

[999 E Street, NW](#)

[Washington, DC 20463](#)

[202-694-1353](#)



Google Inc.
1600 Amphitheatre Pkwy
Mountain View, CA 94043
USA
Federal Tax ID: 77-0493581

Invoice

Bill to

Coalition of Americans for Political Equality
Nicholas Spears
13681 NEWPORT AVE
STE 8617
TUSTIN, California 92660
USA

Details

Invoice number: 1371673456
Due date: Sep 30, 2012
Issue date: Aug 31, 2012
Payment terms: Net 30
Billing ID: [REDACTED]

Google AdWords

Account: CAPE PAC

Order name: CAPE - Updated Budget Order

Aug 1, 2012 - Aug 31, 2012

Account ID: [REDACTED]

Description	Quantity	Units	Amount (\$)
Mitt Romney - Search	114156	Clicks	210,824.60
John Boehner	8	Clicks	7.59
Richard Murdock	201	Clicks	178.55
Ted Cruz	1824	Clicks	1,681.50
Dean Heller	575	Clicks	676.08
Allen West	11145	Clicks	6,934.04
CAPE PAC	146	Clicks	144.95
Erik Paulsen	30	Clicks	33.33
Peter Hoekstra	6	Clicks	5.91
Josh Mandel	1060	Clicks	1,235.90
Denny Rehberg	335	Clicks	352.58
Bob Corker	1	Clicks	5.00
Roger Wicker	2	Clicks	7.11
Ann Wagner	1	Clicks	1.00
Ed Royce	2	Clicks	2.62
Jeb Hensarling	1	Clicks	1.41
Tom Latham	30	Clicks	35.33
Jeff Flake	1066	Clicks	1,116.77
Heather Wilson	2	Clicks	6.37
George Allen	484	Clicks	437.41
Michele Bachmann	1	Clicks	1.32
Mitt Romney - Display	15796	Clicks	17,687.34

Bill to: Coalition of Americans for Political
Equality

Billing ID: [REDACTED]

Invoice number: 1371673456

Be sure to include your invoice number on all payments.

Amount due in USD:	\$253,497.52
Due date:	Sep 30, 2012

To pay by wire transfer, send to:

Account name:
Bank: Wells Fargo Bank, Palo Alto, CA
94321-0150
ABA #: 121000248
Account #: [REDACTED]

To pay by check, mail to:

Google Inc.
Dept. 33654
P.O. Box 39000
San Francisco, CA 94139
USA



Invoice

Google AdWords

Account: CAPE PAC

Order name: CAPE - Updated Budget Order

Aug 1, 2012 - Aug 31, 2012

Account ID: [REDACTED]

Description	Quantity	Units	Amount (\$)
Mitt Romney - Display	1279	Clicks	1,548.99
Ted Cruz - Video	9476	Clicks	3,035.76
Ted Cruz - Video	28	Clicks	4.24
Allen West - Video	10490	Clicks	3,033.30
Allen West - Video	53	Clicks	6.68
Fact vs. Fiction	20872	Clicks	3,036.29
Fact vs. Fiction	31	Clicks	3.71
Byron Donalds - Video	5396	Clicks	1,501.05
Byron Donalds	194	Clicks	184.32
Invalid activity			-1.09
Invalid activity			-2.58
Invalid activity			-25.71
Invalid activity			-4.94
Invalid activity			-0.76
Invalid activity			-0.78
Invalid activity			-53.05
Invalid activity			-8.56
Invalid activity			-8.57
Invalid activity			-1.92
Invalid activity			-6.74
Invalid activity			-2.73
Invalid activity			-0.56
Invalid activity			-0.60
Invalid activity			-15.51
Invalid activity			-12.71
Invalid activity			-1.69
Invalid activity			-9.80
Invalid activity			-0.47
Invalid activity			-6.62
Invalid activity			-1.19
Invalid activity			-1.28
Invalid activity			-2.45
Invalid activity			-57.79
Invalid activity			-3.38
Invalid activity			-1.18
Invalid activity			-0.87
Subtotal:			253,497.52
Tax (0%):			0.00
Amount due in USD:			253,497.52