



STATE OF MICHIGAN
RUTH JOHNSON, SECRETARY OF STATE
DEPARTMENT OF STATE
LANSING

November 16, 2016

John McCulloch
1609 Cedar Hill Drive
Royal Oak, Michigan 48067

Dear Mr. McCulloch:

The Department of State (Department) received a formal complaint filed by Frank Houston against you, alleging that you violated the Michigan Campaign Finance Act (MCFA or Act), 1976 PA 388, MCL 169.201 *et seq.* The investigation and resolution of this complaint is governed by section 15 of the Act and the corresponding administrative rules, R 169.51 *et seq.* A copy of the complaint and supporting documentation is enclosed with this letter.

The MCFA prohibits a candidate committee from making a "contribution to or an independent expenditure in behalf of another candidate committee." MCL 169.244(2). A knowing violation of section 44 is a misdemeanor punishable by a fine, imprisonment, or both. MCL 169.244(5).

Mr. Houston alleges that your candidate committee paid for a mailer which endorsed L. Brooks Patterson, Mike Bouchard, Bill Bullard, Mike Goetz, and Robert Buxbaum for various positions in Oakland County.

The purpose of this letter is to inform you of the Department's examination of these matters and your right to respond to the allegations before the Department proceeds further. It is important to understand that the Department is neither making this complaint nor accepting the allegations as true.

If you wish to file a written response to this complaint, you are required to do so within 15 business days of the date of this letter. Your response may include any written statement or additional documentary evidence you wish to submit. All materials must be sent to the Department of State, Bureau of Elections, Richard H. Austin Building, 1st Floor, 430 West Allegan Street, Lansing, Michigan 48918. If you fail to submit a response, the Department will render a decision based on the evidence furnished by the complainant.

A copy of your answer will be provided to Mr. Houston, who will have an opportunity to submit a rebuttal statement to the Department. After reviewing all of the statements and materials provided by the parties, the Department will determine whether "there may be reason to believe that a violation of [the MCFA] has occurred [.]" MCL 169.215(10). Note that the Department's enforcement powers include the possibility of entering a conciliation agreement, conducting an administrative hearing, or referring this matter to the Attorney General for enforcement of the criminal penalties provided in section 44(5) of the Act.

John McCulloch
November 16, 2016
Page 2

If you have any questions concerning this matter, you may contact me at (517) 241-0395.

Sincerely,

A handwritten signature in black ink that reads "Lori A. Bourbonais". The signature is written in a cursive style with a large initial "L" and "B".

Lori A. Bourbonais
Bureau of Elections
Michigan Department of State

c: Frank Houston

**Campaign Finance Complaint Form
Michigan Department of State**

RECEIVED/FILED
MICHIGAN DEPT OF STATE

2016 NOV -4 AM 9:36

NOTATIONS OFF AT SEAL

This complaint form may be used to file a complaint alleging that someone violated the Michigan Campaign Finance Act (the MCFA, 1976 PA 388, as amended; MCL 169.201 *et seq.*). All information on the form must be provided along with an original signature and evidence. **Please print or type all information.**

I allege that the MCFA was violated as follows:

Section 1: Complainant		
Your Name Frank Houston	Daytime Telephone Number 248-808-7166	
Mailing Address 622 Walnut Avenue		
City Royal Oak	State MI	Zip 48073

Section 2: Alleged Violator		
Name John McCulloch		
Mailing Address 1609 Cedar Hill Drive		
City Royal Oak	State MI	Zip 48067

Section 3: Alleged Violations (Use additional sheet if more space is needed)

Section(s) of the MCFA violated:

169.244 subsection 2, 169.271 subsection 2

Explain how those sections were violated:

The candidate expressly advocated support for other candidates. This is an

in-kind contribution to other candidates which is prohibited under the aforementioned

sections of the MCFA.

Evidence that supports those allegations (attach copies of pertinent documents and other information):

Remember to complete your ballot!

Vote for ...



L. Brooks Patterson
Oakland County Executive

Mike Bouchard
Oakland County Sheriff

John P. McCulloch
Oakland County Treasurer

Bill Bullard
Oakland County Clerk

Mike Goetz
Oakland County Prosecutor

Robert Buxbaum
Oakland County
Water Resources Commissioner



John McCulloch

- Endorsed by Brooks Patterson and Mike Bouchard
- Secured Oakland County's AAA Bond Rating
- A CPA, he's treasurer of OCC, the largest community college in Michigan, with a \$170 million budget
- As Water Resources Commissioner, reduced pay voluntarily and donated it back to the county

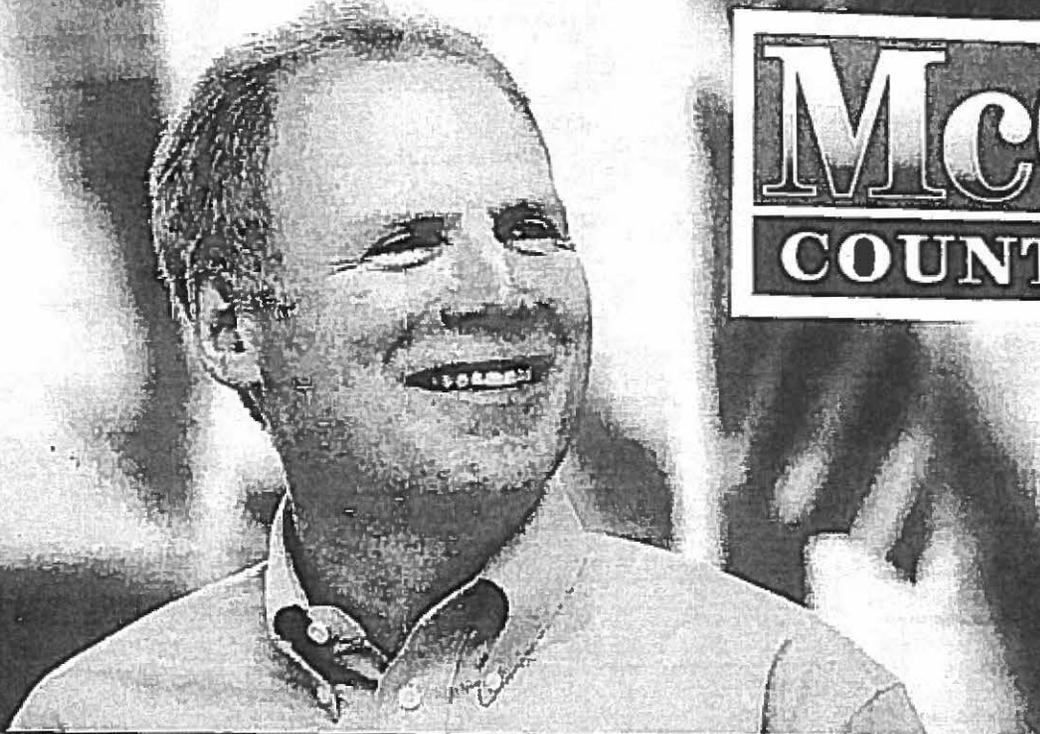
John McCulloch for Treasurer

Paid for by
John McCulloch for Treasurer
P.O. Box 94
Royal Oak, MI 48068

PSRST STD
US POSTAGE
PAID
HMH

POSTNET
P 2 24 25582 *****SCH 5-DIGIT 48323





ELECT
McCulloch
COUNTY TREASURER

John McCulloch, CPA
for TREASURER - It makes cents!

REPUBLICAN

**John McCulloch's record
of accomplishments:**

As Chair of the Oakland County Board...

- Secured AAA Bond Rating that saves every taxpayer money.
- Cut the tax rate four times for every taxpayer.

***As Oakland County Water Resources
Commissioner...***

- Lowered water rates and solved drainage problem that saved taxpayers \$160 million.
- Led drive to create Regional Water Authority giving Oakland County a much greater say in holding down water rates from Detroit Water and Sewage Department.

Please Vote November 8, 2016



STATE OF MICHIGAN
RUTH JOHNSON, SECRETARY OF STATE
DEPARTMENT OF STATE
LANSING

January 23, 2017

Frank Houston
622 Walnut Avenue
Royal Oak, Michigan 48073

Dear Mr. Houston:

The Department of State received a response to the complaint you filed against John McCulloch, which concerns an alleged violation of the Michigan Campaign Finance Act (MCFA), 1976 P.A. 388, MCL 169.201 *et seq.* A copy of the response is provided as an enclosure with this letter.

If you elect to file a rebuttal statement, you are required to send it within 10 business days of the date of this letter to the Bureau of Elections, Richard H. Austin Building, 1st Floor, 430 West Allegan Street, Lansing, Michigan 48918.

Sincerely,

A handwritten signature in black ink that reads "Lori A. Bourbonais".

Lori A. Bourbonais
Bureau of Elections
Michigan Department of State

c: Eric Doster

RECEIVED/FILED
MICHIGAN DEPT. OF STATE

DOSTER LAW OFFICES, PLLC

2016 DEC 29 PM 4: 28
145 Commons Parkway
Okemos, MI 48864

ELECTIONS/GREAT SEAL

Eric E. Doster
Email: eric@ericdoster.com

(517) 483-2296 (main)
(517) 977-0147 (direct)
www.ericdoster.com

December 29, 2016

Lori Bourbonais
Bureau of Elections
Michigan Department of State
430 W. Allegan, First Floor
Lansing, MI 48918

By Email Transmission
(bourbonaisl@michigan.gov)

Re: Response to Campaign Finance Complaint (the "Complaint") Filed by Frank Houston Dated October 26, 2016

Dear Ms. Bourbonais:

This office represents John McCulloch in the above-referenced matter. We have received your letter dated November 16, 2016, which contained the Complaint. The Complaint, which lists only Mr. McCulloch as the Respondent, makes only one allegation against Mr. McCulloch and only Mr. McCulloch:

"The candidate expressly advocated support for other candidates. This is an in-kind contribution to other candidates which is prohibited under the aforementioned [sic] sections of the MCFA."

For the following reasons, this allegation is without merit, and the Complaint should be dismissed.

THE COMPLAINT SPECIFICALLY ALLEGES THAT "JOHN McCULLOCH" IS THE "ALLEGED VIOLATOR"; HOWEVER, MCL 169.244(2) APPLIES ONLY TO CANDIDATE COMMITTEES - NOT THE CANDIDATE HIMSELF

In Section 2 of the Complaint, Mr. McCulloch is referenced as the only Respondent. In Section 3 of the Complaint, the only violation alleged against Mr. McCulloch is a violation of Section 44(2) of the Michigan Campaign Finance Act, which provides as follows:

"A candidate committee shall not make a contribution to or an independent expenditure in behalf of another candidate committee. This subsection does not prohibit the purchase of tickets to another candidate committee's fund-raising event that does not exceed \$100.00 per candidate committee in any calendar year."

Consequently, because Section 44(2) of the Michigan Campaign Finance Act applies only to a "candidate committee" - and not to a candidate such as Mr. McCulloch - the Complaint must be dismissed on this basis

alone. Nothing in the Michigan Campaign Finance Act authorizes the Michigan Department of State to "correct" a fatally-flawed complaint.

Accordingly, the Complainant's allegation against Mr. McCulloch for violation of Section 44(2) of the Michigan Campaign Finance Act is contradicted by the mailing (the "Mailing") attached to the Complaint itself which clearly indicates that Mr. McCulloch did not pay for the Mailing. Such an intentional disregard of the facts of this matter constitutes a clear violation of Section 15 of the Michigan Campaign Finance Act by the Complainant, Mr. Houston. To this end, the Complainant signed Section 4 of the Complaint, which indicates as follows:

"I certify that to the best of my knowledge, information, and belief, formed after a reasonable inquiry under the circumstances, each factual contention of this complaint is supported by evidence."

However, Section 3 of the Complaint clearly alleges that Mr. McCulloch violated Section 44(2) of the Michigan Campaign Finance Act, and yet, only a candidate committee may violate Section 44(2) of the Michigan Campaign Finance Act. Moreover, nothing in the Complaint offers any evidence that Mr. McCulloch paid for the Mailing. As a result, the Complainant, by executing Section 4 of the Complaint, has filed a complaint with a false certificate and is responsible for a civil violation of the Michigan Campaign Finance Act. Consequently, the Complaint itself now represents conclusive proof that an appropriate campaign finance complaint may now be filed against the Complainant! Therefore, if anyone should want this matter dismissed, it is the Complainant himself.

ASSUMING THAT THE MICHIGAN DEPARTMENT OF STATE IS WILLING TO EXCEED ITS AUTHORITY AND OVERLOOK THE FATAL FLAW IN THE COMPLAINT (WHICH ALLEGES THAT A CANDIDATE MAY SOMEHOW VIOLATE MCL 169.244(2)), THE MAILING ONLY UNAMBIGUOUSLY ADVOCATES THE ELECTION OF JOHN McCULLOCH

As indicated above, the Complaint's allegation against Mr. McCulloch must be dismissed because a candidate cannot violate Section 44(2) of the Michigan Campaign Finance Act. The Michigan Department of State lacks any authority under the Michigan Campaign Finance Act to substitute a new respondent in these proceedings in order to cure a fatally-flawed complaint.

Nonetheless, to the extent that "John McCulloch for Treasurer," a candidate committee, is wrongfully substituted as the Respondent in this matter, the Mailing only unambiguously advocates the election of John McCulloch and not other candidates. According to the Michigan Department of State, the Michigan Campaign Finance Act "does not apply to a communication on a subject or issue unless the communication, when read as a whole, unambiguously presents a distinct plea for a specific action with respect to a clearly identified candidate or ballot question." See Declaratory Ruling issued to Thomas Ritter dated May 23, 1991. Therefore, when read as a whole, the Mailing only unambiguously advocates the election of John McCulloch because any incidental reference to other candidates does not derail the Mailing's distinct plea to expressly advocate John McCulloch for Oakland County Treasurer. In this regard, in addition to the overwhelming biographical information and number of pictures furthering the election of John McCulloch, the Mailing states in pertinent part:

1. "John McCulloch for Treasurer"

2. "Elect McCulloch County Treasurer"
3. "John McCulloch, CPA for Treasurer - It makes cents!"

Significantly, the only reference to other candidates is a synthesized ballot reproduction; however, the name "John P. McCulloch" is double the print size of any other candidate's name thereby providing any reasonable reader with the understanding that "John P. McCulloch" is the focus of the "vote for" request. When read as a whole, the Mailing presents a distinct plea to vote for John McCulloch, which is unaffected by any incidental or ambiguous reference to any other candidate. Accordingly, the Mailing only unambiguously advocates the election of John McCulloch.

ASSUMING THAT THE MICHIGAN OF DEPARTMENT OF STATE IS WILLING TO EXCEED ITS AUTHORITY AND OVERLOOK THE FATAL FLAW IN THE COMPLAINT (WHICH ALLEGES THAT A CANDIDATE MAY SOMEHOW VIOLATE MCL 169.244(2)), AND IS WILLING TO OVERLOOK THE FACT THAT THE MAILING ONLY UNAMBIGUOUSLY ADVOCATES THE ELECTION OF JOHN McCULLOCH, THEN MCL 169.244(2) IS UNCONSTITUTIONAL

It is undisputed that the Michigan Campaign Finance Act may not prohibit a corporation or a labor union from financing an independent expenditure, even though Section 54 of the Michigan Campaign Finance Act expressly prohibits such independent expenditures. Any such prohibition on independent expenditures is unconstitutional. See *Citizens United v Federal Election Commission*, 558 U.S. 310 (2010); *Michigan Chamber of Commerce v Land*, 725 F. Supp. 2d 665 (W.D. Mich. 2010). Consequently, if it is unconstitutional to prohibit a corporation or a labor union from making an independent expenditure, it defies logic that a candidate committee - which is registered and files periodic campaign finance reports under the Michigan Campaign Finance Act - can somehow be prevented from making an independent expenditure on behalf of other candidates. Therefore, assuming that the Mailing qualifies as an expenditure on behalf of candidates other than John McCulloch (which it is not), to the extent that Section 44(2) of the Michigan Campaign Finance Act prohibits a candidate committee from making an independent expenditure on behalf of another candidate, such a restriction would be unconstitutional as applied to John McCulloch for Treasurer.

For the foregoing reasons, the Complaint must be dismissed.

Thank you for your consideration of our comments in this matter. If you have any questions or need additional information, please contact the undersigned directly at (517) 977-0147 or at eric@ericdoster.com.

Sincerely,

DOSTER LAW OFFICES, PLLC



Eric Doster

ED/kas
Enclosures



STATE OF MICHIGAN
RUTH JOHNSON, SECRETARY OF STATE
DEPARTMENT OF STATE
LANSING

June 27, 2017

Eric Doster
Doster Law Offices, PLLC
2145 Commons Parkway
Okemos, Michigan 48864

Dear Mr. Doster:

The Department of State (Department) has completed its initial investigation of the complaint filed against John McCulloch by Frank Houston, which alleged that Mr. McCulloch violated the Michigan Campaign Finance Act (MCFA or Act), 1976 PA 388, MCL 169.201 *et seq.* This letter concerns the disposition of the complaint.

The MCFA prohibits a candidate committee from making a “contribution to or an independent expenditure in behalf of another candidate committee.” MCL 169.244(2). A knowing violation of section 44 is a misdemeanor punishable by a fine, imprisonment, or both. MCL 169.244(5).

The Act further requires the Department to “endeavor to correct the violation or prevent a further violation by using informal methods [.]” if it finds that “there may be reason to believe that a violation ... has occurred [.]” MCL 169.215(10). The objective of an informal resolution is “to correct the violation or prevent a further violation [.]” *Id.*

Mr. Houston filed his complaint on November 4, 2016, and you filed an answer on December 29, 2016. Mr. Houston did not file a rebuttal statement with the Department.

Mr. Houston alleged that Mr. McCulloch’s candidate committee paid for a mailer which “expressly advocated support for other candidates.” In support of his complaint, Mr. Houston provided a copy of a mailer which stated, “Remember to complete your ballot! Vote for . . .” followed by a box containing “L. Brooks Patterson Oakland County Executive [.] Mike Bouchard Oakland County Sheriff [.] John P. McCulloch Oakland County Treasurer [.] Bill Bullard Oakland County Clerk [.] Mike Goetz Oakland County Prosecutor [.] and] Robert Buxbaum Oakland County Water Resources Commissioner [.]” Each name had a filled-in oval next to it. The mailer indicated that it was paid for by the John McCulloch for Treasurer committee.

The Department first notes that you have asserted that Mr. McCulloch is an improper respondent for this complaint because section 44 of the Act can only be violated by a committee and the complaint should be dismissed for this reason. However, the Act requires that “A candidate committee shall be under the control and direction of the candidate [.]” MCL 169.203(2). Because Mr. McCulloch controls and directs his candidate committee, he is a proper respondent for any allegation of a violation made by his committee.

In your answer you pointed to the Department's Declaratory Ruling issued to Thomas Ritter dated May 23, 1991. You quoted from the ruling stating that the MCFA "does not apply to a communication on a subject or issue unless the communication, when read as a whole, unambiguously presents a distinct plea for a specific action with respect to a clearly identified candidate or ballot question." You asserted that "the [m]ailing only unambiguously advocates the election of John McCulloch and not other candidates." You asserted that because the mailer contains additional pleas for the reader to vote for Mr. Houston and "the only reference to other candidates is a synthesized ballot reproduction" with Mr. Houston's name "double the size" of any other candidate's name, the mailer as a whole represents a plea to vote for John McCulloch.

However, the mailer also expressly urges the reader to vote for Mr. Patterson, Mr. Bouchard, Mr. Bullard, Mr. Goetz, and Mr. Buxbaum. Directly below the plea for readers to "Remember to complete your ballot!" and "Vote for . . ." is a box containing the names of the above candidates along with a filled-in oval next to each name. The mailer is urging voters to complete their ballots by voting for the entire slate of candidates.

The Act expressly prohibits one candidate committee from making a contribution to or an independent expenditure for another candidate committee. MCL 169.244(2). The words "contribution" and "expenditure" are terms of art that are generally defined to include a payment or transfer of anything of ascertainable monetary value made for the purpose of influencing or made in assistance of the nomination or election of a candidate. MCL 169.204(1), 169.206(1).

By urging readers to vote for the other candidates on the mailers and paying for the production and mailing of those mailers, Mr. McCulloch's committee made a payment for the purpose of influencing the other candidates' nomination or election *in addition* to his own nomination or election.

Because the mailer paid for by Mr. McCulloch's candidate committee expressly urged readers to vote for other candidates, the Department finds that the evidence supports a reason to believe that a violation of the Act has occurred.

The Department is mandated by the MCFA to "correct the violation or prevent a further violation" by informal methods if it finds that a violation occurred. MCL 169.215(10). To further this objective, **please provide the Department with invoices, receipts, proofs of payment, or any other record maintained by Mr. McCulloch or his committee that reflects the committee's total charges and payments for these mailers. Please include costs for design, production, and distribution, along with any other cost incurred with regard to this mailer.**

Please provide this material to the Department on or before July 21, 2017. After its review of the information, the Department will then determine how to proceed. Please note that if the Department is unable to resolve this matter informally, the Act requires the Department to refer

Eric Doster
June 27, 2017
Page 3

the matter to the Attorney General for other enforcement action. MCL 169.244(5), MCL 169.215(10)(a).

Sincerely,

A handwritten signature in black ink that reads "Lori A. Bourbonais". The signature is written in a cursive style with a large initial "L".

Lori A. Bourbonais

Bureau of Elections

Michigan Department of State



STATE OF MICHIGAN
RUTH JOHNSON, SECRETARY OF STATE
DEPARTMENT OF STATE
LANSING

September 25, 2017

Eric Doster
Doster Law Offices, PLLC
2145 Commons Parkway
Okemos, Michigan 48864

Dear Mr. Doster:

The Department of State (Department) has concluded its investigation of the complaint filed by Frank Houston against John McCulloch, which alleged that Mr. McCulloch violated the Michigan Campaign Finance Act (MCFA or Act), 1976 PA 388, MCL 169.201 *et seq.* This letter concerns the disposition of Mr. McCulloch's complaint, which was filed on November 4, 2016. You filed an answer to the complaint on December 29, 2016. Mr. Houston did not file a rebuttal statement.

The MCFA and corresponding administrative rules require the Department to ascertain whether there may be "reason to believe that a violation of this act has occurred." MCL 169.215(10), R 169.55(3). The Department has carefully considered the written statements and supporting documentation and has determined that the evidence submitted meets this evidentiary standard. Upon a finding that there may be "reason to believe that a violation of this act has occurred[,]" the Department is required by law to "endeavor to correct the violation or prevent a further violation by using informal methods." MCL 169.215(10).

Mr. Houston alleged that Mr. McCulloch's candidate committee paid for a mailer which endorsed L. Brooks Patterson, Mike Bouchard, Bill Bullard, Mike Goetz, and Robert Buxbaum for various positions in Oakland County.

The MCFA prohibits a candidate committee from making a "contribution to or an independent expenditure in behalf of another candidate committee." MCL 169.244(2).

By letter dated June 27, 2017, the Department notified you of its determination that the evidence provided supported a reason to believe that a violation of the Act had occurred. The Department requested that you provide the Department with invoices, receipts, proofs of payment, or any other record maintained by Mr. McCulloch or his committee that reflected the committee's total charges and payments for these mailers. The Department asked you to include costs for design, production, and distribution, along with any other cost incurred with regard to the mailer.

You provided this information to the Department via e-mail dated August 1, 2017. After careful review of the records submitted, the Department finds that the evidence supports a conclusion that Mr. McCulloch's committee spent \$18,756.12 on the mailer.

After reviewing the mailer, the Department finds that 19/20^{ths} of the mailer contained information for voters that was intended to further Mr. McCulloch's own election and 1/20th of the mailer contained information that was intended to further the election of Mr. Patterson, Mr. Bouchard, Mr. Bullard, Mr. Goetz, and Mr. Buxbaum in contravention of the Act. Because the Department has determined that 1/20th of the flyer contained information that was impermissibly paid for by Mr. McCulloch's committee, the Department considers 1/20th of the \$18,756.12, or \$937.80, to be the total amount of the improper expenditure made on behalf of the other candidates' committees, or \$187.56 for each candidate committee.

Having made these determinations, the Department must now "endeavor to correct the violation or prevent a further violation by using informal methods." MCL 169.215(10). The Department offers to resolve Mr. Houston's complaint against Mr. McCulloch informally through execution of the enclosed conciliation agreement, which requires Mr. McCulloch to attempt to recover \$187.56 each from the committees of Mr. Patterson, Mr. Bouchard, Mr. Bullard, Mr. Goetz, and Mr. Buxbaum and to pay a civil fine in the amount of \$937.80. **If Mr. McCulloch wishes to enter into the conciliation agreement, please return the original signed document to P.O. Box 20126, Lansing, Michigan 48901-0726, along with payment in full of the \$937.80 fine, on or before October 13, 2017.** Payment must be made by check or money order payable to the State of Michigan; please include the notation, "Conciliation Agreement, Attn: Bureau of Elections" on the check or money order. A copy of the conciliation agreement signed by the Secretary of State's authorized representative will be returned to you promptly.

Please be advised that if the Department is unable to resolve Mr. Houston's complaint informally, it is required by MCL 169.215(10)-(11) to:

- 1) Refer the matter to the Attorney General with a request that his office prosecute it for the crime of a candidate committee making a contribution to or independent expenditure in behalf of another candidate committee, a misdemeanor violation of MCL 169.244(2); and/or
- 2) Conduct an administrative hearing to enforce the civil penalty provided in MCL 169.215(11), which provides that the Secretary of State may seek a civil fine up to triple the amount of the improper contribution or expenditure plus up to \$1,000.00 per violation.

Sincerely,



Lori A. Bourbonais
Bureau of Elections
Michigan Department of State

Enclosure

Bourbonais, Lori (MDOS)

From: Eric Doster <eric@ericdoster.com>
Sent: Tuesday, August 01, 2017 6:34 PM
To: Bourbonais, Lori (MDOS)
Subject: Houston v McCulloch; Requested Information
Attachments: PoliticalMailer.pdf

Lori:

Pursuant to your letter to me dated June 27, 2017, attached are the invoices for the committee's total charges and payments for these mailers. This total amount is \$18,756.12.

Based on a space allocation of the mailer, the space allocated to candidates other than John McCulloch is, at most, 1.87%. This percentage is derived by taking the space referencing the candidates other than John McCulloch (3.5 square inches) and dividing that number by the space of the mailer itself (187 square inches). 3.5 divided by 187 equals 1.87%. 1.87% of \$18,756.12 is \$350.74.

Please note that I did not discount the space in the sample ballot portion for the other candidates to reflect the LARGE bold print for Mr. McCulloch. Neither did I discount the space allocation for the other candidates to reflect that the mailer only unambiguously advocates the election of John McCulloch. As indicated in our December 29, 2016 Response, it remains our position that no amount should be allocated to any candidate other than John McCulloch.

Accordingly, we respectfully request that the Department considers these circumstances and the minimal amount of any allocation in this matter. We look forward to reaching a reasonable resolution of this matter.

EED

Eric E. Doster
Attorney
Doster Law Offices, PLLC
2145 Commons Parkway
Okemos, MI 48864
Phone: 517.977.0147 (Direct)
eric@ericdoster.com
www.ericdoster.com

Circular 230 Disclosure: Pursuant to U.S. Department of Treasury Circular 230 which sets forth best practices for tax advisors, if this writing contains advice on a federal tax issue, the advice was not intended or written to be used, and cannot be used, for the purpose of (1) avoiding penalties under the Internal Revenue Code or (2) promoting, marketing or recommending to another party any transaction or matter addressed herein. If you would like a written tax opinion upon which you can rely for the purpose of avoiding penalties or for the use in support of the promotion, marketing, or recommending of the transaction described herein, please contact us.

DISCLAIMER/CONFIDENTIALITY: This communication, along with any documents, files or attachments, is intended only for the use of the addressee and may contain legally privileged and confidential information. Any document attached is a legal document and should not be changed or altered without the knowledge and approval of legal counsel. The sender takes no responsibility for any alterations, additions, revisions or deletions to any such document. Due to software and printer variations, documents printed at the recipient's location may vary from the original printed document.



PO Box 113
 Novi, MI 48376
 (p) 248.561.5055
 (e) dave@corecommunicationsnovi.com

Invoice

Date	Invoice #	Terms
9/26/2016	3872	Due on receipt

P.O. No.

Bill To
John McCulloch for Treasurer P.O. Box 94 Royal Oak, MI 48068

Ship To
USPS Metroplex

Quantity	Description	Amount
	John McCulloch - AV Mailing 1 Drops in Mail September 27, 2016	
2.5	Mailing List Prep	150.00
55,659	Presort, Inkjet Address, Tray and Deliver to Post Office (Includes Postage)	15,584.52
	70,000 Cards Received - Additional Mailings	
	MI Sales Tax	0.00

Payment is due prior to Mailing

Total \$15,734.52



COMPTON press industries

23079 Commerce Drive • Farmington Hills • Michigan 48335
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 www.comptonpress.com

Invoice

No: 21894

Date: 09/27/16

Accounts Payable
 VERSACOM INCORPORATED
 15300 MERCANTILE DRIVE
 DEARBORN MI 48120

Ship To:

Allegra Plymoilh/3000 to versa
 47583 Galleon Dr
 Plymouth

1215	Amy Harris Soczewa	313.982.1400**	Dan	Dan Michaels	Our Truck
72,000	John McCulloch Postcards			41.97/M	3,021.60
				Subtotal	3,021.60
				Shipping	0.00
				Postage	0.00
				Tax	0.00
				TOTAL	3,021.60
				Paid	0.00
				BALANCE	3,021.60
				Terms	Net 30 Days

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 Job # 10051 By ds
 Date 9/29/16
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Amy ✓

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(print# 1)



STATE OF MICHIGAN
RUTH JOHNSON, SECRETARY OF STATE
DEPARTMENT OF STATE
LANSING

January 4, 2018

Frank Houston
622 Walnut Avenue
Royal Oak, Michigan 48073

Dear Mr. Houston:

The Department of State has concluded its investigation of the complaint that you filed against John McCulloch, which concerned an alleged violation of the Michigan Campaign Finance Act (MCFA), 1976 P.A. 388, MCL 169.201 *et seq.* A copy of the final resolution is provided as an enclosure with this letter.

Sincerely,

A handwritten signature in cursive script that reads "Lori A Bourbonais".

Lori A. Bourbonais
Bureau of Elections
Michigan Department of State



STATE OF MICHIGAN
RUTH JOHNSON, SECRETARY OF STATE
DEPARTMENT OF STATE
LANSING

In the Matter of:

John McCulloch
1609 Cedar Hill Drive
Royal Oak, Michigan 48067

CONCILIATION AGREEMENT

Pursuant to MCL §169.215(10) of the Michigan Campaign Finance Act (the Act), MCL §169.201 *et seq.*, the Secretary of State and John McCulloch (Respondent) hereby enter into a conciliation agreement with respect to certain acts, omissions, methods, or practices prohibited by the Act.

The Secretary of State alleges that there may be reason to believe that Respondent violated MCL §169.244(2) by making improper expenditures from his candidate committee in the amount of \$187.56 each in behalf of L. Brooks Patterson, Mike Bouchard, Bill Bullard, Mike Goetz, and Robert Buxbaum.

Therefore, Respondent, without admitting any issue of law or fact, except as stated herein, hereby voluntarily enters into this conciliation agreement and assures the Secretary of State that he will comply with the Act and the Rules promulgated to implement the Act.

By executing this conciliation agreement, Respondent certifies that he has (1) attempted to recover \$187.56 each from the candidate committees of Mr. Patterson, Mr. Bouchard, Mr. Bullard, Mr. Goetz, and Mr. Buxbaum, and (2) paid in full a \$937.80 fine by check or money order payable to the State of Michigan.

The Secretary of State and Respondent further agree that this agreement is in effect and enforceable for four years from the date it is signed by the Secretary of State or her duly authorized representative.

The Secretary of State and Respondent further agree that this agreement, unless violated, shall constitute a complete bar to any further action by the Secretary of State with respect to the alleged violation that resulted in the execution of this agreement.

The Secretary of State and Respondent further agree that the complaint and investigation that resulted in this agreement are disposed of and will not be the basis for further proceedings, except pursuant to this agreement.

The Secretary of State and Respondent further agree that this agreement will not prevent the Secretary of State from taking action for violations of this agreement.

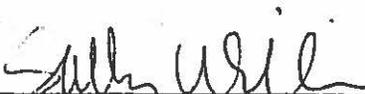
The Secretary of State and Respondent further agree that Respondent's performance under this agreement shall be given due consideration in any subsequent proceedings.

The Secretary of State and Respondent further agree that this agreement, when signed, shall become a part of the permanent public records of the Department of State.

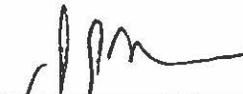
The Secretary of State and Respondent finally agree that the signatories below are authorized to enter into and bind the parties to this agreement, and have done so by signing this agreement on the date below.

RUTH JOHNSON
SECRETARY OF STATE

RESPONDENT



Sally Williams, Director
Bureau of Elections



John McCulloch

Date: 10/4/17

Date: 9/29/17