

RECEIVED

By Office of the Commission Secretary at 3:34 pm, Jun 29, 2021

From: [Dan Backer](#)
To: [Joseph Wenzinger](#)
Cc: [Amy Rothstein](#)
Subject: Re: Advisory Opinion Request 2021-07 (PACMS)
Date: Tuesday, June 29, 2021 12:48:15 PM
Attachments: [image003.png](#)
[Outlook-ea9axn0b.png](#)

Confirmed, thank you.

Regards,

Dan Backer, Member



Direct: (202) 210-5431
dbacker@ChalmersAdams.com
<https://www.chalmersadams.com/>

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From: Joseph Wenzinger <JWenzinger@fec.gov>
Sent: Tuesday, June 29, 2021 12:03 PM
To: Dan Backer <dbacker@chalmersadams.com>
Cc: Amy Rothstein <ARothstein@fec.gov>
Subject: RE: Advisory Opinion Request 2021-07 (PACMS)

Thank you for these replies, and for corresponding with me again by telephone this morning. Per today's discussion, please confirm that PACMS has opted to be treated as a partnership for federal tax purposes, and that each partner of PACMS is taxed as an S Corporation.

Sincerely,

Joseph Wenzinger

From: Dan Backer <dbacker@chalmersadams.com>
Sent: Friday, June 25, 2021 5:55 PM
To: Joseph Wenzinger <JWenzinger@fec.gov>
Cc: Amy Rothstein <ARothstein@fec.gov>
Subject: Re: Advisory Opinion Request 2021-07 (PACMS)

Thank you for your patience, in-line replies below.

AOR011

Regards,

Dan Backer, Member



Direct: (202) 210-5431

dbacker@ChalmersAdams.com

<https://www.chalmersadams.com/>

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From: Joseph Wenzinger <JWenzinger@fec.gov>

Sent: Tuesday, June 22, 2021 5:20 PM

To: Dan Backer <dbacker@chalmersadams.com>

Cc: Amy Rothstein <ARothstein@fec.gov>

Subject: Advisory Opinion Request 2021-07 (PACMS)

Dear Mr. Backer:

Thank you for corresponding with us by telephone on May 28 and email on June 15 about the advisory opinion request (2021-07) you submitted on behalf of PAC Management Services, LLC.

We would like to verify our understanding of the information that you providing during our discussions. Please respond to this email to confirm the information below, or to clarify or correct any information as necessary. Your response may be posted on the Commission's website as a supplement to the advisory opinion request.

1. PACMS has elected with the Internal Revenue Service to be treated as a partnership for federal tax purposes, and each partner of PACMS is taxed as an S Corporation.
 - a. I am awaiting confirmation from PACMS's tax accountant as to the exact wording, but I understand that is correct.
2. PACMS will not match clients to solicitors; thus, clients may designate as solicitors only individuals otherwise known to them.
 - a. yes.
3. Prior to receiving credentials, PACMS will require each solicitor to agree to terms and conditions, including that the solicitor is eligible to solicit contributions under federal law. For example, the solicitor will certify that she is not a foreign national. The terms and conditions will also prohibit harassment and other unlawful activity and provide that PACMS reserves the right to remove any solicitor from the platform at any time.
 - a. Yes as to agreement to site-level T&C's.
 - b. Unlawful activity will be expressly prohibited. A Client may remove approval of any solicitor at any time to prevent any future communication or solicitation through the

- platform from such solicitor.
- c. PACMS reserves the right to terminate solicitors at any time for any reason, such as unlawful activity prohibited by the T&C's, or for no reason, other than an otherwise unlawful reason.
4. PACMS will not allow federal candidates, political committees, political party committees, or their agents, to serve as solicitors, and will require its clients and their solicitors to certify to the same.
 - a. PACMS will not allow federal candidates, political committees, or political party committees to serve as solicitors. PACMS will not allow agents of federal candidates, political committees, or political party committees to serve as solicitors in their capacity as agents. An agent of a federal candidate, political committee, or political party committee may serve as a solicitor solely in their individual capacity, but may not solicit funds on behalf of the federal candidate, political committee, or political party committee for which they serve as an agent. PACMS will enforce these restrictions by including appropriate language in the terms and conditions to which solicitors must agree, and asking whether a person is a federal candidate, agent of one, or an agent of a political committee or political party committee at the time they apply to register as a solicitor.
 5. PACMS will charge each client a flat annual fee of at least \$100 annually, which PACMS will determine and adjust based on its business judgment about what constitutes a commercially reasonable figure reflecting the fair market value of its services.
 - a. yes.
 6. The annual fee, along with debit and credit card service fees, are designed to allow PACMS to cover its costs and realize a reasonable profit.
 - a. yes.
 7. After PACMS accepts a contribution request, PACMS will forward funds, drawn from the client's Client Fund Account, to the client-designated political committee.
 - a. After PACMS accepts a contribution request, PACMS will confirm the client has sufficient funds credited to their account with PACMS to cover the transaction, and that the transaction would not cause the client to exceed applicable contribution limits, based on the client's contributions through the PACMS platform. If these conditions are met, then PACMS will accept the requested transaction and forward the specified amount of funds from the Client Fund Account to the political committee the client designated. PACMS will attempt to wire the funds from the Client Fund Account to the recipient committee, if it can obtain the necessary information from that committee by the next business day. Otherwise, it will mail a check drawn from the Client Fund Account to the recipient committee.
 8. PACMS intends to comply with all applicable contribution forwarding requirements under 52 U.S.C. §§ 30102(b) and 11 C.F.R. §§ 102.8, which establish timeframes and requirements for providing recipient political committees with accurate information regarding the contributor and contribution.
 - a. yes.
 9. To avoid asking the Commission to answer a third-party request, PACMS intends to change Question 7 as written in the original request to state: "May PACMS permit a person who works for a corporation or trade association to be designated as a 'solicitor' to make

solicitations through the interface?”

a. yes.

Thank you for your cooperation.

Sincerely,

Joseph Wenzinger
Attorney, Policy Division
Office of General Counsel
Federal Election Commission
(202) 322-3186

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