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COLE HARRIS FOR LT. GOVERNOR 2018, INC.

SUPERIOR COURT OF THE STATE OF CALIFORNIA

COUNTY OF LOS ANGELES

MAJORITY STRATEGIES, LLC., a
Florida corporation,

Plaintiff,

v.

COLE HARRIS, an individual; COLE
HARRIS FOR LT. GOVERNOR 2018,
INC., a California nonprofit mutual benefit
corporation; and CINDY CHEN, an
individual,

Defendants.

CASE NO.: BC723899

Assigned for all purposes to:
Hon. Mark Mooney
Dept. 68

**DEFENDANT AND CROSS-
COMPLAINANT COLE HARRIS FOR
LT. GOVERNOR 2018, INC.'S CROSS-
COMPLAINT AGAINST MAJORITY
STRATEGIES, LLC AND CHRIS
FAULKNER FOR: (1) BREACH OF
CONTRACT; (2) FRAUDULENT
CONCEALMENT; (3) FRAUDULENT
INDUCEMENT; (4) BREACH OF
FIDUCIARY DUTY; (5) CONVERSION;
AND (6) TRESSPASS TO CHATTELS**

JURY TRIAL DEMANDED

Action filed: October 2, 2018

Trial date: Sept. 8, 2020

Location: Dept. 68

Time: 9:30 a.m.

COLE HARRIS FOR LT. GOVERNOR
2018, INC., a California nonprofit mutual
benefit corporation,

Cross-Complainant,

v.

MAJORITY STRATEGIES, LLC., a
Delaware corporation; CHRIS
FAULKNER, an individual, and ROES 1-
120,

Cross-Defendant(s).

1 Defendant and Cross-Complainant COLE HARRIS FOR LT. GOVERNOR 2018,
2 INC., a California nonprofit mutual benefit corporation (the “Campaign”), hereby
3 complains against Plaintiff and Cross-Defendant MAJORITY STRATEGIES, LLC
4 (“Majority Strategies”), a Delaware Limited Company, CHRIS FAULKNER
5 (“Mr. Faulkner”), an individual, and ROES 1 through 120.

6 **FACTUAL ALLEGATIONS**

7 1. In 2018, Defendant Cole Harris ran for public office, seeking the
8 opportunity to serve the people of California as its Lieutenant Governor. It was his first
9 foray into public service. He formed a corporation to manage his official campaign,
10 appropriately named “Cole Harris for Lt. Governor 2018, Inc.” (the “Campaign”),
11 sometimes referred to as “Cole Harris for Lt. Governor 2018.”. The Campaign hired
12 various vendors to assist with the election process. One such vendor was Majority
13 Strategies LLC, the Plaintiff and Cross-Defendant in this lawsuit, and its Chief National
14 Strategist Chris Faulkner. Hiring Majority Strategies and Mr. Faulkner was a mistake, as it
15 would be for anyone seeking public office.

16 2. Majority Strategies has gone to extraordinary efforts to attack and defame
17 Mr. Harris with lies and false accusations. However, in reality, it is Majority Strategies, its
18 Chief Executive Officer Brett Buerck, and Mr. Faulkner who defrauded the Campaign,
19 engaged in criminal misconduct (including theft and embezzlement of Campaign assets),
20 and violated their fiduciary duties to the Campaign and to its candidate Mr. Harris. This
21 conduct by Majority Strategies and Mr. Faulkner, as explained herein, is the very
22 definition of “unclean hands” – meaning Majority Strategies is not entitled to recover a
23 single penny from the Campaign, Mr. Harris, or Ms. Chen and, in fact, will be required to
24 disgorge every penny paid by the Campaign to Majority Strategies to date.

25 3. Majority Strategies and Mr. Faulkner defrauded the Campaign by failing to
26 disclose to the Campaign or to Mr. Harris that Mr. Faulkner would be receiving kickbacks
27 for steering Campaign expenditures to Majority Strategies and to other campaign vendors
28 working with Majority Strategies. This kickback scheme appears to be Majority

1 Strategies' business model, effectively designed to steal / embezzle Campaign funds.
2 Their scheme remained undisclosed to and unknown to the Campaign or Mr. Harris until
3 Majority Strategies produced documents in this lawsuit. They also lied to the Campaign
4 and Mr. Harris expenditures charged to the Campaign.

5 4. Mr. Faulkner steered Campaign expenditures exceeding \$650,000 towards
6 Majority Strategies in the first two months of working for the Campaign, which the
7 Campaign paid in full. When the Campaign and Mr. Harris expressed concern with
8 Majority Strategies' increasingly large proposed expenditures, as well as its work product
9 and Mr. Faulkner's advice and attitude, Mr. Faulkner failed to provide cogent answers,
10 threatened Mr. Harris with violence, and, eventually, quit the Campaign (he would later
11 return). It is believed and alleged that upon quitting the Campaign, and before returning,
12 he disclosed confidential information to third parties in hopes of derailing the Campaign
13 (which is a breach of his fiduciary duty and a breach of the parties' contract).

14 5. The disputed invoices from Majority Strategies remained unpaid. In
15 response, Majority Strategies and Mr. Faulkner employed a plan to extort payment and to
16 harm Mr. Harris's reputation. Fueled by greed and uncompromised by legal, ethical, or
17 moral boundaries, Majority Strategies and Mr. Faulkner hacked/took control of the
18 Campaign's website, deleted the Campaign's content, uploaded disparaging content
19 regarding Mr. Harris, and (through their attorneys) attempted to extort payment in
20 exchange for return of control of the website. Then they contacted reporters, disclosed
21 false and disparaging information about Mr. Harris, and successfully encouraged these
22 reporters to publish harmful articles about Mr. Harris. They made plans to contact
23 Mr. Harris' neighbors, friends, and supporters to make disparaging and derogatory
24 comments about Mr. Harris – they referred to the stages of their plan as (1) "Shot Across
25 the Bow"; (2) "Pearl Harbor"; and (3) "Nuclear." They filed the lawsuit against the
26 Campaign, Mr. Harris, and Cindy Chen, manufacturing false accusations and frivolous
27 claims relating to the parties' contract and alleged promises. Finally, their counsel of
28 record took photographs of Mr. Harris in public, posted those photographs on her social

1 media account, and made false and disparaging comments about him. Calling Majority
2 Strategies and Mr. Faulkner's conduct unprofessional is an understatement – it has been
3 and continues to be illegal, immoral, and unethical.

4 6. All of the conduct described in this cross-complaint by Majority Strategies
5 and its owners, management personnel, employees, and agents, including Mr. Faulkner,
6 was intentional, knowing, malicious and in conscious disregard for the rights of the
7 Campaign and Mr. Harris. And none of their acts and related liability are the result of
8 negligence.

9 7. The purpose of this Cross-Complaint is to bring Majority Strategies and Mr.
10 Faulkner to justice and to allow the Campaign to recover for the damages it suffered.

11 **PARTIES**

12 8. The Campaign is a California nonprofit mutual benefit corporation
13 headquartered in Los Angeles County, California.

14 9. Cross-Complainant is informed, believes, and based thereon alleges that
15 Majority Strategies is a Delaware limited liability company.

16 10. Cross-Complainant is informed, believes, and based thereon alleges that
17 Chris Faulkner is a resident of Los Angeles County, California.

18 11. ROES 1 through 60, inclusive, are fictitious names of cross-defendants
19 whose true names and capacities are, at this time, unknown to the Campaign. Cross-
20 Complainant is informed, believes, and based thereon alleges that each of the cross-
21 defendants designated herein as a ROE is in some manner legally responsible for the
22 damages and injuries alleged in this complaint. The ROE cross-defendants include, among
23 other parties, investors, managers, employees, contractors, subcontractors, and vendors
24 involved in Majority Strategies and/or the promotion of the Campaign. Cross-
25 Complainant sues those cross-defendants by such fictitious names pursuant to Civil
26 Procedure Code section 474 and will amend this complaint to show their true names and
27 capacities when they have been ascertained.
28

ALTER EGO ALLEGATIONS AND ROE DEFENDANTS 61-120

12. The true names or capacities of cross-defendants named and sued as ROES 61-120 are unknown to the Campaign. The Campaign is informed, believes and on that basis alleges that each of these fictitiously named cross-defendants is liable to the Campaign on the causes of action stated below because there exists a unity of interest and ownership between the ROE cross-defendant and the named cross-defendant and there will be an inequitable result if the named cross-defendant is treated as the sole actor. The Campaign will amend this complaint or seek to amend any judgment as permitted by law when the true names of said fictitiously named alter ego cross-defendants are ascertained.

JURISDICTION AND VENUE

13. Jurisdiction is proper under California Code of Civil Procedure section 410.10.

14. Venue is proper in this Court pursuant to California Code of Civil Procedure section 395(b) insofar as the contract was signed and services were performed in Los Angeles County, California.

FACTS COMMON TO ALL CAUSES OF ACTION

A. The Contract

1. In March 2018, Majority Strategies drafted a written agreement. The contract was entitled "Memorandum of Understanding" (the "MOU"). Attached as Exhibit A and incorporated by reference is a copy of the MOU.

2. Mr. Faulkner was Majority Strategies' point person regarding the negotiation of the MOU.

3. In the MOU, the parties to the contract were Mr. Harris, on the one hand, and Majority Strategies, on the other hand.

4. An addendum to the MOU (the "Addendum") contained provisions stating that Mr. Harris would promise to personally contribute \$7 million to the Campaign, stating "[f]or the avoidance of doubt, the total funding provided to the Campaign by Cole Harris will total \$7,000,000 by May 1, 2018."

1 5. Mr. Harris did not agree to be a party to the contract or to promise personal
2 contributions (or otherwise guarantee Campaign expenditures). Consequently, he refused
3 to sign it as drafted. Indeed, neither Mr. Harris nor Majority Strategies ever signed or,
4 otherwise, ratified the MOU.

5 6. Instead, Mr. Harris requested that the MOU be revised. First, the addendum
6 was revised, removing any reference to any personal contributions by Mr. Harris.
7 Mr. Faulkner confirmed via email to Mr. Harris that Mr. Harris had no obligation to make
8 any contributions. Attached as Exhibit B is a copy of the revised MOU with no reference
9 to personal contributions by Mr. Harris.

10 7. Next, Mr. Harris's name was removed as the party to the contract (listed as
11 the "Customer" in the document). In his place, the final draft of the contract replaced Mr.
12 Harris's name with the Campaign as the party to the contract, identifying the "Customer"
13 as "Cole Harris For Lt. Governor 2018." Mr. Faulkner later confirmed in writing (on
14 multiple occasions) that the agreement was between Majority Strategies and the
15 Campaign.

16 8. On or about March 13, 2018, after some other changes were made,
17 Mr. Harris signed the revised agreement on behalf of the Campaign and Mr. Faulkner
18 signed the revised agreement on behalf of Majority Strategies. The Campaign is informed,
19 believes, and on that basis alleges that Mr. Faulkner was expressly authorized to sign the
20 agreement on Majority Strategies' behalf and bind the company to the terms therein.
21 Attached as Exhibit C and incorporated by reference is a copy of the parties' final written
22 agreement (the "Agreement").

23 9. The Agreement contains a number of provisions relevant to this Cross-
24 Complaint.

25 a. Paragraph 1 states, in relevant part: "All work will be done in a good
26 and workmanlike manner..."

27 b. Paragraph 4 states, in relevant part: "Absent any explicit written
28 agreement to the contrary, the Campaign retains and reserves the

1 rights of exclusive ownership and use of any copy, product,
2 publication, or any facsimile thereof which may result from Majority
3 Strategies' creativity, except for pre-existing materials purchased by
4 Majority Strategies for Campaign. Majority Strategies and Campaign
5 agree that the work performed will be considered a 'work for hire'
6 for the purpose of the United States Copyright law, 17 U.S.C. § 101
7 et seq. and that, accordingly, Campaign is the owner of all copyright
8 rights in the work. (Emphasis added.) Majority Strategies hereby
9 assigns any and all property and exclusive ownership rights in
10 Majority Strategies work to Campaign."

11 c. Paragraph 8 of the Complaint states in relevant part: "Majority
12 Strategies agrees to keep confidential all material and information
13 therein received from Customer... Each Party shall protect the
14 other's Confidential Information from unauthorized dissemination
15 and use the same degree of care that such party uses to protect its own
16 like information. Neither party shall disclose to third parties the
17 other's Confidential Information without the prior written consent of
18 the other party. Neither party shall use the other's Confidential
19 Information for purposes other than those necessary to directly
20 further the purposes of this Agreement."

21 d. Paragraph 12 provides, in relevant part: "Majority Strategies agrees
22 not to communicate, directly or indirectly, with any member of the
23 news media on behalf of, for, or about Customer or Campaign,
24 without the express advance consent of Customer [sic] or
25 Campaign."

26 e. Paragraph 13 provides, in relevant part: "Majority Strategies agrees
27 that, during the course of this agreement and until the earlier of
28 November 6, 2018, or the date of Cole Harris' public announcement

of his withdrawal or the suspension of his campaign for statewide office, it will not perform services for any political committee, entity, or individual that opposes Cole Harris or supports any other California statewide candidate without the prior written consent of the Campaign.”

f. Addendum B provides, in relevant part: “I shall not share [confidential or proprietary] materials or information with any outside individuals whatsoever, including members of the media, unless granted explicit written permission by Campaign.” The addendum was signed by Mr. Faulkner.

B. Majority Strategies’ Apparent Business Model – Fleecing Campaigns

10. Based upon the evidence, it appears that Majority Strategies’ business model is (1) to induce a campaign or candidate to enter into a contract to perform various political advertising services, (2) to induce the campaign or candidate to install one of Majority Strategies’ operatives/employees in a position on the campaign staff with power and authority regarding distribution of campaign funds, (3) to give kickbacks to its operative for expenditures steered towards Majority Strategies (such as website development, ad buys, direct mail, etc.), (4) to induce campaigns to choose advertising services where Majority Strategies’ profit margin is the largest; (5) to inflate/falsify the cost of expenditures to generate a larger profit; and (6) to defraud Campaign and candidates about the cost of expenditures and the validity of invoices.

11. The Campaign is informed and believes that this is how Majority Strategies has treated other political campaigns, including but not limited to Ohio Conservatives For A Change.

C. Conspiracy to Defraud the Campaign

12. Paragraph 11 of the Agreement states that “Majority Strategies’ employee, Chris Faulkner, will have authority over the entire campaign and all its operations. Furthermore, Chris Faulkner will be empowered by the Customer and Campaign to

1 authorize payments, expenditures and advertising for every aspect of the Campaign.”

2 13. According to documents produced by Majority Strategies in this lawsuit,
3 Majority Strategies falsified expenses to the Campaign, inflated charges, and conspired to
4 deceive and defraud the Campaign regarding those expenditures (the “Fraudulent
5 Charges”). For example, shortly after the execution of the Agreement, Mr. Harris asked
6 Mr. Faulkner whether or not Majority Strategies charged a placement fees or otherwise
7 inflated advertising expenditures.

8 14. In response, Majority Strategies and Mr. Faulkner conspired to defraud the
9 Campaign and Mr. Harris. Rather than being transparent and telling Mr. Faulkner to tell
10 the Campaign and Mr. Harris the truth, Majority Strategies told Mr. Faulkner not to
11 conceal the truth: “Don’t tell the client what our margin is. If they’re prying, give me a
12 call real quick to fully understand the context and what you’ll need to say.” Attached as
13 Exhibit D and incorporated herein by reference is a copy of the March 20, 2018 email
14 chain containing this exchange between Mr. Faulkner and Majority Strategies. The
15 portion redacted is the upcharge, which Majority Strategies contends is confidential.

16 15. The Campaign and Mr. Harris would continue to press Mr. Faulkner for
17 answers regarding the placement fees. In response, Mr. Faulkner lied, stating the fees
18 were far less than actually being charged.

19 16. According to other documents produced by Majority Strategies in this
20 lawsuit, Mr. Faulkner received kickbacks on Campaign spending, which Majority
21 Strategies called “commissions.” Attached as Exhibit E and incorporated herein by
22 reference is a Majority Strategies’ internal email chain referencing the kickbacks (the
23 “Kickbacks”).

24 17. For context, Mr. Faulkner was hired to provide unbiased and objective
25 advice regarding Campaign political advertising expenditures. Neither Majority Strategies
26 nor Mr. Faulkner ever informed the Campaign or Mr. Harris of these Kickbacks, which
27 were designed to motivate Mr. Faulkner to increase Campaign expenditures and were
28 designed to increase profits to Majority Strategies. If either Majority Strategies or

1 Mr. Faulkner had disclosed this scheme, the Campaign would not have entered the
2 Agreement, hired Mr. Faulkner, or given him any input on Campaign expenditures.

3 18. The Kickbacks scheme clearly motivated Mr. Faulkner to increase rather
4 than preserve Campaign expenditures. In addition, the Kickbacks clearly motivated him to
5 direct those expenditures towards Majority Strategies.

6 19. With Mr. Faulkner's assistance, Majority Strategies was able to induce the
7 Campaign to pay approximately \$665,000 to Majority Strategies, all in the first two
8 months of the Campaign alone. Majority Strategies apparently kicked back a portion of
9 these amounts to Mr. Faulkner. The amount of the Kickbacks is currently unknown.

10 **D. The Dispute**

11 20. As the campaign dragged on into April and May, Mr. Faulkner kept pressing
12 to increase expenditures. Eventually, Mr. Faulkner's advice, spending recommendations,
13 and attitude caused the Campaign to question and confront Majority Strategies and
14 Mr. Faulkner about their work on the Campaign.

15 21. When confronted, Mr. Faulkner had no answers, and certainly did not
16 disclose that he had actively defrauded the Campaign or that he had received kickbacks
17 from Campaign expenditures. Instead, he threatened Mr. Harris with violence. Given the
18 manner in which Mr. Faulkner attempts to portray himself in the business environment,
19 his threats of violence represent a significant concern. Attached as Exhibit F is a
20 photograph of Mr. Faulkner, that was located on his biography page on the Majority
21 Strategies' website. The photograph was removed from Majority Strategies' website after
22 the filing of this lawsuit and replaced with a photograph of Mr. Faulkner in business attire.

23 22. Shortly after threatening Mr. Harris, Mr. Faulkner quit the Campaign.

24 23. Eventually, Majority Strategies begged the Campaign to let Mr. Faulkner
25 return (undoubtedly to continue the conspiracy to defraud). The Campaign, which did not
26 yet know about the conspiracy, the Kickbacks, or the Fraudulent Charges agreed to let
27 him return so the parties could finish out the campaign.

28 24. During the time Mr. Faulkner was away from the Campaign, or perhaps

1 while working on the Campaign, the Campaign is informed and believes that he disclosed
2 information to third parties in violation of the Agreement (and his fiduciary obligations to
3 the Campaign) to cause harm to the Campaign and to Mr. Harris. The confidential
4 information included information regarding Mr. Harris's family and family members.

5 **C. Majority Strategies Steals Campaign Assets and Extorts The Campaign**

6 25. The Campaign continued to dispute Majority Strategies' charges and, as a
7 result, the related invoices remained unpaid.

8 26. In response, Majority Strategies engaged in an assortment of illegal,
9 unethical, and immoral acts. Majority Strategies would later call it the "Plan."

10 27. The Plan had two express purposes (according to documents produced by
11 Majority Strategies in this case): (1) to harm Mr. Harris's reputation, politically and
12 otherwise, and (2) to extort payment of money from Mr. Harris or the Campaign.

13 28. Before Majority Strategies entered the picture, and with assistance of certain
14 other vendors, the Campaign purchased the domain name for its website,
15 www.harrisforcalifornia.com (the "Website"), and created the content for the Website.
16 The Website was completed and went live in or about March 2018. The Campaign owned
17 the Website. When Majority Strategies entered the picture, Majority Strategies' agreed to
18 maintain the website, using its in-house web developers. To allow Majority Strategies to
19 maintain the Website, the Campaign provided Majority Strategies with the login and
20 password information.

21 29. Majority Strategies continued to maintain login and password information
22 for the Website during the remainder of the election. However, the Campaign also had the
23 login and password information, as it was the owner of the Website.

24 30. On or about June 16, 2018, Majority Strategies decided to use the
25 Campaign's website to extort payment of funds and to try to harm Mr. Harris. So,
26 Majority Strategies first removed the Campaign's access to the Website. Attached as
27 Exhibit G and incorporated herein by reference is a Majority Strategies' internal email
28 discussing the decision to cut off the Campaign's access to the Website.

1 31. Then, Majority Strategies and Mr. Faulkner decided to remove the
2 Campaign-approved content on the Website, generate the new content, and upload that
3 new content. Attached as Exhibit H and Exhibit I incorporated herein by reference are
4 email communications between and among Majority Strategies employees, including
5 Messrs. Buerck and Faulkner, regarding these acts. Attached as Exhibit J and incorporated
6 herein by reference is the original version of the Website. Attached as Exhibit K and
7 incorporated herein by reference is the version of the Website after Majority Strategies'
8 altered it to harm and extort Mr. Harris. The unlawful version of the Website went live in
9 early September 2018.

10 32. In September 2018, and in subsequent communications, the Campaign
11 contacted Majority Strategies and requested that it provide to the Campaign the login and
12 password information for the Campaign's Website, remove the disparaging content, and
13 return to the Campaign the approved content. Attached as Exhibit L and incorporated
14 herein by reference is a copy of the original demand letter.

15 33. In response to that letter, Majority Strategies (through its legal counsel)
16 claimed ignorance regarding the changes to the Website. However, counsel explained that
17 the company "can facilitate the transfer of" the information requested. However, Majority
18 Strategies explained it would not agree to return the Website unless Majority Strategies
19 got paid. Attached as Exhibit M is a copy of a relevant email communication documenting
20 the demand for money.

21 34. To this date, and despite repeated requests, Majority Strategies and
22 Mr. Faulkner continues to refuse to return all of the demanded property, apparently in a
23 continued effort to extort payment from the Campaign.

24 35. Majority Strategies' "plans" did not stop there. The plans included
25 contacting the media, including the *Los Angeles Times*, among others, to run negative
26 articles regarding Mr. Harris and disclosing privileged information to third parties
27 (including the media). They also had three other ideas, which they called (1) "Shot Across
28 the Bow"; (2) "Pearl Harbor"; and (3) "Nuclear." These included direct mail to Mr.

1 Harris's neighbors, as well as GOP legislators and donors, plus Facebook ads, retargeting
2 ads using cookies from the Campaign website, among other things. Attached as Exhibit N
3 and incorporated herein by reference is a copy of the plans, produced by Majority
4 Strategies in discovery in this action.

5 **E. Majority Strategies' False Statements and Disparagement Continue**

6 36. In October 2018, Majority Strategies decided to file this lawsuit against the
7 Campaign, Mr. Harris and Ms. Chen. The lawsuit is packed with false statements,
8 particularly about the contract between the parties and the alleged promises by Mr. Harris
9 and Ms. Chen. However, the complaint effects Majority Strategies' overall design – to
10 disparage Mr. Harris and to extort a settlement.

11 37. After filing the lawsuit, Majority Strategies' counsel of record continued the
12 assault. Among other things, she took photographs of Mr. Harris at a political function
13 and falsely accused Mr. Harris of being a philanderer, claiming someone next to
14 Mr. Harris was his "side chick." This young woman – the so-called "side-chick" – was
15 merely the daughter of one of the other attendees at the function. It is unfortunate that this
16 young woman had to be the victim of this abusive and derogatory accusation. Attached as
17 Exhibit O is a copy of the relevant public statements by counsel of record (partially
18 redacted).

19 **FIRST CAUSE OF ACTION**

20 **For Breach of Contract**

21 **(Against Majority Strategies and ROES 1-10 and 61-70)**

22 38. The Campaign realleges and incorporates by reference, as though fully set
23 forth herein, all of the preceding paragraphs in this cross-complaint.

24 39. The Campaign and Majority Strategies are parties to the Agreement.

25 40. The Campaign has performed all material obligations under the Agreement
26 or was otherwise excused from performance.

27 41. The Campaign is informed, believes, and based thereon alleges that
28 Majority Strategies breached numerous provisions of the Agreement by, among other

1 things, performing substandard work (breaching Paragraph 1 of the Agreement); failing to
2 deliver to the Campaign administrative control of the Website (breaching Paragraph 4 of
3 the Agreement); making unauthorized deletions, changes, or additions to the Campaign's
4 Website (breaching Paragraph 6 of the Agreement); disclosing the Campaign's
5 confidential information without authority (breaching Paragraph 8 of the Agreement);
6 communicating directly and indirectly with news media about the Campaign without the
7 Campaign's consent (breaching Paragraph 12 of the Agreement); performing services for
8 individuals who opposed Mr. Harris or supported any other California statewide candidate
9 (breaching Paragraph 13 of the Agreement); and sharing confidential or proprietary
10 materials or information with outside individuals without the Campaign's permission
11 (breaching Addendum B of the Agreement).

12 42. The Campaign is informed, believes, and based thereon alleges that it has
13 suffered economic and non-economic damages in excess of the Court's jurisdictional
14 limits, in an amount according to proof at trial.

15 43. The Campaign is informed, believes, and based thereon alleges that
16 Majority Strategies' breaches were substantial factors in causing the Campaign's
17 damages.

18 44. The Campaign is informed, believes, and based thereon alleges that ROES
19 61-70 are liable for the acts described herein, in their capacity as Majority Strategies' alter
20 ego.

21 **SECOND CAUSE OF ACTION**

22 **For Fraudulent Concealment**

23 **(Against Majority Strategies, Mr. Faulkner, and ROES 11-20 and 71-80)**

24 45. The Campaign realleges and incorporates by reference, as though fully set
25 forth herein, all of the preceding paragraphs in this cross-complaint.

26 46. Majority Strategies and Mr. Faulkner, and ROES 11 through 20 and ROES
27 71 through 80 concealed or suppressed a material fact. The facts concealed and/or
28 withheld include the Kickbacks and the Fraudulent Charges.

1 47. Majority Strategies and Mr. Faulkner, and ROES 11 through 20 and ROES
2 71 through 80 had a duty to disclose the fact to the Campaign.

3 48. The Campaign is informed, believes, and on that basis alleges that Majority
4 Strategies and Mr. Faulkner, and ROES 11 through 20 and ROES 71 through 80 intended
5 to defraud the plaintiff by intentionally concealing or suppressing the fact.

6 49. The Campaign was unaware of the concealed and undisclosed fact and
7 would not have signed the Agreement or continued to work with Majority Strategies,
8 Mr. Faulkner, or ROES 11 through 20 and ROES 71 through 80 if it had known of the
9 concealed or suppressed fact.

10 50. The Campaign has sustained damage as a result of the concealment or
11 suppression of the fact, including the payments of in excess of \$650,000 to Majority
12 Strategies.

13 51. The Campaign is informed, believes, and on that basis alleges that the
14 conduct of Majority Strategies, Mr. Faulkner, and ROES 11 through 20 and ROES 71
15 through 80 was oppressive and malicious and in conscious disregard of the rights of the
16 Campaign. By reason thereof, the Campaign is entitled to recover, and hereby requests to
17 recover, an award of punitive and exemplary damages against Majority Strategies in an
18 amount to be proven at trial.

19 52. The Campaign is informed, believes, and based thereon alleges that ROES
20 71 through 80 are liable for the acts described herein in their capacity as Majority
21 Strategies' alter ego.

22 **THIRD CAUSE OF ACTION**

23 **For Fraudulent Inducement**

24 **(Against Majority Strategies, Mr. Faulkner, and ROES 21-30 and 81-90)**

25 53. The Campaign realleges and incorporates by reference, as though fully set
26 forth herein, all of the preceding paragraphs in this cross-complaint.

27 54. Majority Strategies, Mr. Faulkner, and ROES 21 through 30 and ROES 81
28 through 90 concealed and/or suppressed a material fact. The facts concealed and/or

1 withheld include the Kickbacks and the Fraudulent Charges.

2 55. Majority Strategies and Mr. Faulkner, and ROES 21 through 30 and ROES
3 81 through 90 had knowledge (scienter) of the undisclosed or concealed fact that they
4 chose not to disclose and to conceal. The Campaign is informed, believes, and on that
5 basis alleges that Majority Strategies and Mr. Faulkner, and ROES 21 through 30 and
6 ROES 81 through 90 intended to defraud the plaintiff by intentionally concealing or
7 suppressing the fact.

8 56. Majority Strategies, Mr. Faulkner, and ROES 21 through 30 and ROES 81
9 through 90 had a duty to disclose the fact to the Campaign.

10 57. The Campaign justifiably relied on terms of the Agreement as had been
11 presented to the Campaign by Majority Strategies and that Mr. Faulkner would not be
12 motivated by the undisclosed Kickbacks and would not act upon this motivation and
13 receive those undisclosed Kickbacks from Majority Strategies.

14 58. The Campaign was unaware of the concealed and undisclosed fact and
15 would not have signed the Agreement or continued to work with Majority Strategies,
16 Mr. Faulkner, or ROES 21 through 30 and ROES 81 through 90 if it had known of the
17 concealed or suppressed fact.

18 59. The Campaign has sustained damage as a result of the concealment or
19 suppression of the fact, including the payments of in excess of \$650,000 to Majority
20 Strategies.

21 60. The Campaign is informed, believes, and on that basis alleges that the
22 conduct of Majority Strategies and Mr. Faulkner, and ROES 21 through 30 and ROES 81
23 through 90 was oppressive and malicious and in conscious disregard of the rights of the
24 Campaign. By reason thereof, the Campaign is entitled to recover, and hereby requests to
25 recover, an award of punitive and exemplary damages against Majority Strategies in an
26 amount to be proven at trial.

27 61. The Campaign is informed, believes, and based thereon alleges that ROES
28 81 through 90 are liable for the acts described herein in their capacity as Majority

Strategies' alter ego.

FOURTH CAUSE OF ACTION

For Breach of Fiduciary Duty

(Against Majority Strategies, Mr. Faulkner, and ROES 31-40 and 91-100)

62. The Campaign realleges and incorporates by reference, as though fully set forth herein, all of the preceding paragraphs in this cross-complaint.

63. In its capacity as the Campaign's agent and representative, Majority Strategies owed, at all times relevant, a fiduciary duty to the Campaign.

64. The Campaign is informed, believes, and based thereon alleges that Majority Strategies breached its fiduciary duty to the Campaign, including the duty of loyalty and confidentiality, by, among other things, converting the Campaign's Website, converting and/or destroying Campaign property, posting disparaging comments on the Website without the Campaign's consent, preventing the Campaign's access to the Website, refusing to return Campaign property to the Campaign, including the Website and its content, upon the Campaign's request, and disclosing confidential information to third parties.

65. The Campaign suffered damages.

66. The Campaign is informed, believes, and based thereon alleges that Majority Strategies' breach of its fiduciary duty to the Campaign was a substantial factor in causing the damages to the Campaign.

67. Majority Strategies' conduct was oppressive and malicious and in conscious disregard of the rights of the Campaign. By reason thereof, the Campaign is entitled to recover, and hereby requests to recover, an award of punitive and exemplary damages against Majority Strategies in an amount to be proven at trial.

68. The Campaign is informed, believes, and based thereon alleges that ROES 91-100 are liable for the acts described herein in their capacity as Majority Strategies' alter ego.

FIFTH CAUSE OF ACTION

For Conversion

(Against Majority Strategies and ROES 41-50 and 101-110)

69. The Campaign realleges and incorporates by reference, as though fully set forth herein, all of the preceding paragraphs in this cross-complaint.

70. At all relevant times, the Campaign owned its Website and all intellectual property rights therein, including all content on the Website that was approved by the Campaign.

71. The Campaign is informed, believes, and based thereon alleges that Majority Strategies intentionally and substantially took possession of the Website, deleted the Campaign's content on the Website, posted unapproved disparaging comments on the Website, prevented the Campaign from obtaining access to the Website and its content, and refused to return the Website and its content after the Campaign demanded its return. In addition, via the Kickbacks and Fraudulent Charges, Majority Strategies and the Campaign converted and/or embezzlement Campaign funds.

72. The Campaign requested the return of the converted property, including the original approved content that was on the Website. Majority Strategies refused to return the content, despite the repeated requests from the Campaign.

73. The Campaign suffered damages.

74. Majority Strategies' conversion of the Website and the original approved content therein was a substantial factor in causing the Campaign damages, in an amount to be proven at trial.

75. Majority Strategies' conduct was oppressive and malicious and in conscious disregard of the rights of the Campaign. By reason thereof, the Campaign is entitled to recover, and hereby requests an award of punitive and exemplary damages in an amount to be proven at trial.

76. The Campaign is informed, believes, and based thereon alleges that ROES 101 through 110 are liable for the acts described herein in their capacity as Majority

Strategies' alter ego.

SIXTH CAUSE OF ACTION

For Trespass to Chattels

(Against Majority Strategies and ROES 51-60 and 111-120)

77. The Campaign realleges and incorporates by reference, as though fully set forth herein, all of the preceding paragraphs in this cross-complaint.

78. At all relevant times, the Campaign owned its Website and all intellectual property rights to the Website and the original approved content on the Website.

79. The Campaign is informed, believes, and based thereon alleges that Majority Strategies intentionally and substantially interfered with the Website without the Campaign's consent, by taking possession of the Website, posting false and disparaging content on the Website, preventing the Campaign from obtaining access to the Website, and refusing to return the Website after the Campaign demanded its return.

80. The Campaign is informed, believes, and based thereon alleges that Majority Strategies destroyed and/or deleted the original approved content, thereby damaging the Campaign's property.

81. The Campaign suffered damages.

82. Majority Strategies' interference with the Website and damage to Campaign property was a substantial factor in causing the Campaign's damages, in an amount to be proven at trial.

83. The Campaign is informed, believes, and based thereon alleges that ROES 111 through 120 are liable for the acts described herein in their capacity as Majority Strategies' alter ego.

PRAYER FOR RELIEF

WHEREFORE, Cross-Claimant prays for judgment as follows:

1. For compensatory damages against Majority Strategies, Mr. Faulkner, and ROES 1 through 120 in an amount to be proven at trial;

2. For a constructive trust of the Campaign-approved content previously

1 removed from the Website by Majority Strategies;

2 3. For a constructive trust of the payments made by the Campaign to Majority
3 Strategies in an approximate amount of \$665,000;

4 4. For disgorgement from Majority Strategies of the above-referenced
5 \$665,000;

6 5. For return of the original content from Majority Strategies of the
7 Campaign's Website that Majority Strategies removed;

8 5. For punitive damages against Majority Strategies, Mr. Faulkner, and ROES
9 11 through 60 and ROES 71 through 120 under causes of action two, three, four, and five;

10 6. For costs of suit;

11 7. For interest at the legal rate; and

12 8. For any and all further relief that this court may deem just and proper.

13 Dated: August 30, 2019

DAILY ALJIAN LLP

14 By: 

15 Reed Aljian
16 Attorneys for Cross-Complainant
17 COLE HARRIS FOR LT.
18 GOVERNOR 2018, INC.
19
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JURY TRIAL DEMAND

Cross-Claimant Cole Harris for Lt. Governor 2018, Inc. hereby demands a trial by jury.

Dated: August 30, 2019

DAILY ALJIAN LLP

By: 

Reed Aljian

Attorneys for Cross-Complainant
COLE HARRIS FOR LT.
GOVERNOR 2018, INC.

EXHIBIT A

Memorandum of Understanding (MoU)

Cole Harris ("Customer") has selected Majority Strategies, LLC and its subsidiaries (collectively as "Majority Strategies") to assist with its campaign. The "Campaign" herein is Cole Harris' campaign for California Lieutenant Governor 2018. Customer is electing to use Majority Strategies for influence marketing services and agrees to pay the corresponding amounts for these services as invoiced within 15 days, unless otherwise agreed upon.

1. All work will be done in a good and workmanlike manner in accordance with this contract and Majority Strategies shall be entitled to rely on instructions given by the following designee(s) for the customer:

2. Majority Strategies retains the sole responsibility over its staffing on this project and shall direct the manner in which the services are delivered as well as provide the necessary equipment, tools, materials, and supplies necessary to perform these services.

3. Majority Strategies represents to the Campaign that it is knowledgeable of the Campaign's potential compliance and legal obligations pursuant to the Federal Election Campaign Act of 1971, as amended ("FECA"), the Political Reform Act, and agrees to comply with all applicable laws in respect to the performance of the services under this agreement and to consult with the Campaign's legal counsel in the event Majority Strategies has questions regarding the application of any provision of law to Majority Strategies' services for the Campaign. Majority Strategies agrees to perform in accordance with FECA and in accordance with the customs and practices of the industry, but it expressly excludes additional guarantees, warranties or representations. Customer understands that Majority Strategies will not be responsible for any indirect or consequential damages, and its sole liability is limited to the reasonable costs of correcting any errors found within any agreed upon menu products.

4. Absent any explicit written agreement to the contrary which has been executed between Majority Strategies and Campaign, signed by an authorized representative of Customer, and appended hereto, Campaign retains and reserves the rights of exclusive ownership and use of any copy, product, publication, or any facsimile thereof which may result from Majority Strategies' creativity, except for pre-existing materials purchased by Majority Strategies for Campaign. Majority Strategies and Campaign agree that the work performed will be considered a "work for hire" for the purpose of the United States Copyright law, 17 U.S.C. § 101 et seq. and that, accordingly, Campaign is the owner of all copyright rights in the work. Majority Strategies hereby assigns any and all property and exclusive ownership rights in Majority Strategies work to Campaign. Customer agrees that Majority Strategies owns all data collected by Majority Strategies provided by Majority Strategies for use in the campaign. Customer agrees that its use of the creative content shall be solely for this campaign and that Customer will not use the creative or data in the future without Majority Strategies permission.

5. Majority Strategies shall not be responsible for unavoidable delays beyond its control including, but not limited to, acts of terror, labor stoppages, strikes, fire or acts of God.

6. Majority Strategies shall be defended, indemnified and held harmless by the customer against any and all claims, losses, damages, expenses or judgments for any claimed acts of alleged libel, copyright infringements, plagiarism, invasion of privacy or civil rights or for any other claim which results from the items produced under to this contract. Likewise, Majority Strategies shall indemnify, hold harmless and defend the customer from any similar claims which arise out of unauthorized deletions, changes, or additions made by its staff to materials supplied by the customer.

7. It is understood that Majority Strategies is an independent contractor in the performance of this agreement and not an employee of the customer. Nothing contained herein shall be construed to imply an employment, joint venture or principal and agent relationship between the parties. Neither party shall have any right, power or authority to create any obligation, express or implied, on behalf of the other, other than as specified in paragraph 11 below.

8. Majority Strategies agrees to keep confidential all material and information therein received from Customer, including but not limited to supporter lists, mail files, polling information, email/phone number data or other such information provided by the Customer to Majority Strategies to assist with the campaign. Each party shall protect the other's Confidential Information from unauthorized dissemination and use the same degree of care that such party uses to protect its own like information. Neither party shall disclose to third parties the other's Confidential Information without the prior written consent of the other party. Neither party shall use the other's Confidential Information for purposes other than those necessary to directly further the purposes of this Agreement.

Memorandum of Understanding (MoU)

9. Majority Strategies will be the sole provider of direct mail, digital, and mobile advertising for the duration of the Customer's campaign.

10. Majority Strategies' employee, Chris Faulkner, shall serve in the role of Senior Advisor to the Customer's campaign and work in conjunction with the Customer and the General Consultant (Ryan Erwin) in all areas of campaign strategy, day-to-day operations and communications.

11. Chris Faulkner will have authority over the entire campaign and all its operations. Furthermore, Chris Faulkner will be empowered by the Customer and Campaign to authorize payments, expenditures and advertising for every aspect of the Campaign.

12. Majority Strategies agrees not to communicate, directly or indirectly, with any member of the news media on behalf of, for, or about Customer or Campaign, without the express advance consent of Customer or Campaign.

13. Majority Strategies agrees that, during the course of this agreement and until the earlier of November 6, 2018, or the date of Cole Harris' public announcement of his withdrawal or the suspension of his campaign for statewide office, it will not perform services for any political committee, entity, or individual in direct opposition of Cole Harris or supports any other California Lieutenant Governor 2018 candidate without the prior written consent of the Campaign.

14. This Agreement shall take effect under and be governed by the laws of the State of California.

Memorandum of Understanding (MoU)

Addendum

15. *With regard to operating budget of the Campaign, the Cole Harris must fund the Campaign personally in the following amounts:*
- \$1,000,000 on March 1, 2018;*
 - An additional \$1,000,000 on or before March 15, 2018;*
 - An additional \$2,000,000 on or before April 1, 2018;*
 - An additional \$2,000,000 on or before April 15, 2018; and*
 - An additional \$1,000,000 on or before May 1, 2018.*
 - For the avoidance of doubt, the total funding provided to the Campaign by Cole Harris will total \$7,000,000 by May 1, 2018.*
 - If any of these funding stipulations are not met, that shall result in a breach of contract by the Customer.*
16. *Majority Strategies shall receive a Management Fee for its' services as Senior Advisor on the Campaign. The Mangement Fees due to Majority Strategies are as follows:*
- \$25,000 due on March 1, 2018;*
 - \$25,000 due on or before April 1, 2018 for services performed in March;*
 - \$25,000 due on or before May 1, 2018 for services performed in April;*
 - \$25,000 due on or before June 1, 2018 for services performed in May; and*
 - \$25,000 due on or before July 1, 2018, for services perfomed in June;*
 - For the avoidance of doubt, the total Management Fees due to Majority Strategieis for services performed through June 2018 shall be \$125,000.*
 - If any of these Management Fees not be provided as outlined, that shall result in a breach of contract by the Customer.*
17. *Should Cole Harris finish as one of the top two candidates in the California Statewide Direct Primary Election on June 5, 2018, the Customer shall provide a \$75,000 bonus to Majority Strategies.*
18. *The Customer and the Customer's associated campaigns shall hold harmless and indemnify Chris Faulkner and Majority Strategies, and their attorneys, employees, agents and subcontractors against any and all claims, suits, actions, costs, counsel fees through the highest level of appeal and any matters remanded therefrom, expert witness fees, expenses, damages, judgments and decrees, brought by reason of any person or property alleging injury or damage, directly or indirectly, from any and all any actions or conduct, directly or indirectly, related to the Campaign or activities related to the Campaign.*

The parties hereto agree to all of the foregoing as of this date: _____

Print: _____
CUSTOMER

Print: _____
MAJORITY STRATEGIES

EXHIBIT B

Memorandum of Understanding (MoU)

Cole Harris ("Customer") has selected Majority Strategies, LLC and its subsidiaries (collectively as "Majority Strategies") to assist with its campaign. The "Campaign" herein is Cole Harris' campaign for California Lieutenant Governor 2018. Customer is electing to use Majority Strategies for influence marketing services and agrees to pay the corresponding amounts for these services as invoiced within 15 days, unless otherwise agreed upon.

1. All work will be done in a good and workmanlike manner in accordance with this contract and Majority Strategies shall be entitled to rely on instructions given by the following designee(s) for the customer:

2. Majority Strategies retains the sole responsibility over its staffing on this project and shall direct the manner in which the services are delivered as well as provide the necessary equipment, tools, materials, and supplies necessary to perform these services.

3. Majority Strategies represents to the Campaign that it is knowledgeable of the Campaign's potential compliance and legal obligations pursuant to the Federal Election Campaign Act of 1971, as amended ("FECA"), the Political Reform Act, and agrees to comply with all applicable laws in respect to the performance of the services under this agreement and to consult with the Campaign's legal counsel in the event Majority Strategies has questions regarding the application of any provision of law to Majority Strategies' services for the Campaign. Majority Strategies agrees to perform in accordance with FECA and in accordance with the customs and practices of the industry, but it expressly excludes additional guarantees, warranties or representations. Customer understands that Majority Strategies will not be responsible for any indirect or consequential damages, and its sole liability is limited to the reasonable costs of correcting any errors found within any agreed upon menu products.

4. Absent any explicit written agreement to the contrary which has been executed between Majority Strategies and Campaign, signed by an authorized representative of Customer, and appended hereto, Campaign retains and reserves the rights of exclusive ownership and use of any copy, product, publication, or any facsimile thereof which may result from Majority Strategies' creativity, except for pre-existing materials purchased by Majority Strategies for Campaign. Majority Strategies and Campaign agree that the work performed will be considered a "work for hire" for the purpose of the United States Copyright law, 17 U.S.C. § 101 et seq. and that, accordingly, Campaign is the owner of all copyright rights in the work. Majority Strategies hereby assigns any and all property and exclusive ownership rights in Majority Strategies work to Campaign. Customer agrees that Majority Strategies owns all data collected by Majority Strategies provided by Majority Strategies for use in the campaign. Customer agrees that its use of the creative content shall be solely for this campaign and that Customer will not use the creative or data in the future without Majority Strategies permission.

5. Majority Strategies shall not be responsible for unavoidable delays beyond its control including, but not limited to, acts of terror, labor stoppages, strikes, fire or acts of God.

6. Majority Strategies shall be defended, indemnified and held harmless by the customer against any and all claims, losses, damages, expenses or judgments for any claimed acts of alleged libel, copyright infringements, plagiarism, invasion of privacy or civil rights or for any other claim which results from the items produced under to this contract. Likewise, Majority Strategies shall indemnify, hold harmless and defend the customer from any similar claims which arise out of unauthorized deletions, changes, or additions made by its staff to materials supplied by the customer.

7. It is understood that Majority Strategies is an independent contractor in the performance of this agreement and not an employee of the customer. Nothing contained herein shall be construed to imply an employment, joint venture or principal and agent relationship between the parties. Neither party shall have any right, power or authority to create any obligation, express or implied, on behalf of the other, other than as specified in paragraph 11 below.

8. Majority Strategies agrees to keep confidential all material and information therein received from Customer, including but not limited to supporter lists, mail files, polling information, email/phone number data or other such information provided by the Customer to Majority Strategies to assist with the campaign. Each party shall protect the other's Confidential Information from unauthorized dissemination and use the same degree of care that such party uses to protect its own like information. Neither party shall disclose to third parties the other's Confidential Information without the prior written consent of the other party. Neither party shall use the other's Confidential Information for purposes other than those necessary to directly further the purposes of this Agreement.

Memorandum of Understanding (MoU)

9. Majority Strategies will be the sole provider of direct mail, digital, and mobile advertising for the duration of the Customer's campaign.

10. Majority Strategies' employee, Chris Faulkner, shall serve in the role of Senior Advisor to the Customer's campaign and work in conjunction with the Customer and the General Consultant (Ryan Erwin) in all areas of campaign strategy, day-to-day operations and communications.

11. Chris Faulkner will have authority over the entire campaign and all its operations. Furthermore, Chris Faulkner will be empowered by the Customer and Campaign to authorize payments, expenditures and advertising for every aspect of the Campaign.

12. Majority Strategies agrees not to communicate, directly or indirectly, with any member of the news media on behalf of, for, or about Customer or Campaign, without the express advance consent of Customer or Campaign.

13. Majority Strategies agrees that, during the course of this agreement and until the earlier of November 6, 2018, or the date of Cole Harris' public announcement of his withdrawal or the suspension of his campaign for statewide office, it will not perform services for any political committee, entity, or individual in direct opposition of Cole Harris or supports any other California Lieutenant Governor 2018 candidate without the prior written consent of the Campaign.

14. This Agreement shall take effect under and be governed by the laws of the State of California.

Memorandum of Understanding (MoU)

Addendum

15. *Majority Strategies shall receive a Management Fee for its' services as Senior Advisor on the Campaign. The Mangement Fees due to Majority Strategies are as follows:*
- a. *\$25,000 due on March 1, 2018;*
 - b. *\$25,000 due on or before April 1, 2018 for services performed in March;*
 - c. *\$25,000 due on or before May 1, 2018 for services performed in April;*
 - d. *\$25,000 due on or before June 1, 2018 for services performed in May; and*
 - e. *\$25,000 due on or before July 1, 2018, for services perfromed in June;*
 - f. *For the avoidance of doubt, the total Management Fees due to Majority Straiteigies for services performed through June 2018 shall be \$125,000.*
 - g. *If any of these Management Fees not be provided as outlined, that shall result in a breach of contract by the Customer.*
16. *Should Cole Harris finish as one of the top two candidates in the California Statewide Direct Primary Election on June 5, 2018, the Customer shall provide a \$75,000 bonus to Majority Strategies.*
17. *The Customer and the Customer's associated campaigns shall hold harmless and indemnify Chris Faulkner and Majority Strategies, and their attorneys, employees, agents and subcontractors against any and all claims, suits, actions, costs, counsel fees through the highest level of appeal and any matters remanded therefrom, expert witness fees, expenses, damages, judgments and decrees, brought by reason of any person or property alleging injury or damage, directly or indirectly, from any and all any actions or conduct, directly or indirectly, related to the Campaign or activities related to the Campaign.*

Personal Contribution
Language Removed

The parties hereto agree to all of the foregoing as of this date: _____

Print: _____
CUSTOMER

Print: _____
MAJORITY STRATEGIES

EXHIBIT C

From: cf@majoritystrategies.com
Sent: Tuesday, March 13, 2018 2:21 PM PDT
To: Charlie Spies; sskinner@clarkhill.com; rerwin@redrockstrategies.com
CC: Cole Harris
Subject: [Tiny Scanner] Doc Mar 13, 2018, 14:16
Attachments: Doc Mar 13, 2018, 1416.pdf, ATT00001.htm

Executed contract between Cole Harris campaign and MAJORITYSTRATEGIES..

CF

@chrisfaulkner

<https://www.majoritystrategies.com>

#WePlayToWin

Cole Harris for Lt. Governor 2018 ("Customer or Campaign") has selected Majority Strategies, LLC and its subsidiaries (collectively as "Majority Strategies") to assist with the Campaign. Customer is electing to use Majority Strategies for influence marketing services and agrees to pay the corresponding amounts for these services as invoiced within 15 days, unless otherwise agreed upon.

1. All work will be done in a good and workmanlike manner in accordance with this contract and Majority Strategies shall be entitled to rely on instructions given by the following designee(s) for the customer:

Cole Harris

2. Majority Strategies retains the sole responsibility over its staffing on this project and shall direct the manner in which the services are delivered as well as provide the necessary equipment, tools, materials, and supplies necessary to perform these services.

3. Majority Strategies represents to the Campaign that it is knowledgeable of the Campaign's potential compliance and legal obligations pursuant to the Federal Election Campaign Act of 1971, as amended ("FECA"), the Political Reform Act, and agrees to comply with all applicable laws in respect to the performance of the services under this agreement and to consult with the Campaign's legal counsel in the event Majority Strategies has questions regarding the application of any provision of law to Majority Strategies' services for the Campaign.

4. Absent any explicit written agreement to the contrary which has been executed between Majority Strategies and Campaign, signed by an authorized representative of Customer, and appended hereto, Campaign retains and reserves the rights of exclusive ownership and use of any copy, product, publication, or any facsimile thereof which may result from Majority Strategies' creativity, except for pre-existing materials purchased by Majority Strategies for Campaign. Majority Strategies and Campaign agree that the work performed will be considered a "work for hire" for the purpose of the United States Copyright law, 17 U.S.C. § 101 et seq. and that, accordingly, Campaign is the owner of all copyright rights in the work. Majority Strategies hereby assigns any and all property and exclusive ownership rights in Majority Strategies work to Campaign.

5. Majority Strategies shall not be responsible for unavoidable delays beyond its control including, but not limited to, acts of terror, labor stoppages, strikes, fire or acts of God.

6. Majority Strategies shall be defended, indemnified and held harmless by the customer against any and all claims, losses, damages, expenses or judgments for any claimed acts of alleged libel, copyright infringements, plagiarism, invasion of privacy or civil rights or for any other claim which results from the items produced under to this contract. Likewise, Majority Strategies shall indemnify, hold harmless and defend the customer from any similar claims which arise out of unauthorized deletions, changes, or additions made by its staff to materials supplied by the customer.

7. It is understood that Majority Strategies is an independent contractor in the performance of this agreement and not an employee of the customer. Nothing contained herein shall be construed to imply an employment, joint venture or principal and agent relationship between the parties. Neither party shall have any right, power or authority to create any obligation, express or implied, on behalf of the other, other than as specified in paragraph 11 below.

8. Majority Strategies agrees to keep confidential all material and information therein received from Customer, including but not limited to supporter lists, mail files, polling information, email/phone number data or other such information provided by the Customer to Majority Strategies to assist with the campaign. Each party shall protect the other's Confidential Information from unauthorized dissemination and use the same degree of care that such party uses to protect its own like information. Neither party shall disclose to third parties the other's Confidential Information without the prior written consent of the other party. Neither party shall use the other's Confidential Information for purposes other than those necessary to directly further the purposes of this Agreement. Upon the termination or expiration of this agreement, Majority Strategies agrees to return to Customer and Campaign the Confidential Information, and all copies thereof, and to retain no copies thereof.

9. Majority Strategies will be the sole provider of direct mail, digital, and mobile advertising for the duration of the Customer's campaign.

10. Majority Strategies' employee, Chris Faulkner, shall serve in the role of Senior Advisor to the Customer's campaign and work in conjunction with the Customer and the General Consultant (Ryan Erwin) in all areas of campaign strategy, day-to-day operations and communications.

11. Chris Faulkner will have authority over the entire campaign and all its operations. Furthermore, Chris Faulkner will be empowered by the Customer and Campaign to authorize payments, expenditures and advertising for every aspect of the Campaign.

12. Majority Strategies agrees not to communicate, directly or indirectly, with any member of the news media on behalf of, for, or about Customer or Campaign, without the express advance consent of Customer or Campaign.

13. Majority Strategies agrees that, during the course of this agreement and until the earlier of November 6, 2018, or the date of Cole Harris' public announcement of his withdrawal or the suspension of his campaign for statewide office, it will not perform services for any political committee, entity, or individual that opposes Cole Harris or supports any other California statewide candidate without the prior written consent of the Campaign.

14. This Agreement shall take effect under and be governed by the laws of the State of California.

Addendum A

15. Majority Strategies shall receive a Management Fee for its' services as Senior Advisor on the Campaign. The Mangement Fees due to Majority Strategies are as follows:

- a. \$25,000 due on March 1, 2018;
- b. \$25,000 due on or before April 1, 2018 for services performed in March;
- c. \$25,000 due on or before May 1, 2018 for services performed in April;
- d. \$25,000 due on or before June 1, 2018 for services performed in May; and
- e. \$25,000 due on or before July 1, 2018, for services performed in June;
- f. For the avoidance of doubt, the total Management Fees due to Majority Strategieis for services performed through June 2018 shall be \$125.000.
- g. If any of these Management Fees not be provided as outlined, that shall result in a breach of contract by the Customer.

16. Should Cole Harris finish as one of the top two candidates in the California Statewide Direct Primary Election on June 5, 2018, the Customer shall provide a \$75,000 bonus to Majority Strategies.

The parties hereto agree to all of the foregoing as of this date:

3/13/18



Print: COLE HARRIS



Print: Christopher Faulkner

ADDENDUM B

INDEPENDENT CONTRACTOR CONFIDENTIALITY PLEDGE

I, Chris Faulkner, affirm that during the term of my Agreement to provide services to Cole Harris for Lt. Governor 2018 ("Campaign" or "Customer"), I may become aware of or familiar with confidential or proprietary materials or information, and I agree that I shall not share such materials or information with any outside individuals whatsoever, including members of the media, unless granted explicit written permission by Campaign. "Confidential or proprietary materials or information" shall include but not be limited to donor lists, email lists, fundraising totals, fundraising goals, overall strategy, as well as all services performed or requested under this Independent Contractor Agreement.

I understand that all materials or information I view, read, examine or assemble during the term of my Agreement to provide services to Campaign, whether or not I participate in the construction of such materials or information, are and shall remain the intellectual property of Campaign. I understand that if I fail to abide by these policies, Campaign, and its directors and officers reserve the right to pursue any and all permissible avenues of legal action against me.

Signature: _____

Date: 3.13.18

Name (print): _____

Christopher Faulkner

EXHIBIT D

From: Nolan Preston
Sent: Tuesday, March 20, 2018 10:33 AM PDT
To: Chris Faulkner
CC: Katie LaCoume
Subject: RE: Cole Harris never sent that \$25k last week.

Don't tell the client what our margin is. If they're prying, give me a call real quick to fully understand context and what you'll need to say.

Nolan Preston

Director of Finance
Office: 214-238-4022
Mobile: 832-515-6546
E-mail: nolan.preston@majoritystrategies.com

From: Chris Faulkner
Sent: Tuesday, March 20, 2018 12:33 PM
To: Nolan Preston <nolan.preston@majoritystrategies.com>
Cc: Katie LaCoume <katie.lacoume@majoritystrategies.com>
Subject: Re: Cole Harris never sent that \$25k last week.

Axiom was doing the digital for Cole Harris before us and had it laid out in there contract. So I am getting questions on what ours is.

CF

@chrisfaulkner

[Majority Strategies](#)

#WePlayToWin

On Mar 20, 2018, at 10:31 AM, Nolan Preston <nolan.preston@majoritystrategies.com> wrote:

~■%. Why?

Nolan Preston

Director of Finance
Office: 214-238-4022
Mobile: 832-515-6546

E-mail: nolan.preston@majoritystrategies.com

From: Chris Faulkner
Sent: Tuesday, March 20, 2018 12:24 PM
To: Nolan Preston <nolan.preston@majoritystrategies.com>
Cc: Katie LaCoume <katie.lacoume@majoritystrategies.com>
Subject: Re: Cole Harris never sent that \$25k last week.

What is our (majority) commission fee/placement on digital and mobile ads?

CF

@chrisfaulkner

[Majority Strategies](#)

#WePlayToWin

On Mar 20, 2018, at 7:44 AM, Nolan Preston <nolan.preston@majoritystrategies.com> wrote:

Hopefully this won't be starting a trend of when they communicate money is to go out?

NOLAN PRESTON

Director of Finance

Parkland Hall at Old Parkland
3889 Maple Ave., Suite 600
Dallas, Texas 75219
Office: 214-238-4022
Mobile: 832-515-6546
E-mail: nolan.preston@majoritystrategies.com

[<image002.png>](#)

EXHIBIT E

From: Nolan Preston
Sent: Sunday, September 30, 2018 12:17 PM PDT
To: Brett Buerck
CC: Albert Braunfisch
Subject: RE: Cole Harris debt

If we do not get paid in full, the sales reps are owed zero. We can still pay them out partially if we want, but per their agreement, we do not have to.

Nolan Preston

Office: 214-238-4022
Mobile: 832-515-6546
E-mail: nolan.preston@majoritystrategies.com

From: Brett Buerck
Sent: Sunday, September 30, 2018 2:16 PM
To: Nolan Preston <nolan.preston@majoritystrategies.com>
Cc: Albert Braunfisch <albert@majoritystrategies.com>
Subject: Re: Cole Harris debt

Albert i wouldn't count commissions since MS doesn't get paid if we don't get paid in full ... right?



BRETT BUERCK

MAJORITY STRATEGIES
Chief Executive Officer

Office Phone: (904) 567-2008
Cell Phone: (904) 524-1635



On Sep 30, 2018, at 3:13 PM, Nolan Preston <nolan.preston@majoritystrategies.com> wrote:

Also – that doesn't bake in any of the ~\$25k we spent on Alex, Matt, RJ relocating for a 6+ weeks, etc. If you want to factor that in (b/c we didn't bill at all) – then \$217.8k hard costs

Nolan Preston

Office: 214-238-4022
Mobile: 832-515-6546
E-mail: nolan.preston@majoritystrategies.com

From: Nolan Preston
Sent: Sunday, September 30, 2018 2:12 PM
To: Brett Buerck <brett@majoritystrategies.com>
Cc: Albert Braunfisch <albert@majoritystrategies.com>
Subject: RE: Cole Harris debt

\$192.4k of the \$420.66k is hard costs

And for clarity sake & just to reiterate – no commissions (Faulkner or Erwin) are included in any hard costs (i.e., they would get \$0 in that way of looking)

Nolan Preston

Office: 214-238-4022
Mobile: 832-515-6546
E-mail: nolan.preston@majoritystrategies.com

From: Brett Buerck
Sent: Sunday, September 30, 2018 2:01 PM
To: Nolan Preston <nolan.preston@majoritystrategies.com>
Cc: Albert Braunfisch <albert@majoritystrategies.com>
Subject: Re: Cole Harris debt

Sorry. I meant on the unpaid



BRETT BUERCK

MAJORITY STRATEGIES
Chief Executive Officer

Office Phone: (904) 567-2008
Cell Phone: (904) 524-1635



On Sep 30, 2018, at 2:49 PM, Nolan Preston <nolan.preston@majoritystrategies.com> wrote:

Total "hard costs" are \$622,591. We have collected \$665,060. Here is full breakout of hard costs as well as commissions (internal – Faulkner & external – Ryan Erwin):

<image001.png>

Nolan Preston

Office: 214-238-4022

Mobile: 832-515-6546

E-mail: nolan.preston@majoritystrategies.com

From: Brett Buerck

Sent: Saturday, September 29, 2018 2:54 PM

To: Nolan Preston <nolan.preston@majoritystrategies.com>

Cc: Albert Braunfisch <albert@majoritystrategies.com>

Subject: Re: Cole Harris debt

Thanks. Very helpful



BRETT BUERCK

MAJORITY STRATEGIES

Chief Executive Officer

Office Phone: (904) 567-2008

Cell Phone: (904) 524-1635



On Sep 29, 2018, at 2:33 PM, Nolan Preston <nolan.preston@majoritystrategies.com> wrote:

He owes \$420,659.47. Let me put together a full schedule of everything – full details of what we invoiced for & variety of hard costs for you. I'll get you by tomorrow mid-afternoon latest.

Nolan Preston

Office: 214-238-4022

Mobile: 832-515-6546

E-mail: nolan.preston@majoritystrategies.com

From: Brett Buerck

Sent: Saturday, September 29, 2018 9:27 AM

To: Nolan Preston <nolan.preston@majoritystrategies.com>

Cc: Albert Braunfisch <albert@majoritystrategies.com>

Subject: Cole Harris debt

How much does he owe? And of that,
What are the hard costs? Thanks.



BRETT BUERCK

MAJORITY STRATEGIES

Chief Executive Officer

Office Phone: (904) 567-2008

Cell Phone: (904) 524-1635



Cole Harris Costs Summary

Invoiced Total

Management Fee / Retainer	\$	125,000
Collateral		31,250
Mobile via Gimbal		194,650
Non-mobile Digital		710,551
Content Creation		1,675
Web design		10,299
Reimbursable Expenses		12,295
Total Billed	\$	1,085,720

Hard Costs Incurred

Print / ship costs - collateral	\$	125,000
Gimbal costs		106,674
Facebook		280,074
Google (YouTube)		34,973
Google (Remarketing)		3,371
Google (Search)		7,418
Google (Desktop)		27,422
Non-reimbursable expenses (Relos; Office)		25,363
Reimbursable Expenses		12,295
Subtotal: Hard Costs	\$	622,591

Additional Costs

Chris Faulkner - internal commission	\$	87,146
Red Rock Commission (Ryan Erwin)		48,082
Subtotal: Additional Costs	\$	135,228

NET PROFIT	\$	327,901
Net Margin		30.5%

EXHIBIT F



EXHIBIT G

From: RJ Caster
Sent: Sunday, June 17, 2018 6:02 AM PDT
To: Chris Faulkner
CC: Jared Stimson
Subject: Re: Cole Harris
Attachments: Screen Shot 2018-06-17 at 8.54.51 AM.png, Screen Shot 2018-06-17 at 8.47.04 AM.png

Okay -

Facebook - Cole Harris, Cold Harris, Major Williams Removed.

Twitter - Account PW changed. I kicked off all approved devices (one iPhone and one Droid). They should be locked out.

They Can't get into the website. They can't get into Analytics. They can't get into CrowdSkout.

He is the Principal of the Anedot account though... but I kicked campaign folks off, not everyone (copliance people). Anyone I still need to remove? I did change Cole's authority to Edit but not Admin.

From: RJ Caster
Sent: Saturday, June 16, 2018 3:14:33 PM
To: Chris Faulkner
Cc: Jared Stimson
Subject: Re: Cole Harris

Wait... he hasn't paid?

Oh man for sure we should do that

On Jun 16, 2018, at 11:49, Chris Faulkner <cf@majoritystrategies.com> wrote:

Yes I hope it does.

If him or major email you, do not respond. All correspondence goes thru me.

Next step is the website. Open to suggestions but want to take it down and leave an "under construction" sign. If he doesn't pay it will be a "Cole Harris does not pay his bills" sign.

CF

@chrisfaulkner

<https://www.majoritystrategies.com>

#WePlayToWin

On Jun 16, 2018, at 3:41 AM, RJ Caster <rj.caster@majoritystrategies.com> wrote:

I should possibly be able to with everything except Instagram. Will have to double check with Twitter if they changed the password already.

Won't that anger the Cole Bear if he gets kicked out of his own FB?

On Jun 16, 2018, at 01:04, Jared Stimson <jared.stimson@majoritystrategies.com> wrote:

RJ can you take control of Harris Facebook and any other social accounts we set up and boot everyone but you?

Same with website, analytics, and donations.

Thanks.

Jared Stimson

Majority Strategies

EXHIBIT H

From: Chris Faulkner
Sent: Monday, September 10, 2018 6:20 PM PDT
To: Brett Buerck
Subject: Re: Any chance

Yes.

Had a good meeting with the law firm last week and am slowly trying to get his attention and bring him to the negotiating table. Going to take down his website this week and replace it with "Cole Harris owes his campaign vendors and employees \$1.1 million dollars" with a link to his campaign finance report on the SoS site. If we don't get any movement I am going to ask you for permission to mail a lawyer letter and list of debts to all his donors.

CF

@chrisfaulkner

[Majority Strategies](#)

#WePlayToWin

On Sep 10, 2018, at 6:17 PM, Brett Buerck <brett@majoritystrategies.com> wrote:

I saw the FB posts for Harris ... and the comments ... do you have all the bad posts Jackie's been sending?



BRETT BUERCK

MAJORITY STRATEGIES
Chief Executive Officer

Office Phone: (904) 567-2008
Cell Phone: (904) 524-1635



On Sep 10, 2018, at 9:16 PM, Chris Faulkner <cf@majoritystrategies.com> wrote:

No. Columbus and Boston next week.

CF

@chrisfaulkner

[Majority Strategies](#)

#WePlayToWin

On Sep 10, 2018, at 6:15 PM, Brett Buerck <brett@majoritystrategies.com> wrote:

You're in DC this week?



BRETT BUERCK

MAJORITY STRATEGIES
Chief Executive Officer

Office Phone: (904) 567-2008

Cell Phone: (904) 524-1635



EXHIBIT I

From: RJ Caster
Sent: Tuesday, September 11, 2018 2:14 PM PDT
To: Joseph Richey; Chris Faulkner
CC: Jared Stimson
Subject: Re: Fun Cole Harris Project

Once it's live, can we just post the link to the Twitter and FB pages

From: Joseph Richey
Sent: Tuesday, September 11, 2018 5:13:27 PM
To: Chris Faulkner
Cc: RJ Caster; Jared Stimson
Subject: Re: Fun Cole Harris Project

I've added the link and made the page pop a little more

COLE HARRIS OWES HIS CAMPAIGN VENDORS AND EMPLOYEES AT L
\$1.1 MILLION DOLLAR
IN UNPAID BILLS.



[Read the Detailed Report](#)

**Schedule F
(Continuation Sheet)
Accrued Expenses (Unpaid Bills)**

Type or print in ink.
Amounts may be rounded
to whole dollars.

Statement cover
from 05/20/2018
through 06/30/2018

NAME OF FILER
Cole Harris for Lt. Governor 2018, Inc.

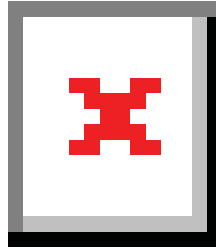
SUBTOTALS	\$686,793.85	\$508,729.66



JOSEPH RICHEY

MAJORITY STRATEGIES

Web Developer



On Sep 11, 2018, at 5:12 PM, Chris Faulkner <cf@majoritystrategies.com> wrote:

<MNeE7.jpg>
CF

@chrisfaulkner

[Majority Strategies](#)

#WePlayToWin

On Sep 11, 2018, at 2:08 PM, RJ Caster <rj.caster@majoritystrategies.com> wrote:

MONEY

Looping in Faulkner.

Can we take this live?

<http://majoritystrategieshosting.com/deploy/SITES-2018/cole-harris-no-pay/>

From: Joseph Richey
Sent: Tuesday, September 11, 2018 5:07 PM
To: RJ Caster
Subject: Re: Fun Cole Harris Project

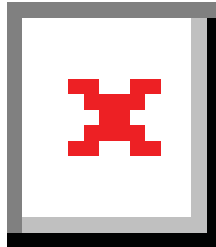
How's this?

<http://majoritystrategieshosting.com/deploy/SITES-2018/cole-harris-no-pay/>



JOSEPH RICHEY

MAJORITY STRATEGIES
Web Developer



On Sep 11, 2018, at 10:50 AM, RJ Caster <rj.caster@majoritystrategies.com> wrote:

Alright man - let's take down the website and have the main URL go to a blank page that says this:

Cole Harris owes his campaign vendors and employees at least \$1.1 million dollars in unpaid bills.

((Bouncing Downward Arrow))

Read the Detailed Report <Button

With these underneath it:

(Attached)

<Screen Shot 2018-09-11 at 10.49.11 AM.png><Screen Shot 2018-09-11 at 10.49.24 AM.png>

EXHIBIT J



COLE HARRIS

UNITE & SHINE GOLDEN

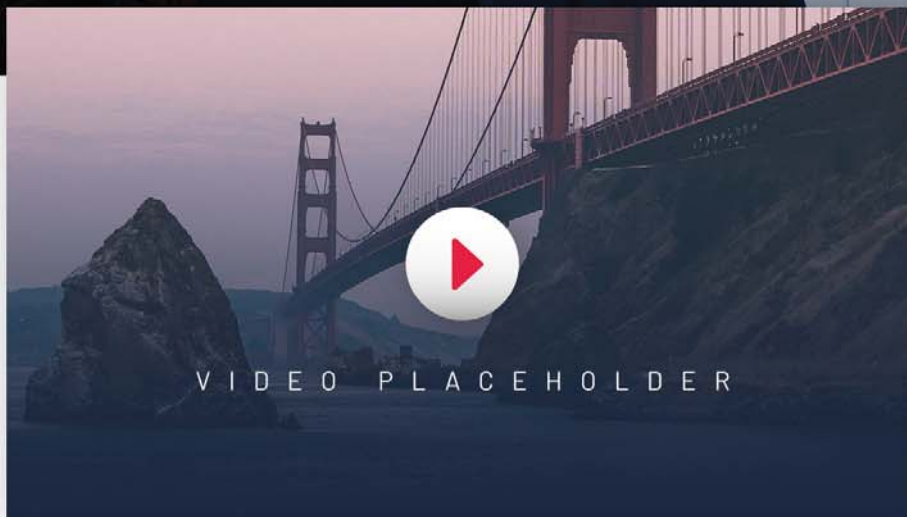
KEEP UP WITH COLE HARRIS!

FIRST NAME

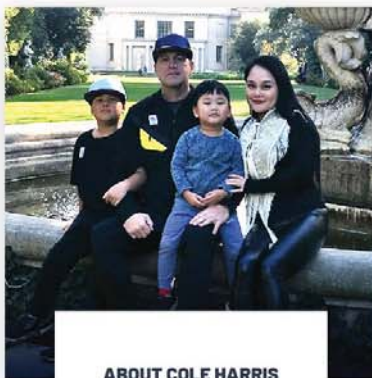
LAST NAME

EMAIL

SUBMIT



VIDEO PLACEHOLDER



ABOUT COLE HARRIS

Learn more about the father, businessman and community leader.



COLE HARRIS ON THE ISSUES

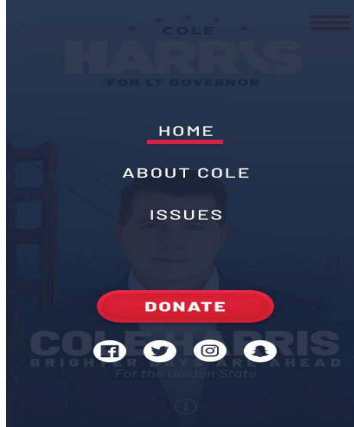
Cole Harris has a plan for a better California.



DONATE TO COLE HARRIS

Cole Harris needs committed Californians on his side.





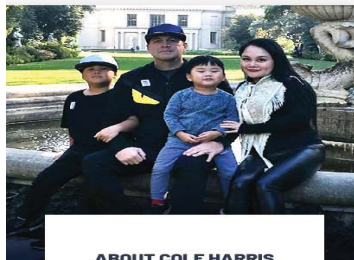
KEEP UP WITH COLE HARRIS!

FIRST NAME

LAST NAME

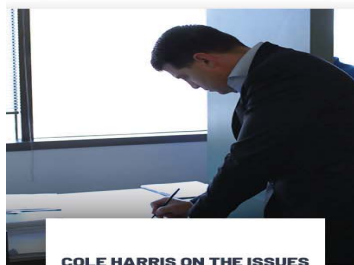
EMAIL

SUBMIT



ABOUT COLE HARRIS
Learn more about the father, businessman and community leader.

[→](#)



COLE HARRIS ON THE ISSUES
Cole Harris has a plan for a better California.

[→](#)



DONATE TO COLE HARRIS
Cole Harris needs committed Californians on his side.

[→](#)



COLE HARRIS

Dedicated Family Man.
Experienced Entrepreneur.
Committed Leader.

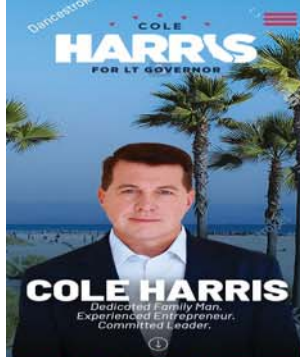


PROUD CALIFORNIAN.

Cole Harris is a native of the Golden State who is originally from the Los Angeles area. As a California native, Cole will fight for the values and freedoms that make us proud to call California home.

Cole Harris will ensure our state taps into its full potential.

Cole is sick of sitting back and watching as politics and career politicians continue to get in the way of our success. Cole is not a career politician, but a California native who will fight to set partisanship aside and unite all Californians, regardless of race, income, or party.



DEDICATED FATHER.

Cole Harris is a loving husband and father of two young boys. Cole wants nothing more than for his children to grow, thrive and succeed right here in California.

Cole Harris will lead with his family values to create a California that puts our needs first.

As a dedicated family man, Cole knows what our families need to succeed and will not rest until we see real results in every corner of our state.



EXPERIENCED BUSINESSMAN.

Cole Harris a proven job creator who we can count on to deliver new opportunities for California families. As a self-made businessman and entrepreneur who built and grew his own landscaping business at the age of 14, Cole has years of experience he is prepared to lead with.

Now, Cole Harris is a business leader who employs over 400 people.

Cole has been the Chairman of the Board and Chief Executive Officer of Symtech Group, Inc., a diversified equity and real estate investment firm he started in his studio apartment in 1996. Under Cole's leadership, Symtech has grown in size from a very small office to a large scale global business. With Cole Harris leading the way, our families will see the new jobs and opportunities we've been waiting for.



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JOBS AND THE ECONOMY

As an international business leader who has created hundreds of jobs in our own backyard, Cole Harris knows has the necessary experience to jumpstart our economy. Cole will teach our government how to live within its means while ensuring we see a balanced budget and high-paying jobs.



HOUSING

Cole Harris will be calling out all the land use attorneys in the state to come in and help contribute a bill to address the current obstacles and hurdles of housing industry in California to ultimately address the industry's true systemic problems.

The states land use attorneys and real estate development consultants are the private sectors service professionals that are on the front lines and in the trenches on daily basis not.

SPENDING

Over the years, we've seen California's budget grow massively due to rising healthcare costs, retirement benefit costs, and debt service payments. These rising costs, combined with unpredictable and unsteady revenues, have results in widespread reduction in funding for many critical public services. Cole knows we must build consensus for fundamental change, to make our state government more efficient and accountable to the people of our great state.

California has the highest taxes in the nation, yet we have over \$1 trillion in outstanding bills, our schools are failing, and our infrastructure is crumbling.

Cole Harris believes California has all the parts; now we need a strong business leader to make our state work for its citizens again.



GAS TAX

Cole Harris supports the gas tax as it's already law and a cumbersome, uphill battle to repeal but recognizes that California lawmakers should not at all be able to divert funds at all whatsoever.

Cole knows the state needs to adequately fund investments in its infrastructure and believes the best way is through partnership with the private sector. Cole will work with lawmakers to reform existing revenue streams to adequately fund our crumbling bridges and roads and create a safer California for our children, families and visitors.



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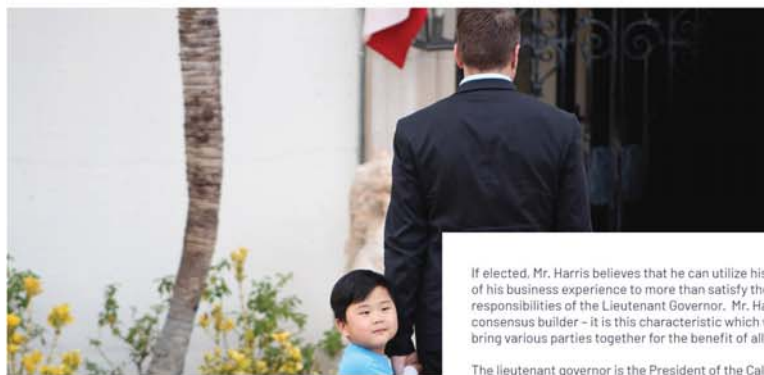


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If elected, Mr. Harris believes that he can utilize his wide breadth of his business experience to more than satisfy the the various responsibilities of the Lieutenant Governor. Mr. Harris is a consensus builder – it is this characteristic which will allow him to bring various parties together for the benefit of all constituents.

The lieutenant governor is the President of the California State Senate. In addition, the Lieutenant Governor sits on the Board of Regents of the University of California, California State University Board of Trustees, Ocean Protection Council, California Emergency Council, and the State Lands Commission.

The Lieutenant Governor also serves on the Agriculture-Water Transition Task Force, and five of the twenty-nine members of the oversight committee of the California Institute for Regenerative Medicine are appointed by the Lieutenant Governor.

Most importantly, the Lieutenant Governor chairs the Commission for Economic Development which is responsible for fostering economic growth in California by developing and implementing strategies for attracting new business to the state, increasing state exports, creating new jobs, and stimulating industries statewide. Through this position, Mr. Harris believes that he is more than capable of building consensus to influence and affect all four of the major State issues of which Mr. Harris is concerned.



CONSENSUS BUILDING

Cole care's about Californian's many problems. He wants to provide workable solutions to our states issues. If easy solutions existed, we would not find ourselves in this position of unsustainability. With respect with ALL major issues. Mr. Harris will call on industry participants whom are professionals that are on the front lines and in the trenches on daily basis. They will be made up of the best and brightest from private sector and state government, regardless of party, to address the current obstacles and hurdles in such industries to adopt methodologies to fix such obstacles and hurdles & ultimately help him solve these problems and fix our great state.



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COLE HARRIS OWES HIS CAMPAIGN VENDORS AND EMPLOYEES AT LEAST

\$1.1 MILLION DOLLARS

IN UNPAID BILLS.



[Read the Detailed Report](#)

Schedule F
(Continuation Sheet)
Accrued Expenses (Unpaid Bills)

Type or print in ink.
Amounts may be rounded
to whole dollars.

Statement covers period

from 05/20/2018

through 06/30/2018

SCHEDULE F (CONT.)

CALIFORNIA
FORM **460**

Page 43 of 52

NAME OF FILER
Cole Harris for Lt. Governor 2018, Inc.

I.D. NUMBER
1402145

SUBTOTALS	\$686,793.85	\$508,729.66	\$79,756.51	\$1,115,767.00
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September 13, 2018

VIA ELECTRONIC AND FEDERAL EXPRESS

Brett Buerck
Chris Faulkner
Jared Stimson
RJ Caster
Majority Strategies, LLC
12854 Kenan Drive, Suite 145
Jacksonville, Florida 32258

Re: *Cole Harris For Lt. Governor 2018*

Messrs. Buerck, Faulkner, Stimson, and Caster,

We represent Mr. Cole Harris and the entity “Cole Harris for Lt. Governor 2018” (collectively, the “Campaign”). We write regarding the campaign’s website.

The Campaign hired Majority Strategies, LLC to provide marketing services to the Campaign. On March 13, 2018, the parties entered into an Independent Contractor Agreement memorializing the terms of the engagement (the “Agreement”). The Agreement was signed by Mr. Faulkner on behalf of Majority Strategies. Among the tasks assigned to Majority Strategies was the creation of the website www.harrisforcalifornia.com.

Paragraph 4 of the Agreement states, in relevant part, that the Campaign owns that website. Specifically, it provides: “Absent any explicit written agreement to the contrary which has been executed between Majority Strategies and Campaign, signed by an authorized representative of Customer, and appended hereto, ***Campaign retains and reserves the rights of exclusive ownership and use of any copy, product, publication, or any facsimile thereof which may result from Majority Strategies’ creativity, except for pre-existing materials purchased by Majority Strategies for Campaign. Majority Strategies and Campaign agree that the work performed will be considered a “work for hire” for the purpose of the United States Copyright law, 17 U.S.C. § 101 et seq. and that, accordingly, Campaign is the owner of all copyright rights in the work.*** Majority Strategies hereby assigns any and all property and exclusive ownership rights in Majority Strategies work to Campaign. Customer agrees that Majority Strategies owns all data collected by Majority Strategies provided by Majority Strategies for use in the campaign.” (Emphasis added.)

We are in possession of emails between and among Messrs. Faulkner, Stimson, and Caster and another contractor – Axiom Strategies, LLC - regarding the Campaign’s website and the other social media accounts, including Facebook, Twitter

(ColeHarrisCA), Instagram (ColeHarrisCA), and Gmail (coleharriscalifornia@gmail.com). Those emails document that Axiom had transferred those items to Majority Strategies for further administration.

We further understand that you continue to administer the website, that you are responsible for the information currently on the website, and that you have refused to deliver the password and login information to the Campaign. In doing so, you are in breach of the Agreement, and you are violating an assortment of federal and state laws, entitling the Campaign to injunctive relief, compensatory damages, punitive damages, attorneys' fees, and costs, among other relief.

On behalf of the Campaign, and pursuant to the terms of the Agreement, you are instructed to immediately deliver to my office by personal service the login and password for the website www.harrisforcalifornia.com, as well as the login and password for the account information relating to the operation of the website, including any web host, domain registrar or other entity associated with the operation and/or hosting of the referenced website (whether GoDaddy or otherwise). You are further instructed to immediately deliver to my office by personal service the login and password for all other social media websites relating to the Campaign, including but not limited to Facebook, Twitter, and Instagram. You have until 5 p.m. on Friday PST, September 14, 2018, to deliver the information. If the information is not received by that time, my firm has been instructed to immediately seek every available legal remedy against Majority Strategies and each of you individually.

Sincerely,

A handwritten signature in blue ink that reads "Reed Aljian / CAO". The signature is written in a cursive, flowing style.

Reed Aljian

Courtney Dorner

From: Reed Aljian
Sent: Tuesday, September 18, 2018 4:00 PM
To: Dunbar, Marc
Cc: Courtney Dorner; Kenia Galeana
Subject: Confirmation Re Sept. 18, 2018 CC
Attachments: 20180913.Harris.cot.Majority Strategies Re Demand Ltr[2].pdf

Follow Up Flag: Follow up
Flag Status: Completed

Marc,

I write to follow up on our call and the attached letter. Via the attached letter, I had previously requested in writing that Majority Strategies produce to the Cole Harris For Lt. Governor Campaign the password and login for its website, <https://harrisforcalifornia.com>, as well as similar information for the campaign's other social media sites. During our call, you represented that you are legal counsel for Majority Strategies. I asked whether your client has the information requested – you said you did not know but you said Majority Strategies “can facilitate the transfer of” the information requested. I asked whether your client is the one responsible for the information on the campaign's website. You said you did not know and that it is “not relevant.” I asked whether Majority Strategies would agree to produce the requested information. You said Majority Strategies would not agree to produce the information unless it got paid a sum of money, the amount of which you did not state.

I will advise the client accordingly. If Majority Strategies reconsiders these tactics, do not hesitate to contact me.

Sincerely,

Reed Aljian
DAILY ALJIAN LLP
[100 Bayview Circle, Suite 5500](#)
[Newport Beach, CA 92660](#)
ph: 949.861.2524
fax: 949.269.6364
www.dailyaljian.com

Shot Over the Bow:

1. Mail a direct mail piece to his neighborhood.
 - a. Add in GOP state legislators since he wants to run again?
 - b. Donors?

Pearl Harbor:

1. Mail a direct mail piece to his neighborhood (and GOP state legislators)
2. FB ads to neighbors (and state legislators) (may have to set up a FB page to do so)
3. Retargeting ads (do we have cookies from either website?)
4. Digital ads (no click through)

Nuclear:

1. Mail a direct mail piece to his neighborhood (and GOP state legislators)
2. FB ads to neighbors (and state legislators) (set up FB page)
3. Retargeting ads (do we have cookies from either website?)
4. Digital ads
5. Ads click through to a LP we design

Initial mail ideas:

1. 8.5x11 B&W like "Neighborhood Watch"
2. #10 window "debt collection" letter/bright yellow paper (could have someone go to his door and "serve" him that letter)
3. Barrel fold ... He lives in \$X house, drives \$x car, whatever else from his Instagram but left \$x unpaid debts to people with small business, families, student loans, kids, etc

**Harmeet Kaur Dhillon**Just now • 

TFW you're at a party and in walks a dude you are suing, former Lt. Gov. candidate who owes our client, one of his campaign vendors, several hundred thousand dollars. Fun times.





Harmeet's Post



Like

Comment

[Redacted] and 51 others



12h Like Reply



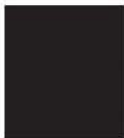
At least he paid me. Good Lord

12h Like Reply 4



Wish I could be there...continuous entertainment!

12h Like Reply 1



Name names

11h Like Reply



Harmeet Kaur Dhillon
[Redacted] Cole Harris

11h Like Reply



Harmeet Kaur Dhillon



Write a comment...





Harmeet's Post



Harmeet Kaur Dhillon

██████ he left soon after he saw me,
with what looked like a side chick in
tow.

11h Like Reply

