

**Filed**  
**DEC 28 2017**  
Missouri Ethics  
Commission

**BEFORE THE  
MISSOURI ETHICS COMMISSION**

MISSOURI ETHICS COMMISSION,            )  
  )  
  Petitioner,    )  
  )  
v.    )  
  )  
  )  
MD ALAM FOR MISSOURI,                    )  
Candidate Committee                        )  
  )  
and    )  
  )  
  )  
MD RABBI ALAM,                            )  
Candidate                                     )  
  )  
  )  
  Respondents.    )

Case No. 17-0002-A

**JOINT STIPULATION OF FACTS, WAIVER OF HEARING  
BEFORE THE MISSOURI ETHICS COMMISSION, AND  
CONSENT ORDER WITH JOINT PROPOSED  
FINDINGS OF FACT AND CONCLUSIONS OF LAW**

The undersigned parties jointly stipulate to the facts and consent to the action set forth below.

The undersigned Respondents, MD Alam For Missouri and MD Rabbi Alam, acknowledge that they have received and reviewed a copy of the Complaint filed by the Petitioner in this case, and the parties submit to the jurisdiction of the Missouri Ethics Commission.

The undersigned Respondents further acknowledge that they are aware of the various rights and privileges afforded by law, including but not limited to: the right to appear and be represented by counsel; the right to have all allegations against Respondents be proven upon the record by competent and substantial evidence; the right to cross-examine any witnesses appearing at the hearing against Respondents; the right to present evidence on Respondents'

behalf at the hearing; and the right to a decision upon the record of the hearing. Being aware of these rights provided to Respondents by operation of law, the undersigned Respondents knowingly and voluntarily waive each and every one of these rights and freely enter into this Joint Stipulation of Facts, Waiver of Hearing before the Missouri Ethics Commission, and Consent Order with Joint Proposed Findings of Fact and Conclusions of Law, and agree to abide by the terms of this document.

**I.**

Based upon the foregoing, the Petitioner and the undersigned Respondents jointly stipulate to the following and request that the Missouri Ethics Commission adopt as its own the Joint Proposed Findings of Fact and the Joint Proposed Conclusions of Law, as follows:

**JOINT PROPOSED FINDINGS OF FACT**

1. The Missouri Ethics Commission is an agency of the State of Missouri established pursuant to Section 105.955, RSMo, in part for the purpose of enforcing the provisions of Chapter 130, RSMo.<sup>1</sup>

2. Respondent Alam was an unsuccessful candidate for Secretary of State for the August 2, 2016 primary election.

3. Respondent Alam filed a Statement of Committee Organization on March 30, 2016 establishing his candidate committee, MD Alam for Missouri, with the Missouri Ethics Commission for his candidacy for Secretary of State for the August 2, 2016 primary election.

4. Respondents listed an official fund depository account in the committee's name on the Statement of Committee Organization at Commerce Bank account number \*1782. The official fund depository account was opened on March 24, 2016.

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<sup>1</sup> Unless noted otherwise, all statutory references are to the Revised Statutes of Missouri 2000 (Supp. 2016).

5. Respondents filed Limited Activity Statements for the April 2016 Quarterly Report, July 2016 Quarterly Report, and the 8 Day Before Primary Election Report on April 9, 2016, July 7, 2016, and July 31, 2016, respectively.

6. On August 29, 2016, the committee filed a Termination Statement showing no contributions received or expenditures made since the committee's establishment.

7. Pursuant to Sections 105.959 and 105.961, RSMo, the Commission's staff investigated the reports and statements filed with the Commission and reported the investigation findings to the Commission.

8. Based on the investigation report, the Commission determined that there were reasonable grounds to believe that violations of law occurred, and it therefore authorized a hearing in this matter pursuant to Section 105.961.3, RSMo.

#### **COUNT I**

*Failure to file a complete disclosure report for the Termination Statement, disburse funds upon termination of the committee, and failure to accurately document indebtedness*

9. Petitioner incorporates all other paragraphs of this complaint by reference.

*Failure to report contributions received on the Termination Statement*

10. Respondents failed to report a \$20.16 monetary contribution and a \$100.00 loan received on the Termination Statement.

<b>Contributor Name</b>	<b>Amount</b>	<b>Date</b>	<b>Report Not Showing Contribution</b>
MD Alam	\$100.00	5/4/16	Termination Statement
Jim and Sandi Cox	\$20.16	5/4/16	Termination Statement
<b>Total</b>	<b>\$120.16</b>		

*Failure to report expenditures on the Termination Statement*

11. Respondents failed to report six monetary expenditures totaling \$30.00 and a \$90.16 loan repayment on the Termination Statement.

<b>Expenditure Name</b>	<b>Amount</b>	<b>Date</b>	<b>Report Not Showing Expenditure</b>
Commerce Bank	\$5.00	5/31/16	Termination Statement
Commerce Bank	\$5.00	6/30/16	Termination Statement
Commerce Bank	\$5.00	7/29/16	Termination Statement
Commerce Bank	\$5.00	8/31/16	Termination Statement
Commerce Bank	\$5.00	9/30/16	Termination Statement
Commerce Bank	\$5.00	10/31/16	Termination Statement
Cash withdrawal	\$90.16	11/21/16	Termination Statement
<b>Total</b>	<b>\$120.16</b>		

*Failure to disburse funds upon termination of the committee and accurately document indebtedness*

12. On May 4, 2016, Respondent Alam loaned the committee \$100.00.
13. On August 29, 2016, Respondents filed a Termination Statement showing no contributions received or expenditures made since the committee's establishment.
14. As of August 29, 2016, there was \$105.16 in the official fund depository account.
15. After the committee was terminated, Respondents paid a total of \$15.00 in monthly service charges between August 31, 2016 and November 21, 2016.
16. On November 21, 2016, Respondent Alam withdrew the remaining \$90.16 and closed the account.
17. Respondents failed to withdraw all funds and terminate the official depository fund account within ten days of terminating the committee.
18. Respondents failed to disclosure a loan of \$100.00, repayment of \$90.16, and forgiveness of \$9.84 on the Termination Statement.

**COUNT II**

*Cash expenditures in excess of limits*

19. Petitioner incorporates all other paragraphs of this complaint by reference.

20. On November 21, 2016, Respondents withdrew \$90.16 in cash upon the closing of the official fund depository account, which exceeded the \$50.00 allowable amount for each cash expenditure made.

## JOINT PROPOSED CONCLUSIONS OF LAW

### COUNT I

*Failure to file a complete disclosure report for the Termination Statement, disburse funds upon termination of the committee, and failure to accurately document indebtedness*

21. Pursuant to Section 130.046.7, RSMo, “in the case of a committee which disbands and is required to file a termination statement pursuant to the provisions of section 130.021 with the appropriate officer not later than the tenth day after the committee was dissolved, the candidate, committee treasurer or deputy treasurer shall attach to the termination statement a complete disclosure report for the period closing on the date of dissolution. A committee shall not utilize the provisions of subsection 8 of section 130.021 or the provisions of this subsection to circumvent or otherwise avoid the reporting requirements of subsection 6 or 7 of this section.”

*Failure to report contributions received on the Termination Statement*

22. Candidate committees are required to report receipts for each reporting period, including:

(a) Total amount of all monetary contributions received which can be identified in the committee's records by name and address of each contributor. In addition, the candidate committee shall make a reasonable effort to obtain and report the employer, or occupation if self-employed or notation of retirement, of each person from whom the committee received one or more contributions which in the aggregate total in excess of one hundred dollars and shall make a reasonable effort to obtain and report a description of any

contractual relationship over five hundred dollars between the contributor and the state if the candidate is seeking election to a state office or between the contributor and any political subdivision of the state if the candidate is seeking election to another political subdivision of the state;

...

(f) A listing of each loan received by name and address of the lender and date and amount of the loan. For each loan of more than one hundred dollars, a separate statement shall be attached setting forth the name and address of the lender and each person liable directly, indirectly or contingently, and the date, amount and terms of the loan;

§ 130.041.1(3), RSMo.

*Failure to report expenditures on the Termination Statement*

23. Candidate committees are required to report expenditures for each reporting period, including:

(a) The total dollar amount of expenditures made by check drawn on the committee's depository;

...

(d) The full name and mailing address of each person to whom an expenditure of money or any other thing of value in the amount of more than one hundred dollars has been made, contracted for or incurred, together with the date, amount and purpose of each expenditure. Expenditures of one hundred dollars or less may be

grouped and listed by categories of expenditure showing the total dollar amount of expenditures in each category, except that the report shall contain an itemized listing of each payment made to campaign workers by name, address, date, amount and purpose of each payment and the aggregate amount paid to each such worker;

(e) A list of each loan made, by name and mailing address of the person receiving the loan, together with the amount, terms and date;

§ 130.041.1(4), RSMo.

*Failure to disburse funds upon termination of the committee and accurately document indebtedness*

24. Pursuant to Section 130.021.8, RSMo, “upon termination of a committee, a termination statement indicating dissolution shall be filed not later than ten days after the date of dissolution with the appropriate officer or officers with whom the committee's statement of organization was filed. The termination statement shall include: the distribution made of any remaining surplus funds and the disposition of any deficits; and the name, mailing address and telephone number of the individual responsible for preserving the committee's records and accounts as required in section 130.036[.]”

25. The disclosure reports must contain the total amount of money on hand at the beginning and end of the reporting period, and the total amount of outstanding indebtedness as of the closing date of the reporting period. § 130.041.1, RSMo.

26. There is probable cause to believe that Respondents violated Sections 130.041.1(3), 130.041.1(4), 130.021.5, 130.041.1, 130.046.7, and 130.021.7, RSMo, by failing to report a contribution and a loan received on the Termination Statement, failing to report six

monetary expenditures and a loan repayment on the Termination Statement, failing to disburse all funds and terminate the official fund depository account within ten days of terminating the committee, failing to accurately report indebtedness and debt forgiveness on the Termination Statement, and that Respondents did so knowingly.

## **COUNT II**

### *Cash expenditures in excess of limits*

27. For purposes of Chapter 130, RSMo, cash means “currency, coin, United States postage stamps, or any negotiable instrument which can be transferred from one person to another person without the signature or endorsement of the transferor.” § 130.011(4), RSMo.

28. “Except for expenditures from a petty cash fund which is established and maintained by withdrawals of funds from the committee's depository account and with records maintained pursuant to the record-keeping requirements of section 130.036 to account for expenditures made from petty cash, each expenditure of more than fifty dollars, except an in-kind expenditure, shall be made by check drawn on the committee's depository and signed by the committee treasurer, deputy treasurer or candidate.” §130.031.2, RSMo.

29. There is probable cause to believe that Respondents violated Section 130.031.2, RSMo, by withdrawing \$90.16, which exceeded the allowable \$50.00 amount for each cash expenditure and that Respondents did so knowingly.

## **II.**

Based on the foregoing, the parties hereto mutually agree and stipulate that the following shall constitute the order entered by the Missouri Ethics Commission in this matter. This order will be effective immediately upon the issuance of the Consent Order of the Missouri Ethics Commission without further action by any party:



1. The parties understand that the Petitioner will maintain this Joint Stipulation as an open and public record of the Missouri Ethics Commission.

2. The Commission shall issue its Consent Order in the form attached hereto as Exhibit A.

a. Respondents shall comply with all relevant sections of Chapter 130, RSMo.

b. It is the Order of the Missouri Ethics Commission that a fee is imposed against Respondents in the amount of \$1,330.00, pursuant to Section 105.961.4(6), RSMo. However, if Respondents pay \$133.00 of that fee within forty-five days after the date of the Order, the remainder of the fee will be stayed. The fee will be paid by check or money order made payable to the Missouri Ethics Commission.

c. Regardless of the stay in paragraph 2.b above, if any Respondent commits any further violation of the campaign finance laws under Chapter 130, RSMo, within the two-year period from the date of this order, then Respondents will be required to pay the remainder of the fee. The fee will due immediately upon final adjudication finding that any Respondent has committed such a violation.

3. The parties consent to the entry of record and approval of this Joint Stipulation and to the termination of any further proceedings before the Commission based upon the Complaint filed by the Petitioner in the above action.

4. Respondents, together with their heirs, successors, and assigns, do hereby waive, release, acquit and forever discharge the Missouri Ethics Commission and its attorneys of or from any liability, claim, actions, causes of action, fees, costs and expenses, and compensation,

including but not limited to, a claim for attorney's fees whatsoever which Respondents or Respondents' attorney may now have or which they may hereafter have, which are based upon or arise out of the above cases.

SO AGREED:

RESPONDENT MD ALAM FOR MISSOURI PETITIONER MISSOURI ETHICS  
COMMISSION

By: MD Rabbi Alam 11/30/17  
MD Rabbi Alam Date

By: James Klahr 12/28/17  
James Klahr Date  
Executive Director

RESPONDENT MD RABBI ALAM

By: MD Rabbi Alam 11/30/17  
MD Rabbi Alam Date

By: Brian Hamilton 12/28/17  
Brian Hamilton Date  
Attorney for Petitioner

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	)	
Petitioner,	)	
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v.	)	
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MD ALAM FOR MISSOURI,	)	Case No. 17-0002-A
	)	
AND	)	
	)	
MD RABBI ALAM,	)	
	)	
Respondents.	)	

**CONSENT ORDER**

The parties have filed a Joint Stipulation of Facts, Waiver of Hearing, and Proposed Consent Order with the Missouri Ethics Commission. Accordingly, the Missouri Ethics Commission accepts as true the facts stipulated and finds that Respondents MD Alam for Missouri and MD Rabbi Alam violated Sections 130.046.7, 130.041.1(3), 130.041.1(4), 130.021.8, 130.041.1 and 130.031.2, RSMo.


The Commission directs that the Joint Stipulation be adopted.

1. Respondents shall comply with all relevant sections of Chapter 130, RSMo.
2. It is the order of the Missouri Ethics Commission that a fee is imposed against Respondents in the amount of \$1,330.00, pursuant to Section 105.961.4(6), RSMo. However, if Respondents pay \$133.00 of that fee within forty-five (45) days after the date of this Order, the remainder of the fee will be stayed, subject to the provisions below. The fee will be paid by check or money order made payable to the Missouri Ethics Commission.

3. If Respondents commit any further violation of the campaign finance laws pursuant to Chapter 130, RSMo, within the two-year period from the date of this order, then Respondents will be required to pay the remainder of the fee. The fee will be due immediately upon final adjudication finding that any Respondent committed such a violation.
4. Respondents shall be jointly and severally liable for all fees imposed under this order.

SO ORDERED this 28<sup>th</sup> day of December, 2017

By:



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Nancy Hagan, Chair  
Missouri Ethics Commission