

NEWS FROM: THE JOINT COMMISSION ON PUBLIC ETHICS

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JCOPE SETTLES WITH NOT-FOR-PROFIT GROUP TO DISCLOSE ACTUAL SOURCE OF FUNDING

Group Admits that Glenwood was Source of its Funding, not Law Firm

(ALBANY, NY) June 29, 2017 – The New York State Joint Commission on Public Ethics ("Commission") today announced that it has reached a settlement agreement with Pledge 2 Protect, Inc. ("P2P") over allegations that P2P failed to file complete and accurate Lobbying Act reports relating to donations it received to fund its lobbying efforts opposing a marine waste transfer station project on the Upper East Side of Manhattan.

Pledge 2 Protect listed a law firm as the source of more than a million dollars in donations in 2013 and 2014, when those funds actually originated from New York City development company Glenwood Management Corporation ("Glenwood"). P2P stated that it relied on the advice of its attorney at the time, who also represented Glenwood, about how to comply with the Lobbying Act while ensuring anonymity for its donors. The attorney advised that donations could be made to a law firm escrow account, and that P2P could identify the law firm as the source of those donations on required lobbying reports filed with the Commission.

The Commission also issued an Advisory Opinion affirming that a Client filer cannot identify a law firm as a source of funding if the law firm is making contributions from an escrow account, as that escrow account belongs to the law firm's client, not the law firm. The Opinion is intended to ensure that these tactics cannot be employed again.

Under the terms of the settlement, P2P will be required to amend its filings to include Glenwood as the actual source of the donations. P2P discontinued its lobbying efforts in 2016.

To see the settlement agreement with Pledge 2 Protect, Inc., click <u>here</u>. The Advisory Opinion can be found <u>here</u>.