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September 23, 2013

VIA OVERNIGHT MAIL

Maine Commission on Governmental Ethics and Election Practices  
c/o Jonathan Wayne, Executive Director  
45 Memorial Circle  
Augusta, ME 04330

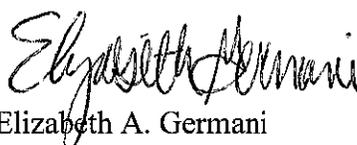
Re: Peter Robinson

Dear Mr. Wayne:

Enclosed please find Peter Robinson's Response to the Maine Commission on Governmental Ethics and Election Practices' Recommended Findings against him.

Thank you for your kind consideration and attention to this matter.

Very truly yours,



Elizabeth A. Germani  
Maine Bar No. 7422

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EAG/vlk  
Enclosures

cc: Peter Robinson (w/enclosures, via mail)  
Walter F. McKee (w/enclosures, via mail)  
Jane A. Amero (w/enclosures, via mail)  
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**STATE OF MAINE  
COMMISSION ON GOVERNMENTAL ETHICS  
AND ELECTION PRACTICES**

**PETER ROBINSON'S RESPONSE  
TO RECOMMENDED FINDINGS AGAINST HIM**

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Peter Robinson urges the Commissioners to reject the recommended findings of violation and penalties against him set forth in Jonathan Wayne's memorandum to the Commissioners dated July 1, 2013 (hereinafter "Staff Report") because the Staff Report is rife with conclusory statements and innuendo, and is nearly completely devoid of facts which support the recommended findings of violations and penalties against Peter Robinson.

There is not one shred of evidence, and certainly none contained within the Staff Report, from which one could fairly conclude that Peter Robinson knowingly misrepresented the source of contributions to any PAC. There is not one shred of evidence that the public was harmed by any error in the PAC financial reports. Moreover, as the Staff Report acknowledges, there is not one shred of evidence of what the motive for allegedly knowingly misrepresenting the source of funds could have been. The reason for this lack of evidence is obvious -- there was no knowing misrepresentation or false reporting.

In an ironic (and incorrect) twist of the use of prior statements, the Staff Report argues that Peter Robinson's prior **consistent** statements somehow prove that he knew the reported source of the contributions was false. Such an argument defies logic and long-standing rules of evidence; contrary to the Staff Report's conclusion, prior consistent statements show that the witness, Peter Robinson, believed that his report was accurate as filed. It is troubling that the Staff Report seeks to punish Mr. Robinson for consistently stating his belief that the PAC financial report was accurate as filed, based on the information Mr. Robinson had available to

him at the time. In fact, there is no support whatsoever for the Staff Report's conclusion that Mr. Robinson "knew or, at the very least, reasonably should have known that the funds came from other sources."

Indeed, there are many conclusory statements in the Staff Report that have no factual support whatsoever. Just one of many examples of this is the Staff Report's unsupported comment that "voters statewide were denied meaningful information as they decided whether to approve a new casino in Lewiston." *Staff Report at 2*. Yet the report never bothers to mention what that "meaningful information" actually is.

A second example is the Staff Report's discussion of Dwayne Graham's comments to the media and his decision not to provide information to the Commission (*Staff Report at 6-7*), for which the Staff Report seeks unfairly to punish Peter Robinson, who actually had very little interaction with, and no control over, Dwayne Graham. Indeed, the Staff Report criticizes Graham for telling the media exactly what Peter Robinson was told and reasonably believed and reported – that GT Source was the source of the money donated to the political campaign.

A third example of the kind of unsupported conclusory statements that are found throughout the Staff Report is the allegation that Peter Robinson knew or should have known that the source of the contributions was not GT Source – when there is not even a pretense of a foundation laid for such a far-flung conclusion. *See Staff Report at 19-20*. The Staff Report: (1) acknowledged after an allegedly thorough investigation (which Peter Robinson was neither required nor had the means to undertake) that "it is impossible to determine with 100% certainty specifically who was within the circle of people who knew the true identity of the donors"; (2) postulated, without explaining any supporting facts, that "it is far more likely than not that Stavros Mendros was aware that GT Source Corporation had not provided any money"; (3)

stated that it was Mr. Mendros who was dealing with the donors, was running the show and discouraged others from providing documents to the Commission; and then (4) inexplicably and with no foundation whatsoever, threw Peter Robinson's name into the mix as someone who should be fined because he either "knew or should have known" about the "true" source of campaign contributions. That conclusion rests on the shakiest of foundations and should be wholly rejected by the Commission.

### **BACKGROUND**

On October 5, 2011, in accordance with 21-A M.R.S. § 1060(6) (2012), Peter Robinson, as treasurer of the political action committee (*hereinafter* "PAC") Green Jobs for ME, filed a quarterly report indicating that GT Source Corporation, a Georgia company that produces video slot machines, donated a total of \$33,000 to Green Jobs for ME. *See Staff Report, Attachment 6.* Green Jobs for ME, along with another group, People for Lewiston and Auburn Committee (*hereinafter* "PLAC"), were two PACs charged with gaining citizen support for an initiative to bring a casino to the City of Lewiston. *See Staff Report, Attachment 4, 5.* Although Robinson was not the treasurer of PLAC, when the reports became due and it was apparent that no one was prepared to file them, Robinson assisted in filing the necessary reports.<sup>1</sup> *See Staff Report, Attachment 5, 12.* The PACs were ultimately unsuccessful in garnering support for the casino and the initiative failed in November 2011.

On December 22, 2011, Dennis Bailey, on behalf of CasinosNO!, a PAC that opposed the casino measure, filed a complaint with the Commission on Governmental Ethics and Election

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<sup>1</sup> The staff recommends imposing fines against Robinson as treasurer of both Green Jobs for ME and PLAC, but Robinson is not the treasurer of PLAC. *See Staff Report, Attachment 1, 5.* Although Robinson assisted people associated with that PAC in filing necessary reports, he should not be subject to liability for any alleged failure by that PAC to comply with campaign finance reporting laws.

Practices alleging that the two pro-casino PACs violated campaign finance laws. *See Staff Report, Attachment 8*. In response to the complaint, the Commission staff launched an investigation into Green Jobs for ME and PLAC. *See Staff Report, Attachment 11 at 14*.

As part of the investigation, Robinson wrote a letter to Jonathan Wayne, Executive Director of the Commission, attempting to explain the basis for the reports filed on behalf of the PACs. *See Staff Report, Attachment 12*. Unsatisfied with the letter, the Commission staff launched a more aggressive investigation, subpoenaing bank records for several third-party corporations. *See Staff Report, Attachment 23*.

The Staff Report argues that GT Source Corporation did not donate money to the PACs; rather, the money, totaling \$388,000, came from three other gambling associated companies and their respective owners. *See Staff Report at 1*. The Staff Report then makes the unsupported argument that because the information provided in the reports was not accurate, the reports were not timely filed in accordance with 21-A M.R.S. §§ 1060(6), 1062-A(2) (2012). *See Staff Report at 24-25*. The staff recommends imposing fines of \$5,000 against Peter Robinson (and Stavros Mendros) for reporting his honest belief that the PAC contributions came from GT Source; and \$7,500 against Green Jobs in ME and \$20,000 against PLAC, for the allegedly “untimely” reports. *See Staff Report at 25*. These penalties are extraordinary and are the result of a tortured interpretation of the statutes which do not, on their plain language, permit the imposition of per diem late fees where the reports were timely filed.

The Commission should decline to adopt the Staff Report’s findings that the PACs filed materially false information and late reports. Additionally, the Commission should decline to adopt the penalties recommended by the Staff Report.

**THE CHRONOLOGY SHOWS THAT ROBINSON ACTED IN GOOD FAITH  
AND REPORTED THE INFORMATION PROVIDED TO HIM.**

To put this matter into the proper context, it is important for the Commission to understand the history of Peter Robinson's dealings with these PACs and those that contributed to the PACs. As the following will demonstrate, it is plain that the Staff Report has overstated Robinson's relationship with the out-of-state investors and gaming entities involved in seeking to bring a casino to Lewiston.<sup>2</sup>

On December 10, 2009, Great Falls Recreation & Redevelopment, LLC ("Great Falls") filed articles of incorporation with the Secretary of State's office. *See Respondent's Ex. 1*. The founders of Great Falls, including Peter Robinson, hoped to bring a casino to Lewiston. *See Staff Report, Attachment 1, 12 at 4*.

On May 19, 2010, Green Jobs for ME filed registration paperwork with the Commission, listing Peter Robinson as treasurer and Stavros Mendros as manager. *See Staff Report, Attachment 4*. Robinson had never been involved with politics or PACs before, and was unfamiliar with campaign finance laws or the financial reporting process. Seeking guidance on how to complete the financial reporting forms, Robinson called Cindy Sullivan, a Commission staff member. *See Staff Report, Attachment 11 at 9, 12 at 2*. Ms. Sullivan advised Robinson to attribute all contributions to the person or company from which the contribution originated, not to any pass through entity. *See Staff Report, Attachment 11 at 9, 12 at 2*.

On June 21, 2010, Great Falls entered into an agreement with the City of Lewiston to buy the Bates Mill #5 property in Lewiston, where Great Falls hoped to open a casino. *See Scott*

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<sup>2</sup> M Five, Inc. is a Maine based company that was created in anticipation of the casino measure gaining voter support. *See Staff Report, Attachment 12 at 1*. M Five is partially owned by GT Source Corporation and other gaming industry insiders. *See Staff Report, Attachment 1*.

Taylor, *Check Makes Casino Option for Bates Mill No. 5 Official*, LEWISTON SUN JOURNAL, June 22, 2010 (attached hereto as Respondent's Ex. 2).

In July 2011, Scott Nash and Ryan Hill, who both held ownership interests in Wild West Gaming Technologies, LLC ("Wild West") and Incentovation, LLC, and Dwayne Graham, who held an ownership interest in GT Source Corporation, became involved with Great Falls and its efforts to open a casino in Lewiston. *See Staff Report at 1, Attachment 12 at 2.* Robinson had no prior involvement in the gaming or gambling industry, and planned to rely on the expertise of Nash, Hill and Graham on all matters related to the efforts to open and operate a casino. Robinson had no prior dealings with Nash, Hill or Graham, and certainly no reason to disbelieve what they had told him.

On September 22, 2011, M Five, Inc. filed Articles of Incorporation with the Secretary of State's office. *See Respondent's Ex. 3.* This company was founded in anticipation of opening and operating the casino. *See Staff Report, Attachment 12 at 1.* According to the Staff Report, those holding ownership interests included Scott Nash, Wild West, Incentovation, LLC, Chase Burns, and GT Source Corporation. *See Staff Report, Attachment 1.* Peter Robinson held no ownership interest in M Five, Inc. *See Staff Report, Attachment 1.*

On that same day, Wild West, a Maryland-based gaming company owned by Ryan Hill and Scott Nash, wired \$121,000 to Great Falls. *See Staff Report, Attachment 2, ref. #6A.* Only a portion of that money, \$26,000, was intended to further the interest of Green Jobs for ME. Accordingly, on that same day, Great Falls transferred to Green Jobs for ME \$26,000 of the Wild West money. *See Staff Report, Attachment 2, ref. #6C, 6D.* During a meeting in Lewiston on September 22, 2011, Scott Nash advised Robinson that the \$26,000 and additional contributions paid to Dome Messaging actually came from GT Source Corporation. In fact, Robinson was

present when Nash called Dwayne Graham to obtain GT Source Corporation's address for reporting purposes. At no time did Nash or anyone else ever advise Robinson that GT Source was not the true source of the contributions.

On October 5, 2011, Robinson, in reliance upon the information provided by Nash, filed the October quarterly report on behalf of Green Jobs for ME. *See Staff Report, Attachment 6.* That report listed three contributions from GT Source Corporation: a \$5,000 contribution on 08/12/11; a \$2,200 contribution on 09/01/11; and a \$26,000 contribution on 09/22/11. *See Staff Report, Attachment 6.*

On October 17, 2011, PLAC filed registration paperwork with the Commission listing William Welch as treasurer and Laurent F. Gilbert, Sr., as manager. *See Staff Report, Attachment 5.* Robinson was not listed as a principal officer responsible for managing this PAC, and certainly never agreed to be its treasurer; indeed, Robinson was told that an outside accounting firm would be hired to handle the duties of treasurer, and work with William Welch in handling the financial matters.

In or about early October 2011, the Commission notified Robinson that the 11-day Pre-General reports would soon be due. On October 25, 2011, Robinson contacted Dome Messaging, Scott Nash, Ryan Hill, and Stavros Mendros to remind them that reports would soon be due. *See Respondent's Ex. 4.* Around this same time, Robinson learned that no accounting firm had been hired by PLAC, that no checking account had been opened for PLAC, and that William Welch needed assistance in completing the financial report for that PAC. Robinson asked Dome, Nash, Hill, and Mendros for information about the source of PLAC funds and about PLAC's expenditures, so that he could assist Mr. Welch in the timely filing of the PLAC financial report. *See Respondent's Ex. 4.*

A few days later, on October 28, 2011, Nash emailed Robinson indicating that GT Source sent money to Dome Messaging on behalf of PLAC in the following amounts: a \$140,000 payment on 10/14/2011; a \$160,000 payment on 10/18/2011; and a \$90,000 payment on 10/26/2011. *See Respondent's Exhibit 4.* On that same day, in reliance upon Nash's report to Robinson, PLAC filed the 11-day Pre-General report detailing three contributions from GT Source Corporation: a \$25,000 contribution on 10/13/2011; a \$140,000 contribution on 10/13/2011; and a \$160,000 contribution on 10/18/2011. *See Staff Report, Attachment 7.* Note that the \$90,000 contribution of 10/26/11, referenced above, was outside the reporting period and, therefore, was not included in this October 28 report. *See Staff Report, Attachment 7.* Further, by the time the report that included that date was due, Robinson learned that, in fact, \$90,000 was not actually contributed to PLAC as PLAC had no bank account; instead \$53,419.73 was paid directly to Dome Messaging, as discussed below. Because there was no PLAC bank account, Robinson had to rely on the information provided to him about the source of contributions.

After reviewing campaign finance reports submitted by the PACs, on November 3, 2011, Maine Public Broadcasting Network aired a report critical of GT Source Corporation and citing GT Source Corporation as a major contributor to the casino campaign. *See Staff Report, Attachment 9.* This makes clear that there was no political advantage to be gained by falsely claiming that GT Source was a campaign contributor, and is further proof of the unwarranted spin placed on the facts by the Staff Report.

On November 8, 2011, 64% of Maine citizens voted against the casino measure.

On December 20, 2011, PLAC filed the 42-day Post-General report detailing one additional contribution from GT Source Corporation: the \$53,419.73 payment made on

10/26/2011. *See Staff Report, Attachment 7.* As noted above, this was the amount that GT Source actually paid directly to Dome Messaging, a vendor, for goods and services provided by Dome Messaging, but in furtherance of PLAC's efforts to get the casino measure passed at the ballot.

Two days later, Dennis Bailey, a well-known casino opponent, integrally involved in CasinosNo!, filed a complaint with the Commission seeking the Commission's support for an investigation into Green Jobs for ME and PLAC. *See Staff Report, Attachment 8.*

On December 28, 2011, Jonathan Wayne and Commission staff requested information from the PACs and from GT Source Corporation, a corporation in which Peter Robinson had no ownership interest or control. *See Staff Report, Attachment 18.*

On January 5, 2012, GT Source Corporation responded to the Commission's request for information. Citing frustration with the results of the referendum, GT Source Corporation declined to assist the Commission staff in its investigation. *See Staff Report, Attachment 22.* Again, this had nothing to do with Peter Robinson, and the Staff Report does not even suggest otherwise. GT Source apparently never provided any documentary evidence to the Commission, despite the Commission's subpoena powers. *See Staff Report at 7.* To suggest that Robinson somehow had more power than the Commission to obtain such information is specious.

On January 11, 2012, Robinson responded to the Commission staff's request for additional information. Robinson explained that he believed the financial reports were correct as initially filed, and he had no knowledge to the contrary. *See Staff Report, Attachment 12.*

On January 16, 2012, Jonathan Wayne and Commission staff sought to launch a full investigation into Green Jobs for ME and PLAC. *See Memorandum from Jonathan Wayne to Commissioners (January 16, 2012).*

At Robinson's request, on January 24, 2012, Peter Robinson met with Commission staff. *See Memorandum from Jonathan Wayne to Commissioners* (January 24, 2012). During that meeting and a subsequent meeting in October 2012, Peter Robinson again explained that although funding may have been passed through M Five, Inc. and other sources, to his knowledge, GT Source Corporation was the originator of the contributions, and he reported the contributions as such on the advice of Ms. Sullivan, the Commission staff member who advised Robinson that such was the proper way to report PAC contributions. *See Memorandum from Jonathan Wayne to Commissioners* (January 24, 2012).

During its January 25, 2012 monthly meeting, the Commission addressed the CasinosNO! petition for investigation. *See Staff Report, Attachment 11*. Robinson again advised the Commission that he believed the submitted reports accurately reflected the reality of the situation and contributions made to the PACs. *See Staff Report, Attachment 11 at 9-12*. Plainly, Robinson had no reason to believe otherwise. Nonetheless, the Commission voted to launch a full investigation. *See Staff Report, Attachment 11 at 14*.

On June 28, 2012, Robinson, in response to repeated requests for additional information from Commission staff, reiterated that, to his knowledge, GT Source Corporation was the source of the contributions. *See Staff Report, Attachment 13*.

On October 10, 2012, Peter Robinson met, at his request, with the Commission staff. *See Staff Report at 15 n.6*. Mr. Robinson remained steadfast in his belief that GT Source Corporation was the source of the contributions, as reported.

On May 15, 2013, Wild West, through counsel, indicated that it did not receive any money from GT Source Corporation, and, that it, in fact, provided the majority of the financing

for the PACs. *See Staff Report, Attachment 16.* There is no evidence that Peter Robinson could have known this before May 15, 2013, and he denies that he did have such knowledge.

Finally, on July 1, 2013, the Commission staff issued the Staff Report, asserting, without additional information from GT Source Corporation or the PACs, that GT Source Corporation did not donate to the PACs and that Robinson knowingly misrepresented the actual source of the contributions.<sup>3</sup>

Thus, Robinson had a good faith basis for filing the PAC financial reports as he did. He did not have access to the bank records of corporations in which he was neither an owner nor otherwise involved. He did not have access to the bank records of any other contributors. In fact, he did not even have access to the bank records of PLAC, because there was no PLAC bank account. As this chronology demonstrates, at no time did Peter Robinson have any information that led him to believe that the financial reports were inaccurate. At no time did he have reason to be suspicious of the information provided to him by those who provided it. And at no time did he knowingly misrepresent anything to the Commission.

**ROBINSON SUBSTANTIALLY COMPLIED WITH THE  
REPORTING REQUIREMENTS OF 21-A M.R.S. § 1060.**

Pursuant to 21-A M.R.S. § 1060(6) (2012), a political action committee, as defined by 21-A M.R.S. § 1052(5)(A) (2012), is required to report, on a quarterly basis, “contributors who have given more than \$50 to the political action committee in the reporting period and the amount and date of each contribution.” Although failure to timely file a report may result in the

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<sup>3</sup> Because the Staff Report accuses Robinson of not providing the information the staff requested, it is worth noting that his receipt of the Staff Report was the first time that Robinson saw Jonathan Wayne’s letters to Mark Walker, Esq., threatening to subpoena records. Moreover, Robinson voluntarily wrote to and met with the staff on numerous occasions (only some of which are outlined in the Staff Report) to answer their questions and provide the information he had available.

imposition of a fine, (21 M.R.S. § 1062-A(2)), there is no question here that the report was timely filed. Pursuant to 21-A M.R.S. §§ 1059(2)(A)(4), 1062-A(2) (2012), the quarterly report was due by 11:59 p.m. on October 5, 2011. According to the Commission's website, the report filed on behalf of Green Jobs for ME was filed on October 5, 2011, at 9:41 p.m. Thus, Green Jobs for ME complied with the timing requirements of the statute. Similarly, the 11-day Pre-General and the 42-day Post-General reports filed on behalf of PLAC were also timely.

The only remaining question is whether the reports "substantially conform[ed] to the disclosure requirements" for Maine PACs as outlined in 21-A M.R.S. §§ 1051-1063 (2012). As outlined above, to Robinson's knowledge, the funding for the PACs attributable to GT Source Corporation did, in fact, come from GT Source Corporation. With regard to the Green Jobs for ME contributions, Robinson transferred \$26,000 from the checking account of Great Falls to the account for Green Jobs for ME. Scott Nash, who provided the money, informed Robinson that the money came from GT Source Corporation and called Dwayne Graham to ascertain GT Source Corporation's address. The Commission cannot seriously contend that Robinson had some reason to doubt that representation. No such reason is outlined in the lengthy Staff Report.

With respect to PLAC, Robinson, who was not the treasurer, was informed that an outside accounting firm would be maintaining a record of the contributions and expenditures. When he asked who would be filing the reports, he learned that no one was prepared to do that and Robinson, in an honest effort to make sure the reporting requirements of this State were met, undertook to provide the information required by law. Again, in reliance on information provided by Scott Nash, this time via email, Robinson reported that the PAC received substantial contributions from GT Source Corporation. When Robinson asked Nash if he was sure the money came from GT Source Corporation, Nash confirmed that it did. *See Respondent's Ex. 4.*

Having no reason to believe that Nash would misrepresent such a fact, and knowing of no motive for Nash to do so, Robinson reasonably relied on Nash's reports to him.

Although the Commission staff argues that the contributions actually came from Nash, Incentovation, Wild West, Chase Burns, and M Five, Inc., there is no evidence whatsoever, despite the lengthy investigation and extensive Staff Report, that Robinson knew or should have known that such was the case. Indeed, even now, Robinson is forced to accept as true those facts regarding the source of contributions alleged in the Staff Report because he has no means to challenge them.

Contrary to the Staff Report's findings, attributing the contributions to GT Source Corporation was not a shady subterfuge designed to mislead voters. Rather, the attribution was a good faith effort by Robinson to untangle a series of transactions involving money over which Robinson had no control. Because Nash was associated with Wild West, Incentovation, Dwayne Graham, and GT Source Corporation, it was reasonable for Robinson to rely on Nash's reports to him about the source of money received from one of those sources. Essentially, Robinson had no choice but to rely on the only information provided to him by those from whom the money came. The only alternative would have been to conduct the type of extensive investigation undertaken by the Commission staff to ensure that he was receiving accurate information, but he certainly had no reason to do so and no reason to be suspicious of the veracity of the information provided to him.

Indeed, it is worth noting that Robinson had no duty, much less the power, to subpoena records to ensure that those who donated money were the actual source of the money donated. Title 21-A, section 1057(3) requires only that the treasurer keep a record of "all contributions to the committee, by name and mailing address, of each donor and the amount and date of the

contribution.” Robinson did exactly that for Green Jobs for ME (the PAC of which he was the treasurer), and although he was not the treasurer for PLAC, he did attempt to obtain accurate information from those who were responsible for donating the money to PLAC; he cannot be criticized or fined for failing to undertake a massive hunt for bank records which might prove his beliefs unfounded. To suggest otherwise would impose an undue burden on every PAC in this State, for it would require every PAC treasurer to not only identify the contributor as the statute states, but also to insist upon bank records to document that the money really did originate with that contributor. The chilling effect such a requirement would have upon contributions to political action campaigns cannot be overstated; it would effectively cripple every PAC’s ability to raise funds and pursue the cause it was formed to champion. The constitutionality of such a requirement is highly questionable, and imposing such a burden on those who wish to engage in the political process would undoubtedly lead to legal challenges.

The Commission should decline to adopt the findings and recommendations of the Staff Report. The only fair conclusion here is that the information provided was not materially false, the reports substantially conformed to the disclosure requirements, and the reports were timely filed.

**THE COMMISSION STAFF DID NOT COMPLY WITH THE  
NOTICE REQUIREMENTS OF 21-A M.R.S. § 1062-A.**

The Commission should reject the Staff Report’s recommendations of fines because the Commission staff failed to give Peter Robinson and the PACs the statutorily-required notice and opportunity to cure an allegedly late filing. Pursuant to 21-A M.R.S. § 1062-A(5), “[i]f the commission staff finds that a political action committee has failed to file a report required under this subchapter, the commission staff *shall mail a notice* by certified mail to the treasurer of the

political action committee within 3 business days following the filing deadline informing the treasurer that a report was not received.” (Emphasis added). Alternatively,

[i]f a political action committee files a report required under this subchapter late, *a notice of preliminary penalty must be forwarded to the treasurer* of the political action committee whose report is not received by 11:59 p.m. on the deadline date, informing the treasurer of the commission staff finding of violation and preliminary penalty calculated under subsection 3 and providing the treasurer with an opportunity to request a determination by the commission.

*Id.* (emphasis added). These provisions serve as a safeguard against unjust penalties, affording the PAC an opportunity to file a report if it failed to do so, or remedy any errors or omissions in a report in a timely fashion. *See* 21-A M.R.S. § 1062-A(3) (providing that penalties for a late report are calculated using a formula based on the “number of calendar days [that the report is] late”).

Here, although required by section 1062-A(5), the Commission staff failed to provide Robinson with notice that the PACs’ reports were deemed either unfiled or untimely filed. Instead, the staff sought additional information from Robinson—information that related not to the timeliness of the report, but rather to the source of the contributions timely reported. Further, the staff failed to afford Robinson and the PACs an opportunity to request a determination by the Commission of whether the reports were timely filed pursuant to section 1062-A(5).

Moreover, although the crux of the Staff Report’s complaint claims that Robinson and the PACs provided materially false information, the majority of the fines -- approximately eighty-five percent -- relate to the alleged untimely nature of the reports. *See Staff Report at 11-18, 25.* Because Robinson and the PACs deny that the information in the initial reports was materially false, they have not filed amended reports—Robinson, at all times, has provided the Commission with all of the information available to him regarding payments to the PACs. Nevertheless, to calculate the timeliness penalties, the Staff Report contended that the reports were effectively

filed on July 1, 2013, the date it issued its recommendations. This logic circumvents the purpose of the notice provisions outlined in section 1062-A(5) because, under the Staff Report's recommendations, the PACs and Robinson would be subject to liability for filing late reports despite the fact that they were never provided with notice that the timeliness of the reports was in question. Additionally, even though Robinson provided the Commission Staff with all of the information available to him as early as January 2012, the Staff Report argued that the penalty should continue to accrue until it concluded its investigation a year and a half later, on July 1, 2013. Indeed, if the Staff took 10 years to complete an investigation, under its reasoning, it could seek to impose a per diem fine for every one of those 3,650 days. This clearly is not permitted by our statutory framework and the penalties recommended by the Staff Report should be rejected.

Clearly, had the Commission staff complied with the requirements of 21-A M.R.S. § 1062-A, Robinson and the PACs would have been able to remedy any alleged timeliness errors in the reports, significantly reducing any potential fines for untimely filing. *See Staff Report at 25* (concluding that Green Jobs for ME filed its report 635 days late); *see also 21-A M.R.S. § 1062-A(3)* (calculating damages based on how late the report is filed). Subsection 5 of section 1062-A is unequivocal: the staff "*must*" provide the PACs with notice *that the report is late* and the PACs must be afforded an opportunity to seek an official determination by the Commission. Imposing significant fines for late reports based not on the timeliness of the report but on the PAC's provision of allegedly materially false information unjustly imposes two distinct penalties for a single act. This is the equivalent of subjecting Mr. Robinson and the PACs to double jeopardy. Section 1062-A was designed to punish PACs which knowingly or inadvertently fail to submit a report on time; it is not an avenue through which the Commission staff can pile on

additional penalties for what it (wrongly) contends is an attempt to provide materially false information. *See* 21-A M.R.S. § 1004-A(5) (2012) (providing that a person that makes a material false statement in a document required by the Commission is subject to a penalty of up to \$5,000). Therefore, because the staff failed to comply with the requirements of 21-A M.R.S. § 1062-A, the Commission should decline to adopt the staff's finding that the reports were untimely.

**THE COMMISSION SHOULD REJECT THE  
RECOMMENDATION OF PENALTIES.**

Although Robinson denies that any violation occurred, if the Commission adopts the Staff Report's findings that the reports were untimely, the penalties imposed should be waived for four reasons: first, as outlined above, the Commission staff erred by failing to provide Robinson and the PACs with notice that the reports were untimely, *see* 21-A M.R.S. § 1062-A(2)(B) (providing that an error by Commission staff is grounds for waiving an imposed penalty); second, imposition of any penalty is disproportionate to the level of experience of the person filing the report, *see* 21-A M.R.S. § 1062-A(2); third, imposition of a penalty is disproportionate to the harm suffered by the public from the late disclosure, *see id. and* 21-A M.R.S. §1004A(5); and fourth, there was no intent to mislead on the part of Peter Robinson, *see* 21-A M.R.S. §1004-A(5).

Pursuant to 21-A M.R.S. § 1062-A(2)(B), “[t]he commission may waive the penalty in whole or in part if the commission determines the failure to file a timely report was due to mitigating circumstances,” such as “[a]n error by the commission staff.” As discussed above, the report was, in fact, timely filed. Because the Commission staff now alleges that Robinson provided materially false information—an allegation that Robinson has consistently disputed -- the staff now characterizes the reports as late without providing Robinson notice that the

timeliness of the reports was in question, as required by 21-A M.R.S. § 1062-A(5). This error by the Commission staff significantly prejudiced Robinson and the PACs, and, therefore, if the Commission adopts the staff's findings concluding that the reports were untimely, any penalty should be waived. *See 21-A M.R.S. § 1062-A(2)(B)*.

Alternatively, pursuant to 21-A M.R.S. § 1062-A(2), “[t]he commission may waive a penalty in whole or in part if it is disproportionate to the level of experience of the person filing the report or to the harm suffered by the public from the late disclosure.” Here, Robinson lacked any experience in filing campaign finance reports. He joined the campaign to bring a casino to the City of Lewiston, a city in desperate need of clean jobs. He helped form the PACs and subsequently agreed to act as treasurer of Green Jobs for ME because he had previous experience as the treasurer of his church. When PLAC was formed, the decision makers never considered Robinson a candidate for the position of treasurer because he was not a well-recognized community figure; Robinson, as noted, played a minor role in PLAC. In reliance on information he received from the out-of-state campaign financiers, Robinson filed the reports with the most accurate information available to him—he did not feel it was necessary to require Nash and Graham to provide bank statements indicating the exact source of the contributions. Indeed, it is hard to believe that the treasurer of any PAC in this State is doing that.

Essentially, the alleged late disclosure at issue is that GT Source Corporation is not the actual source of contributions made to the PAC, and, instead, the relevant funds came from Wild West, Incentovation, Scott Nash, Ryan Hill, and an Oklahoma man named Chase Burns. In fact, Robinson saw the name Chase Burns for the first time when he read the Staff Report sometime after July 1, 2013; prior to that, he did not know who Chase Burns was or that he had donated any money to advance the cause of the campaign.

Despite the Staff Report's contention that "the public was harmed greatly by not knowing the true source of the PACs' funding," it never describes that alleged "harm" and is unable to even posture a guess as to a possible motive the PACs would have to falsify the information. *See Staff Report at 24-25* ("[T]he staff is at a loss to understand the reason Mr. Mendros and Mr. Robinson concealed the identities of the actual funders of the campaign."). The Staff Report's recognition that Robinson and Mendros have no plausible reason to falsify the information is further proof that Robinson did not knowingly provide false information. Whatever reason the out-of-state financiers may have had for providing misinformation was and remains unknown to Robinson; the important point is that Robinson had no reason to doubt the information they provided and he reasonably relied on that information in providing the financial reports.<sup>4</sup>

Additionally, the lack of motive proves that the public suffered no harm from the disclosures. To the contrary, attributing the significant contributions to GT Source Corporation rather than the others found by the Staff Report to be the actual sources of the contributions only served to harm the PACs' cause: GT Source Corporation was an established gaming company with a relatively poor reputation. As support for its contention that Robinson and the PACs *knowingly* provided false information, the Staff Report cites an article by the Maine Public Broadcasting Network that details the donations from GT Source Corporation to the PACs. That article is critical of GT Source Corporation, citing a gaming industry insider who states that "GT Source made [an] illustrious list of predatory [gaming] partners." *See Susan Sharon, Questions*

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<sup>4</sup> It is worth noting that although the Staff Report characterizes M Five, Inc. as an "Out-of-State Donor" (*Staff Report at 8*), in fact M Five, Inc. is a Maine corporation created in September 2011, just weeks before the referendum. *See Respondent's Exhibit 3*. Indeed, the Staff Report later acknowledges this. *Staff Report at 10*. It also acknowledged that Peter Robinson did not have an ownership interest in M Five, Inc. *Id. at 11*. Tellingly, the Staff Report never even argues that Peter Robinson was privy to information about the ownership interests in, or sources of income to, M Five, Inc.

*Raised About Potential Lewiston Casino Partner*, MPBN, (Nov. 11, 2011) (attached hereto as Respondent's Exhibit 5). To put it mildly, GT Source was not an entity whose name would have caused voters to support the referendum, and there was nothing to be gained (and likely votes to be lost) by falsely including that entity in the list of contributors.

Attributing the money to an out-of-state corporation with a negative reputation in the gaming industry rather than to some other gaming entity or individual did not harm the public.<sup>5</sup> Rather, the PACs were likely harmed by disclosing GT Source Corporation as the source of the money; the casino measure ultimately failed by a large margin. Therefore, any penalty imposed is disproportionate to the experience of the person filing the report and the harm suffered by the public from the late disclosure, and the Commission should waive any penalty pursuant to 21-A M.R.S. § 1062-A(2).

Finally, the Commission is required to consider "the level of intent to mislead" in assessing any penalties. 21-A M.R.S. §1004-A(5). Clearly, as discussed above, Peter Robinson had no intention to mislead anyone. Instead, he reasonably relied on information provided by the "people with the money" who were responsible for making the actual contributions at issue, and he did his level best to comply with the applicable campaign finance laws of this State. He should not be penalized for not knowing what he could not reasonably have known at the time of the filings. There is nothing in the Staff Report that even suggests that Robinson engaged in any conduct to flagrantly violate the law, or even why he would have had a reason to do so.

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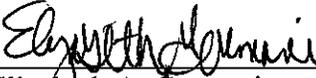
<sup>5</sup> The Staff Report argues that the contributions at issue actually came from "two Maryland companies and one Oklahoma business man who are all involved in the gaming industry," and were simply passed through M Five, Inc. Even still, the public was not harmed by failing to be informed that the actual source of financial contributions was a gaming industry company by a different name. Because of the reports filed by the PACs, the public was aware that out-of-state gaming corporations made contributions in favor of bringing a casino to the City of Lewiston.

## CONCLUSION

The Commission should decline to adopt the findings of violation and penalties recommended by the Staff Report. Robinson and the PACs attempted to capture the actual source of the funds by attributing the contributions to GT Source Corporation and, in doing so, substantially complied with the reporting requirements. Further, in contravention of the requirements of 21-A M.R.S. § 1062-A(2), the Commission staff failed to notify Robinson and the PACs that the timeliness of the reports was in question and now contends that the reports are all approximately 600 days late. Finally, should the Commission conclude that a violation did, in fact, occur, it should waive any penalties because the Commission staff erred, any errors in the reports were innocent mistakes, and the public suffered no harm.

Dated: September 23, 2013

Respectfully Submitted,  
PETER ROBINSON,  
By his attorney,

  
\_\_\_\_\_  
Elizabeth A. Germani  
Maine Bar No. 7422

GERMANI MARTEMUCCI RIGGLE & HILL  
43 Deering Street  
Portland, ME 04101  
(207) 773-7455



# MAINE

Department of the Secretary of State  
Bureau of Corporations, Elections and Commissions

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Subscriber activity report

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Legal Name	Charter Number	Filing Type	Status
GREAT FALLS RECREATION & REDEVELOPMENT, LLC	20101422DC	LIMITED LIABILITY COMPANY (DOMESTIC)	GOOD STANDING

Filing Date	Expiration Date	Jurisdiction
12/10/2009	N/A	MAINE

**Other Names** (A=Assumed ; F=Former)

NONE

**Clerk/Registered Agent**

NORMAN J. RATTEY  
95 MAIN STREET

AUBURN, ME 04210

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Lewiston-Auburn

## Check makes casino option for Bates Mill No. 5 official



Scott Taylor, Staff Writer

Lewiston-Auburn | Tuesday, June 22, 2010

LEWISTON — Backers of a downtown Lewiston casino made their effort official, paying the city \$10,000 toward an option on the Bates Mill No. 5 building.

The check is the first of four the Great Falls Recreation and Redevelopment LLC must give the city according to an option agreement approved by city voters on June 8. According to the ballot language, the group will pay Lewiston \$150,000 in several installments through December 2011.

According to the agreement, the group's first \$10,000 payment was due by July 8.

"But we're happy to make our first payment a couple of weeks ahead of the deadline," said Peter Robinson, treasurer of the casino group. "We are thrilled at the vote, with two-thirds of the people of Lewiston who saw the economic merit of putting a casino here."

A second \$10,000 payment will be due Feb. 28, 2011, and a \$30,000 payment will be due July 31, 2011. A final \$100,000 payment will be due on Dec. 31, 2011 — two months after the matter goes before voters at a statewide referendum.

Residents voted in support of the option agreement 5,041 to 2,574. The group is currently gathering signatures to put the measure on the statewide ballot in November 2011.

Stavros Mendros, manager of the casino group, said signature collectors collected 20,000 signatures at the polls on election day. So far, the group has collected 24,000 signatures. They need a total of 55,087 to put the measure on the November 2011 ballot.

"We're pleased because we didn't just get support from Lewiston voters at the polls, but voters statewide," Mendros said. "When they came forward to sign our petition, they showed their support for our project."

The effort picked up one more supporter Monday; Lewiston Mayor Larry Gilbert.

"I'm very supportive," Gilbert said. "I didn't come out in support of it at the time. I wanted the citizens of Lewiston to speak. They have spoken. They have spoken loudly, and now we want to see the will of the people through."

Gilbert said the casino would be positive for Lewiston and the surrounding areas.

"It will create a number of jobs, well-paying jobs and jobs with benefits," Gilbert said. "It will help to revitalize our downtown and help to clean up the river. It's doing a whole lot of good things."

[staylor@sunjournal.com](mailto:staylor@sunjournal.com)



# MAINE

Department of the Secretary of State  
Bureau of Corporations, Elections and Commissions

**Corporate Name Search**

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Legal Name	Charter Number	Filing Type	Status
M FIVE, INC.	20120222 D	BUSINESS CORPORATION	ADMINISTRATIVELY DISSOLVED

Filing Date	Expiration Date	Jurisdiction
09/22/2011	N/A	MAINE

**Other Names (A=Assumed ; F=Former)**

NONE

**Clerk/Registered Agent**

SEVERIN M. BELIVEAU  
C/O CORPORATION SERVICE COMPANY  
45 MEMORIAL CIRCLE  
AUGUSTA, ME 04330

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**From:** Peter Robinson [robinsonpd@earthlink.net]

**Sent:** Tuesday, October 25, 2011 10:17 AM

**To:** 'Dome Messaging'; 'scott@srnash.com'; 'hill@incentovation.com'; 'Stavros J. Mendros'

**Subject:** PAC Report

Gentlemen,

Today is the last day of the latest PAC reporting period, and reports need to be filed by Friday.

In case you don't know, I'm the one who has helped thus far with the "People of Lewiston and Auburn Committee" PAC, seeing to it that the PAC was registered and the initial finance report filed on time.

I would suggest that you all provide me with the information necessary for this latest reporting period and I (along with Bill Welch) will see that it gets taken care of.

I don't know to what extent there are expenses that did not go through Dome, but I know there were some. It's not Dome that I'm concerned about, because I know Dome is used to PAC filings.

We need to account for the money that was contributed (where it came from), and where it went (including names and addresses of vendors/payees).

This report should cover everything from the inception of the above PAC up through and including today.

Thanks.

- Peter

**From:** Scott Nash [scott@smash.com]  
**Sent:** Friday, October 28, 2011 1:52 PM  
**To:** robinsonpd@earthlink.net  
**Subject:** Contribution

These are the amounts and dates of the cash sent from GT Source to Dome.

October 14<sup>th</sup> 140k

October 18<sup>th</sup> 160k

October 26<sup>th</sup> 90k

Thanks  
Scott Nash

**From:** Scott Nash [scott@srnash.com]  
**Sent:** Friday, October 28, 2011 6:13 PM  
**To:** Peter Robinson  
**Subject:** Re: Still In A Meeting  
Yes, GT Source

Scott Nash

On Oct 28, 2011, at 5:52 PM, "Peter Robinson" <[robinsonpd@earthlink.net](mailto:robinsonpd@earthlink.net)> wrote:

Scott,

Stavros asked me to make sure the company is GT Source. He thought you had told him something else. I told him you said GT Source in your email, but I said I would check with you.

- Peter

---

**From:** Scott Nash [mailto:[scott@srnash.com](mailto:scott@srnash.com)]  
**Sent:** Friday, October 28, 2011 3:18 PM  
**To:** [robinsonpd@earthlink.net](mailto:robinsonpd@earthlink.net)  
**Subject:** Still In A Meeting

At a meeting with a Canadian tribe. Got your message and am fine with it. Just don't want to be rude and get into a phone conversation while I am with the group. Will call later.

Thanks

Scott Nash

**From:** Scott Nash [scott@srnash.com]  
**Sent:** Friday, October 28, 2011 6:31 PM  
**To:** Peter Robinson  
**Subject:** Re: Still In A Meeting  
Correct

Scott Nash

On Oct 28, 2011, at 6:29 PM, "Peter Robinson" <[robinsonpd@earthlink.net](mailto:robinsonpd@earthlink.net)> wrote:

Also, there was a \$25,000 payment to Great Falls, which went to Stavros (Olympic Consulting). You and I talked about that the other day. So, that is in addition to what you sent to Dome, correct?

---

**From:** Scott Nash [mailto:scott@srnash.com]  
**Sent:** Friday, October 28, 2011 6:13 PM  
**To:** Peter Robinson  
**Subject:** Re: Still In A Meeting  
Yes, GT Source

Scott Nash

On Oct 28, 2011, at 5:52 PM, "Peter Robinson" <[robinsonpd@earthlink.net](mailto:robinsonpd@earthlink.net)> wrote:

Scott,  
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---

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At a meeting with a Canadian tribe. Got your message and am fine with it. Just don't want to be rude and get into a phone conversation while I am with the group. Will call later.

Thanks  
Scott Nash



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Questions Raised About Potential Lewiston Casino Partner

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11/03/2011 Reported By: Susan Sharon

Just days before voters head to the polls, there are new questions being raised about who is behind the effort to develop a proposed casino in downtown Lewiston. A group of local investors who helped get the measure on the ballot say they haven't signed a contract with a casino operator. But an unofficial, confidential agreement apparently signed by several of the principals appears to show they've made an offer. And the potential partner is raising red flags with casino critics.

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The most recent campaign spending reports filed with the Maine Ethics Commission show a Georgia-based company called GT Source has sunk more than \$325,000 into passage of Question 3, the Lewiston casino. GT Source stands for "Gaming Technology Source." According to its website, the company is a "complete hardware solutions provider" for the gaming industry.

CEO Dwayne Graham did not return a telephone call to MPBN for this story. But in an interview with the Lewiston Sun Journal, Graham said he is helping finance the campaign because his company sees the proposed casino as a way to sell slot machines in Maine, something that one casino critic says is not uncommon.

"GT Source made our illustrious list of predatory partners," says Les Bernal, the executive director of a national group called the "Stop Predatory Gambling Foundation," that tries to show how the government's promotion and profiting from gambling has been a failure.

"We essentially went through and identified all of these companies in America that the public knows virtually nothing about, who are really big players in driving this massive government predatory gambling program, running essentially the best something-for-nothing scheme ever invented."

An SEC filing shows GT Source's Dwayne Graham is also one of the principals of a company called M Five Inc. And in documents obtained by MPBN, M Five appears to be a potential gaming partner with the local investment group known as Great Falls Recreation and Development.

The agreement, which appears to show the signatures of members of the local group, but not the M Five principals, suggests that M Five would pay \$5 million for the operation of the casino out of a downtown mill building, as well as a share of the casino profits to the Great Falls partners in the future.

Dr. Ron Chicoine, one of the local investors, says his group has not signed a contract for any deal. As for making an offer, Chicoine had this to say: "Eventually we're going to be looking to work with professionals who know this business, but right now we have no signed contract with anybody. Any deals or offers we would make would be confidential and when they were completed, then we'd have two parties signing on it, you know?"

Two of the other partners listed as principals of M Five are Scott Nash and Ryan Hill. Nash is listed a vice president at a Washington D.C. area company called Incentovation, which was previously involved in an effort to bring electronic pull tab machines to the Penobscot Nation for use in high stakes beano.

Last year former Maine Attorney General Janet Mills found that the machines were outside the scope of what the tribe is permitted to operate, so the system was never licensed. Attempts to reach Scott Nash at his office were unsuccessful, but the recorded message on his answering machine appears to show he is also tied to the Lewiston casino campaign.

Scott Nash answering machine: "You've reached the People of Lewiston Auburn Committee, please leave a message, or if you'd like to sign, please leave your address. Thank you."

The People of Lewiston Auburn Committee is the political action committee that GT Source has

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invested more than \$300,000 in so far. Dennis Bailey, of CasinosNo, says the possible involvement of M Five should raise a red flag for voters since the company has spent much more on the casino effort than any of the local investors.

"They're being sold this casino--as we've seen in other campaigns--sold it, basically, as a local effort by local investors, by local residents and people in the community, and come to find out, in this case it appears that it's already been sold, or at least they have an agreement to sell this to an outside source that we know nothing about."

Lewiston Mayor Larry Gilbert, who is the spokesman for the casino campaign, says he has no knowledge of M Five or a possible deal with local investors. And he points out that the Lewiston City Council must approve any potential developer of the building, and the state will have the final say on any casino operator.

"So whoever will be the licensee has to go through a stringent licensing process, so certainly the state of Maine and the Lewiston City Council will be very vigilant in their process," Gilbert says.

The casino, which already has the support of the Lewiston City Council, is expected to generate about \$1 million a year for the city if it is approved by voters statewide.

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