



STATE OF MICHIGAN
TERRI LYNN LAND, SECRETARY OF STATE
DEPARTMENT OF STATE
LANSING

In the matter of:

**Meijer, Inc.
2929 Walker, N.W.
Grand Rapids, Michigan 49544**

and

**Meijer Political Action Committee
2929 Walker, N.W.
Grand Rapids, Michigan 49504**

CONCILIATION AGREEMENT

Pursuant to Section 15(10) of the Michigan Campaign Finance Act (the Act), 1976 P.A. 388, as amended; MCL 169.201 *et seq.*, the Secretary of State and Meijer, Inc. and its authorized separate segregated fund, the Meijer Political Action Committee (Meijer PAC) (collectively, the Respondents) hereby enter into a Conciliation Agreement with respect to certain acts, omissions, methods, or practices prohibited by the Act.

The Secretary of State alleges there may be reason to believe that Meijer, Inc. violated Section 54 of the Act by making 20 corporate expenditures totaling \$55,437.56, for the purpose of recalling members of the Acme Township Board in an election held on February 27, 2007.

The Secretary of State further alleges that Meijer, Inc. caused the Meijer PAC to file incomplete campaign statements on July 21, 2006; October 24, 2006; January 26, 2007; and July 24, 2007, in that expenditures made for the purpose of influencing the outcome of the 2007 recall election were not paid for by Meijer PAC, as authorized by Section 55(1) of the Act, and, thus,

not reported by Meijer PAC, as set forth in Section 33 of the Act.

Therefore, the Respondents hereby voluntarily enter into this Conciliation Agreement and assure the Secretary of State that they will comply with the Act and the Rules promulgated to implement the Act.

In addition, the Respondents agree to correct the reporting violations outlined herein by filing a statement with the Secretary of State's Office completely and accurately disclosing all contributions it received and expenditures it made for the purpose of influencing the outcome of the 2007 recall election.

Meijer, Inc. further confirms that internal control measures/restructuring, such as described in the attached Affidavit of Robert Verheulen, have been implemented to prevent future violations of the Act.

Meijer agrees that it is its obligation and duty to comply in all respects with the Act regardless of how it chooses to organize and monitor its corporate operations in the future.

Meijer, Inc. agrees to take full responsibility for the alleged violations of the Act and, accordingly, agrees to pay the State of Michigan, at the time of signing this Agreement, a civil fine totaling \$79,437.56, which is equivalent to the amount of Meijer, Inc.'s improper expenditures (\$55,437.56), plus: a) \$1,000.00 for each of the eleven expenditures it made to Seyferth, Spaulding and Tennyson, Inc. (\$11,000.00); b) \$1,000.00 for each of nine expenditures it made to Dickinson Wright PLLC (\$9,000.00); and c) \$1,000.00 for causing Meijer PAC to file four incomplete tri-annual campaign statements (\$4,000.00).

In addition to the payment of the civil fine required above, Meijer, Inc. further agrees to cause its separate segregated fund, Meijer PAC, to disgorge itself of the amount the PAC should have spent in the 2007 recall election, by paying \$55,437.56 to the State of Michigan.

The Secretary of State and the Respondents further agree that this Agreement, unless violated, shall constitute a complete bar to any further action against Meijer, Inc., and Meijer PAC, including its Treasurer, while acting in his or her official capacity as Treasurer of the committee, with respect to the alleged violations relating to the 2007 recall election at issue in this Agreement. A technical and/or nonmaterial violation of the Act, such as a late filing of any report, statement or other document required by the Act, or filing a report, statement or other document that requires ministerial amendments, does not constitute a violation of this Agreement.

The Secretary of State and the Respondents further agree that the investigation that resulted in this Agreement between the Secretary of State and the Respondents is completed and will not be the basis for further proceedings against Meijer, Inc., or Meijer PAC, including its Treasurer, while acting in his or her official capacity as Treasurer of the committee, unless this Agreement is materially violated.

The Secretary of State and the Respondents further agree that this Agreement will not prevent the Secretary of State from taking action for violations of this Agreement during the four years immediately following the execution date of this Agreement.

The Secretary of State and the Respondents further agree that the Respondents' performance under this Agreement shall be given due consideration in any subsequent proceedings brought by the Secretary of State.

The Secretary of State and the Respondents further agree that this Agreement, when signed, shall become a part of the permanent public records of the Department of State.

The Secretary of State and the Respondents finally agree that the signatories below are authorized to enter into and bind the parties to this Agreement, and have done so by signing this Agreement on the date below.

**TERRI LYNN LAND
SECRETARY OF STATE**

RESPONDENTS

**Anne Corgan, Director
Legal and Regulatory Services Administration**

Meijer, Inc.

Date: _____

Meijer PAC

Date: _____