

FEDERAL ELECTION COMMISSION

In the matter of: Hillary Rodham Clinton
 Hillary Clinton for President MUR No.: _____
 Friends of Hillary
 Ready for Hillary PAC

COMPLAINT

1. Stop Hillary PAC, through counsel, hereby brings this complaint before the Federal Election Commission (“FEC”) seeking an immediate investigation and enforcement action against Hillary Rodham Clinton, Hillary Clinton for President, Friends of Hillary, and Ready for Hillary PAC for direct and serious violations of campaign finance law.

Complainant

2. Stop Hillary PAC is a Hybrid Political Action Committee. The committee is registered under the Federal Election Campaign Act of 1971, as amended (the “FECA”). 2 U.S.C. § 433; *Carey v. FEC*, 791 F. Supp. 2d 121(D.D.C. 2011), Stipulated Order and Consent Judgment (August 19, 2011).

Respondents

3. “Hillary Clinton for President” was the Principal Campaign Committee of the 2008 presidential candidate Hillary Rodham Clinton (“Clinton”). The committee registered under the Federal Election Campaign Act. 2 U.S.C. § 433. The committee filed a termination report on February 4, 2013 which was approved by the FEC on February 26, 2013.
4. “Friends of Hillary” is the Principal Campaign Committee of Clinton for the office of United States Senator from New York. The committee is registered under the Federal Election Campaign Act. 2 U.S.C. § 433.
5. “Ready for Hillary PAC” is an Independent Expenditure Only Political Action Committee. The committee is registered under the Federal Election Campaign Act. 2 U.S.C. § 433; *SpeechNow.org v. FEC*, 599 F.3d 686 (D.C. Cir. 2010).

Factual Allegations

6. *Time* reports that Ready for Hillary PAC has used the email list of Hillary Clinton for President (the “List”). Exhibit A. Seth Bringman, a representative of Ready for Hillary PAC, confirmed with *Time* that Ready for Hillary PAC used the List for the purpose of connecting with Clinton’s past supporters. *Id.*
7. On or about January 5, 2014, Ready for Hillary PAC emailed the List with a “from” address and “reply to” address of info@hillaryclinton.com. In the email, Ready for Hillary PAC tells recipients “Now is the time to get our support for Hillary organized and ready for 2016” and offers free “I’m Ready for Hillary” bumper stickers. Exhibit A and B.
8. The website HillaryClinton.com is owned and paid for by Friends of Hillary and, upon information and belief, was previously owned and operated by Hillary Clinton for President.

Exhibit C and D. Trilogy Interactive LLC manages and hosts the website HillaryClinton.com on behalf of Friends of Hillary. Exhibit D.

9. While Hillary Clinton for President filed a termination report on February 4, 2013, approved by the FEC on February 26, 2013, Friends of Hillary is still an active authorized committee of Clinton and has not filed a termination report. Exhibit E and F.
10. Ready for Hillary PAC operates with the stated goal of encouraging Clinton to run for president in 2016. Exhibit G. Ready for Hillary PAC supports or opposes more than one federal candidate and raises funds in unlimited amounts and makes independent expenditures consistent with the U.S. Court of Appeals for the District of Columbia Circuit's decision in *SpeechNow v. FEC*. Exhibit H and I. During the period of January 1, 2013 through June 30, 2013, Ready for Hillary PAC has raised a total contribution amount in excess of one million dollars. Exhibit J.
11. Ready for Hillary PAC indicates that if Clinton decides to run for office, Ready for Hillary PAC intends to make its list of supporters available to Clinton. Exhibit K.
12. Adam Parkhomenko, who worked on Clinton's 2008 presidential campaign, now serves as the Executive Director of Ready for Hillary PAC and Ready for Hillary PAC is also staffed with other Clinton advisers. Exhibit K.

Campaign Finance Violations

13. While the FEC has stated that a committee may donate, sell, rent or trade its contributor list to other committees and organizations, such transactions are still subject to other applicable requirements of the FECA and FEC regulations. AO 1979-03. Clinton and/or her authorized committee, Friends of Hillary, clearly owns the List as evidenced by both the "from" address and "reply to" address of info@hillaryclinton.com.
14. Clinton has conveyed rights related to the List to Ready for Hillary PAC, including the right to send emails to the List and the right to use her authorized committee's email address as the from and reply-to-address, or at least cloak themselves in the appearance of her authorized committee's email address. The only reasonable interpretation of these actions is the conveyance and use of these and other authorized committee's, and/or Clinton's, intellectual property is in furtherance of the stated goals of Ready for Hillary PAC. Even if Friends of Hillary and/or Clinton are compensated for such conveyance, this economic element makes it no less in furtherance of those goals. This, then, is an overt, knowing act, in furtherance of an effort to see Clinton elected to Federal office.
15. A candidate is considered an individual who seeks nomination for election to Federal office. 2 U.S.C. § 431(2). An individual shall be deemed to seek nomination where *such individual has given her consent to another to receive contributions, or make expenditures on behalf of such individual*, and if such person has received such contributions aggregating in excess of \$5,000 or has made such expenditures aggregating in excess of \$5,000. 2 U.S.C. § 431(2)(b), *emphasis added*.

16. Clinton's authorization of the use of her List by Ready for Hillary PAC is openly encouraging and supporting the activity of Ready for Hillary PAC, which in turn openly encourages Clinton to run for President, which has raised contributions in excess of one million dollars. This authorization and related activity clearly indicates Clinton is actually, or apparently, or by operation of law, an individual seeking nomination for election to Federal office. Clinton herself has not filed a disavowal notice with the FEC or publically disavowed the campaign activity conducted by Ready for Hillary PAC.
17. A candidate may authorize a political committee, other than her principle campaign committee, under 2 U.S.C. § 432(e)(1) to receive contributions or make expenditures on behalf of the candidate. 2 U.S.C. § 431(6). By providing authorization to use the List, Clinton has in effect authorized Ready for Hillary PAC to receive contributions from her own discrete list of supporters on her behalf and on behalf of a candidacy for President, and should properly identify the committee as an authorized committee of Clinton.
18. Clinton's authorization of Ready for Hillary PAC is, however, in violation of campaign finance law. A candidate may not designate a political committee as an authorized committee where that committee supports more than one candidate. 2 U.S.C. § 432(e)(1) and (3). Clinton is not permitted to authorize Ready for Hillary PAC as an authorized committee because Ready for Hillary PAC indicates on its FEC Form 1 that it supports or opposes more than one federal candidate and because it operates as a super PAC accepting contributions outside the scope of the FECA.
19. The FECA prohibits the following individuals and organizations from making contributions or expenditures to campaigns for federal elections: corporations; labor organizations; federal government contractors; and foreign nationals. 11 C.F.R. § 114.2; § 115; §110.20(b). Ready for Hillary PAC accepts unlimited contributions from "individuals, corporations, and other organizations." Exhibit I. While Ready for Hillary PAC has not yet filed its 2013 year end report with the FEC, Ready for Hillary PAC appears to have not yet reported one single corporate contribution despite its intention to operate as an independent expenditure committee. The FEC should conduct a close review of the individual contributor employer and occupation data in order to determine if Ready for Hillary PAC has received contributions on behalf of Clinton and/or her authorized committee in violation of FECA prohibitions. Ready for Hillary PAC's receipt of any contributions, on behalf of Clinton, from prohibited entities would violate these prohibitions.
20. The FECA also places legal limits on the amount of contributions individuals and groups can contribute to candidates. 11 C.F.R. § 110.1; §110.2; and § 110.3. Ready for Hillary PAC's receipt of contributions, on behalf of Clinton, constitutes excessive contributions in violation of the campaign finance limits. For example, among others, Ready for Hillary PAC received a contribution from Arts PAC in the amount of \$25,000. Exhibit L, Ready for Hillary FEC Form 3X, Image#13941302166.
21. Public communications authorized by a candidate and/or paid for by a candidate or her campaign committee must include a disclaimer notice identifying who paid for the message. 11 C.F.R. § 110.11(b)(1). Clinton has failed to use proper disclaimers on communications

sent by Ready for Hillary PAC on Clinton's behalf. Ready for Hillary PAC's email – including the email sent to the List from Friends of Hillary's email account - does not indicate it was paid for and authorized by Clinton. Exhibit B. All communications by Ready for Hillary PAC, instead, should contain Clinton's full name and should contain a statement that the communications are authorized by Clinton.

22. Further, a disclaimer notice is required where a public communications is authorized by a candidate but not paid for by the candidate or her campaign committee. 11 C.F.R. § 110.11(b)(2). Even if the FEC does not consider Ready for Hillary PAC as Clinton's authorized committee, and Clinton is not thereby paying for the public communications of Ready for Hillary PAC, Clinton's authorization of the use of the List by Ready for Hillary PAC is at the least an authorization of the email communication to the List. Ready for Hillary PAC should have included a disclaimer notice on the email sent to the List indicating that Clinton authorized the email.
23. Where a public communication is not authorized by a candidate or her campaign committee, the disclaimer must identify who paid for the message, state that it was not authorized by any candidate or the candidate's committee and list the address, telephone number of who paid for the communication. 11 C.F.R. § 110.11(b)(3). Upon information and belief, Ready for Hillary PAC's email does not contain the statement that the email was in fact not authorized by a candidate, or her campaign committee, nor does it provide that Ready for Hillary PAC paid for the communication. Exhibit B.

Conclusion

WHEREFORE, Stop Hillary PAC requests that the FEC conduct an investigation into whether Clinton's authorization of the use of her List by Ready for Hillary PAC constitutes violations of federal campaign finance laws, impose sanctions appropriate to these violations and take such further actions as may be appropriate.




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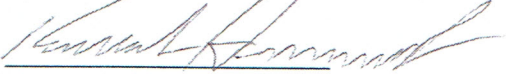
VERIFICATION

Stop Hillary PAC, acting through Christina P. Sirois, hereby verifies that the statements made in the attached Complaint are, upon information and belief, true.

Sworn pursuant to 18 U.S.C. § 1001.


Christina P. Sirois, Esq.

Sworn to and subscribed before me this 13th day of January, 2014.


Notary Public

