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ALUMiNate

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Federal Election Commission
Office of the General Counsel
1050 First Street, NE
Washington, DC 20463

Dear Counsel:

Aluminate, Inc. ("Aluminate" or the "Company") is headquartered in Illinois and was incorporated in Delaware in 2016. Aluminate provides personal data and information services to universities, colleges, and not-for-profit organizations (collectively, "NFPs") to assist with their fundraising activities. These NFPs are supported in part through the generous charitable contributions of alumni, family members of alumni, "friends" and other individuals (collectively, "Prospects"). Fundraising professionals employed by the NFPs acquire substantial amounts of data and information ("Data") pertaining to their Prospects, including current contact information, email addresses, demographical data, wealth indicators, professional and educational histories, philanthropic proclivity, social media activities and personal interests, to name a few. This Data, which typically includes Personal Identifiable Information ("PII") as defined by the National Institute of Standards and Technology, is generally obtained through the NFPs' internal records and from the purchase of Data from third party vendors.

Our Company is one such vendor and we contract with NFPs to provide all or a portion of this Data. Specifically, in addition to providing services that update the NFP's Prospect Data, we offer analytical services designed to predict which Prospects are most likely to make gifts, including major, principal, and transformational gifts (i.e., generally gifts exceeding $100,000). In the world of fundraising there is the so- called "95/5" rule-95 percent of the philanthropic dollars raised come from just five percent of the donors. We deliver hundreds of fields of information and correlate various factors to estimate the relative wealth of Prospects, their inclination to give to charitable causes, and their affinity for the NFPs. This process involves the NFP providing a set of Prospect records (numbering tens of thousands) from its customer relationship management system ("CRM"). Using our proprietary matching algorithms, we then process these records in bulk through our contracted data vendors to update and enrich the NFP's CRM information. Once enriched, we score the information based on our proprietary algorithms and return the new files to the NFP. One critical aspect of our services is to ensure that the Data we

provide on any given Prospect is correctly matched, such that the right information is matched to the intended Prospect. For every 100 records received from an NFP, we expect to match enriched Data for anywhere from 10-80 percent of the records, depending on the type of Data (e.g., current employment matches are typically in the 10-20% range, whereas current address matches normally reach 70-80%).

We propose to utilize Federal Election Commission ("FEC") individual contributor data ("Contributions") for the specific purposes described below.

1. **Provide an additional verification factor used to identify a Prospect.** By matching any or all the information, i.e., the full name, address, employer, and job title, shown in the Contribution report with the same information fields recorded in our client's CRM or provided by our data vendors, a greater level of confidence in the Prospect's identity can be achieved. It is imperative that we deliver Data for the Prospect included in the NFP's CRM, not for some other individual with a similar name. Identity resolution is a key aspect of delivering accurate Data to the client as many names are common (e.g., John Smith), incomplete or recorded with abbreviations, nick names and the like. If a record is unmatched, no further action will be taken with respect to it. If a match is confirmed, then the analyses proposed in paragraphs 2,3 and 4 below would be performed. The matching process will focus on the most recent FEC Contributions. However, because Contribution reports are submitted to the FEC by political organizations in some cases weeks or months after the Contributions were made, they cannot be solely relied on to reflect the most current address, employer, or job title, but instead serves as corroborating information. Importantly, we wish to emphasize that we would compare and match FEC data **for those individual records already included in the databases of our client NFPs** that have been provided to us. We will not provide names, addresses or Contributions for any individual not provided to us by the NFP. In other words, we are not using Contribution data to identify **new** Prospects not included in the dataset provided to us by the NFP. Furthermore, we will not provide our client NFPs with specific information relating to any individual included in a FEC Contributions report.

2. **Verify or inform our wealth rating algorithms.** The existence of significant Contributions is an indicator of the financial capacity of Prospects. One study suggests that there is a direct correlation between contributions made to political candidates or causes and a person's philanthropic inclinations. Our clients are typically interested in identifying Prospects capable of making five, six and, seven figure gifts. Knowing that a Prospect has made a meaningful Contribution is one indicator of wealth, although not a dispositive one. We propose to include a flag (in the form of a "yes" in the spreadsheet column entitled: "Made Meaningful Political Contributions?") for those Prospects who have made "meaningful"

Contributions. The term "meaningful" likely will be on the order of any single Contribution of $2,000 or more, or Contributions totaling $5,000 or more in the aggregate over a one-year period. We will not provide the specific Contribution information related to any Prospect. We also will flag any Prospect who has made a meaningful contribution to a political candidate or campaign for the first time as this may signal that the Prospect has more recently ascended to an elevated level of income or financial capacity.

3. **Identify "clues" to a Prospect's social, causal and personal interests.** Because certain political candidates are closely associated with specific causes, like environmental preservation or children's education, we propose to develop a taxonomy that identifies the causes associated with various political officeholders. We then would match the names of Prospects in the CRM records provided to us by the NFP to determine whether any have made Contributions to officeholders. Our algorithms will then determine whether this provides an indication of the Prospect's social or causal interests and, if so, we will provide a flag with this indication (e.g., "Interested in Environmental Issues"). Again, while not dispositive, it will provide suggestions of the types of causes and issues that are of interest to Prospects. For example, if an officeholder is active in championing early-childhood education, a Prospect's Contributions to this officeholder may provide a "clue". Knowing this, a college fundraising professional might then engage the Prospect on this subject and eventually propose that the Prospect consider endowing scholarships for students enrolled in its early-childhood educational programs.

4. **Identify alumni who hold leadership positions.** Our Company delivers information to clients in easy- to-use CSV files that can be searched, filtered, sorted, flagged, and parsed. Clients use these files to perform keyword searches to identify senior corporate executives (e.g., CEOs, Presidents, Board Chairs), founders of companies (e.g., owner, partner, founder), and any one of a number of interesting professionals and luminaries. While our Company provides clients with some information that we acquire from third party data vendors, the quality and quantity of this information is lacking. Again, we propose to cross-reference the FEC Contribution reports and provide a flag in our CSV files that indicates a Prospect appears to hold a leadership position based on information reported in the FEC Contribution reports. We would not provide the Prospect's title or employer information directly to the NFP.

It should be noted that we work with our clients on a project basis, and we do not maintain a database of, store or use the Prospect Data after we have completed our project assignments. Upon completion, we delete all client and enriched Data from our files and require our data vendors to certify the same. The Data we provide to clients may or may not be loaded into their CRMs, at their discretion, and the use, if any, of the voluminous Data

3

we provide will be within the purvey and complete control of the NFP client. It is our belief that the FEC Contribution information regarding Prospects is at best "interesting " and serves mainly to confirm the existing knowledge of the NFP, either in the positive or the negative. It is in the best interest of NFPs to have the most accurate information available on their Prospects, therefore facilitating the most effective and efficient fundraising efforts possible, which is vital to their financial well-being.

Our Company is committed to providing essential information as accurately and completely as possible, and we will not charge additionally or separately for any of the activities noted in paragraphs 1-4 above. We also will advise our clients that they must use any Contribution data only as permitted by, and in compliance with, 52 U.S.C. 30,111(a)(4).

We are unable to find an Advisory Opinion that squarely deals with the questions we present. Obviously our NFP clients could manually undertake the discovery work we propose above, but we are committed to automating as many of these processes as possible to increase their fundraising efficiency, which is in the public's interest as philanthropy is the lifeblood of these institutions. We note the decision in Advisory Opinion 2004-24 ("AO2004-24") but believe that our factual situation is much different. We are sympathetic to the arguments made by Aristotle Publishing, commenting on the Draft Advisory Opinion (subsequently adopted), that AO2004-24 draws the line too narrowly as to what does or does not violate the commercial or solicitation purposes prohibition, and does not give due consideration to the reasoned findings in Federal Election Commission v. Political Contributions Data, Inc., 943 F.2d 190 (2d Cir. 1991). As the U.S. Court of Appeals stated in this case: "Without the 'commercial purposes' prohibition, the only solicitations at which the statute would be aimed would be solicitations for contributions. Since those prohibitions extend to 'the purpose of soliciting contributions' and 'commercial purposes,' we read the latter prohibition to encompass only those commercial purposes that could make contributors 'prime prospects for all kinds of solicitations', 117 Cong. Rec. 30,057 (remarks of Sen. Bellmon) (emphasis added), i.e., not merely solicitations for contributions, but solicitations for cars, credit cards, magazine subscriptions, cheap vacations, and the like." Our clients, and our Company as their data supplier, would be using FEC Contribution public records to confirm information *already in our collective possession* (ours in a transient way), for Prospects already known to clients and included in their databases. Many of these individuals have already made gifts to, and are meaningfully engaged with, their NFP.

With fundraising resources constantly under pressure, even more so now, pursuing qualified donors in the most efficient manner possible is critical. Prospect Data is but one factor in a successful fundraising process and must be combined with great personal effort on the part of the institution's leadership and fundraising professionals to engage donors and ignite

their passions for the NFP's mission. Our university, college and not-for-profit clients are not selling anything to their Prospects, but instead offer them the free-will opportunity to support their institutions through philanthropy and volunteerism.

We note that various data vendors to NFPs currently provide website links to the FEC Contributions reports, include statements on their websites explaining the predictive value of the Contribution information, or generate indicators based on information shown in FEC Contribution reports. We also believe that the Commission's favorable response to our request will provide clarity to NFP fundraising professionals regarding the permissible uses of Contributions Data. The limited use of FEC Contribution information in the manner we have outlined herein should be permitted and we request an Advisory Opinion to this effect. Thank you for your consideration.

Respectfully submitted,

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