Exhibit 1

Ohio Elections Commission Complaint Against All Children Matter – Ohio PAC

COMPLAINT TO THE OHIO ELECTIONS COMMISSION

FROM:

Secretary of State Jennifer Brunner

ADDRESS:

180 East Broad St.

Columbus, Ohio 43215

TELEPHONE:

(614) 466-2585

RECEIVED

NAME OF ENTITY:

ALL CHILDREN MATTER OHIO PAC

88 EAST BROAD ST., STE 1320 (CP1261)

FEB 2 8 2007

COLUMBUS, OH 43215

TREASURERS NAME AND ADDRESS:

LISA LISKER

OHIO ELECTIONS COMMISSION

C/O 88 EAST BROAD ST., STE. 1320

COLUMBUS, OH 43215

THE ABOVE NAMED PERSONS ARE BEING REFERRED TO THE COMMISSION PURSUANT TO DIVISION (C) OF THE OHIO REVISED CODE SECTION 3517.11 BECAUSE OF THE FOLLOWING APPARENT VIOLATION(S) OF THE LAW.

INFORMATION REGARDING THE REFERRAL:

- R.C. 3517.11(C), Failure to File a Complete and Accurate Statement: Committee failed to file
 requested addenda to the 2006 Pre-Primary, 2006 Post Primary, 2006 Pre-General and 2006 Post
 General reports, due no later than 01/12/2007 and not received at Ohio Secretary of State's office as
 of 02/15/2007. Committee letter received 01/12/2007, but committee refused to make the required
 changes to the reports.
- R.C. 3517.102(C)(7)(b), Limit Violation: Committee accepted \$870,000.00 from All Children Matter-VA State PAC during calendar year 2006.

Secretary of State notified All Childern Matter – OH PAC of the excess transfer on 12/21/2006. Secretary of State excess transfer notification also directed All Children Matter – OH PAC to make refund(s). Committee has refused to make required refunds as of 02/15/2007. All Children Matter – OH PAC expended over \$800,000.00 of contributions to influence the 2006 Ohio Primary and General elections.

All Children Matter – VA PAC, which made the transfers or contributions to All Children Matter – OH PAC, is not permitted to make contributions in Ohio, as it has not registered with or otherwise become established as a PAC in Ohio. Therefore, the two committees (VA and OH) cannot be affiliated for transfer or contribution limit purposes of R.C. 3517.102(B)(2)(a)(vi).

Ohio Elections Commission Advisory Opinion 2006ELC-03 (requested by counsel for All Children Matter), issued 05/25/2006, previously cautioned All Children Matter that transfers between affiliated PACs "can only occur between PACs that are already established under Ohio Law." As All Children Matter – VA PAC was not established under Ohio Law, the transfers or contributions are not permitted, they exceed Ohio's contribution limit law and must be refunded.

RELEVANT PAGES OF THE REPORT, CORRESPONDENCE AND OTHER INFORMATION IS ATTACHED FOR THE CONSIDERATION OF THE COMMISSION.

//Curtis Mayhew ¿

Campaign Finance Administrator

536903

Date



J. KENNETH BLACKWELL Ohio Secretary of State

180 E. Broad Street, 16th Floor, Columbus OH 43215 614.466.2655 / Toll Free: 877.767.6446 / Fax: 614.644.0649 e-mail: blackwell@sos.state.oh.us www.sos.state.oh.us

December 18, 2006

2006 Pre & Post Primary 2006 Pre & Post General

All Children Matter-Ohio PAC Lisa Lisker, Treasurer 88 East Broad St., Ste. 1320 Columbus, OH 43215

Dear Ms. Lisker:

As mandated by statute, the Secretary of State's office has examined, for compliance with Ohio's campaign finance laws and regulations, your committee's above-mentioned finance reports. Our examination, conducted under Ohio Revised Code section 3517.11(B), indicates that additional information is needed as follows in order to complete or clarify the reports:

All Reports

Your committee's reports contain ten contributions totaling \$870,000.00 from All Children Matter-VA State PAC. However, All Children Matter-VA State PAC did not register with Ohio Secretary of State's office prior to receiving contributions or making expenditures to influence Ohio state or local elections as required by R.C. 3517.10(D). Therefore, pursuant to O.A.C. 111-5-03 (copy enclosed), the VA PAC was not permitted to make expenditures to influence Ohio state or local elections. That includes making expenditures to a registered Ohio PAC. Therefore, pursuant to the O.A.C. 111-5-03, it is necessary for your PAC to refund the \$870,000 to All Children Matter-VA State PAC. Although this refund will not be reported until your committee's next scheduled report, please provide a copy of the refund check at this time.

Copies of canceled checks or paid receipts for all expenditures over \$25 were not attached to the report. Please provide at this time.

Please file the requested corrections in an original addendum with this office. R.C.3517.11 (B) requires that an addendum be filed within twenty-one days of receipt

of this letter. Please be advised that if the requested information is not received within this time period, a referral will be made to the Ohio Elections Commission.

Should you have any questions, please contact Kelly Joseph Neer at (614)-728-8512.

Very truly yours,

. Curtis Maybew

Campaign Finance Administrator

1 of 1 DOCUMENT

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*** THIS DOCUMENT IS CURRENT THROUGH JUNE 12, 2006 ***

111 SECRETARY OF STATE
Chapter 111-5 Statement of Campaign Receipts and Expenditures

OAC Ann. 111-5-03 (Anderson 2006)

111-5-03 Political action committee contributions.

Any political action committee that is not registered under Section 3517.107 of the Revised Code shall file a designation of appointment of treasurer prior to receiving contributions or making expenditures for the purpose of influencing the results of a state or local election in Ohio. A political action committee not registered under Section 3517.107 of the Revised Code and that is registered in a state other than Ohio may not use any contributions received prior to the filing of the appointment of designation of treasurer to make expenditures to influence the results of a state or local election in Ohio. Once a political action committee has filed an appointment of designation of treasurer pursuant to Section 3517.10 of the Revised Code, any contribution received or expenditure made by the political action committee in connection with any state or local election in Ohio shall be received or made in accordance with Chapter 3517 of the Revised Code. Any campaign committee, political action committee, political contributing entity, legislative campaign committee or political party that receives a contribution from a political action committee prior to that political action committee filing a designation of appointment of treasurer under section 3517.10 of the Revised Code and this rule shall return the contribution to the political action committee.

History: Effective: 01/01/2002, 01/01/2006 R.C. 119.032 review dates: 07/01/2006

Promulgated Under: 119.03 Statutory Authority: 3517.23

Rule Amplifies: 3517.10, 3717.107

Franklin County Ohio Clerk of Courts of the Common Pleas- 2012 May 25 3:53 PM-12CV003843 COMPLETE THIS SECTION ON DELIVERY NDER: COMPLETE THIS SECTION A. Signature Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired. Agent Address Print your name and address on the reverse CDate of Delive so that we can return the card to you. B. Received by (Printed Name) Attach this card to the back of the mailpiece, or on the front if space permits. D. Is delivery address different from itemed 1 No If YES, enter delivery address belo Article Addressed to: ALL CHILDREN MATTER OHIO PAC LISA LISKER, TREASURER C/O 88 EAST BROAD ST., STE. 1320 3. Service Type ☐ Express Mail ☐ Certified Mali COLUMBUS, OH 43215 ☐ Return Receipt for Merchandise ☐ Registered. □ C.O.D. Insured Mail 4. Restricted Delivery? (Extra Fee) ☐ Yes 7003 3110 0004 6273 1965 . Article Number (Transfer from service label) 102595-02-M-1540 'S Form 3811, February 2004 Domestic Return Receipt

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Friedlander Coplan & Aronoff LLP Attorneys at Law

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2007 JAN 12 AM 9: 22

William M. Todd Writer's Direct Dial: (614) 223-5348 Writer's Email: wtodd@bfca.com

January 11, 2007

VIA HAND DELIVERY

J. Curtis Mahew Campaign Finance Administrator Ohio Secretary of State 180 E. Broad St., 16th Floor Columbus, OH 43215

> All Children Matter-Ohio PAC Re:

Dear Mr. Mahew:

As you know from our recent conversation, we represent the All Children Matter-Ohio PAC ("ACM-Ohio") in connection with this matter. As you also know, ACM-Ohio respectfully disagrees with your legal position in this matter because the transfers you reference clearly fall within the ambit of R.C. §3517.102(B)(2)(a)(vi).

In other words, the legal position of ACM-Ohio is that the provisions of that statute clearly contemplate the unlimited transfer of funds between "affiliated" PACs. Here, the transfers between ACM-Ohio and its affiliated PAC in Virginia meet that statutory requirement. Moreover, it is ACM-Ohio's position that regulations that you cited (OAC 111-5-03), nor the recent Ohio Elections Commission opinion on this issue, have any statutory basis whatsoever.

In addition, it is our understanding that such transfers between affiliated PACs regularly occur in Ohio and that your office has not attempted to assert this interpretation of the statute.

Finally, it is important to note that ACM-Ohio cannot "refund" the \$850,000 that you suggest should occur because it does not have the resources available to make a "refund" of that magnitude.

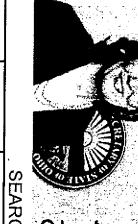
Accordingly, for all of the foregoing reasons, we would appreciate the opportunity to negotiate a resolution of this matter prior to any reference to the Ohio Elections Commission.

Thank you, in advance, for your kind consideration.

Yours sincerely,

BENESCH, FRIEDLANDER, COPLAN & ARONOFF LLP

William M. Todd





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1/22/2007

Ohio Elections Commission

21 West Broad Street, Suite 600 Columbus, Ohio 43215 614•466•3205 www.state.oh.us/elc RECEIVED

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SECRETARY OF STATE

J. KENNETH BLACKWELL

May 25, 2006

Ohio Elections Commission Advisory Opinion 2006ELC-03

SYLLABUS: Campaign contribution limits otherwise applicable to PACs are not

applicable to affiliated PACs that are properly established under Ohio's campaign finance laws pursuant to R.C. §3517.08 et seq.

To:

William M. Todd, Esq.

Counsel

All Children Matter

You have requested an advisory opinion on a series of questions concerning Ohio campaign finance law. The essential question posed to the Commission is as follows:

What is the application of Ohio's contribution limits under Ohio Revised Code §3517.102 as they may apply to affiliated Political Action Committees (PACs), as that term is defined?

In your advisory opinion request letter you state that your client, All Children Matter, is currently operating affiliated Political Action Committees (PACs) in several states, but not in the state of Ohio. You indicate that All Children Matter intends to commence operations in Ohio, but that before doing so you seek the Commission's interpretation of certain provisions in Ohio's campaign finance laws. You are specifically seeking the Commission's interpretation of R.C. §3517.102(B)(2)(a)(vi), Ohio's statutory limitation on campaign contributions that may be made between PACs.

This statutory provision directs that no PAC shall make a contribution or contributions that aggregate more than ten thousand dollars to another PAC in a calendar year. The provision that is of interest to you, however, goes on to hold as follows:

This division <u>does not</u> apply to a political action committee that makes a contribution to a political action committee affiliated with it. For purposes of this division, a political action committee is affiliated with another political action committee if they are both established, financed, maintained, or controlled by, or if they are, the same corporation, organization, labor organization, continuing association, or other person, including any parent, subsidiary, division, or

2006ELC-03 Page 2

department of that corporation, organization, labor organization, continuing association, or other person. [Emphasis Added]

First, you acknowledge that the anticipated activities of your clients are subject to this provision and that for the purposes of Ohio's campaign finance laws your client organizations are to be considered affiliated. Your basic question is primarily directed at whether affiliated PACs are limited in the amount of contributions that may be made between them. The Commission is in accord with the statute that there are no limitations on the amounts that can be transferred between affiliated PACs, whether from within or outside the state of Ohio. Before contemplating the transfer of funds to the Ohio PAC, however, the Commission believes that an out-of-state PAC must file the necessary documentation to establish its existence in Ohio.

Ohio law also recognizes two forms of PACs. Along with an Ohio PAC as defined in R.C. §3517.01(B)(8), Ohio law recognizes the existence of federal political committees (federal PACs). The manner in which these committees conduct their activities in Ohio is detailed in Ohio's campaign finance laws as contained in R.C. §3517.08 et seq. In order to conduct political activities in the state of Ohio, a PAC must fall into one of these two categories.

In discussing the latter, Ohio law is quite clear as to the requirements for the manner in which federal PACs can conduct Ohio activities. R.C. §3517.107(B) requires that a federal PAC shall first file "a copy of its most recent federal statement of organization," "(p)rior to making any such contribution, expenditure, or independent expenditure ..." R.C. §3517.107(B). As long as the federal statement of organization is filed prior to the federal PAC conducting any Ohio activity, it has complied with Ohio law. Subsequent to the initial filing, then, a federal PAC can make contributions and have expenditures. Additional filings are required based on the nature of the PAC's activity, and all PAC activity is subject to federal law and the jurisdiction of the Federal Elections Commission on the legal principle of the preemption of state law by federal law. Filings made with the state of Ohio in this situation are essentially notice type filings that are made merely to reflect a PAC's Ohio activity.

The only other type of PAC recognized in Ohio law is an Ohio PAC that files an Ohio Designation of Treasurer form and then complies with all of the provisions in Ohio's campaign finance statutes. Ohio law provides a definition of a PAC in R.C.§3517.01(B)(8) as

... a combination of two or more persons, the primary or major purpose of which is to support or oppose any candidate, political party, or issue, or to influence the result of any election through express advocacy, and that is not a political party, a campaign committee, or a legislative campaign fund. 2006ELC-03

Page 3

If two or more persons seek to combine to conduct political activities as their primary or major purpose in Ohio as is stated above, they must first comply with the provisions of R.C. §3517.10(D). Subdivision (1) of §3517.10(D) holds that

(p)rior to receiving a contribution or making an expenditure, every ... political action committee ... shall appoint a treasurer and shall file, on a form prescribed by the secretary of state, a designation of that appointment, including the full name and address of the treasurer and of the ... political action committee [Emphasis Added]

Ohio campaign finance law does not allow for any other type of PAC.

Therefore, while affiliated PACs are not subject to the statutory limitations on contributions under R.C. §3517.102, any contributions made between affiliated PACs can only occur between PACs that are already established under Ohio law. If such an affiliated contribution were to come from an existing federal PAC, the only requirement would be the filing of the federal Statement of Organization with the Secretary of State. Once that is accomplished, an affiliated contribution could be made and any prior activity of the PAC would be available with the Federal Elections Commission.

This would not be the case for an Ohio PAC. Your request letter indicates that All Children Matter has not been previously active in the State of Ohio. That being the case, it would not be possible for an existing All Children Matter PAC from another state to file a proper Declaration of Treasurer form with the Ohio Secretary of State. Since an Ohio PAC can have no activity prior to the filing of that Designation and due to the PAC's existence in another state, which implies the receipt of contributions and the making of expenditures, any attempt to establish an Ohio PAC for an existing out-of-state entity would immediately subject the filer to the jurisdiction of the Commission for an untimely filing of a Designation of Treasurer.

Accordingly, it is the opinion of the Ohio Elections Commission, and you are so advised, that the campaign contribution limits otherwise applicable to PACs are not applicable to affiliated PACs that are properly established under Ohio's campaign finance laws pursuant to R.C. §3517.08 et seq.

Sincerely,
Willia Booth;

William Booth

Chair