

**IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF MASSACHUSETTS**

ARKANSAS TEACHER RETIREMENT SYSTEM,
on behalf of itself and all others similarly situated,

Plaintiffs,

v.

STATE STREET BANK AND TRUST COMPANY,

Defendant.

No. 11-cv-10230 MLW

ARNOLD HENRIQUEZ, MICHAEL T. COHN,
WILLIAM R. TAYLOR, RICHARD A. SUTHERLAND,
and those similarly situated,

Plaintiffs,

v.

STATE STREET BANK AND TRUST COMPANY,
STATE STREET GLOBAL MARKETS, LLC and DOES 1-20,

Defendants.

No. 11-cv-12049 MLW

THE ANDOVER COMPANIES EMPLOYEE SAVINGS
AND PROFIT SHARING PLAN, on behalf of itself, and
JAMES PEHOUSHEK-STANGELAND, and all others similarly
situated,

Plaintiffs,

v.

STATE STREET BANK AND TRUST COMPANY,

Defendant.

No. 12-cv-11698 MLW

**THE HAMILTON LINCOLN LAW INSTITUTE'S CENTER FOR CLASS
ACTION FAIRNESS'S MOTION FOR LEAVE TO FILE MOTION
AND MEMORANDUM FOR AN EXTENSION OF TIME
TO FILE MOTION FOR ATTORNEYS' FEE AWARD**

In accordance with Local Rule 7.1, *amicus curiae* the Hamilton Lincoln Law Institute’s Center for Class Action Fairness (“CCAF”) seeks leave of this Court to file the attached *amicus* motion and associated Declaration of M. Frank Bednarz so that CCAF may extend its time to file a motion for attorneys’ fees under Fed. R. Civ. P. 54(d).

CCAF has attempted to confer with the parties on the motion. All three Class Counsel firms (Labaton, Thornton, and Lief Cabraser) oppose this motion for leave to file and also oppose the underlying motion. The Special Master, Keller Rohrback, and defendant have no position on this motion or the relief ultimately sought in CCAF’s attached [proposed] motion. CCAF has not received responses from the remaining ERISA plaintiffs’ firm.

MEMORANDUM IN SUPPORT OF MOTION

In its recent Memorandum and Order, the Court remarked that it “would consider ordering that CCAF be compensated for its work if it had the authority to do so.” Dkt. 590 (“Order”) at 12 n.3. As explained in its proposed motion, CCAF believes there *is* authority, and that such award may be equitably granted based on the common benefit (up to nearly \$15 million) CCAF helped secure for absent class members relative to the 2016 fee order. Dkt. 111.

However, the basis for such fees depend on the Order being substantially affirmed—or not appealed by Class Counsel. Because the possibility and eventual outcome of any appeals remains unclear, CCAF proposes to simply extend the time for it to file a fee motion until after any appeals become resolved. The Court may also wish to grant CCAF’s still-pending motion for appointment as guardian *ad litem*, especially if the Order would otherwise be argued *ex parte* before the First Circuit. As explained in the proposed motion, good cause exists to extend this deadline, which need not prejudice any party’s argument against any future fee request.

WHEREFORE, CCAF respectfully requests that the Court accept filing of its *amicus* motion and memorandum in support of its motion for an extension of time under which it may file a motion for attorneys' fees under Fed. R. Civ. P. 54(d).

Respectfully submitted,

Dated: March 12, 2020

/s/ M. Frank Bednarz

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CERTIFICATE OF COMPLIANCE WITH LOCAL RULE 7.1(A)(2)

I certify that on March 12, 2020, CCAF emailed counsel for the parties and counsel for the Special Master in a good faith effort to narrow or resolve the issues raised in this motion. Thornton, Labaton and Lieff Cabraser opposes CCAF's motion. The Special Master, Keller Rohrback, and defendant take no position on the motion. At the time of filing, counsel for CCAF has not heard the position of the remaining plaintiffs firms.

Dated: March 12, 2020

/s/ M. Frank Bednarz
M. Frank Bednarz

CERTIFICATE OF SERVICE

I certify that on March 12, 2020, I served a copy of the forgoing on all counsel of record by filing a copy via the ECF system.

Dated: March 12, 2020

/s/ M. Frank Bednarz
M. Frank Bednarz

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**THE HAMILTON LINCOLN LAW INSTITUTE'S
CENTER FOR CLASS ACTION FAIRNESS'S [PROPOSED]
MOTION AND MEMORANDUM FOR AN EXTENSION OF TIME
TO FILE MOTION FOR ATTORNEYS' FEES AWARD**

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INTRODUCTION AND SUMMARY OF THE ARGUMENT

In accordance with Local Rule 7.1 and Fed. R. Civ. P. 6(b)(1)(A), *amicus curiae* the Hamilton Lincoln Law Institute’s Center for Class Action Fairness (“CCAF”) moves for an extension of time under which it may file a motion for attorneys’ fees under Fed. R. Civ. P. 54(d).

In its Memorandum and Order setting plaintiffs’ fee award (“Order,” Dkt. 590), the Court observed that it “would consider ordering that CCAF be compensated for its work if it had the authority to do so.” Order 12 n.3. CCAF believes there is such authority, as set forth in this motion, based on its work as an *amicus* appointed in this case who helped benefit the class. CCAF advocated for a reduced fee award that no other party—not even the Special Master—thought warranted. Through multiple filings, “CCAF brought expertise to the proceedings, which was often very helpful to the court.” *Id.* at 12. The Court ultimately awarded counsel a little more than \$60 million collectively, which will allow nearly \$15 million to return to the common fund for distribution to class members. CCAF’s motion for fees will be based on this common benefit to the class as well as the Court’s orders appointing it to participate as *amicus*. Undoubtedly, however, because of the ambiguity of the precedent (and lack of precedent in the First Circuit), Class Counsel would challenge this authority—but the authority would be beyond question if the Court grants CCAF’s still pending motion to be appointed guardian *ad litem*.¹

However, CCAF’s appointed work in this matter is not yet concluded, as the Court has ordered that the Special Master confer with it regarding supplemental notice to the class. Order 158. More importantly, additional substantive work may be required if one or more of the Class Counsel

¹ The Court has previously indicated that it was concerned that appointing a guardian *ad litem* might result in the guardian appealing its fee award and additional delay. *See* Dkt. 519 at 95. CCAF shares the Court’s concerns about delay, and as guardian *ad litem*, on the present record, would not initiate an appeal because of the cost of that delay and the risk of a cross-appeal by Class Counsel. That said, CCAF would reserve the right to choose to cross-appeal if it is in the best interests of the class as guardian *ad litem* if Class Counsel moots the question of delay by appealing.

firms appeal the Court's Order. Should this occur, CCAF will renew its request to be appointed as *guardian ad litem* or alternatively seek to be appointed by the First Circuit as *amicus* on appeal to defend this Court's discretion in setting a reasonable fee award.

Because CCAF's entitlement to attorneys' fees and its basis for requesting them may be altered by the First Circuit, and because CCAF's *amicus* work in this case will continue—especially if one or more firms appeal, CCAF moves the court to extend the Fed. R. Civ. P. 54(d) deadline until fourteen days after all mandate(s) returns from the First Circuit for all appeal(s), or—if there is no appeal—until 14 days from the time under Fed. R. App. Proc. 4 for Class Counsel to file an appeal (which expires March 30, 2020, making fourteen days later April 13, 2020).

CCAF has attempted to confer with the parties on the motion. The Thornton Law Firm, Labaton and Lieff Cabraser oppose CCAF's motion for extension (and motion for leave to file this motion). The Special Master and defendant take no position on either motion. The remaining firms have not at this time responded to CCAF's inquiry regarding the motion.

WHEREFORE, CCAF respectfully requests that the Court extends the time it may be deemed to have timely filed a motion for attorneys' fees under Fed. R. Civ. P. 54(d).

MEMORANDUM IN SUPPORT OF MOTION

I. Background

CCAF has played an active role in investigating the November 2, 2016 fee order (Dkt. 111), since even before the investigation formally began.

On November 10, 2016, David Goldsmith filed a letter which for the first time informed this Court that errors had caused the time of certain "staff attorneys" to be incorrectly included on the billing for both Thornton and one of the other Class Counsel firms. Dkt. 116 at 2. The extent of this double-counting was approximately \$4 million. *Id.* at 3. While Class Counsel reviewed their declarations prior to filing this letter, Mr. Goldsmith did *not* then advise the Court that neither Thornton nor Labaton in fact do not bill "regular rates charged" to any paying client. Order 104.

Nor did the letter accurately advise that many of the supposed “staff attorneys” were not staff at all, but temporary contract attorneys hired at rates of about \$50/hour. Order 65. Much less did the letter disclose that Class Counsel—unknown to ERISA counsel—had paid \$4.1 million to a politically-connected Texas attorney who performed no work in the case. The Goldsmith letter was simply one example of Labaton and Thornton’s “cavalier indifference to their duty to provide the court with the accurate and complete information necessary to make a properly informed decision concerning the most appropriate amount to award in attorneys’ fees.” Order 127.

CCAF’s involvement with this case began *prior* to the misleading November 10, 2016 letter. The double-counting error was discovered by *Boston Globe* reporter Andrea Estes, who then contacted CCAF director Theodore H. Frank on or about November 4, 2016 to ask questions about the billing and class actions in general. Dkt. 125-1 ¶ 30. Frank reviewed the fee papers and docket, and wrote a detailed five-page letter memo concerning the billing, and the November 10, 2016 Goldsmith letter. Dkt. 125-2 (“Frank Memo”). The Frank Memo flagged several issues that Goldsmith failed to address, including the misleading use of temporary contract attorneys at greatly inflated rates, the declining percentages generally awarded in “megafunds,” and the misrepresentation of the Fitzpatrick article in the fee papers. *Id.* at 3, 5. Andrea Estes and *Boston Globe* further investigated and reported on several of these issue in a thorough December 17, 2016 story on the erroneous billing. The article quotes Frank extensively; Frank correctly inferred that the underlying double-counting error was inadvertent, but that the misrepresentation of contract attorney rates was pervasive. Dkt. 117 at 27. On February 6, 2017, the Court ordered the parties to respond to its suggestion to appoint Judge Rosen as Special Master to investigate issues raised by the *Boston Globe* report, including “whether the hourly rates plaintiffs’ counsel attributed to the staff attorneys in calculating the lodestar are, as represented, what these firms actually charged for their

services or what other lawyers in their community charge paying clients for similar services.” *Id.* at 6-7.

On February 17, 2017, CCAF appeared and moved to be appointed guardian *ad litem* on behalf of the class, or alternatively to participate as an *amicus*. Dkt. 126. In its initial *amicus* brief, CCAF flagged a jurisdictional problem that might occur if the Special Master’s investigation extended beyond November 2, 2017—which it did. *Id.* at 12. CCAF also argued that even if it were not appointed guardian, the scope of the Special Master’s investigation should expand to encompass other issues from the Frank Memo, including the misrepresentation of the Fitzpatrick study. *Id.* at 11. CCAF further flagged the issue of declining percentages being awarded in megafunds and unnecessary churn being performed in a case with relatively little discovery. Dkt. 154 at 13-15. CCAF additionally pointed out that the undisclosed fee-sharing arrangement between the firms appeared to have misled the court because ERISA counsel had actually received much less than the 1.8 multiplier Class Counsel claimed for the case. *Id.* at 15. In fact, Class Counsel had paid themselves much more than the “corrected” 2.0 multiplier they claim, while giving ERISA counsel a relative pittance, unbeknownst to the Court. *Id.* For its efforts, CCAF was rewarded with a scurrilous sur-reply by Lieff Cabraser (Dkt. 168), which CCAF did not have time to answer in the hours before the Court’s hearing on March 7, 2018.

At the March 7, 2017, the Court granted leave for CCAF to participate and particularly discussed the “intriguing issue” regarding the Court’s continuing jurisdiction beyond November 2, 2017. Tr. 5/17/2017 at 19. The Court therefore directed the parties to draft a Rule 60 motion to reopen the fee award. *Id.* at 20. The Court also directed Class Counsel to provide notice to the class, as CCAF had suggested. *Id.* at 24.

On March 8, 2017, the Court granted CCAF leave to file as an *amicus*, and took its motion for appointment as guardian *ad litem* under advisement. Dkt. 172 at 2. The Court has since

confirmed several times that the motion for appointment as guardian *ad litem* **remains** under advisement. Dkts. 410 at 3; 445 at 2; 460 at 8; 549 at 2; 519 (Tr. 11/7/2018) at 96.

On the same date, the Court appointed Judge Rosen to act as Special Master in the investigation, and to prepare a report addressing several items including: “the accuracy and reliability of the representations made by the parties in their requests for awards of attorneys’ fees and expenses,” and “the accuracy and reliability of the representations made in the November 10, 2016 letter from David Goldsmith.” Dkt. 173 at 1-2.

CCAF filed another brief on March 20, 2017 concerning the stipulated Rule 60 motion and notice plan, which the Court found “helpful” and allowed. Dkt. 192 at 2. The Court suggested a revised form of notice on March 24, 2017, and invited CCAF to comment on it, which it did. Dkts. 187, 189.

The Special Master’s investigation was complicated by Class Counsel’s apparent concealment of the Chargois arrangement, which did not come to light until the close of depositions, buried in Thornton’s document production. (Labaton had not even produced documents hinting at the arrangement.) The Special Master’s 377-page Report and Recommendation was filed in lightly redacted form on June 28, 2018 (Dkt. 357, “Report”), and the voluminous exhibits became available in the following months.

On July 31, 2018, due to controversy about whether the Special Master could continue to participate in the proceedings, the Court inquired whether CCAF was still available for appointment as guardian *ad litem* and under what terms it might work. Dkt. 410. In response to this inquiry, CCAF responded that it would need the assistance of co-counsel and proposed billing at modest hourly rates, though with a risk multiplier to the extent Class Counsel challenged CCAF’s fee award in view of their aggressive, scorched-earth litigation. Dkt. 420 at 16-17. In this filing, CCAF also flagged for the first time the campaign contributions from Labaton and Chargois & Herron LLP attorneys to

former Arkansas State Treasurer Martha Shoffner, who was on the board of ATRS at the time Labaton was approved as monitoring counsel. *Id.* at 18-22. The Court further inquired to these issues during the hearings on June 24-26, 2019, and made findings about them. Order 61. The Court again took CCAF's motion for appointment as guardian *ad litem* under advisement. Dkt. 445 at 2.

CCAF continued to assist the Court following the Report. Each time CCAF sought leave to file a brief, the Court allowed it, and the Court specifically found several helpful to the court. *See* Dkt. 445 at 3 (allowing helpful briefs on guardian *ad litem* issue); Dkt. 448 (Pub. Tr. 8/13/2018) at 20 (“I found the memoranda you’ve submitted both in 2017 [and recently] to be helpful. For example, you’re the one who identified the Rule 60(b) issue, which was helpful; and some of the authorities in your recent briefs were -- recent brief were helpful, citing cases that I read with care, citing of the statement were helpful.”); Dkt. 460 at 8 (allowing further briefs on the issue, “which to date the court has found helpful.”); Dkt. 519 (Tr. 11/7/2018) at 96 (finding “very helpful” submissions).

On October 11, 2018, the Court inquired whether CCAF wished to participate at the hearing on October 15, 2018. Dkt. 488. CCAF did (Dkt. 492) and at the hearing raised concerns about the proposed partial resolution between the Special Master and Labaton, which would not resolve matters for all Class Counsel and arguably treat the other firms unfairly relative to Labaton, creating unnecessary appeal risk. Tr. 10/15/2018 at 54-57. The Court advised Mr. Sinnott that it was “moving in his [Frank’s] direction” regarding the proposed partial resolution. *Id.* at 93. The Court permitted CCAF—along with Lief and Thornton—to respond to the partial resolution before the next hearing on November 7, 2018, which CCAF was also allowed to participate in. *Id.* at 94.

In its 22-page response filed November 4, 2018, CCAF took issues with several aspects of the partial resolution and the fundamental approach to allocating the new fee award. Dkt. 515. CCAF objected that the Special Master only advocated for \$7.4 to \$8.1 million to be reallocated to the class in the form of sanctions, while otherwise endorsing the original 25% award. *Id.* at 18-19.

CCAF argued that baseline fee award in the case was too high, and that it should be adjusted to a reasonable fee award before applying sanctions. *Id.* CCAF suggested that a guardian *ad litem* would and should argue that the Report did not go far enough. *Id.* at 22. The Court inquired about these issues at the November 7, 2018 hearing, where CCAF was again allowed to participate:

I think that in this process the parties should address what has emerged as an open issue since I vacated the award of attorneys' fees, what's the -- you know, what amount should be awarded. Should I award \$75 million again, which the master recommends. Now I think Lieff agrees with two things. But that's an open issue for me. And I'd like to know what's the -- you know, what's the information, what's the argument as to or what a reasonable percentage of a common fund is when the common fund is as much as -- in the range of 300 million.

(Tr. 11/7/2018) at 103.

After the November 7 hearing, the Court ordered that CCAF could draft and submit a memorandum by November 20, 2018 addressing the reasonableness of an approximately \$75 million fee award in this case. Dkt. 518. Thirteen days later, CCAF filed its 38-page memo in support of a reduced \$50 million fee award, which discussed (1) empirical studies, including the misrepresented Fitzpatrick study, (2) corrected lodestar crosscheck rates for contract and staff attorneys, (3) the overbilling apparent, especially in comparison to the *BONY Mellon* matter, which had much more discovery, (4) the inappropriate disparity in lodestar between Class Counsel and ERISA Counsel, (5) the relative lack of risk when most of the billing was undertaken. Dkt. 522. All of these topics are discussed and analyzed in the Court's Order awarding just over \$60 million.

CCAF was also granted leave to file two memoranda in advance of the hearings on June 24-26, 2019 and also participate in these hearings. Dkts. 549; 552. The Court explained that this was allowed because "I found what Mr. Frank and you submitted to be helpful." *See* Dkt. 560 (Tr. 6/24/2019) at 15.

The Court allowed CCAF to address certain topics raised by the hearings, along with the Special Master, ERISA, and Class Counsel. Dkt. 564. This resulted in a July 17, 2019 memo

including a more detailed comparison between the *BONY Mellon* and *State Street* billing and a detailed look at the billing descriptions of staff attorneys, accompanied with nearly 500 pages of exhibits arranging this billing by timekeeper. Dkts. 583, -1, -2. The former topic, at least, was among the issues addressed in the Court's Order.²

Finally, in the Court's Order February 27, 2020, the Court found that "CCAF brought expertise to the proceedings, which was often very helpful to the court." Order 12. The Court noted that it "would consider ordering that CCAF be compensated for its work if it had the authority to do so." *Id.* at n.3. Additionally, the Court required the Special Master and CCAF to confer regarding class notice. *Id.* at 155.

Fees to CCAF would assist its non-profit mission to advocate on behalf of class members. CCAF is a sub-unit of the non-profit HLLI, which precludes CCAF attorneys from personally profiting from any fee award.³ *See* Dkt. 125-1 at 4 (describing identical rules that governed CCAF when it was a part of the Competitive Enterprise Institute).

² One day after this post-hearing filing, CCAF moved for leave to file an academic study it had then just learned about as an exhibit to its brief: Stephen J. Choi, Jessica Erickson & A.C. Pritchard, *Working Hard or Making Work? Plaintiffs' Attorneys Fees in Securities Fraud Class Actions*, available online at https://papers.ssrn.com/sol3/papers.cfm?abstract_id=3420222. Dkt. 584. Lief Cabraser filed an opposition to this motion, and it appears the motion remains pending.

³ While Hamilton Lincoln Law Institute ("HLLI"), as a non-profit, is limited in the total awards of fees it may receive in any given five-year period, Rev. Proc. 92-59, 1992-2 C.B. 411, its non-profit status does not preclude it from being awarded fees as any other counsel. Representation that is pro bono and/or by a non-profit does not preclude a request for attorneys' fees of the same size that a for-profit firm could recover. *E.g.*, *In re Primus*, 436 U.S. 412, 429-31 (1978) (ACLU and NAACP); *Blum v. Stenson*, 465 U.S. 886, 894-95 (1984) (pro bono publico representation not grounds for reducing attorneys' fees); *Cuellar v. Joyce*, 603 F.3d 1142 (9th Cir. 2010) ("The fact that Cuellar's lawyers provided their services pro bono does not make a fee award inappropriate."); *Hutchinson ex rel. Julien v. Patrick*, 636 F. 3d 1, 16 (1st Cir. 2011) (affirming award to nonprofit Center for Public Interest).

II. Argument

An *amicus* may be awarded attorneys' fees for beneficial service provided to the absent class members at the Court's request. Any fees should be paid by the parties responsible: Class Counsel. That said, CCAF's fee petition would be premature at this time because the underlying Order may be substantially vacated or modified on appeal, and because CCAF intends to defend the Order if there is an appeal, which will increase the hours spent securing benefit to the class. For this reason, good cause exists to extend the deadline for CCAF to file its fee motion.

A. CCAF was appointed *amicus* and its efforts produced millions of dollars of benefit to the class, so it is entitled to an attorneys' fee award.

While *amicus* CCAF is not formally a party to the suit, it helped confer a multi-million dollar benefit on class members through this Court's adoption of several of its arguments to award an overall attorneys' fee award just over \$60 million.

CCAF is entitled to attorneys' fees for this service. "[A] federal court may charge the legal fees of *amici curiae* to a party for services rendered" if two conditions are met. *Morales v. Turman*, 820 F.2d 728, 731 (5th Cir. 1987). "First, 'the court must appoint an *amicus curiae* who renders services which prove beneficial . . . [and] Second, the court may then 'direct [the fee] to be paid by the party responsible for the situation that prompted the court to make the appointment.'" *Id.* (quoting 4 Am.Jur.2d *Amicus Curiae* § 7); see also *Schneider v. Lockheed Aircraft Corp.*, 658 F.2d 835, 853 (D.C. Cir. 1981) (finding similar standard to award fees where *amicus* was also appointed guardian *ad litem*). A pure volunteer, however, is not entitled to fees. *Morales*.

There was certainly a voluntary aspect to CCAF's participation, because it could have chosen to withdraw from the case when the Court postponed its ruling on the motion for guardian *ad litem*; it further offered to forgo fees as a condition of appointment if the Court believed its motives were impure. The facts of this case currently fall in between the pure-volunteer case of *Morales*, where fees were precluded, and the pure-appointment case of *Schneider*, where the court formally appointed a guardian *ad litem*. The Court invited CCAF to serve as an *amicus* and to draft briefs responsive to the

proceedings. The Court regularly solicited CCAF's advice. It moved *sua sponte* to inquire whether CCAF could still serve as guardian *ad litem*. Dkt. 510. The Court invited CCAF to participate at hearings. Dkts. 488 (*sua sponte*); 549. The Court allowed CCAF to argue, when appropriate, over three days of live testimony, and to submit substantive post-hearing briefing. Dkt. 583. The Court most clearly appointed CCAF as *amicus* when requested briefing on the overall fee award, which was filed November 20, 2018. Dkt. 522. CCAF had not yet written the brief when the Court allowed its filing on November 8. Dkt. 518. Instead, the Court permitted this brief to be created in advance, and directed other parties to respond to it. *Id.* at 2. The arguments presented in the November 20, 2018 brief clearly shaped subsequent proceedings, and the Court ultimately adopted several of CCAF's suggestions in its Order.

The class (and the Court) derived benefit from this service.⁴ This class benefit is more than \$6.2 million larger than what the class would have enjoyed if all the Special Master's initial Report were adopted and the maximum recommended sanctions imposed. Dkt. 590-1. Arguably, CCAF's benefit is closer to the \$14.4 million difference from the original fee award and the ultimate Order. This is because Special Master's partial resolution with Labaton diluted the original recommendations, and if the Court had adopted the partial resolution, it would have needed to proportionally reduce sanctions against firms less culpable for the underlying errors and misconduct than Labaton—especially Lief Cabraser. Thus, if the Court followed the Special Master's recommendations, the class benefit likely would have been substantially less than the \$7.4 to \$8.1 million benefit the Report suggested. In any event, the Special Master's sanctions recommendations

⁴ In the context of class action objectors' fees, some courts have concluded that simply sharpening the adversarial debate is sufficient to award fees even in the absence of a concrete benefit. *E.g., In re Ikon Office Solutions, Inc., Secs. Litig.*, 194 F.R.D. 166, 197 (E.D. Pa. 2000) (awarding objector \$10,000 in fees plus reimbursement of costs for "sharpen[ing] debate"). CCAF will not move for a fee on this basis.

were *not* adopted, and the Court instead set an overall fee award of 20%, which was much more in line with CCAF's approach. *See* Dkt. 522 at 5-6. Therefore, the common benefit provided by CCAF is no less than \$6.2 million, and likely closer to \$10 million, if the logic of the partial resolution with Labaton was fairly allocated to Thornton and Lief Cabraser.

Because this Court never ruled on CCAF's motion for appointment as guardian *ad litem*, there is no precedent directly on point, and the Court might decide it has the discretion to deny fees to CCAF on this basis if it feels that CCAF's position was ultimately that of volunteer. If, however, the Court grants CCAF's pending motion for appointment as guardian *ad litem*, it would avoid any controversy and appellate issue over whether it could award CCAF fees as it indicated it wished to do.

In the alternative, attorneys' fees may be awarded as sanctions under the Court's inherent authority. This inherent authority also provides "the ability to fashion an appropriate sanction for conduct which abuses the judicial process." *Chambers v. NASCO, Inc.*, 501 U.S. 32, 44-45 (1991). "[T]he court retains inherent power to impose sanctions when the situation is grave enough to call for them and the misconduct has somehow slipped through the cracks of the statutes and rules covering the usual situations." *Claiborne v. Wisdom*, 414 F.3d 715, 724 (7th Cir. 2005).

B. CCAF will seek fees from Class Counsel because their misconduct has necessitated this costly inquiry (and any appeal may require further work).

As suggested by *Morales*, CCAF will seek fees directly from Class Counsel. 820 F.2d at 731. This is appropriate and may further deter the firms from appealing the Order, which clearly falls within the Court's sound discretion. To the extent only certain of the Class Counsel firms appeal the Order, CCAF will seek fees for its new work solely from the appellants.

Class Counsel may complain that the costs of the Special Master's investigation has reduced their effective award below lodestar, but as the Court found, this is appropriate because their "unreasonable behavior has occasioned the need to appoint a master." Order 151-52. Class

Counsel's own conduct—including their astonishing failure to disclose the existence of the Chargois arrangement until near the end of the discovery—necessitated the investigation, expanded its length and complexity, and drove up its costs.

For similar equitable reasons, CCAF's fee award should be borne solely by Class Counsel—not by the innocent absent class.

“[T]he ‘common benefit’ theory is premised on a court’s equity power” *United Steelworkers of Am. v. Sadlowski*, 435 U.S. 977, 979 (1978); accord *Rodriguez v. Disner*, 688 F.3d 645, 654 (9th Cir. 2012). Where Class Counsel: (1) concealed a fee-sharing arrangement from co-counsel, the client and the Court, (2) misrepresented their regularly “charged” rates, (3) greatly inflated the rates of temporary attorneys if falsely suggested to have been billed at regular rates “charged” by the firms, (4) misrepresented an empirical study in support of their request, (5) failed to timely correct their declarations even after review, (6) concealed the fee-sharing arrangement from the Special Master appointed to investigate the billing, (7) ran up fact discovery costs by retaining *seven* experts to opine about matters of law, (8) engaged in bellicose and frivolous motion practice in an effort to derail the Court, (9) repeatedly ran up their own costs by opposing helpful *amicus* briefs, and (10) lied under oath in live testimony concerning their conduct—it would be highly inequitable to require the class to foot the bill for **both** class counsel **and** again for HLLI, when class counsel alone created the necessity of objection by tendering an unreasonable agreement in the first place. *Cf. Radcliffe v. Experian Info Solutions*, -- Fed. Appx. --, 2019 WL 6770034, 2019 U.S. App. LEXIS 36751 (9th Cir. 2019) (“Settling Counsel were duty-bound to reimburse the class for the waste of settlement funds caused by the ethical conflict in *Radcliffe P*”). As between the class members and class counsel, “equity requires that the loss, which in consequence thereof must fall on one of the two, shall be borne by him by whose fault it was occasioned.” *Neslin v. Wells*, 104 U.S. 428, 437 (1882).

The costs of HLLI's helpful participation should not be borne by the class members themselves, who had nothing to do with the initial fee request, concealment, or tendentious conduct over the course of the investigation. The class should not have to pay twice for a benefit they should have received at the outset. This is why many courts across the nation have held that such fees should be paid from class counsel's fee award rather than the common fund in the similar context of objector and intervenor fee awards. *E.g.*, *In re Southwest Airlines Voucher Litig.*, 898 F.3d 740, 747 (7th Cir. 2018) (ordering objector fee payable from class counsel); *In re Petrobras Secs. Litig.*, 320 F. Supp. 3d 597, 601-02 (S.D.N.Y. 2018) (debiting objector's fees from class counsel's award), *vacated on other grounds* 786 Fed. Appx. 274 (2d Cir. 2019); *McDonough v. Toys "R" Us, Inc.*, 80 F. Supp. 3d 626, 651 (E.D. Pa. 2015) (decreasing class counsel's fee award to pay objector's counsel because class counsel's fiduciary responsibility was only fulfilled "on the second try"); *Ikon Office Solutions*, 194 F.R.D. at 197 (taking objector's fee "from class counsel's award to avoid dilution of the settlement fund"); *Hendricks v. Starkist Co.*, 2016 U.S. Dist. LEXIS 134872, 2016 WL 5462423, at *16 (N.D. Cal. Sept. 29, 2016) (finding it "appropriate and justified" that objectors' fees "be deducted directly from class counsel's fee award."); *In re Sony PS3 "Other OS" Litigation*, No. 10-cv-01811-YGR, 2018 WL 2763337, at *3 (N.D. Cal. Jun. 8, 2018) (ordering objectors' fees paid from class counsel's fee award). "If not for class counsel's acquiescence to the [unfair fee request], [*amicus*] would not have need to become involved. And the Court strongly believes this expense should not be paid from money that otherwise would have gone to the Class Members." *Hendricks*, 2016 WL 5462423, at *16; *see also Hendricks v. Ference*, 754 Fed. Appx. 510, 513 n.1 (9th Cir. 2018) (affirming "reduction and award of fees to Intervenor's counsel."). Here, the conduct was much worse than mere "acquiescence" that resulted in the infirm initial settlements, it was their affirmative decision to divide the fund in a way that betrayed the interests of the repealer-state class members.

Still, it is not punitive when fees are paid from the same pot awarded to class counsel. Rather, doing so recognizes several realities, equities, and best practices of settlement and class representation. There is a pertinent discussion of the issue in the *Great Neck* case. *Great Neck Capital Appreciation Inv. P'ship, L.P. v. PriceWaterhouseCoopers, L.L.P.*, 212 F.R.D. 400, 416-17 (E.D. Wis. 2002). There, the court recognized its equitable discretion to impose the burden of paying objector's fees on the class but correctly declined to do so, based on its recognized fiduciary obligation to safeguard the class funds, especially in a pre-certification settlement and in light of the fact that the amount per claimant was already modest. *Id.* at 417. Instead, the *Great Neck* court awarded the objector fees from "class counsel and the defendants as they may agree but without diminution of the sum awarded to the class." *Id.*

Charging all legal expenses to the initial fee pot is not merely equitable, it is also good public policy. It provides a practical incentive for attorneys to maintain candor with the courts they practice before and avoid proffering fee requests that have a high probability of being objectionable. Most unfavorable settlements are approved quickly, quietly and unopposed, without a single objection, *amicus*, or motion to intervene. *See Vought v. Bank of Am.*, 901 F. Supp. 2d 1071, 1093 (C.D. Ill. 2012) (citing, *inter alia*, a 1996 FJC survey of several federal districts that reported between 42% and 64% of settlements engendered no filings by objectors); *see generally In re Gen. Motors Corp. Pick-Up Truck Fuel Tank Prods. Liab. Litig.*, 55 F.3d 768, 812 (3d Cir. 1995) (class members "have an insufficient incentive to contest an unpalatable settlement agreement because the cost of contesting exceeds the objector's pro rata benefit.") (internal quotation omitted). Add to that the reality that non-profit watchdog groups and legal clinics cannot be everywhere at one time, and it is readily apparent why class counsel must be encouraged to submit good settlements on their own. If class counsel are not even responsible for paying the comparatively minimal fees of successful objectors, then there will be little if any incentive for them to reach good settlements from the very outset.

C. Due to uncertainty concerning CCAF's work on any potential appeal, the fee motion would be premature and incomplete at this time.

While CCAF is presently entitled to attorneys' fees, it would be inefficient to apply for an award at this time. Should Class Counsel successfully appeal the Court's Order, the basis for CCAF's fee may evaporate. More likely, any appeal by Class Counsel fails, but CCAF will spend more time defending against their aggressive kitchen-sink arguments. (Even now, class counsel multiplies proceedings by opposing this simple administrative request to extend the deadline to seek a fee award.)

In the event of an appeal, CCAF intends to defend the Court's order before the First Circuit. There are two ways this might occur.

Most straightforward, in the event of an appeal, CCAF will renew its motion for appointment as guardian *ad litem*. This motion (filed at Dkt. 126, amended at Dkt. 451) technically remains pending. The Court has confirmed repeatedly that the motion for appointment as guardian *ad litem* **remains** under advisement. Dkts. 410 at 3; 445 at 2; 519 (Tr. 11/7/2018) at 96; 549 at 2. The Court's retention of this motion is prudent. Without a guardian, Class Counsel could potentially appeal *ex parte* to the First Circuit. CCAF confirmed (Dkt. 420; 519 (Tr. 11/7/2018) at 95) and now again confirms that it remains willing to serve as guardian *ad litem* if necessary to defend the Order on appeal.⁵

Alternatively, CCAF may apply to the First Circuit to be appointed *amicus* so that it may file a *de facto* appellee brief in support of judgment below. CCAF has been appointed *amicus* in this way by two other circuits. See *Adams v. USAA et. al.*, Nos. 16-3382, -3482 (8th Cir.) (*amicus* defending district

⁵ Given the more focused nature of acting as a appellee, CCAF anticipates that its appointment would not need to fully engage the services of Burch, Porter & Johnson, PLLC if appointed to defend the Order on appeal, contrary to CCAF's earlier proposal. Dkt. 420 at 24. However, CCAF may continue to work with Gary Peeples, who has already invested significant work and has a superior familiarity with the facts of this case. Compensation paid for his work would be transparently disclosed to the Court in any fee motion.

court's imposition of sanctions for plaintiffs' forum shopping by dismissing complaints and refiling settlement in state court with less scrutiny); *House v. Akorn, Inc.*, No. 19-2401, -2408, No. 42 (7th Cir.) (granting motion to file *amicus* brief defending district court's exercise of its inherent authority by ordering the return of attorneys' fee to defendant). The First Circuit has previously appointed *amici* to avoid *ex parte* appeals in fee disputes with no appellee. *Weinberger v. Great Northern Nekoosa Corp.*, 925 F.2d 518, 525 n. 8 (1st Cir. 1991).

CCAF believes that the Court's Order is well-grounded and quite modest under the circumstances. While the Court found that Class Counsel committed several violations of Rule 11, exhibited extremely poor candor to the Court, their client, and co-counsel, and in one case appears to have committed perjury on the witness stand, the bottom-line result remains a fee award above lodestar *with multiplier*, even in the case of contract attorneys which the Special Master and Court found ought to generally be billed at cost, but were allowed a \$200/hour rate out of an abundance of caution.

To further support the Court's decision, CCAF also attaches for the record a recent article published by Law.com one week before the Court issued its Order. *See* Frank Decl. Ex. 1. This additional evidence might serve as additional evidence or an alternative basis for some of the Court's filings. The article documents campaign contributions made by Labaton partners to an Arkansas state legislator named David Kizzia on October 24, 2012. George Hopkins made a \$100 contribution to Kizzia's campaign on October 14, 2012. Detailed billing in this case shows that Hopkins traveled to Boston for mediation in this case from October 23-24, and on these dates seven Labaton attorneys spontaneously donated \$4000 to the same obscure Arkansas legislator that Hopkins had favored ten days earlier. Aside from calling into question whether Hopkins was acting as faithful fiduciary to the class, it further undermines Labaton's shocked—shocked—response to this Court's sober inquiry about apparently pay-to-play with Arkansas politicians:

And a specific question was posed, in fact, more than one, by Judge Rosen asking the individuals who were involved from Labaton, “Were there ever campaign contributions or any other form of benefit to Senator Faris or anyone else?” And they said, No, of course not.

So the suggestion that that’s at play here shocks me.

Dkt. 244 (Tr. 5/30/2018), at 5. Labaton filed a meritless motion to recuse (Dkt. 275) and frivolous interlocutory appeal (No. 18-1651 (1st Cir.)) based on the “shocked” posturing quoted above. The new evidence of ATRS’s director apparently coordinating campaign contributions with Labaton attorneys confirms the soundness of the Court’s *mere questions* about ATRS’s possible conflicts of interest.

Should Class Counsel appeal, by whichever method CCAF is appointed, CCAF intends to seek attorneys’ fees for time spent defending the Court’s Order. In this way, CCAF’s continued participation might discourage Class Counsel from pursuing unmeritorious appeals.

D. Good cause exists to extend the deadline for CCAF to file its fee motion.

Rule 54(d)(2) sets the deadline to file attorneys’ fees motions at “no later than 14 days after the entry of judgment.” Because the Court entered its Order on February 27, 2020, CCAF’s fee motion would ordinarily be due today, March 12. However, Fed. R. Civ. P. 6(b)(1)(A) allows the Court to extend deadlines for “good cause” “if a request is made, before the original time or its extension expires.” Thus, a potential fee applicant may move for an extension, which the court has discretion to grant. *See Garcia-Goyco v. Law Envtl. Consultants, Inc.*, 428 F.3d 14, 20 (1st Cir. 2005) (affirming fee award granted after district court extended time for filing request beyond time allowed under that district’s local rules).

When a request to extend is made prior to the deadline as here, “then only good cause must be shown. Under Rule 6, ‘good cause’ is not a high standard.” *McCann v. Cullinan*, No. 11-cv-50125, 2015 U.S. Dist. LEXIS 91362, at *20 (N.D. Ill. July 14, 2015) (citing *Abanchian v. Xenon Pictures, Inc.*, 624 F.3d 1253, 1259 (9th Cir. 2010)); *see also* 4B Charles Alan Wright & Arthur R. Miller, FEDERAL

PRACTICE AND PROCEDURE § 1165 (3d ed. 2004). “Good cause” is “a term that is liberally construed.” *Venegas-Hernandez v. Sonolux Records*, 370 F.3d 183, 187 (1st Cir. 2004).

Amicus easily satisfies this standard. The request to delay briefing “cuts down on multiple petitions and time wasted on petitions that may be reversed on appeal.” *Southworth v. Bd. of Regents*, 376 F.3d 757, 766 (7th Cir. 2004) (finding that district court did not abuse its discretion in waiving the fee motion filing deadline set by local rules where the opposing party was not prejudiced or burdened by the later-filed motion); *cf. also Baird v. Bellotti*, 724 F.2d 1032, 1037 n.6 (1st Cir. 1984) (a “longer period” to seek fees “will give all parties time to learn whether an appeal has been filed—and, if so, to move to extend the period for requesting a fee until some specified time after the appeal is resolved”). Neither plaintiffs, nor defendants, nor the Court’s docket would be prejudiced by the extension of time because “to wait thirty days until the time for appeal expires is no burden on either party and may save judicial resources and the expenditure of fees.” *Id.* (quoting with approval a district court’s order to extend time for fee motion).

CONCLUSION

Amicus CCAF respectfully requests that the Court extend deadline to file a request for attorneys’ fees under Fed. R. Civ. P. 54(d) until 14 days after all appeals from the Order are resolved, or 14 days after the time for appeals have elapsed.

Respectfully submitted,

Dated: March 12, 2020

/s/ M. Frank Bednarz
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**IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF MASSACHUSETTS**

ARKANSAS TEACHER RETIREMENT SYSTEM,
on behalf of itself and all others similarly situated,

Plaintiffs,

v.

STATE STREET BANK AND TRUST COMPANY,

Defendant.

No. 11-cv-10230 MLW

ARNOLD HENRIQUEZ, MICHAEL T. COHN,
WILLIAM R. TAYLOR, RICHARD A. SUTHERLAND,
and those similarly situated,

Plaintiffs,

v.

STATE STREET BANK AND TRUST COMPANY,
STATE STREET GLOBAL MARKETS, LLC and DOES 1-20,

Defendants.

No. 11-cv-12049 MLW

THE ANDOVER COMPANIES EMPLOYEE SAVINGS
AND PROFIT SHARING PLAN, on behalf of itself, and
JAMES PEHOUSHEK-STANGELAND, and all others similarly
situated,

Plaintiffs,

v.

STATE STREET BANK AND TRUST COMPANY,

Defendant.

No. 12-cv-11698 MLW

**DECLARATION OF M. FRANK BEDNARZ IN SUPPORT
OF THE CENTER FOR CLASS ACTION FAIRNESS'S MOTION FOR AN
EXTENSION OF TIME TO FILE MOTION FOR ATTORNEYS' FEE AWARD**

DECLARATION OF M. FRANK BEDNARZ

I, Michael Frank Bednarz declare as follows:

1. I have personal knowledge of the facts set forth herein and, if called as witness, could and would testify competently thereto.

2. I am an attorney licensed to practice law in the Commonwealth of Massachusetts and State of Illinois.

3. **Exhibit 1**, entitled “Labaton’s Political Donations Line Up With Pursuit of Client, Records Show,” and dated February 20, 2020, is a true and accurate print-out of the article available from *law.com* as it appeared on March 12, 2020 at:

<https://www.law.com/newyorklawjournal/2020/02/20/labatons-political-donations-line-up-with-pursuit-of-client-records-show/>.

4. **Exhibit 2**, entitled “Final Campaign Contribution And Expenditure Report” is a document filed with the Arkansas Secretary of State; it is a true and accurate copy of the document as it appeared on March 12, 2020 at:

https://www.sos.arkansas.gov/filing_search/index.php/filing/save_pdf/176286.

5. **Exhibit 3**, entitled “Campaign Contribution And Expenditure Report” is a document filed with the Arkansas Secretary of State; it is a true and accurate copy of the document as it appeared on March 12, 2020 at:

https://www.sos.arkansas.gov/filing_search/index.php/filing/save_pdf/175973.

6. Contributions from Labaton partners to David Kizzia appear on page 5 of Exhibit 2. George Hopkins’ contribution to Kizzia appears on page 9 of the Exhibit 3.

I declare under penalty of perjury under the laws of the United States of America that that the foregoing is true and correct.

Executed on March 12, 2020, in Chicago, Illinois.

/s/ M. Frank Bednarz
M. Frank Bednarz

Bednarz Decl.

EXHIBIT 1

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[News \(/newyorklawjournal/news/\)](#)

Labaton's Political Donations Line Up With Pursuit of Client, Records Show

Interviews and court documents trace the New York firm's efforts to woo a major pension fund client.

By **Jack Newsham** (<https://www.law.com/newyorklawjournal/author/profile/jack-Newsham/>) | February 20, 2020 at 12:15 AM

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Labaton offices. Courtesy photo

Things seemed to be going well for Labaton Sucharow in November 2016. The New York-based law firm, a big name in investor class actions, was about to reap a \$27 million fee for its work on behalf of State Street clients who negotiated a \$300 million class settlement with the bank. A Boston judge applauded the firm for taking on a “novel, risky case” involving allegedly hidden bank fees.

Law Firms Mentioned

Labaton Sucharow (/search/?q=Labaton+Sucharow&Submit=Se

Bernstein Litowitz Berger (/search?q=Bernstein+Litowitz+Berger&Sub

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A month after the deal was approved, however, The Boston Globe reported that Labaton and its co-counsel had double-counted some attorneys' time, inflating the

value of their hours worked by about \$4 million. For three years, Labaton and others have fought over who should pay for that mistake, leading to the disclosure of thousands of pages of normally confidential material.

An analysis of the papers, combined with campaign finance records, reveals three waves of political contributions from Labaton attorneys to two politicians connected to the Arkansas Teacher Retirement System, its client in the State Street case, or George Hopkins, the state pension fund's former director, as the firm was cultivating the fund as a key client.

While law firms and their lawyers regularly donate to political campaigns, it is rare for a law firm's time records to be made public in the way that Labaton's have been, offering a detailed look at the context of its political contributions.

At three key points in 2007, 2009 and 2012—while Labaton was courting the Arkansas fund, while it was seeking to represent it in individual cases, and during a two-day mediation in the State Street case, where Hopkins was present—records show that its attorneys contributed to two Arkansas politicians: Martha Shoffner, the state treasurer who sat on the ATRS board, and David Kizzia, a state legislative candidate who has called Hopkins "my friend and my mentor."

- In the first two weeks of October 2007, Labaton lawyers Eric Belfi and Thomas Dubbs and a staffer at a plaintiffs' firm that worked closely with Labaton, Chargois & Herron, contributed \$5,000 to Shoffner. Around the same time, Belfi was visiting several Southern states as part of a business development trip.
- On Nov. 11, 2009, Shoffner's campaign finance records show that she began receiving \$4,500 in new contributions from Labaton lawyers. Belfi, whose firm had landed a state contract that enabled it to pitch lawsuits to ATRS a year before, contacted "potential clients" in the State Street case on Nov. 10, just one day before the money started rolling in.
- On Oct. 24, 2012, while Labaton lawyers were meeting with Hopkins in Boston as part of a mediation in the State Street case, a group of Labaton lawyers, including the group in Boston, began making campaign contributions to Kizzia, who was running for state representative in a district that included Hopkins' hometown of Malvern. Hopkins himself had given \$100 to Kizzia's campaign 10 days before.

3 [As Coronavirus Spreads, Some Courts Shutter, Others Carry On \(/2020/03/10/as-coronavirus-spreads-some-courts-shutter-others-carry-on/\)](#)

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10/20/07: Labaton's Eric Belfi was on a business development trip in the South. He met with Tim Herron and Damon Chargois, two lawyers at a plaintiff's firm that worked closely with Labaton in counting pension fund ATRS.

11/09/09: Belfi calls "potential clients" for a suit that was ultimately led by ATRS.

10/24/12: Labaton lawyers are present at a two-day mediation, when they meet with ATRS director George Hopkins, a donor to Arkansas politician David Kizzia.

Between 10/1/07 and 10/15/07: Belfi and another Labaton lawyer give \$3,000 to ATRS board member Martha Shoffner. A staffer at Herron's firm gives \$2,000.

Next day, 11/10: Labaton contributions to Shoffner resume — lawyers from the firm give \$4,000 with Herron giving \$2,000.

10/24/12: Labaton lawyers begin contributing to Kizzia — totaling \$4,000.

Source: Court records, Arkansas campaign finance records.
 Notes: Some documents have been reformatted for clarity and addresses have been partly redacted for privacy.

[\(Click the graphic to enlarge. Graphic by Roberto Jimenez\)](#)

https://images.law.com/contrib/content/uploads/sites/389/2020/02/Court-Records-Show_graphic2-1.jpg

Labaton has strenuously denied wrongdoing in court and in statements to Law.com, and at one point even sought the trial judge's removal for suggesting there was a quid pro quo. (That effort failed.) The firm denied that business development was in any way a motive for its contributions to politicians, and said its and other firms' political giving was unfairly scrutinized.

But given descriptions of the contributions in Arkansas, other securities lawyers, who didn't want to be quoted bad-mouthing a competitor, said they were skeptical of the intent behind them, as did four experts on legal ethics. Charles Silver, a professor at the University of Texas who studies civil procedure and class actions, said he believed the contributions were legal but were still "unseemly."

"It's called pay-to-play," he said. "It sort of very carefully skirts the line between legal conduct and bribery, and it's part of the way that our democracy works."

Tim Herron, a Texas attorney formerly at the Chargois & Herron firm who worked closely with Labaton to drum up business in several southern states, said in an interview that they made political contributions to that end, but said there was nothing illegal about it. Herron said he bundled contributions, including from Labaton attorneys, for several Arkansas politicians. He said it was obvious to all involved that the idea was to get a foot in the door with influential officials.

"These guys are not virgins. They knew what they were [doing]," Herron said of the Labaton lawyers. "I would call the people up in New York and said, 'If you need this business, you need to give money.' ... There was no argument about it. They knew. They might not have been thrilled with it, but they knew."

Incentives to Give

The Private Securities Litigation Reform Act of 1995 was meant to crack down on meritless securities lawsuits and put sophisticated investors in control of such cases. The law instructed judges to prioritize institutional investors, such as pension systems and mutual funds, to be lead plaintiffs.

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The Arkansas Teacher Retirement System was a coveted client. Today, with \$17.5 billion in assets and five plaintiffs law firms keeping an eye on its holdings for alleged fraud, ATRS has been a frequent lead plaintiff in securities class actions over the years. Four members of its 15-member board hold public office, and the rest are elected by plan participants.

In the State Street case, a special master appointed to examine the double-billing issue, retired federal judge Gerald Rosen, said the origin of Labaton's relationship with ATRS was "beyond the scope of [his] assignment." Still, Rosen voiced concern at what he uncovered.

One of his findings is that the plaintiffs firms in the case set aside \$4 million from their combined \$75 million fee to pay Damon Chargois, an ex-partner of Herron. Chargois did no work on the case but had an agreement with Labaton to take 20% of its fee in any case where ATRS was its lead plaintiff.

"Our deal with Labaton is straightforward," Chargois wrote in an email unearthed by the special master. "We got you ATRS as a client after considerable favors, political activity, money spent and time dedicated in Arkansas, and Labaton would use ATRS to seek lead counsel appointments in institutional investor fraud and misrepresentation cases."

Rosen initially termed the payment an unethical "finder's fee," saying Chargois had acted no differently than a nonattorney fixer. More recently, he reached an agreement with Labaton over the Chargois payments, which the firm described as a "bare referral." Labaton apologized for not disclosing the Chargois arrangement to the court, agreed to pay \$4.8 million and make internal changes, but its settlement with the special master still hasn't been approved.

'Targets'

Labaton's relationship with Chargois goes back to the mid-2000s, and their joint pursuit of ATRS goes back to at least 2007, according to emails and other records unsealed as part of Rosen's probe. In January of that year, Labaton's Belfi emailed Chargois a list of "targets"—pension funds in Arkansas, Texas and Louisiana that would make strong potential lead plaintiffs.

Chargois began working his contacts—and in his own words, doing "political favors"—to help Labaton pitch its portfolio monitoring services to them, offering to watch out for price drops and other signs of fraud in exchange for the opportunity to propose filing lawsuits.

Steve Faris

Chargois and Herron put Belfi in touch with Steve Faris, an Arkansas state senator who employed Herron's uncle and who was an influential voice on state retirement

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policy. Faris had received at least \$9,000 in campaign contributions from Herron, his firms, colleagues and family members over the years. [New York Law Journal](#)

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Bernstein Litowitz Berger & Grossman was the main firm that represented ATRS in securities litigation in those days, and as Herron recalled it, Labaton pitched itself as an alternative, in case conflicts arose. Emails indicate Faris met with Labaton lawyers in August 2007.

"There was no deal that the fix was in" for Labaton to replace Bernstein Litowitz' role, Herron said in a recent interview.

But in a September 2007 email, Chargois told Labaton it would soon represent ATRS. "Please be discreet and act surprised when it happens," he wrote.

Belfi and his partner Dubbs gave \$3,000 to Shoffner, the state treasurer and ATRS board member, in October 2007. Listed with their contributions in Shoffner's campaign finance records is a \$2,000 contribution from Sandra Jorgensen, whom Herron said was a longtime staffer at his law firm.



Martha Shoffner/photo by AP

Shortly after Labaton contributed to Shoffner's reelection campaign, Paul Doane, who preceded Hopkins as the ATRS director, paid a visit to Labaton's office in New York, according to an email Doane sent memorializing the meeting. In the email, Doane regretfully told Belfi that the opportunity to bid on a request for proposals, or RFP, wouldn't arise until spring 2008.

But Herron spoke to Faris and told the Labaton lawyers not to worry, the emails show.

"[Doane] is going to be extremely careful in all public statements to avoid any difficulty," Herron told Belfi and Chargois. "Be patient. The senator is cautious and doesn't want any impropriety to [be] imputed and wants this thing to proceed below the radar. ... I would not worry. I didn't [find Doane's email] the slightest bit discouraging. These are careful guys."

By April 2008, however, Belfi was asking about the procurement process again. "We have been looking for the RFP and have not seen anything," he wrote Herron. Not to worry, Herron responded: "The senator called me last week. ... It is a done deal he says."

Six months later, after an RFP, the board of the Arkansas Teacher Retirement System voted unanimously to add Labaton to its list of portfolio monitoring counsel.

In comments to Law.com, Labaton said there was nothing wrong with Faris acting as a back channel to state retirement officials, comparing it to a congressman recommending a student for West Point. Phone numbers listed for Faris were disconnected, and he couldn't be reached for comment.

The State Street case

When California's attorney general announced in October 2009 that he was suing

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State Street over the foreign exchange derivatives banking case, a New York Law Journal article reported that Labaton was the only firm on the ATRS securities counsel panel to show an interest in the case.

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Starting on Nov. 10, 2009, a group of Labaton lawyers, including Belfi and Dubbs, contributed \$4,000 to Shoffner over the course of three days. Herron gave another \$2,000. On Nov. 9, the day before, Belfi's time records indicate that he had been in touch with "potential clients" in the State Street case; it is not known whether ATRS was among them, nor is it clear what spurred the contributions.



George Hopkins/courtesy photo

Labaton, in a statement, said it couldn't say whether ATRS was among the "potential clients" Belfi contacted, but denied that its lawyers had made contributions to get ATRS' business or that Hopkins had solicited political contributions from them.

The firm's public time records don't explicitly refer to ATRS until April 2010, and a September 2010 time entry is the first to mention a retainer agreement for ATRS.

By September 2010, Labaton was taking major steps to investigate ATRS' case, meeting with Hopkins and ATRS investment consultant Ennis Knupp to see whether State Street had been overcharging it, according to court filings in the State Street case. Hopkins has said he met with State Street to see if a suit was avoidable, but ATRS ended up filing suit in February 2011.

The case survived a motion to dismiss and proceeded to discovery. Mediation efforts began in 2012, and after years of investigation, argument and negotiation, the case was settled in 2016.

From Oct. 23 to 24, 2012, Labaton's time records show that its lawyers were in Boston with Hopkins, in and out of meetings with one another and with their adversaries at State Street. In depositions with the special master, lawyers involved in the case described Hopkins as hands-on and engaged in mediation efforts.

On the second day of the mediation, \$4,000 in political contributions from seven Labaton attorneys and a family member of one of them rolled in to Kizzia, a candidate for Arkansas state representative from Hopkins' hometown of Malvern. The two, both lawyers involved with teachers' groups, have known each other for years, and at a 2016 award ceremony where Hopkins introduced Kizzia, Kizzia called Hopkins a mentor. Just 10 days before Labaton's contributions to Kizzia, Hopkins had kicked in \$100 of his own to Kizzia's campaign.

Labaton's spokesman said the contributions were legitimate and driven by media attention on the candidacy of Kizzia's opponent, Loy Mauch, a neo-Confederate. (The Labaton lawyers declined to say, through the firm's spokesman, exactly how they learned about Kizzia, if not through Hopkins.) The firm has denied that Hopkins ever asked or pressured its lawyers to make campaign contributions.

The settlement with State Street was announced in July 2016. Shortly after it was finally approved in November 2016, the Boston Globe reported that Labaton and its

co-counsel had over-reported the hours worked by their contract and staff attorneys, which made it appear as though their budget was lower than it was. The special master's investigation followed.

Multiple calls to Chargois were not returned. Hopkins did not respond to messages.

Ethical implications

Ethics experts contacted for this article expressed discomfort with Labaton's contributions to two politicians close to ATRS.

"It seemed pretty clear that donations were given for the purpose of establishing political influence," said Claire Finkelstein, a professor of law and philosophy at the University of Pennsylvania and the director of the Center for Ethics and the Rule of Law. She said Labaton should have recused itself from representing ATRS.

Silver, the University of Texas professor who described the contributions as "unseemly," said he strongly doubted that they were illegal. He noted that lawyers and their clients on both sides of contentious issues make political contributions, whether to support getting a bill passed or electing a pliant judge to a state supreme court.

"Can you point me to an area of political control where people are not constantly coming as close as possible to the line between speech and bribery?" he said.

Alleged quid pro quos between plaintiffs lawyers and public pension fund officials are not new. A 2009 paper found that in more than half of shareholder suits that were filed by pension funds with politicians in their leadership, lawyers representing the fund had contributed money to the politicians' campaigns.

In New York, where Belfi and other attorneys who made the contributions in this story are based and licensed, the rules of professional conduct don't specifically mention political contributions in nonjudicial elections, according to David A. Lewis, a New York lawyer who runs his own firm defending lawyers in disciplinary proceedings.

The closest thing in New York's attorney ethics rules to a ban on pay-to-play is a pair of nonbinding comments issued by the New York State Bar Association on Rule 7.2, "Payment for Referrals," which have a seven-part test for assessing whether a political contribution is unethical, Lewis said. He said there is little enforcement history for cases involving political contributions, and it is hard to assess whether Labaton's contributions followed the rules without a full record.

"When lawyers, out of nowhere, start donating to seemingly random candidates and start to get work, I agree that's suspicious," he said. "But without knowing the exculpatory factors that are set forth in the comments, it makes it very hard for me to give an opinion."

Chris McDonough, a legal ethics attorney who is special counsel at Foley Griffin in Garden City, was blunt. "There's always the appearance of impropriety, but that's such a loose standard, it's a nonissue in this case," he said. "I don't think that there's anything there, from an ethical point of view."

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Meanwhile, Craig Holman, a lobbyist with the group Public Citizen who has helped write pay-to-play laws in several states, described the behind-the-scenes help Faris

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gave Herron and Labaton as "undue influence peddling." He said the Labaton, lawyers' contributions, if they would be in good such as investment advice with

stricter regulations, could have run afoul of conflict-of-interest rules.

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In Herron's view, the biggest injustice is Chargois cutting him out of a share of the \$4 million. He said Chargois denied having received the money, and told Herron to keep his head down because of the risk of criminal investigation. Herron, who has largely retired from law, and runs an auto repair business, said he at one point considered suing Chargois before deciding it wasn't worth the effort. He defended his contributions as a way to put down roots in the years after he moved to Arkansas.

"This didn't happen overnight. We gave donations to the governor, the attorney general, several senate campaigns—we met with people all over the state," Herron said. "You can't talk to a politician if you don't donate money. It's a fact of the American system. You just can't. You may not get what you want, but you can't even get in the door if you don't contribute."

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Jack Newsham writes about the New York legal community and the business of law, including law firm finance and management and the battle for talent. Email him at jnewsham@alm.com and find him on Twitter [@thenewsham](https://twitter.com/thenewsham).

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JANE WESTER (/AUTHOR/PROFILE/JANE-WESTER/) | MARCH 12, 2020

Kirshner is now once again defending one of the highest-profile clients of her career—Robert Hadden, the former Columbia University obstetrician accused of sexual abuse against dozens of patients, including Evelyn Yang, the wife of former presidential candidate Andrew Yang.

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RYAN TARINELLI | MARCH 11, 2020

The files could be downloaded and used to make unregistered guns that are more challenging to detect, according to James' office.

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EXHIBIT 2

For State and District Candidates Only

To be filed with:
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Year of Election 2012
 Check if this report is an amendment

For assistance in completing
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 Phone (501) 324-9600
 Toll Free (800) 422-7773

ALL INFORMATION IN THIS REPORT MUST BE COMPLETE
 THIS REPORT MUST BE FILED WITH THE SECRETARY OF STATE

1. Name of Candidate David Kizzia
 Address 1624 Oakwood Circle
 City, State and Zip Malvern AR 72104 Phone Number 501 650 5006
 Office Sought State Representative District Number: 26
 Does the candidate have a campaign committee? Yes No
 If yes, complete the following:
 Name of Chairperson/Treasurer:
 Mailing Address Phone Number
 2. Type of Election: (check one only)
 Primary Primary Runoff General General Runoff Special
 This report covers what period? (10/28/2012) through (12/31/2012)

(Secretary of State File Stamp)
FILED
DEC 31 2012
 Arkansas
 Secretary of State

3. Method by which surplus campaign funds were disposed:

- Treasurer of State (for benefit of General Revenue Fund Account of the State Apportionment Fund)
- A political party as defined in Ark. Code Ann. § 7-1-101 or a political party caucus of the Arkansas General Assembly, the Senate, or the House of Representatives
- Contributors to the candidate's campaign
- A nonprofit organization that is exempt from taxation under Section 501(c)(3) of the Internal Revenue Code
- Cities of the first class, cities of the second class, or incorporated towns

SUMMARY	FOR REPORTING PERIOD	CUMULATIVE TOTAL
4. Balance of campaign funds at beginning of reporting period	8,033.82	
5. Interest (if any) earned on campaign account	0	0
6. Total Loans (enter total from line 12)	11,612.71	19,228.00
7. Total Monetary Contributions (enter total from line 18)	13,850.00	71,721.00
8. Total Expenditures (enter total from line 27)	34,813.70	91,009.06
9. Carryover Funds or Debt at close of election (use brackets to indicate debt)		(10,760.76)
10. () NO ACTIVITY (check if you have not received contributions, loans, or made expenditures during this reporting period)		

I certify to the best of my knowledge and belief that the information disclosed in this report is a complete, true, and accurate financial statement of my (the candidate's) campaign contributions and expenditures.

Signature of Candidate or Candidate's Representative

Sworn to and subscribed before me, a Notary Public, in and for Hot Spring County, Arkansas, on this 31st day of Dec, 2012.

MELISSA RAMSEY
 OFFICIAL SEAL - NOTARY PUBLIC
 HOT SPRING COUNTY, ARKANSAS
 COMMISSION # 12381006
 MY COMMISSION EXPIRES 3-04-2021

Notary Signature Melissa Ramsey
 My Commission Expires: 3-4-2021

Note: If faxed, notary seal must be legible (i.e., either stamped or raised and inked) and the original must follow within ten (10) days.

The law provides for a maximum penalty of \$2,000 per violation and/or imprisonment for not more than one year for any person who knowingly or willfully fails to comply with the provisions of A.C.A. § 7-6-201 through § 7-6-227. This report constitutes a public record. This form has been approved by the Arkansas Ethics Commission.

11. LOAN INFORMATION

Please Type or Print
Do not list loans previously reported

DATE	NAME AND ADDRESS OF LENDING INSTITUTION	GUARANTOR(S), IF ANY	AMOUNT OF LOAN
11-1-2012	David Krezla 1624 Oakwood Circle Malvern AR 72104		559.98/
11-21-2012	David Krezla 1624 Oakwood Circle Malvern AR 72104		10,250.00/
11-1-2012	David Krezla 1624 Oakwood Circle Malvern AR 72104		802.73/
12. TOTAL LOANS DURING REPORTING PERIOD			\$ 11,612.71

IMPORTANT

The limits on campaign contributions do not apply to loans or contributions made by a candidate from his or her own personal funds to the campaign or to personal loans made by financial institutions to the candidate and applied to his or her campaign. Any loans made by a candidate to his or her campaign and any loans made by a financial institution to a candidate and applied to his or her campaign shall be reported in Section 11.

If a candidate desires to use or raise campaign funds to repay himself or herself for personal funds that he or she contributed to the campaign, then he or she would need to report those personal funds as a loan in Section 11.

If a candidate does not desire to use or raise campaign funds to repay himself or herself for personal funds that he or she contributed to the campaign, then those personal funds would not be reported in Section 11. Instead, they would be reported as a campaign contribution either in Section 15 or on line 17, depending upon the amount.

If a candidate has unpaid loans at the time of the primary, runoff or general election, the source, description and amount of each such loan should be itemized in Section 28. A candidate ending his or her campaign in debt is permitted to raise funds to retire the debt subject to the restrictions contained in Ark. Code Ann. § 7-6-219.

The law provides for a maximum penalty of \$2,000 per violation and/or imprisonment for not more than one year for any person who knowingly or willfully fails to comply with the provisions of A.C.A. § 7-6-201 through § 7-6-227. This report constitutes a public record. This form has been approved by the Arkansas Ethics Commission.

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13. NONMONEY CONTRIBUTIONS

(Does not include volunteer services by individuals)

Date of Receipt	Full Name and Address of Contributor	Description of nonmoney item	Value of nonmoney item	Cumulative Total From This Contributor
14. TOTAL NONMONEY CONTRIBUTIONS			Ø	[REDACTED]

IMPORTANT

In addition to monetary contributions, candidates are required to report the receipt of any nonmonetary ("in-kind") contributions. A candidate receives an in-kind contribution whenever a person provides him with an item or service without charge or for a charge which is less than the fair market value of the item or service in question.

The value of an in-kind contribution is the difference between the fair market value and the amount charged. In-kind contributions are addressed in greater detail in Sections 205 and 206 of the Commission's Rules on Campaign Finance & Disclosure.

The law provides for a maximum penalty of \$2,000 per violation and/or imprisonment for not more than one year for any person who knowingly or willfully fails to comply with the provisions of A.C.A. § 7-6-201 through § 7-6-227. This report constitutes a public record. This form has been approved by the Arkansas Ethics Commission.

15. ITEMIZED MONETARY CONTRIBUTIONS OVER \$50

Please Type or Print

(Use copies of this page as needed)

Date	Full Name and Mailing Address of Contributor	Place of Business/ Employer/Occupation	Amount of Contribution	Cumulative Total From This Contributor
10-26-2012	Mark Arisohn One Scarsdale Rd Apt 301 Tuckahoe, NY 10707	Attorney	<input type="checkbox"/> Primary <input type="checkbox"/> Run-Off <input checked="" type="checkbox"/> General <input type="checkbox"/> Debt 500 ⁰⁰ ¢	500 ⁰⁰ ¢
10-24-2012	Christopher J. Keller 140 Broadway New York, NY 10005	Attorney	<input type="checkbox"/> Primary <input type="checkbox"/> Run-Off <input checked="" type="checkbox"/> General <input type="checkbox"/> Debt 500 ⁰⁰ ¢	500 ⁰⁰ ¢
10-26-2012	Thomas A Dubbs 140 Broadway New York NY 10005	Attorney	<input type="checkbox"/> Primary <input type="checkbox"/> Run-Off <input checked="" type="checkbox"/> General <input type="checkbox"/> Debt 500 ⁰⁰ ¢	500 ⁰⁰ ¢
10-24-2012	Eric Belfi 1707 Route 25A Laurel Hollow NY 11791	Attorney	<input type="checkbox"/> Primary <input type="checkbox"/> Run-Off <input checked="" type="checkbox"/> General <input type="checkbox"/> Debt 500 ⁰⁰ ¢	500 ⁰⁰ ¢
10-25-2012	Joseph Fonti 7 Seton Road Larchmont NY 10558	Attorney	<input type="checkbox"/> Primary <input type="checkbox"/> Run-Off <input checked="" type="checkbox"/> General <input type="checkbox"/> Debt 500 ⁰⁰ ¢	500 ⁰⁰ ¢
10-25-2012	Bagna Fonti 7 Seton Road Larchmont NY 10538	Attorney	<input type="checkbox"/> Primary <input type="checkbox"/> Run-Off <input checked="" type="checkbox"/> General <input type="checkbox"/> Debt 500 ⁰⁰ ¢	500 ⁰⁰ ¢
10-26-2012	Javier Bleichmar 900 Park Ave, 5C New York NY 10075	Attorney	<input type="checkbox"/> Primary <input type="checkbox"/> Run-Off <input checked="" type="checkbox"/> General <input type="checkbox"/> Debt 500 ⁰⁰ ¢	500 ⁰⁰ ¢
10-26-2012	Ira Schochet 6 Tarry Hill Rd Tarrytown NY 10591	Attorney	<input type="checkbox"/> Primary <input type="checkbox"/> Run-Off <input checked="" type="checkbox"/> General <input type="checkbox"/> Debt 500 ⁰⁰ ¢	500 ⁰⁰ ¢
11-7-2012	George Morkedyc IV 4208 Longview Rd LR, AR 72212	Attorney	<input type="checkbox"/> Primary <input type="checkbox"/> Run-Off <input checked="" type="checkbox"/> General <input type="checkbox"/> Debt 250 ⁰⁰ ¢	250 ⁰⁰ ¢
Subtotal of Contributions This Page			4250 ⁰⁰ ¢	4250⁰⁰¢

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15. ITEMIZED MONETARY CONTRIBUTIONS OVER \$50

Please Type or Print

(Use copies of this page as needed)

Date	Full Name and Mailing Address of Contributor	Place of Business/ Employer/Occupation	Amount of Contribution	Cumulative Total From This Contributor
11-1-2012	Grey Giles 1206 State Line Texarkana AR 71854	Attorney	<input type="checkbox"/> Primary <input type="checkbox"/> Run-Off <input checked="" type="checkbox"/> General <input type="checkbox"/> Debt 150 ⁰⁰	150 ⁰⁰
10-17-2012	Astra Zeneca Services 1800 Concord Pike Wilmington, DE 19850	Pharmaceutical	<input type="checkbox"/> Primary <input type="checkbox"/> Run-Off <input checked="" type="checkbox"/> General <input type="checkbox"/> Debt 200 ⁰⁰	200 ⁰⁰
9-20-2012	Arkansas Medical Society PAC PO Box 55088 LR AR 72215	PAC	<input type="checkbox"/> Primary <input type="checkbox"/> Run-Off <input checked="" type="checkbox"/> General <input type="checkbox"/> Debt 250 ⁰⁰	250 ⁰⁰
11-12-2012	ENPAC PO Box 551 LR AR 72203	PAC	<input type="checkbox"/> Primary <input type="checkbox"/> Run-Off <input checked="" type="checkbox"/> General <input type="checkbox"/> Debt 250 ⁰⁰	250 ⁰⁰
12-11-2012	ARCH PAC 1401 W 6th LR AR 72201	PAC	<input type="checkbox"/> Primary <input type="checkbox"/> Run-Off <input checked="" type="checkbox"/> General <input type="checkbox"/> Debt 500 ⁰⁰	500 ⁰⁰
12-7-2012	The Stephens Group LLC PO Box 3417 LR AR 72203	Investment- Finance	<input type="checkbox"/> Primary <input type="checkbox"/> Run-Off <input checked="" type="checkbox"/> General <input type="checkbox"/> Debt 500 ⁰⁰	500 ⁰⁰
11-9-2012	SWLDC PAC 11720 E 21st St D Tulsa Ok 74129	PAC	<input type="checkbox"/> Primary <input type="checkbox"/> Run-Off <input checked="" type="checkbox"/> General <input type="checkbox"/> Debt 250 ⁰⁰	250 ⁰⁰
11-28-2012	AHC PAC 1401 W Capital St 180 LR AR 72201	PAC	<input type="checkbox"/> Primary <input type="checkbox"/> Run-Off <input checked="" type="checkbox"/> General <input type="checkbox"/> Debt 1000 ⁰⁰	1000 ⁰⁰
12-5-2012	The Brad Hendricks Law Firm 500 C Pleasant Valley Drive LR AR 72227	Law Firm	<input type="checkbox"/> Primary <input type="checkbox"/> Run-Off <input checked="" type="checkbox"/> General <input type="checkbox"/> Debt 500 ⁰⁰	500 ⁰⁰
Subtotal of Contributions This Page			3600 ⁰⁰	3600⁰⁰

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15. ITEMIZED MONETARY CONTRIBUTIONS OVER \$50

Please Type or Print
(Use copies of this page as needed)

Date	Full Name and Mailing Address of Contributor	Place of Business/ Employer/Occupation	Amount of Contribution	Cumulative Total From This Contributor
11-27-2012	BSA PAC 1401 W 6th LR AR 72201	PAC	<input type="checkbox"/> Primary <input type="checkbox"/> Run-Off <input checked="" type="checkbox"/> General <input type="checkbox"/> Debt 250 ⁰⁰	250 ⁰⁰
11-20-2012	AP-PAC 417 S Victory LR AR 72201	PAC	<input type="checkbox"/> Primary <input type="checkbox"/> Run-Off <input checked="" type="checkbox"/> General <input type="checkbox"/> Debt 500 ⁰⁰	500 ⁰⁰
11-29-2012	Arkansas Electric Cooperatives Inc 1 Cooperative Way LR AR 72219	Utility Electric	<input type="checkbox"/> Primary <input type="checkbox"/> Run-Off <input checked="" type="checkbox"/> General <input type="checkbox"/> Debt 500 ⁰⁰	500 ⁰⁰
12-5-2012	Lisa Allen Cox Communications 94 S George Washington Blvd Wichita KS 67211	Telecommunications	<input type="checkbox"/> Primary <input type="checkbox"/> Run-Off <input checked="" type="checkbox"/> General <input type="checkbox"/> Debt 1000 ⁰⁰	1000 ⁰⁰
12-6-2012	Eli Lilly & Co Indianapolis, IN 46285	Health Care	<input type="checkbox"/> Primary <input type="checkbox"/> Run-Off <input checked="" type="checkbox"/> General <input type="checkbox"/> Debt 400 ⁰⁰	400 ⁰⁰
11-29-2012	VOTE - Blue Cross Blue Shield PO Box 8084 LR, AR 72203	PAC	<input type="checkbox"/> Primary <input type="checkbox"/> Run-Off <input checked="" type="checkbox"/> General <input type="checkbox"/> Debt 250 ⁰⁰	250 ⁰⁰
12-11-2012	American Electric Power Columbus OH	PAC	<input type="checkbox"/> Primary <input type="checkbox"/> Run-Off <input checked="" type="checkbox"/> General <input type="checkbox"/> Debt 250 ⁰⁰	250 ⁰⁰
12-21-2012	The Poultry Federation PAC P.O. Box 7446 LR AR 72203	PAC	<input type="checkbox"/> Primary <input type="checkbox"/> Run-Off <input checked="" type="checkbox"/> General <input type="checkbox"/> Debt 250 ⁰⁰	250 ⁰⁰
12-28-2012	Chaney Law Firm PA P.O. Box 1403 Arkadelphia AR 71923	Attorney	<input type="checkbox"/> Primary <input type="checkbox"/> Run-Off <input checked="" type="checkbox"/> General <input type="checkbox"/> Debt 100 ⁰⁰	100 ⁰⁰
Subtotal of Contributions This Page			3,500 ⁰⁰	3,500 ⁰⁰

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ITEMIZED MONETARY CONTRIBUTIONS OVER \$50

Please Type or Print

Date	Full Name and Mailing Address of Contributor	Place of Business/ Employer/Occupation	Amount of Contribution	Cumulative Total From This Contributor
12-4-2012	Rural Arkansas Telecommunications PO Box 69 Clinton AR 72031	Telecommunications PAC	<input type="checkbox"/> Primary <input type="checkbox"/> Run-Off <input checked="" type="checkbox"/> General <input type="checkbox"/> Debt 1000 ⁰⁰	1000 ⁰⁰
12-7-2012	ARPAC 11224 Executive Center Drive LR AR 72211	PAC	<input type="checkbox"/> Primary <input type="checkbox"/> Run-Off <input checked="" type="checkbox"/> General <input type="checkbox"/> Debt 1000 ⁰⁰	1000 ⁰⁰
12-21-2012	Debbson Law Firm PA PO Box 434 Sheridan AR 72150	Attorney	<input type="checkbox"/> Primary <input type="checkbox"/> Run-Off <input checked="" type="checkbox"/> General <input type="checkbox"/> Debt 500 ⁰⁰	500 ⁰⁰
			<input type="checkbox"/> Primary <input type="checkbox"/> Run-Off <input type="checkbox"/> General <input type="checkbox"/> Debt	
			<input type="checkbox"/> Primary <input type="checkbox"/> Run-Off <input type="checkbox"/> General <input type="checkbox"/> Debt	
			<input type="checkbox"/> Primary <input type="checkbox"/> Run-Off <input type="checkbox"/> General <input type="checkbox"/> Debt	
			<input type="checkbox"/> Primary <input type="checkbox"/> Run-Off <input type="checkbox"/> General <input type="checkbox"/> Debt	
			<input type="checkbox"/> Primary <input type="checkbox"/> Run-Off <input type="checkbox"/> General <input type="checkbox"/> Debt	
			<input type="checkbox"/> Primary <input type="checkbox"/> Run-Off <input type="checkbox"/> General <input type="checkbox"/> Debt	
16. TOTAL ITEMIZED MONETARY CONTRIBUTIONS OVER \$50			13850. ⁰⁰	13850. ⁰⁰
17. TOTAL NONITEMIZED MONETARY CONTRIBUTIONS			0	
18. TOTAL MONETARY CONTRIBUTIONS THIS REPORT (includes lines 16 and 17)			13850. ⁰⁰	

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23. ITEMIZED CAMPAIGN EXPENDITURES OVER \$100

Please Type or Print
(Use copies of this page as needed)

Name and Address of Supplier/Payee	Description of Expenditure	Date of Expenditure	Amount of Expenditure
Promotional Ideas Po Box 822 Bayant AR 72089	T-Shirts	11-1-2012	559.98/
3rd Main St Sweets 230 S Main Malvern AR 72104	Cake	11-1-2012	260.40/
The Markham Group 1000 W 3rd Little Rock AR 72204	Postage, Mailing, Design, Printing Radio production, Radio Purchase Campaign supplies	11-27-2012	26,946.99/
Hurps 1515 Hwy 5 North Benton AR	Fundraiser plates & decoration	11-1-2012	33.98/
Party Crey 11218 Rodney Parkham LR AR 72212	Fundraiser decorations, utensils, napkins	11-1-2012	131.46/
Sam's Club 900 S Bowman Rd LR AR 72212	Clairs, Cutlery, supplies for fundraiser	11-1-2012	140.82/
Sam's Club 1368 Higdon Ferry Rd Hot Springs AR 71913	Cutlery for fundraiser	11-1-2012	67.72/
Wal Mart 1910 MLK Blvd Malvern AR 72104	Food for election gathering	11-1-2012	410.61/
Wal Mart 1910 MLK Blvd Malvern AR 72104	Food for election gathering	11-1-2012	127.74/
David Kizer 4024 Oakwood Circle Malvern AR 72104	Loan Repayment	12-23-2012	6500.00/
24. TOTAL ITEMIZED EXPENDITURES THIS REPORT			34,813.70
25. TOTAL NONITEMIZED EXPENDITURES THIS REPORT			0
26. TOTAL PAID CAMPAIGN WORKERS THIS REPORT (enter total from line 22)			0
27. TOTAL EXPENDITURES THIS REPORT (includes lines 24, 25 and 26)			34,813.70

NOTE: Expenditures Reflected on Lines 24, 25 and 26 Should Be Totaled by Category in Section 19

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**28. OUTSTANDING CAMPAIGN DEBTS
(INCLUDING UNPAID LOANS)**

Please Type or Print
Use additional pages if necessary

NAME AND ADDRESS OF CREDITOR	DESCRIPTION OF DEBT	CURRENT BALANCE
David Kizzia 1624 Oakwood Circle Malvern AR 72104	Campaign expenses	(10,760.76)
29. TOTAL DEBT		(10,760.76)

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Bednarz Decl.

EXHIBIT 3

CAMPAIGN CONTRIBUTION AND EXPENDITURE REPORT

State and District Candidates Only

To be filed with:
Mark Martin, Secretary of State
 State Capitol, Room 026
 Little Rock, AR 72201
 Phone (501) 682-5070
 Fax (501) 682-3408

Check if this report is an amendment

For assistance in completing this form contact:
 Arkansas Ethics Commission
 Post Office Box 1917
 Little Rock, AR 72203-1917
 Phone (501) 324-9600
 Toll Free (800) 422-7773

THIS FORM CANNOT BE USED FOR THE FINAL REPORT - ALL INFORMATION MUST BE COMPLETE
 THIS REPORT MUST BE FILED WITH THE SECRETARY OF STATE

1. Name of Candidate David Kizza

Address 1624 Oakwood Circle

City, State and Zip Malvern AR 72104 Phone Number: 501 650 5006

Office Sought State Representative District Number: 26

Does the candidate have a campaign committee? () Yes (✓) No
 If yes, complete the following:

Name of Chairperson/Treasurer:

Mailing Address: Phone Number:

(Secretary of State File Stamp)
FILED
OCT 30 2012
 Arkansas
 Secretary of State

2. Type of Election: (check one only) Year of Election: _____
 Primary Primary Runoff General General Runoff Special

3. Type of Report: (check one only) This report covers what period? (10 / 1 / 12) through (10 / 29 / 12)

<input checked="" type="checkbox"/> 10 Day Preelection	<input type="checkbox"/> January Monthly	<input type="checkbox"/> June Monthly	<u>Special Elections Only:</u>
<input type="checkbox"/> First Quarter (due April 15)	<input type="checkbox"/> February Monthly	<input type="checkbox"/> July Monthly	<input type="checkbox"/> May Monthly
<input type="checkbox"/> Second Quarter (due July 15)	<input type="checkbox"/> March Monthly	<input type="checkbox"/> August Monthly	<input type="checkbox"/> November Monthly
<input type="checkbox"/> Third Quarter (due October 15)	<input type="checkbox"/> April Monthly	<input type="checkbox"/> September Monthly	<input type="checkbox"/> December Monthly
<input type="checkbox"/> Fourth Quarter (due January 15)		<input type="checkbox"/> October Monthly	

SUMMARY	FOR REPORTING PERIOD	CUMULATIVE TOTAL
4. Balance of campaign funds at beginning of reporting period	15,613.18	
5. Interest (if any) earned on campaign account	0	
6. Total Loans (enter total from line 12)	1315.32	7615.29
7. Total Monetary Contributions (enter total from line 18)	12441.00	57871.00
8. Total Expenditures (enter total from line 27)	26,020.36	56195.36
9. Balance of campaign funds at close of reporting period	8,033.82	
10. () NO ACTIVITY (check if you have not received contributions, loans, or made expenditures during this reporting period)		

I certify to the best of my knowledge and belief that the information disclosed in this report is a complete, true, and accurate financial statement of my (the candidate's) campaign contributions and expenditures.

David Kizza
 Signature of Candidate or Candidate's Representative

Sworn to and subscribed before me, a Notary Public, in and for Hot Spring County, Arkansas, on this 30 day of October, 2012



Notary Signature Bonda Fenter
 My Commission Expires: 2-9-2017

Note: If faxed, notary seal must be legible (i.e., either stamped or raised and inked) and the original must follow within ten (10) days.

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11. LOAN INFORMATION

Please Type or Print
Do not list loans previously reported

DATE	NAME AND ADDRESS OF LENDING INSTITUTION	GUARANTOR(S) IF ANY	AMOUNT
10-15-2012	David Kizza 1624 Oakwood Circle Malvern AR 72104		1,315.32
12. TOTAL LOANS DURING REPORTING PERIOD			\$ 1,315.32

IMPORTANT

The limits on campaign contributions do not apply to loans or contributions made by a candidate from his or her own personal funds to the campaign, or to personal loans made by financial institutions to the candidate and applied to his or her campaign. Any loans made by a candidate to his or her campaign and any loans made by a financial institution to a candidate and applied to his or her campaign shall be reported in Section 11.

If a candidate desires to use or raise campaign funds to repay himself or herself for personal funds that he or she contributed to the campaign, then he or she would need to report those personal funds as a loan in Section 11.

If a candidate does not desire to use or raise campaign funds to repay himself or herself for personal funds that he or she contributed to the campaign, then those personal funds would not be reported in Section 11. Instead, they would be reported as a campaign contribution either in Section 15 or on line 17, depending upon the amount.

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REVISED 08/09

13. NONMONEY CONTRIBUTIONS

(Does not include volunteer services by individuals)

Date of receipt	Full Name and Address of Contributor	Description of nonmoney item	Value of nonmoney item	Cumulative Total From This Contributor
10-13-2012	Chris Breaster 1105 Pine Bluff St Malvern AR 72104	Meat - Hamburger	\$ 700. ⁰⁰ / ₁₀₀	\$ 700. ⁰⁰ / ₁₀₀
14. TOTAL NONMONEY CONTRIBUTIONS			\$ 700. ⁰⁰ / ₁₀₀	

IMPORTANT

In addition to monetary contributions, candidates are required to report the receipt of any nonmonetary ("in-kind") contributions. A candidate receives an in-kind contribution whenever a person provides him with an item or service without charge or for a charge which is less than the fair market value of the item or service in question.

The value of an in-kind contribution is the difference between the fair market value and the amount charged. In-kind contributions are addressed in greater detail in Sections 205 and 206 of the Commission's Rules on Campaign Finance & Disclosure.

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15. ITEMIZED MONETARY CONTRIBUTIONS OVER \$50

Please Type or Print

(Use Additional Copies Of This Page If Necessary)

Date	Full Name And Mailing Address Of Contributor	Place Of Business/ Employer/Occupation	Amount Of Contribution	Cumulative Total From This Contributor
10-15-12	James e Varela Cranford 1111 Babcock St Malvern AR 72104	Retired	<input type="checkbox"/> Primary <input type="checkbox"/> Run-Off <input checked="" type="checkbox"/> General <input type="checkbox"/> Debt 40 ⁰⁰ ¢	40 ⁰⁰ ¢
10-15-12	Mike Burris 2911 Dyer St Malvern AR 72104	Retired	<input type="checkbox"/> Primary <input type="checkbox"/> Run-Off <input checked="" type="checkbox"/> General <input type="checkbox"/> Debt 30 ⁰⁰ ¢	70 ⁰⁰ ¢
10-15-12	J A Strauss 322 Hull St Malvern AR	Retired	<input type="checkbox"/> Primary <input type="checkbox"/> Run-Off <input checked="" type="checkbox"/> General <input type="checkbox"/> Debt 150 ⁰⁰ ¢	150 ⁰⁰ ¢
10-15-12	Jonathan Farber 26881 Hwy 67 Malvern AR 72104	Firefighter	<input type="checkbox"/> Primary <input type="checkbox"/> Run-Off <input checked="" type="checkbox"/> General <input type="checkbox"/> Debt 100 ⁰⁰ ¢	100 ⁰⁰ ¢
10-15-12	Paul King 2100 Henry St Lot 40 Benton AR 72015	Retired	<input type="checkbox"/> Primary <input type="checkbox"/> Run-Off <input checked="" type="checkbox"/> General <input type="checkbox"/> Debt 20 ⁰⁰ ¢	20 ⁰⁰ ¢
10-15-12	Jean Campos 485 Cloud Rd Malvern AR 72104	Retired	<input type="checkbox"/> Primary <input type="checkbox"/> Run-Off <input checked="" type="checkbox"/> General <input type="checkbox"/> Debt 10 ⁰⁰ ¢	30 ⁰⁰ ¢
10-12-12	Muriel Howard 2110 S Main Malvern AR 72104	Real Estate	<input type="checkbox"/> Primary <input type="checkbox"/> Run-Off <input checked="" type="checkbox"/> General <input type="checkbox"/> Debt 100 ⁰⁰ ¢	100 ⁰⁰ ¢
10-10-12	Richards Recovery 12194 Husg 270 Malvern AR 72104	Towing/Recovery	<input type="checkbox"/> Primary <input type="checkbox"/> Run-Off <input checked="" type="checkbox"/> General <input type="checkbox"/> Debt 100 ⁰⁰ ¢	100 ⁰⁰ ¢
10-11-12	Jean Harper 5431 Country Club Rd Malvern AR 72104	Education - Higher Ed	<input type="checkbox"/> Primary <input type="checkbox"/> Run-Off <input checked="" type="checkbox"/> General <input type="checkbox"/> Debt 50 ⁰⁰ ¢	50 ⁰⁰ ¢
Subtotal of Contributions This Page			\$ 600 ⁰⁰ ¢	

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15. ITEMIZED MONETARY CONTRIBUTIONS OVER \$50

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Date	Full Name And Mailing Address Of Contributor	Place Of Business/ Employer/Occupation	Amount Of Contribution	Cumulative Total From This Contributor
10-16-12	Mary Fraction 206 Happy St Malvern AR 72104	Retired	<input type="checkbox"/> Primary <input type="checkbox"/> Run-Off <input checked="" type="checkbox"/> General <input type="checkbox"/> Debt 50 ⁰⁰	50 ⁰⁰
10-15-12	Wayne Reynolds 1801 Royal Oaks Dr Malvern AR 72104	Retired	<input type="checkbox"/> Primary <input type="checkbox"/> Run-Off <input checked="" type="checkbox"/> General <input type="checkbox"/> Debt 50 ⁰⁰	50 ⁰⁰
10-15-12	Jan Gledhill 2337 Southgate Dr Malvern AR 72104	Healthcare	<input type="checkbox"/> Primary <input type="checkbox"/> Run-Off <input checked="" type="checkbox"/> General <input type="checkbox"/> Debt 50 ⁰⁰	
10-15-12	Jeff Crow 2253D Hwy 84 Malvern AR 72104	Law Enforcement	<input type="checkbox"/> Primary <input type="checkbox"/> Run-Off <input checked="" type="checkbox"/> General <input type="checkbox"/> Debt 50 ⁰⁰	
10-15-12	Georgia Green 428 Woodland Malvern AR 72104	Malvern Facility Management	<input type="checkbox"/> Primary <input type="checkbox"/> Run-Off <input checked="" type="checkbox"/> General <input type="checkbox"/> Debt 25 ⁰⁰	25 ⁰⁰
10-15-12	Helen Young 188 Bryant St Malvern AR 72104	Educational Training	<input type="checkbox"/> Primary <input type="checkbox"/> Run-Off <input checked="" type="checkbox"/> General <input type="checkbox"/> Debt 25 ⁰⁰	25 ⁰⁰
10-15-12	DL Williams 268 Daffodil Ct Hot Springs AR 71913	Education	<input type="checkbox"/> Primary <input type="checkbox"/> Run-Off <input checked="" type="checkbox"/> General <input type="checkbox"/> Debt 25 ⁰⁰	
10-15-12	Cecilia Asteraft 2342 Briarwood Dr Malvern AR 72104	Attorney	<input type="checkbox"/> Primary <input type="checkbox"/> Run-Off <input checked="" type="checkbox"/> General <input type="checkbox"/> Debt 50 ⁰⁰	50 ⁰⁰
10-11-2012	Q Byrum Hurst PA 518 Ouachita Ave Hot Springs AR 71901	Law Firm	<input type="checkbox"/> Primary <input type="checkbox"/> Run-Off <input checked="" type="checkbox"/> General <input type="checkbox"/> Debt 250 ⁰⁰	250 ⁰⁰
Subtotal of Contributions This Page			\$ 575⁰⁰	

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Date	Full Name And Mailing Address Of Contributor	Place Of Business/ Employer/Occupation	Amount Of Contribution	Cumulative Total From This Contributor
10-15-12	The Frazier Living Trust P.O. Box 191 Malvern AR 72104	Attorney	<input type="checkbox"/> Primary <input type="checkbox"/> Run-Off <input checked="" type="checkbox"/> General <input type="checkbox"/> Debt 35. ⁰⁰	35. ⁰⁰
10-15-12	Doris English 1414 Roosevelt Malvern AR 72104	Retired	<input type="checkbox"/> Primary <input type="checkbox"/> Run-Off <input checked="" type="checkbox"/> General <input type="checkbox"/> Debt 20. ⁰⁰	20. ⁰⁰
10-15-12	Sue Brooks 2514 Britarwood Dr Malvern AR 72104	Retired	<input type="checkbox"/> Primary <input type="checkbox"/> Run-Off <input checked="" type="checkbox"/> General <input type="checkbox"/> Debt 20. ⁰⁰	20. ⁰⁰
10-15-12	Crystal Cranford 31542 Hwy 84 Malvern AR 72104	Government Service	<input type="checkbox"/> Primary <input type="checkbox"/> Run-Off <input checked="" type="checkbox"/> General <input type="checkbox"/> Debt 20. ⁰⁰	20. ⁰⁰
10-15-12	Norman Fruby 209 Main Sheridan AR 72150	Attorney	<input type="checkbox"/> Primary <input type="checkbox"/> Run-Off <input checked="" type="checkbox"/> General <input type="checkbox"/> Debt 25. ⁰⁰	25. ⁰⁰
10-15-12	Randy Digger 242 W Sultenberger Malvern AR 72104	Construction/ Remodeling	<input type="checkbox"/> Primary <input type="checkbox"/> Run-Off <input checked="" type="checkbox"/> General <input type="checkbox"/> Debt 20. ⁰⁰	20. ⁰⁰
10-15-12	Allan Megee 109 Caroline Acres Rd Hot Springs AR 71913	Construction	<input type="checkbox"/> Primary <input type="checkbox"/> Run-Off <input checked="" type="checkbox"/> General <input type="checkbox"/> Debt 100. ⁰⁰	250. ⁰⁰
10-15-12	Bray Family Trust 323 E Sultenberger Malvern AR 72104	Retired	<input type="checkbox"/> Primary <input type="checkbox"/> Run-Off <input checked="" type="checkbox"/> General <input type="checkbox"/> Debt 100. ⁰⁰	100. ⁰⁰
10-15-12	Jean Campos 485 Cloud Rd Malvern AR 72104	Retired	<input type="checkbox"/> Primary <input type="checkbox"/> Run-Off <input checked="" type="checkbox"/> General <input type="checkbox"/> Debt 20. ⁰⁰	30. ⁰⁰
Subtotal of Contributions This Page			\$ 360. ⁰⁰	

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15. ITEMIZED MONETARY CONTRIBUTIONS OVER \$50

Please Type or Print

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Date	Full Name And Mailing Address Of Contributor	Place Of Business/ Employer/Occupation	Amount Of Contribution	Cumulative Total From This Contributor
10-17-2012	Neil Gillespie 1005 Pine Valley Rd Little Rock AR 72207	Retired	<input type="checkbox"/> Primary <input type="checkbox"/> Run-Off <input checked="" type="checkbox"/> General <input type="checkbox"/> Debt 200 ⁰⁰	200 ⁰⁰
10-15-2012	William Wilson 515 Sexton Lane Mulvren AR 72104	Retired	<input type="checkbox"/> Primary <input type="checkbox"/> Run-Off <input checked="" type="checkbox"/> General <input type="checkbox"/> Debt 30 ⁰⁰	30 ⁰⁰
10-26-2012	Thomas G. Buchanan PLLC 217 W 2nd Street - 115 Little Rock AR 72201	Law Firm	<input type="checkbox"/> Primary <input type="checkbox"/> Run-Off <input checked="" type="checkbox"/> General <input type="checkbox"/> Debt 50 ⁰⁰	50 ⁰⁰
10-25-2012	David Parks PO Box 7 Prairie Grove AR 72753	Telecommunications	<input type="checkbox"/> Primary <input type="checkbox"/> Run-Off <input checked="" type="checkbox"/> General <input type="checkbox"/> Debt 500 ⁰⁰	500 ⁰⁰
10-25-2012	Rainwater, Holt & Sexton Properties LLC PO Box 17250 Little Rock AR 72222	Property Management	<input type="checkbox"/> Primary <input type="checkbox"/> Run-Off <input checked="" type="checkbox"/> General <input type="checkbox"/> Debt 250 ⁰⁰	250 ⁰⁰
10-22-2012	David Fielding 909 S Vine St Magnolia AR 71753	State Rep	<input type="checkbox"/> Primary <input type="checkbox"/> Run-Off <input checked="" type="checkbox"/> General <input type="checkbox"/> Debt 125 ⁰⁰	125 ⁰⁰
10-22-2012	Bob Sanders 4273 Hwy 128 Bismarck AR 71929	Attorney	<input type="checkbox"/> Primary <input type="checkbox"/> Run-Off <input checked="" type="checkbox"/> General <input type="checkbox"/> Debt 125 ⁰⁰	125 ⁰⁰
10-24-2012	Samuel Skard 2819 Jackson St Ft Smith AR 72901	Banking	<input type="checkbox"/> Primary <input type="checkbox"/> Run-Off <input checked="" type="checkbox"/> General <input type="checkbox"/> Debt 100 ⁰⁰	100 ⁰⁰
10-20-2012	J Shepherd Russell III 3211 Foxcroft Little Rock AR 72227	Attorney	<input type="checkbox"/> Primary <input type="checkbox"/> Run-Off <input checked="" type="checkbox"/> General <input type="checkbox"/> Debt 250 ⁰⁰	250 ⁰⁰
Subtotal of Contributions This Page			\$1630⁰⁰	

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15. ITEMIZED MONETARY CONTRIBUTIONS OVER \$50

Please Type or Print

(Use Additional Copies Of This Page If Necessary)

Date	Full Name And Mailing Address Of Contributor	Place Of Business/ Employer/Occupation	Amount Of Contribution	Cumulative Total From This Contributor
10-10-12	Jeremy Edwards 626 Savannah Ln. Traskwood AR 72169	Mechanic	<input type="checkbox"/> Primary <input type="checkbox"/> Run-Off <input checked="" type="checkbox"/> General <input type="checkbox"/> Debt 100 ⁰⁰ ¢	100 ⁰⁰ ¢
10-12-12	Korey McKinley 2311 W Lakeview Benton AR 72015	Malvern Tire Owner	<input type="checkbox"/> Primary <input type="checkbox"/> Run-Off <input checked="" type="checkbox"/> General <input type="checkbox"/> Debt 100 ⁰⁰ ¢	100 ⁰⁰ ¢
10-12-12	Ronna McKinley 2311 W Lakeview Benton AR 72015	Teacher	<input type="checkbox"/> Primary <input type="checkbox"/> Run-Off <input checked="" type="checkbox"/> General <input type="checkbox"/> Debt 100 ⁰⁰ ¢	100 ⁰⁰ ¢
10-8-12	Pat Watkins 242 Pleasantview Dr Malvern AR 72104	Mechanic	<input type="checkbox"/> Primary <input type="checkbox"/> Run-Off <input checked="" type="checkbox"/> General <input type="checkbox"/> Debt 100 ⁰⁰ ¢	100 ⁰⁰ ¢
10-5-12	Luke Adams 607 E Mill Malvern AR 72104	Auto Repair/ EMT	<input type="checkbox"/> Primary <input type="checkbox"/> Run-Off <input checked="" type="checkbox"/> General <input type="checkbox"/> Debt 100 ⁰⁰ ¢	100 ⁰⁰ ¢
10-15-12	George Hopkins 427 Cabin Lane Donaldson AR 71941	ATRS	<input type="checkbox"/> Primary <input type="checkbox"/> Run-Off <input checked="" type="checkbox"/> General <input type="checkbox"/> Debt 100 ⁰⁰ ¢	100 ⁰⁰ ¢
10-15-12	Steve Northcutt 2706 Southgate Dr Malvern AR 72104	Mayor - Malvern	<input type="checkbox"/> Primary <input type="checkbox"/> Run-Off <input checked="" type="checkbox"/> General <input type="checkbox"/> Debt 100 ⁰⁰ ¢	100 ⁰⁰ ¢
10-15-12	Sherman Prince 314 Keith Heather Ln Donaldson AR 71941	Firefighter	<input type="checkbox"/> Primary <input type="checkbox"/> Run-Off <input checked="" type="checkbox"/> General <input type="checkbox"/> Debt 100 ⁰⁰ ¢	100 ⁰⁰ ¢
10-15-12	Heath Loy 29755 Hwy 84 Malvern AR 72104	Firefighter	<input type="checkbox"/> Primary <input type="checkbox"/> Run-Off <input checked="" type="checkbox"/> General <input type="checkbox"/> Debt 100 ⁰⁰ ¢	100 ⁰⁰ ¢
Subtotal of Contributions This Page			\$ 900⁰⁰¢	

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Date	Full Name And Mailing Address Of Contributor	Place Of Business/ Employer/Occupation	Amount Of Contribution	Cumulative Total From This Contributor
10-15-12	Russell + Marguerite Cranford 37590 Hwy 84 Malvern AR 72104	Retired	<input type="checkbox"/> Primary <input type="checkbox"/> Run-Off <input checked="" type="checkbox"/> General <input type="checkbox"/> Debt 100 ⁰⁰	200 ⁰⁰
10-15-12	Nathaniel McCollum 509 Maurice St Malvern AR 72104	Pastor	<input type="checkbox"/> Primary <input type="checkbox"/> Run-Off <input checked="" type="checkbox"/> General <input type="checkbox"/> Debt 100 ⁰⁰	100 ⁰⁰
10-15-12	D Mike Fletcher 313 Meadows Park Tr Hot Springs AR 71915	State senate	<input type="checkbox"/> Primary <input type="checkbox"/> Run-Off <input checked="" type="checkbox"/> General <input type="checkbox"/> Debt 100 ⁰⁰	100 ⁰⁰
10-15-12	Don + Robin Hensley PO Box 76 Bismarck AR 71929	Boiler maker	<input type="checkbox"/> Primary <input type="checkbox"/> Run-Off <input checked="" type="checkbox"/> General <input type="checkbox"/> Debt 100 ⁰⁰	250 ⁰⁰
10-15-12	Anna Farris 1020 Village Dr Apt 50 Arkadelphia AR 71925	Retired	<input type="checkbox"/> Primary <input type="checkbox"/> Run-Off <input checked="" type="checkbox"/> General <input type="checkbox"/> Debt 20 ⁰⁰	20 ⁰⁰
10-15-2012	Zach Blodoe 204 Bristol Ln Hot Springs AR 71915	UFCW Rep	<input type="checkbox"/> Primary <input type="checkbox"/> Run-Off <input checked="" type="checkbox"/> General <input type="checkbox"/> Debt 40 ⁰⁰	40 ⁰⁰
10-15-12	Dee Edie 4781 Sulphur Springs Rd Malvern AR 72104	Banking	<input type="checkbox"/> Primary <input type="checkbox"/> Run-Off <input checked="" type="checkbox"/> General <input type="checkbox"/> Debt 25 ⁰⁰	25 ⁰⁰
10-15-12	Nikolai Lanius 1448 Glenmere Circle Malvern AR 72104	Malvern Chamber	<input type="checkbox"/> Primary <input type="checkbox"/> Run-Off <input checked="" type="checkbox"/> General <input type="checkbox"/> Debt 20 ⁰⁰	50 ⁰⁰
10-15-12	Nicolai Lanius 1448 Glenmere Circle Malvern AR 72104	Malvern Chamber	<input type="checkbox"/> Primary <input type="checkbox"/> Run-Off <input checked="" type="checkbox"/> General <input type="checkbox"/> Debt 30 ⁰⁰	50 ⁰⁰
Subtotal of Contributions This Page			535 ⁰⁰	

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15. ITEMIZED MONETARY CONTRIBUTIONS OVER \$50

Please Type or Print

(Use Additional Copies Of This Page If Necessary)

Date	Full Name And Mailing Address Of Contributor	Place Of Business/ Employer/Occupation	Amount Of Contribution	Cumulative Total From This Contributor
10-12-2012	Friends of Greg Leding 50 S. School Ave, Apt 1 Fayetteville, AR 72701	PAC	<input type="checkbox"/> Primary <input type="checkbox"/> Run-Off <input checked="" type="checkbox"/> General <input type="checkbox"/> Debt 100 ⁰⁰ ¢	100 ⁰⁰ ¢
10-26-2012	Glenn Gloria Dupree 310 Clark St Hot Springs, AR 71913	Nurse	<input type="checkbox"/> Primary <input type="checkbox"/> Run-Off <input checked="" type="checkbox"/> General <input type="checkbox"/> Debt 25 ⁰⁰ ¢	25 ⁰⁰ ¢
10-10-12	Reginald Murdock St PO Box 1071 Marianna AR 72360	State Rep	<input type="checkbox"/> Primary <input type="checkbox"/> Run-Off <input checked="" type="checkbox"/> General <input type="checkbox"/> Debt 150 ⁰⁰ ¢	150 ⁰⁰ ¢
10-12-2012	Jeff Wardlaw P.O. Box 6025 NLR, AR 72124	State Rep	<input type="checkbox"/> Primary <input type="checkbox"/> Run-Off <input checked="" type="checkbox"/> General <input type="checkbox"/> Debt 100 ⁰⁰ ¢	100 ⁰⁰ ¢
10-8-12	Darrin Williams 11311 Arcade Dr Ste 200 LR, AR 72212	Attorney	<input type="checkbox"/> Primary <input type="checkbox"/> Run-Off <input checked="" type="checkbox"/> General <input type="checkbox"/> Debt 300 ⁰⁰ ¢	300 ⁰⁰ ¢
10-8-12	Opportunity PAC 11311 Arcade Dr Ste 200 LR, AR 72212	PAC	<input type="checkbox"/> Primary <input type="checkbox"/> Run-Off <input checked="" type="checkbox"/> General <input type="checkbox"/> Debt 500 ⁰⁰ ¢	500 ⁰⁰ ¢
10-10-12	MADCO Holding Ltd PO Drawer D Huntsville, AR 72740	Telecommunications	<input type="checkbox"/> Primary <input type="checkbox"/> Run-Off <input checked="" type="checkbox"/> General <input type="checkbox"/> Debt 1,500 ⁰⁰ ¢	1,500 ⁰⁰ ¢
10-14-12	Mike Burris 2911 Dyer St Malvern AR 72104	Retired	<input type="checkbox"/> Primary <input type="checkbox"/> Run-Off <input checked="" type="checkbox"/> General <input type="checkbox"/> Debt 50 ⁰⁰ ¢	50 ⁰⁰ ¢
10-13-12	Grayer Electric, Inc 419 S. Main Malvern AR 72104	Electrical Contracting	<input type="checkbox"/> Primary <input type="checkbox"/> Run-Off <input checked="" type="checkbox"/> General <input type="checkbox"/> Debt 100 ⁰⁰ ¢	100 ⁰⁰ ¢
Subtotal of Contributions This Page			\$2825 ⁰⁰ ¢	

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15. ITEMIZED MONETARY CONTRIBUTIONS OVER \$50

Please Type or Print
(Use Additional Copies Of This Page If Necessary)

Date	Full Name And Mailing Address Of Contributor	Place Of Business/ Employer/Occupation	Amount Of Contribution	Cumulative Total From This Contributor
10-14-12	Buddy Robbins 202 Ponderosa Trail Bismarck AR 71929	Truck Driver CEO	<input type="checkbox"/> Primary <input type="checkbox"/> Run-Off <input checked="" type="checkbox"/> General <input type="checkbox"/> Debt 100 ⁰⁰	100 ⁰⁰
10-13-12	Chris Games 14384 Hwy 51 Malvern AR 72104	Firefighter	<input type="checkbox"/> Primary <input type="checkbox"/> Run-Off <input checked="" type="checkbox"/> General <input type="checkbox"/> Debt 100 ⁰⁰	100 ⁰⁰
10-14-12	Donna Robbins 202 Ponderosa Trail Bismarck AR 71929	Nurse	<input type="checkbox"/> Primary <input type="checkbox"/> Run-Off <input checked="" type="checkbox"/> General <input type="checkbox"/> Debt 100 ⁰⁰	100 ⁰⁰
10-15-12	Jeremy Harper 106 Leewood Dr Malvern AR 72104	Firefighter	<input type="checkbox"/> Primary <input type="checkbox"/> Run-Off <input checked="" type="checkbox"/> General <input type="checkbox"/> Debt 100 ⁰⁰	100 ⁰⁰
10-15-12	Amber Adams 607 E Mill Malvern AR 72104	Nurse	<input type="checkbox"/> Primary <input type="checkbox"/> Run-Off <input checked="" type="checkbox"/> General <input type="checkbox"/> Debt 100 ⁰⁰	100 ⁰⁰
10-8-12	Salvador Valdes 406 E Sultenberger Malvern AR 72104	Mechanic	<input type="checkbox"/> Primary <input type="checkbox"/> Run-Off <input checked="" type="checkbox"/> General <input type="checkbox"/> Debt 100 ⁰⁰	100 ⁰⁰
10-11-12	Scott Robbins 607 E Mill Malvern AR 72104	CNA	<input type="checkbox"/> Primary <input type="checkbox"/> Run-Off <input checked="" type="checkbox"/> General <input type="checkbox"/> Debt 100 ⁰⁰	100 ⁰⁰
10-26-12	Don Walsh 9675 Hwy 270 Malvern AR 72104	Banking	<input type="checkbox"/> Primary <input type="checkbox"/> Run-Off <input checked="" type="checkbox"/> General <input type="checkbox"/> Debt 1000 ⁰⁰	1000 ⁰⁰
			<input type="checkbox"/> Primary <input type="checkbox"/> Run-Off <input type="checkbox"/> General <input type="checkbox"/> Debt	
Subtotal of Contributions This Page			1,1700 ⁰⁰	

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ITEMIZED MONETARY CONTRIBUTIONS OVER \$50

Please Type or Print

Date	Full Name And Mailing Address Of Contributor	Place Of Business/ Employer/Occupation	Amount Of Contribution	Cumulative Total From This Contributor
10-9-12	Arkansas State Chamber PAC PO Box 3645 Little Rock Ark 72203	PAC	<input type="checkbox"/> Primary <input type="checkbox"/> Run-Off <input checked="" type="checkbox"/> General <input type="checkbox"/> Debt 150 ⁰⁰	150 ⁰⁰
10-8-12	John Allan Funk, Inc. 318 S Ash St Malvern AR 72104	Funeral Home	<input type="checkbox"/> Primary <input type="checkbox"/> Run-Off <input checked="" type="checkbox"/> General <input type="checkbox"/> Debt 500 ⁰⁰	500 ⁰⁰
10-2-12	HSC Democratic Central Committee 485 Clared Rd Malvern AR 72104	County Committee	<input type="checkbox"/> Primary <input type="checkbox"/> Run-Off <input checked="" type="checkbox"/> General <input type="checkbox"/> Debt 1000 ⁰⁰	2000 ⁰⁰
10-1-12	L. B. Brushcours MD 1234 S. Main Malvern AR 72104	Medical/Health Care	<input type="checkbox"/> Primary <input type="checkbox"/> Run-Off <input checked="" type="checkbox"/> General <input type="checkbox"/> Debt 500 ⁰⁰	500 ⁰⁰
10-5-12	Wilkes & McHugh PA One Dale Mabry Hwy Ste 800 Tampa FL 33609	Law Firm	<input type="checkbox"/> Primary <input type="checkbox"/> Run-Off <input checked="" type="checkbox"/> General <input type="checkbox"/> Debt 500 ⁰⁰	500 ⁰⁰
10-17-12	ACCPE 1500 W 4th Little Rock AR 72201	PAC	<input type="checkbox"/> Primary <input type="checkbox"/> Run-Off <input checked="" type="checkbox"/> General <input type="checkbox"/> Debt 300 ⁰⁰	300 ⁰⁰
10-4-12	Robbie Thomas-Knight 3901 Cedar Hill Rd #1 Little Rock AR 72202	Psychologist	<input type="checkbox"/> Primary <input type="checkbox"/> Run-Off <input checked="" type="checkbox"/> General <input type="checkbox"/> Debt 150 ⁰⁰	150 ⁰⁰
10-8-12	J Farrell Hall 11853 Hwy 84 Bismarck AR 71929	Banking	<input type="checkbox"/> Primary <input type="checkbox"/> Run-Off <input checked="" type="checkbox"/> General <input type="checkbox"/> Debt 100 ⁰⁰	350 ⁰⁰
10-10-12	Taylor King P.O. Box 972 Arkadelphia AR 71923	Attorney	<input type="checkbox"/> Primary <input type="checkbox"/> Run-Off <input checked="" type="checkbox"/> General <input type="checkbox"/> Debt 100 ⁰⁰	100 ⁰⁰
16. TOTAL ITEMIZED MONETARY CONTRIBUTIONS OVER \$50			12441.00	
17. TOTAL NONITEMIZED MONETARY CONTRIBUTIONS			16.00	
18. TOTAL MONETARY CONTRIBUTIONS THIS REPORT (includes totals from lines 16 and 17)			12441.00	

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23. ITEMIZED CAMPAIGN EXPENDITURES OVER \$100

Please Type or Print

(Use additional copies of this page if necessary)

Name and Address of Supplier/Payee	Description of Expenditure	Date of Expenditure	Amount of Expenditure
Markham Group LLC 1000 W 3rd St Little Rock AR 72201	Design, Mailings, postage, Radio, newspaper	10-23-2012	\$9647.72
Markham Group LLC 1000 W 3rd St Little Rock AR 72201	Management Sec, Mailings, Postage, Signs	10-28-2012	\$8717.32
Malvern SAC 830 W Motine Malvern AR 72104	Room Rental	10-15-2012	\$230 ⁰⁰ /
Bismarck Business Assn LeBelle Hwy 7 Bismarck AR 71929	Advertising	10-1-2012	\$110 ⁰⁰
Tem Armory Malvern AR 72104	Rifle	10-1-2012	\$397.75
Office Depot Hot Springs AR	office supplies	10-4-2012	\$249.88
Food center Malvern AR 72104	Supplies for dinner	10-15-2012	\$58.76
The UPS Store Arkadelphia AR	Copies of invitations	10-16-2012	\$113.93
USPS Malvern AR	Postage	10-4-2012	\$495.00 285.00
24. TOTAL ITEMIZED EXPENDITURES THIS REPORT			20,020.36
25. TOTAL NONITEMIZED EXPENDITURES THIS REPORT			0
26. TOTAL PAID CAMPAIGN WORKERS THIS REPORT (enter total from line 22)			0
27. TOTAL EXPENDITURES THIS REPORT (includes lines 24, 25 and 26)			20,020.36

Note: All Expenditures Reflected on Lines 24, 25, and 26 Should Be Totaled by Category In Section 19

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REVISED 08/09

19. CAMPAIGN EXPENDITURES BY CATEGORY

Please Type or Print

CATEGORY	TOTAL AMOUNT
Filing Fee	
Television Advertising	
Radio Advertising	
Newspaper Advertising	
Other Advertising	110.00
Office Supplies	249.88
Rent	
Utilities	
Telephone	
Postage	495.00
Direct Mail	
Travel Expenses	
Entertainment	
Fundraising	
Repayment of Loans	
Returned Contributions	
Consultant Fees	2800
Polls	
Paid Campaign Workers	
Other (list)	
Rifle	397.75
Food Supplies	58.76
SAC	230.00
Markham Group 1	8717.32
Markham Group 2	9647.72
UPS Store	173.93
20. TOTAL CAMPAIGN EXPENDITURES	20,020.36

21. PAID CAMPAIGN WORKERS

(Include any person you paid to work on your campaign, does not have to be full-time worker)

NAME OF WORKER	AMOUNT PAID	NAME OF WORKER	AMOUNT PAID
		22. TOTAL AMOUNT PAID CAMPAIGN WORKERS	

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