

May 7, 2014

The Honorable John A. Koskinen
Commissioner
Internal Revenue Service
1111 Constitution Ave., N.W.
Washington, DC 20224

BY HAND

Re: Complaint Against the Center to Protect Patient Rights/American Encore and Sean Noble

Dear Commissioner Koskinen:

Citizens for Responsibility and Ethics in Washington (“CREW”) respectfully requests the Internal Revenue Service (“IRS”) investigate whether the Center to Protect Patient Rights (“CPPR”), now known as American Encore, a non-profit corporation organized under section 501(c)(4) of the Internal Revenue Code (“Code”), and its president, Sean Noble, violated the Code and 18 U.S.C. § 1001 by falsely asserting on multiple tax returns it engaged in no political activity in 2010. Although Mr. Noble made those statements to the IRS under penalty of perjury, he directly contradicted them in a recent interview, admitting CPPR in fact engaged in extensive political activity during the 2010 elections.¹

Mr. Noble and CPPR’s falsehoods call into question their other representations to the IRS on CPPR’s tax returns, including claims on the organization’s 2011 and 2012 tax returns that CPPR did not engage in any political activity in those years. In addition to investigating the apparent false statements on CPPR’s 2010 tax returns, the IRS should conduct a full audit of CPPR to determine if Mr. Noble and CPPR made further false statements and if CPPR violated its tax-exempt status.

Background

Mr. Noble formed CPPR in 2009, and the IRS subsequently granted the organization tax-exempt status under section 501(c)(4).² News reports closely link the organization with Charles and David Koch, and CPPR recently was described as a “major cash turnstile for groups on the right during the past two election cycles.”³ Mr. Noble personally served as a political consultant to the Koch brothers, and frequently attended meetings the pair convened at which money was raised for groups engaged in political activities.⁴

¹ CREW submits this letter in lieu of Form 13909; a copy is being sent to the Dallas office.

² CPPR 2010 Form 990 (amended) (attached as Exhibit A).

³ Matea Gold, A Koch-Tied Labyrinth of Political Spending, *Washington Post*, January 6, 2014 (attached as Exhibit B). See also, e.g., Kim Barker and Theodor Meyer, The Dark Money Man: How Sean Noble Moved the Kochs’ Cash Into Politics and Made Millions, *ProPublica*, February 14, 2014 (attached as Exhibit C).

⁴ *Id.*

CPPR's 2010 Activities

CPPR initially filed its 2010 Form 990 tax return in November 2011,⁵ and filed an amended 2010 tax return in May 2013.⁶ Mr. Noble signed both tax returns under penalty of perjury, declaring he had examined the returns, and they were true, correct and complete to the best of his knowledge and belief.⁷ On both of the 2010 tax returns, Mr. Noble and CPPR answered “no” to the question: “Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office?”⁸ CPPR also did not submit a Schedule C, on which tax-exempt organizations report to the IRS and the public their political campaign activities. In addition, CPPR reported making \$44,599,946 in grants to other tax-exempt organizations in 2010, all of which CPPR claimed were for “general support.”⁹

A recently published news report describes CPPR's activities during 2010, and directly contradicts the claims that CPPR engaged in no political activity in 2010.¹⁰ The report is based in large part on interviews with Mr. Noble, who is quoted throughout, frequently revealing internal CPPR activities and strategies not otherwise public. The report does not cite or appear to rely on any anonymous sources, and only quotes two other interviews. As a result, even where Mr. Noble is not quoted directly, he was almost certainly the source of the information about CPPR's activities.

The report first discusses CPPR's establishment, with Mr. Noble recounting he created it in 2009 in conjunction with Randy Kendrick, “a prominent donor to the Kochs' formidable fundraising network.”¹¹ The original impetus for the group was to “take the health care fight national” and establish a section 501(c)(4) group “devoted to putting the brakes on a national health bill.”¹² At a June 2009 “Koch donor seminar,” Mr. Noble said, he and Mrs. Kendrick raised \$13 million for the group.¹³ Subsequent Koch brothers-organized gatherings have raised over \$100 million for CPPR, according to the report.¹⁴

⁵ CPPR 2010 Form 990 (initial) (excerpts attached as Exhibit D).

⁶ CPPR 2010 Form 990 (amended). The original return was amended to add a Schedule R disclosing for the first time that CPPR controlled two “disregarded entities” with a total income of nearly \$23 million. *Id.*, Schedules O and R. Despite the tens of millions of dollars involved, Mr. Noble and CPPR claimed the failure to report the entities was “an inadvertent omission.” *Id.*, Schedule O. Mr. Noble and CPPR's other false statements call into question whether this omission genuinely was inadvertent.

⁷ CPPR 2010 Form 990 (initial), Part II; CPPR 2010 Form 990 (amended), Part II.

⁸ CPPR 2010 Form 990 (initial), Part IV, Question 3; CPPR 2010 Form 990 (amended), Part IV, Question 3.

⁹ CPPR 2010 Form 990 (initial), Schedule I, Part II; CPPR 2010 Form 990 (amended), Schedule I, Part II.

¹⁰ Eliana Johnson, Inside the Koch-Funded Ads Giving Dems Fits, *National Review Online*, March 31, 2014 (attached as Exhibit E).

¹¹ *Id.*

¹² *Id.*

¹³ *Id.*

¹⁴ Johnson, *National Review Online*, Mar. 31, 2014.

CPPR initially tried to block passage of the Affordable Care Act.¹⁵ When the legislation became law in March 2010, “CPPR’s strategy changed,” and “Noble and his team set their sights on returning the House to the GOP.”¹⁶ As described by Mr. Noble, CPPR then proceeded to engage in extensive direct and indirect political campaign activities in opposition to Democrats running for the House, researching and producing political advertisements and paying other groups to run them in competitive House races.

Mr. Noble and CPPR “produced dozens of ads that targeted hundreds of Democratic congressmen in the 2010 midterm elections,” bringing in “GOP pollster and wordsmith Frank Luntz and ad guru Larry McCarthy” to create and produce the ads, the report states.¹⁷ Acknowledging the political objectives of the ads, Mr. Noble said he and CPPR included then-House Speaker Nancy Pelosi (D-CA) in advertisements against House Democrats to try to impact voters: “‘When we tied them to Pelosi, swing voters were more likely to vote against them 65 percent of the time,’ Noble says. ‘She was absolutely toxic for her conference with swing voters.’”¹⁸

Mr. Noble and CPPR carefully selected the political races in which the ads would be broadcast. According to Mr. Noble, he and CPPR first decided to target House races: “‘We made a deliberate recommendation that you gotta focus on the House, . . . Obamacare clearly was the watershed moment that provided the juice to deliver the majority back to the Republicans in the House.’”¹⁹ To achieve this political goal, Mr. Noble and CPPR relied on a spreadsheet listing vulnerable Democratic House members ranked “in order of the likelihood of their defeat.”²⁰ Each House district identified on the spreadsheet was assigned a “‘win potential’ between 1 and 5 and a score between 1 and 40 based on the voting record of each member and the composition of the district, among other things.”²¹ The spreadsheet evolved as the political landscape changed. It listed 64 Democratic members on June 8, 2010, but expanded to 88 members later in June and 105 in August.²²

While Mr. Noble and CPPR researched and produced political advertisements and selected the races in which they ran, the organization did not directly pay for the air time to broadcast the ads. Rather, it earmarked contributions to other groups associated with the Koch brothers to pay for broadcasting the advertisements: “Noble coordinated the disbursement of over \$50 million to several other groups that paid to put the ads on the air: Americans for

¹⁵ *Id.*

¹⁶ *Id.*

¹⁷ *Id.* According to the report, some of these ads ran in 2009 in an attempt to defeat the Affordable Care Act. Johnson, *National Review Online*, Mar. 31, 2014. Many others, however, were broadcast in the midst of the 2010 elections.

¹⁸ *Id.*

¹⁹ *Id.*

²⁰ *Id.*

²¹ Johnson, *National Review Online*, Mar. 31, 2014.

²² *Id.*

Prosperity, the 60 Plus Association, Americans for Job Security, Americans for Limited Government, and the American Future Fund.”²³

Mr. Noble and CPPR used the information in the spreadsheet to help determine how CPPR’s money was spent by the recipients. In the end, the 105 Democratic candidates were divided into three tiers based on the likelihood of a Republican win, “and resources were allotted accordingly.”²⁴ As the election neared: “The political climate was so hostile to Democrats that Noble wound up running ads against Democrats who fell into tier 3, incumbents he’d determined it would be difficult to pick off. ‘There was some interesting stretching of the field that no one thought was possible,’ he says.”²⁵

The report identifies several of the ads “CPPR and the constellation of groups to which it disbursed millions of dollars” broadcast against Democratic candidates.²⁶ These included an ad ostensibly paid for by the 60 Plus Association (“60 Plus”) criticizing Reps. Alan Grayson (D-FL) and Suzanne Kosmas (D-FL) that concluded, “this November, we’ll remember,” another 60 Plus ad urging voters to “vote against” James Oberstar (D-MN), an ad funneled through the American Future Fund (“AFF”) urging voters to “take the right path” and “vote against” Rep. Stephanie Herseth Sandlin (D-SD), and one broadcast in the name of Americans for Job Security (“AJS”) also exhorting voters to “vote against” Rep. Robert Etheridge (D-NC).²⁷ These advertisements were reported to the Federal Election Commission (“FEC”) as independent expenditures.²⁸ Mr. Noble also admitted other supposed “issue ads” not reported to the FEC similarly were intended to influence House elections. An ad channeled through Americans for Prosperity against Rep. Betsy Markey (D-CO) that ran in June and August drove her approval rating so low, “Noble says, ‘we did not spend another dime in that race from August until Election Day.’”²⁹

Mr. Noble further acknowledged the purpose of this scheme: “CPPR funneled money to multiple groups, Noble says, both to protect the anonymity of donors and because IRS regulations prohibit any individual (c)(4) group from spending more than 50 percent of its time on candidate-related political activity.”³⁰

²³ *Id.*

²⁴ *Id.*

²⁵ Johnson, *National Review Online*, Mar. 31, 2014.

²⁶ *Id.*

²⁷ *Id.* The ads can be viewed at: <https://www.youtube.com/watch?v=bXyFTCzWiQI>; https://www.youtube.com/watch?v=v_lCySd_RKQ; <https://www.youtube.com/watch?v=GLqziI2dCmY>; and https://www.youtube.com/watch?v=unYzX_quvbc.

²⁸ See AFF Independent Expenditure Reports, available at <http://docquery.fec.gov/cgi-bin/fecimg/?C90011677>; AJS Independent Expenditure Reports, available at <http://docquery.fec.gov/cgi-bin/fecimg/?C90011669>; 60 Plus Independent Expenditure Reports, available at <http://docquery.fec.gov/cgi-bin/fecimg/?C90011685>.

²⁹ Johnson, *National Review Online*, Mar. 31, 2014.

³⁰ *Id.*

It is not clear exactly how much money CPPR spent on political activity in 2010, but it contributed \$33,012,000 to the five groups named in the report.³¹ For several of the groups, the amounts received from CPPR is similar to the amounts they reported spending on House races. AJS, for example, received \$4,828,000 from CPPR spent approximately \$5,007,447 on House races.³² CPPR also spent an unknown amount of time and money to research and create the advertisements, although it did report paying \$150,507 to Mr. Luntz's consulting firm, The Word Doctors LLC.³³ In total, CPPR spent \$60,245,391 in 2010.³⁴

CPPR's 2011 and 2012 Activities

CPPR also filed tax returns for 2011 and 2012 that similarly asserted the organization engaged in no political activity in those years.³⁵ In the news report, Mr. Noble did not discuss CPPR's activities in those years, but CPPR's conduct suggests the claims in its returns may not be true. CPPR made large grants in 2011 and 2012 to most of the same groups it paid to run advertisements in 2010, and those groups again engaged in extensive political activities. For example, CPPR made a total of \$5,034,723 in grants to 60 Plus in 2011 and 2012, which in turn spent \$4,615,892 on federal elections in the 2012 cycle.³⁶

Questions about Mr. Noble and CPPR's veracity also arise from CPPR's failure to disclose its role in a scheme to funnel money to California referendum campaigns in 2012 that resulted in CPPR paying a large fine. Several of CPPR's 2012 grants went to tax-exempt organizations involved in campaign activity intended to influence voting on state ballot questions. In particular, CPPR provided \$25 million to AFF and another Koch brothers-related group, Americans for Responsible Leadership ("ARL"), that immediately gave most of the money to two other organizations that spent it on ballot initiatives in California. The California Fair Political Practices Commission ("FPPC") investigated whether the transfers were properly

³¹ CPPR 2010 Form 990 (amended), Part IX, Line 1 and Schedule I. The news report asserts Noble coordinated the disbursement of \$50 million to other groups to pay for putting the ads on the air. This may include 2010 grants to other tax-exempt groups and the \$10,783,500 CPPR made in grants in 2009.

³² CPPR 2010 Form 990 (amended), Schedule I, Part II; Open Secrets, Americans for Job Security, Targeted Candidates, 2010, available at <http://www.opensecrets.org/outsidespending/recips.php?cmte=Americans+for+Job+Security&cycle=2010>. 60 Plus received a \$8,990,000 grant from CPPR in 2010, and spent approximately \$6,678,813 on House races. CPPR 2010 Form 990 (amended), Schedule I, Part II; Open Secrets, 60 Plus Association, Targeted Candidates, 2010, available at <http://www.opensecrets.org/outsidespending/recips.php?cmte=60+Plus+Assn&cycle=2010>. AFF received a \$11,685,000 grant from CPPR, and spent approximately \$8,499,278 on House races in 2010. CPPR 2010 Form 990 (amended), Schedule I, Part II; Open Secrets, American Future Fund, Targeted Candidates, 2010, available at <http://www.opensecrets.org/outsidespending/recips.php?cmte=American+Future+Fund&cycle=2010>.

³³ CPPR 2010 Form 990 (amended), Part VII, Section B.

³⁴ CPPR 2010 Form 990 (amended), Part IX, Line 25.

³⁵ CPPR 2011 Form 990 (initial) (excerpts attached as Exhibit F); CPPR 2011 Form 990 (amended) (excerpts attached as Exhibit G); CPPR 2012 Form 990 (excerpts attached as Exhibit H).

³⁶ CPPR 2011 Form 990 (amended), Schedule I, Part II; CPPR 2012 Form 990, Schedule I, Part II; Open Secrets, 60 Plus Association, Summary, 2012, available at <http://www.opensecrets.org/outsidespending/detail.php?cmte=60+Plus+Assn&cycle=2012>.

reported under California law, and CPPR eventually admitted it failed to disclose its involvement in providing the funding, and paid (along with ARL) a \$1 million fine.³⁷

As part of the California investigation, a political consultant working with Mr. Noble and CPPR told the FPPC Mr. Noble said in private correspondence there was a particular reason why CPPR admitted its involvement in the transfers. When a court decision made it likely CPPR was about to be audited by the FPPC, Mr. Noble told the consultant he had to concede CPPR's role because "we can't tolerate an audit of CPPR."³⁸ It is remarkable that the possibility of an audit of CPPR was so worrisome to Mr. Noble that to avoid it, he acknowledged CPPR's previously secret role in funding the California campaign and eventually paid a \$1 million penalty.

Potential Violations

26 U.S.C. § 7206

Under the Code, any person who "[w]illfully makes and subscribes any return, statement, or other document, which contains or is verified by a written declaration that it is made under the penalties of perjury, and which he does not believe to be true and correct as to every material matter," is guilty of a felony and subject to up to three years in prison and a fine of up to \$100,000.³⁹ On its 2010 tax returns, Mr. Noble and CPPR represented CPPR engaged in no political activity at all that year, but many of CPPR's activities Mr. Noble described in the news report clearly are political. CPPR's research and production of advertisements expressly advocating the defeat of Democratic House members, for example, unquestionably is political.⁴⁰ Moreover, making contributions to other tax-exempt organizations earmarked to pay to broadcast ads expressly advocating the defeat of candidates also is political activity.⁴¹

Mr. Noble and CPPR's misrepresentations appear to be willful. Mr. Noble was involved in every step of CPPR's political activities in 2010, and clearly was aware of them when he signed the Form 990 tax returns. Mr. Noble even had an opportunity to correct the false statement when CPPR filed an amended return in 2013, yet failed to make any changes acknowledging CPPR's extensive political activity. As a result, by falsely claiming CPPR engaged in no political activity in 2010 and by failing to report the amount of political activity in which it engaged, CPPR willfully filed a false return in violation of 26 U.S.C. § 7206.

³⁷ *Fair Political Practices Commission v. Center to Protect Patient Rights and Americans for Responsible Leadership* (Cal. Super. Ct.), Stipulation for Entry of Judgment, at 16-17, available at <https://s3.amazonaws.com/s3.documentcloud.org/documents/809469/arl-cppr-stipulation-final-with-ag.pdf>.

³⁸ Transcript of Recorded Interview of Tony Russo, at 107, July 17, 2013 (excerpts attached as Exhibit I, full interview available at <https://ia801005.us.archive.org/6/items/814143-anthony-russo-interview/814143-anthony-russo-interview.pdf>); see also *id.* at 106 (asserting Mr. Noble said "he couldn't tolerate an audit of CPPR").

³⁹ 26 U.S.C. § 7206(1).

⁴⁰ See Judith E. Kindell and John Francis Reilly, *Election Year Issues*, 2002 EO CPE Text, at 349, 388; see also Rev. Rul. 2004-6.

⁴¹ See Treas. Reg. 1.527-6(b)(1)(ii) (for a tax-exempt organization's transfer of funds to another entity to be treated as not political, the organization must take "reasonable steps to ensure" the recipient does not spend the money on politics).

Mr. Noble and CPPR similarly asserted on CPPR's 2011 and 2012 tax returns that CPPR engaged in no political activity in those years. The IRS should conduct an audit to determine if CPPR further violated 26 U.S.C. § 7206 by falsely claiming CPPR engaged in no political activity in those years and by failing to report the amount of political activity in which it may have engaged.

26 U.S.C. § 6652

Under the Code, a tax-exempt organization that, without reasonable cause, fails to include any of the information required on a Form 990 tax return, or fails to provide the correct information, is liable for civil penalties.⁴² By falsely claiming CPPR engaged in no political activity in 2010 and by failing to report the amount of political activity in which it engaged, CPPR violated 26 U.S.C. § 6652. The IRS also should conduct an audit to determine if CPPR further violated 26 U.S.C. § 6652 by falsely claiming CPPR engaged in no political activity in 2011 and 2012, and by failing to report the amount of political activity in which it may have engaged.

18 U.S.C. § 1001

Federal law prohibits anyone from “knowingly and willfully” making “any materially false, fictitious, or fraudulent statement or representation” in any matter within the jurisdiction of the executive, legislative, or judicial branch.⁴³ Violations are punishable by up to five years in prison.⁴⁴ By falsely claiming CPPR engaged in no political activity in 2010 and by failing to report the amount of political activity in which it engaged, Mr. Noble and CPPR violated 18 U.S.C. § 1001. The IRS also should conduct an audit to determine if Mr. Noble and CPPR further violated 18 U.S.C. § 1001 by falsely claiming CPPR engaged in no political activity in 2011 and 2012, and by failing to report the amount of political activity in which it may have engaged.

26 U.S.C. § 501(c)(4)

Section 501(c)(4) provides tax-exempt status to organizations “not organized for profit but operated *exclusively* for the promotion of social welfare.”⁴⁵ The statute therefore permits little, if any, activity that does not promote social welfare. Despite the statute’s plain language, IRS regulations interpreting it provide an organization is operated exclusively for the promotion of social welfare if it is “*primarily* engaged in promoting in some way the common good and general welfare of the people of the community.”⁴⁶ The regulations further provide “direct or indirect participation or intervention in political campaigns on behalf of or in opposition to any

⁴² 26 U.S.C. §§ 6652(c)(1)(A)(ii), 6652(c)(4).

⁴³ 18 U.S.C. § 1001(a)(2).

⁴⁴ *Id.*

⁴⁵ 26 U.S.C. § 501(c)(4) (emphasis added).

⁴⁶ Treas. Reg. § 1.501(c)(4)-1(a)(2)(i) (emphasis added).

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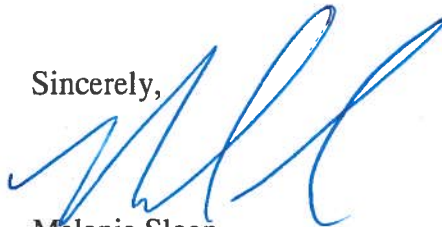
candidate for public office” does not promote social welfare.⁴⁷ The IRS has not further defined the “primary activity” standard, and provides only that all the facts and circumstances are to be taken into account in determining the “primary activity” of a section 501(c)(4) organization.⁴⁸ Despite this ambiguity, recently disclosed IRS training materials assert the agency generally understands “primarily” to mean 51 percent in the context of section 501(c)(4).⁴⁹

It is unclear how much political activity CPPR engaged in during 2010 (although it is certainly more than what CPPR claimed). The IRS should investigate whether CPPR’s political activity exceeded the amount permitted in violation of its tax-exempt status. It is also unclear if CPPR engaged in political activity in 2011 and 2012, and the IRS should conduct an audit to determine if CPPR violated its tax-exempt status in those years.

Conclusion

This is a simple case of lying to the IRS. Mr. Noble and CPPR claimed on CPPR’s 2010 tax returns the organization engaged in no political activity at all, while in reality – as admitted by Mr. Noble himself – CPPR spent millions of dollars researching, creating, and paying to broadcast political advertisements against Democrats in races for the House of Representatives. The IRS should investigate Mr. Noble and CPPR – including the audit Mr. Noble said he and CPPR could not “tolerate” – and should the Service find they made false or incomplete statements on their tax returns, take appropriate action, including but not limited to referring this matter to the Department of Justice for prosecution. Only vigorous enforcement by the IRS will deter other organizations from violating our nation’s tax laws for political gain.

Sincerely,



Melanie Sloan
Executive Director
Citizens for Responsibility and
Ethics in Washington

Encls.

cc: IRS-EO Classification

⁴⁷ Treas. Reg. § 1.501(c)(4)-1(a)(2)(ii).

⁴⁸ Rev. Rul. 68-45, 1968-1 C.B. 259.

⁴⁹ IRS Lesson Plan on Section 501(c)(4) Organization, Lesson 2, Civic Leagues, Social Welfare Organizations, and Local Associations of Employees – IRC Section 501(c)(4), at 5-A-2, available at <http://www.taxanalysts.com/www/features.nsf/Features/230B8FFB8A9A85A685257C63004AFA5B?OpenDocument>.

EXHIBIT A

Return of Organization Exempt From Income Tax

OMB No 1545-0047

Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except black lung benefit trust or private foundation)

2010

Open to Public Inspection

Department of the Treasury
Internal Revenue Service

▶ The organization may have to use a copy of this return to satisfy state reporting requirements

A For the 2010 calendar year, or tax year beginning , 2010, and ending , 20

B Check if applicable:
 Address change
 Name change
 Initial return
 Terminated
 Amended return
 Application pending

C Name of organization Center To Protect Patient Rights, Inc
Doing Business As
 Number and street (or P O box if mail is not delivered to street address) Room/suite
 P O Box 72465
 City or town, state or country, and ZIP + 4
 Phoenix, AZ 85050

D Employer identification number
26-4683543

E Telephone number
480-252-0772

G Gross receipts \$ 60,885,692

F Name and address of principal officer
Sean Noble - P O Box 72465 Phoenix, AZ 85050

H(a) Is this a group return for affiliates? Yes No
H(b) Are all affiliates included? Yes No
 If "No," attach a list (see instructions)
H(c) Group exemption number ▶

I Tax-exempt status 501(c)(3) 501(c) (4) ◀ (insert no) 4947(a)(1) or 527

J Website: ▶ None

K Form of organization Corporation Trust Association Other ▶

L Year of formation 2009 **M State of legal domicile** MD

Part I Summary

Activities & Governance	1 Briefly describe the organization's mission or most significant activities: Building a coalition of like-minded organizations and individuals, and educating the public on issues related to health care with an emphasis on patients rights. Engaging in issue advocacy and activities to influence legislation related to health care		
	2 Check this box <input type="checkbox"/> if the organization discontinued its operations or disposed of more than 25% of its net assets.		
	3 Number of voting members of the governing body (Part VI, line 1a)	3	3
	4 Number of independent voting members of the governing body (Part VI, line 1b)	4	2
	5 Total number of individuals employed in calendar year 2010 (Part V, line 2a)	5	0
	6 Total number of volunteers (estimate if necessary)	6	0
	7a Total unrelated business revenue from Part VIII, column (C), line 12	7a	0
b Net unrelated business taxable income from Form 990-T, line 34	7b	0	
Revenue	8 Contributions and grants (Part VIII, line 1h)	Prior Year	Current Year
	9 Program service revenue (Part VIII, line 2g)	13,656,500	61,838,792
	10 Investment income (Part VIII, column (A), lines 3, 4, and 7d)	0	0
	11 Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	211	2,470
	12 Total revenue—add lines 8 through 11 (must equal Part VIII, column (A), line 12)	13,656,711	61,841,262
	Expenses	13 Grants and similar amounts paid (Part IX, column (A), lines 1-3)	10,783,500
14 Benefits paid to or for members (Part IX, column (A), line 4)		0	0
15 Salaries, other compensation, employee benefits (Part IX, column (A), lines 5-10)		0	0
16a Professional fundraising fees (Part IX, column (A), line 11e)		154,927	212,138
b Total fundraising expenses (Part IX, column (D), line 25) ▶ 212,139			
17 Other expenses (Part IX, column (A), lines 11a-11d; -11f-24f)		1,110,525	15,433,307
18 Total expenses. Add lines 13-17 (must equal Part IX, column (A), line 25)	12,048,952	60,245,391	
19 Revenue less expenses. Subtract line 18 from line 12	1,608,260	1,595,871	
Net Assets or Fund Balances	20 Total assets (Part X, line 16)	Beginning of Current Year	End of Year
	21 Total liabilities (Part X, line 26)	1,608,260	3,220,364
	22 Net assets or fund balances Subtract line 21 from line 20	500	0
		1,607,760	3,220,364

Part II Signature Block

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

Sign Here

Signature of officer: *S. Noble* Date: 16 May 2013
 Type or print name and title: Sean Noble, President

Paid Preparer Use Only

Print/Type preparer's name: Howard Skolnik
 Preparer's signature: *Howard Skolnik* Date: 5/13/13
 Check if self-employed PTIN: P01064967
 Firm's name: Howard Skolnik CPA
 Firm's EIN: _____
 Firm's address: 11646 N. 129th Way, Scottsdale, AZ 85259
 Phone no: 602-524-0974

May the IRS discuss this return with the preparer shown above? (see instructions) Yes No

SCANNED JUN 17 2013

5-13-33 ME 14

Part III Statement of Program Service Accomplishments

Check if Schedule O contains a response to any question in this Part III

1 Briefly describe the organization's mission:

Building a coalition of like-minded organizations and individuals, and educating the public on issues related to health care with an emphasis on patients rights. Engaging in issue advocacy and activities to influence legislation related to health care

2 Did the organization undertake any significant program services during the year which were not listed on the prior Form 990 or 990-EZ? Yes No
If "Yes," describe these new services on Schedule O.

3 Did the organization cease conducting, or make significant changes in how it conducts, any program services? Yes No
If "Yes," describe these changes on Schedule O.

4 Describe the exempt purpose achievements for each of the organization's three largest program services by expenses. Section 501(c)(3) and 501(c)(4) organizations and section 4947(a)(1) trusts are required to report the amount of grants and allocations to others, the total expenses, and revenue, if any, for each program service reported

4a (Code:) (Expenses \$ 59,274,135 including grants of \$ 44,291,946) (Revenue \$)

Coalition Building The organization helped to build a coalition of like minded organizations and individuals, which worked to educate the public about healthcare reform and advocate in favor of patients rights

Issue Advocacy/ Legislative Advocacy The organization engaged in helping to plan, create, design and execute an issue advocacy /legislative awareness campaign in conjunction with its broad based healthcare coalition

4b (Code:) (Expenses \$ including grants of \$) (Revenue \$)

4c (Code:) (Expenses \$ including grants of \$) (Revenue \$)

4d Other program services. (Describe in Schedule O.)
(Expenses \$ including grants of \$) (Revenue \$)

4e Total program service expenses ▶ \$59,274,135

Part IV Checklist of Required Schedules

	Yes	No
1 Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? If "Yes," complete Schedule A		✓
2 Is the organization required to complete Schedule B, Schedule of Contributors? (see instructions)	✓	
3 Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? If "Yes," complete Schedule C, Part I		✓
4 Section 501(c)(3) organizations. Did the organization engage in lobbying activities, or have a section 501(h) election in effect during the tax year? If "Yes," complete Schedule C, Part II		
5 Is the organization a section 501(c)(4), 501(c)(5), or 501(c)(6) organization that receives membership dues, assessments, or similar amounts as defined in Revenue Procedure 98-19? If "Yes," complete Schedule C, Part III		✓
6 Did the organization maintain any donor advised funds or any similar funds or accounts where donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts? If "Yes," complete Schedule D, Part I		✓
7 Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas, or historic structures? If "Yes," complete Schedule D, Part II		✓
8 Did the organization maintain collections of works of art, historical treasures, or other similar assets? If "Yes," complete Schedule D, Part III		✓
9 Did the organization report an amount in Part X, line 21; serve as a custodian for amounts not listed in Part X; or provide credit counseling, debt management, credit repair, or debt negotiation services? If "Yes," complete Schedule D, Part IV		✓
10 Did the organization, directly or through a related organization, hold assets in term, permanent, or quasi-endowments? If "Yes," complete Schedule D, Part V		✓
11 If the organization's answer to any of the following questions is "Yes," then complete Schedule D, Parts VI, VII, VIII, IX, or X as applicable.		
a Did the organization report an amount for land, buildings, and equipment in Part X, line 10? If "Yes," complete Schedule D, Part VI		✓
b Did the organization report an amount for investments—other securities in Part X, line 12 that is 5% or more of its total assets reported in Part X, line 16? If "Yes," complete Schedule D, Part VII		✓
c Did the organization report an amount for investments—program related in Part X, line 13 that is 5% or more of its total assets reported in Part X, line 16? If "Yes," complete Schedule D, Part VIII		✓
d Did the organization report an amount for other assets in Part X, line 15 that is 5% or more of its total assets reported in Part X, line 16? If "Yes," complete Schedule D, Part IX		✓
e Did the organization report an amount for other liabilities in Part X, line 25? If "Yes," complete Schedule D, Part X		✓
f Did the organization's separate or consolidated financial statements for the tax year include a footnote that addresses the organization's liability for uncertain tax positions under FIN 48 (ASC 740)? If "Yes," complete Schedule D, Part X		✓
12 a Did the organization obtain separate, independent audited financial statements for the tax year? If "Yes," complete Schedule D, Parts XI, XII, and XIII	✓	
b Was the organization included in consolidated, independent audited financial statements for the tax year? If "Yes," and if the organization answered "No" to line 12a, then completing Schedule D, Parts XI, XII, and XIII is optional		✓
13 Is the organization a school described in section 170(b)(1)(A)(ii)? If "Yes," complete Schedule E		✓
14 a Did the organization maintain an office, employees, or agents outside of the United States?		✓
b Did the organization have aggregate revenues or expenses of more than \$10,000 from grantmaking, fundraising, business, and program service activities outside the United States? If "Yes," complete Schedule F, Parts I and IV		
15 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of grants or assistance to any organization or entity located outside the United States? If "Yes," complete Schedule F, Parts II and IV		✓
16 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of aggregate grants or assistance to individuals located outside the United States? If "Yes," complete Schedule F, Parts III and IV		✓
17 Did the organization report a total of more than \$15,000 of expenses for professional fundraising services on Part IX, column (A), lines 6 and 11e? If "Yes," complete Schedule G, Part I (see instructions)	✓	
18 Did the organization report more than \$15,000 total of fundraising event gross income and contributions on Part VIII, lines 1c and 8a? If "Yes," complete Schedule G, Part II		✓
19 Did the organization report more than \$15,000 of gross income from gaming activities on Part VIII, line 9a? If "Yes," complete Schedule G, Part III		✓
20 a Did the organization operate one or more hospitals? If "Yes," complete Schedule H		✓
b If "Yes" to line 20a, did the organization attach its audited financial statements to this return? Note. Some Form 990 filers that operate one or more hospitals must attach audited financial statements (see instructions)		

Part IV Checklist of Required Schedules (continued)

	Yes	No
21 Did the organization report more than \$5,000 of grants and other assistance to governments and organizations in the United States on Part IX, column (A), line 1? <i>If "Yes," complete Schedule I, Parts I and II</i>	✓	
22 Did the organization report more than \$5,000 of grants and other assistance to individuals in the United States on Part IX, column (A), line 2? <i>If "Yes," complete Schedule I, Parts I and III</i>		✓
23 Did the organization answer "Yes" to Part VII, Section A, line 3, 4, or 5 about compensation of the organization's current and former officers, directors, trustees, key employees, and highest compensated employees? <i>If "Yes," complete Schedule J</i>		✓
24a Did the organization have a tax-exempt bond issue with an outstanding principal amount of more than \$100,000 as of the last day of the year, that was issued after December 31, 2002? <i>If "Yes," answer lines 24b through 24d and complete Schedule K. If "No," go to line 25</i>		✓
24b Did the organization invest any proceeds of tax-exempt bonds beyond a temporary period exception?		✓
24c Did the organization maintain an escrow account other than a refunding escrow at any time during the year to defease any tax-exempt bonds?		✓
24d Did the organization act as an "on behalf of" issuer for bonds outstanding at any time during the year?		✓
25a Section 501(c)(3) and 501(c)(4) organizations. Did the organization engage in an excess benefit transaction with a disqualified person during the year? <i>If "Yes," complete Schedule L, Part I</i>		✓
25b Is the organization aware that it engaged in an excess benefit transaction with a disqualified person in a prior year, and that the transaction has not been reported on any of the organization's prior Forms 990 or 990-EZ? <i>If "Yes," complete Schedule L, Part I</i>		✓
26 Was a loan to or by a current or former officer, director, trustee, key employee, highly compensated employee, or disqualified person outstanding as of the end of the organization's tax year? <i>If "Yes," complete Schedule L, Part II</i>		✓
27 Did the organization provide a grant or other assistance to an officer, director, trustee, key employee, substantial contributor, or a grant selection committee member, or to a person related to such an individual? <i>If "Yes," complete Schedule L, Part III</i>		✓
28 Was the organization a party to a business transaction with one of the following parties (see Schedule L, Part IV instructions for applicable filing thresholds, conditions, and exceptions):		
28a A current or former officer, director, trustee, or key employee? <i>If "Yes," complete Schedule L, Part IV</i>	✓	
28b A family member of a current or former officer, director, trustee, or key employee? <i>If "Yes," complete Schedule L, Part IV</i>		✓
28c An entity of which a current or former officer, director, trustee, or key employee (or a family member thereof) was an officer, director, trustee, or direct or indirect owner? <i>If "Yes," complete Schedule L, Part IV</i>	✓	
29 Did the organization receive more than \$25,000 in non-cash contributions? <i>If "Yes," complete Schedule M</i>		✓
30 Did the organization receive contributions of art, historical treasures, or other similar assets, or qualified conservation contributions? <i>If "Yes," complete Schedule M</i>		✓
31 Did the organization liquidate, terminate, or dissolve and cease operations? <i>If "Yes," complete Schedule N, Part I</i>		✓
32 Did the organization sell, exchange, dispose of, or transfer more than 25% of its net assets? <i>If "Yes," complete Schedule N, Part II</i>		✓
33 Did the organization own 100% of an entity disregarded as separate from the organization under Regulations sections 301.7701-2 and 301.7701-3? <i>If "Yes," complete Schedule R, Part I</i>	✓	
34 Was the organization related to any tax-exempt or taxable entity? <i>If "Yes," complete Schedule R, Parts II, III, IV, and V, line 1</i>		✓
35 Is any related organization a controlled entity within the meaning of section 512(b)(13)?		✓
36 Section 501(c)(3) organizations. Did the organization receive any payment from or engage in any transaction with a controlled entity within the meaning of section 512(b)(13)? <i>If "Yes," complete Schedule R, Part V, line 2</i> <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
37 Did the organization conduct more than 5% of its activities through an entity that is not a related organization and that is treated as a partnership for federal income tax purposes? <i>If "Yes," complete Schedule R, Part VI</i>		✓
38 Did the organization complete Schedule O and provide explanations in Schedule O for Part VI, lines 11 and 19? Note. All Form 990 filers are required to complete Schedule O	✓	

Part V Statements Regarding Other IRS Filings and Tax Compliance

Check if Schedule O contains a response to any question in this Part V

Yes No

1a Enter the number reported in Box 3 of Form 1096. Enter -0- if not applicable. 1a 26
b Enter the number of Forms W-2G included in line 1a. Enter -0- if not applicable. 1b 0
c Did the organization comply with backup withholding rules for reportable payments to vendors and reportable gaming (gambling) winnings to prize winners? 1c [checked]
2a Enter the number of employees reported on Form W-3, Transmittal of Wage and Tax Statements, filed for the calendar year ending with or within the year covered by this return. 2a 0
b If at least one is reported on line 2a, did the organization file all required federal employment tax returns? 2b
Note. If the sum of lines 1a and 2a is greater than 250, you may be required to e-file. (see instructions)
3a Did the organization have unrelated business gross income of \$1,000 or more during the year? 3a [checked]
b If "Yes," has it filed a Form 990-T for this year? If "No," provide an explanation in Schedule O. 3b
4a At any time during the calendar year, did the organization have an interest in, or a signature or other authority over, a financial account in a foreign country (such as a bank account, securities account, or other financial account)? 4a [checked]
b If "Yes," enter the name of the foreign country: See instructions for filing requirements for Form TD F 90-22.1, Report of Foreign Bank and Financial Accounts.
5a Was the organization a party to a prohibited tax shelter transaction at any time during the tax year? 5a [checked]
b Did any taxable party notify the organization that it was or is a party to a prohibited tax shelter transaction? 5b
c If "Yes" to line 5a or 5b, did the organization file Form 8886-T? 5c
6a Does the organization have annual gross receipts that are normally greater than \$100,000, and did the organization solicit any contributions that were not tax deductible? 6a [checked]
b If "Yes," did the organization include with every solicitation an express statement that such contributions or gifts were not tax deductible? 6b [checked]
7 Organizations that may receive deductible contributions under section 170(c).
a Did the organization receive a payment in excess of \$75 made partly as a contribution and partly for goods and services provided to the payor? 7a
b If "Yes," did the organization notify the donor of the value of the goods or services provided? 7b
c Did the organization sell, exchange, or otherwise dispose of tangible personal property for which it was required to file Form 8282? 7c
d If "Yes," indicate the number of Forms 8282 filed during the year. 7d
e Did the organization receive any funds, directly or indirectly, to pay premiums on a personal benefit contract? 7e
f Did the organization, during the year, pay premiums, directly or indirectly, on a personal benefit contract? 7f
g If the organization received a contribution of qualified intellectual property, did the organization file Form 8899 as required? 7g
h If the organization received a contribution of cars, boats, airplanes, or other vehicles, did the organization file a Form 1098-C? 7h
8 Sponsoring organizations maintaining donor advised funds and section 509(a)(3) supporting organizations. Did the supporting organization, or a donor advised fund maintained by a sponsoring organization, have excess business holdings at any time during the year? 8
9 Sponsoring organizations maintaining donor advised funds.
a Did the organization make any taxable distributions under section 4966? 9a
b Did the organization make a distribution to a donor, donor advisor, or related person? 9b
10 Section 501(c)(7) organizations. Enter:
a Initiation fees and capital contributions included on Part VIII, line 12. 10a
b Gross receipts, included on Form 990, Part VIII, line 12, for public use of club facilities. 10b
11 Section 501(c)(12) organizations. Enter:
a Gross income from members or shareholders. 11a
b Gross income from other sources (Do not net amounts due or paid to other sources against amounts due or received from them.) 11b
12a Section 4947(a)(1) non-exempt charitable trusts. Is the organization filing Form 990 in lieu of Form 1041? 12a
b If "Yes," enter the amount of tax-exempt interest received or accrued during the year. 12b
13 Section 501(c)(29) qualified nonprofit health insurance issuers.
a Is the organization licensed to issue qualified health plans in more than one state? 13a
Note. See the instructions for additional information the organization must report on Schedule O.
b Enter the amount of reserves the organization is required to maintain by the states in which the organization is licensed to issue qualified health plans. 13b
c Enter the amount of reserves on hand. 13c
14a Did the organization receive any payments for indoor tanning services during the tax year? 14a [checked]
b If "Yes," has it filed a Form 720 to report these payments? If "No," provide an explanation in Schedule O. 14b

Part VI Governance, Management, and Disclosure For each "Yes" response to lines 2 through 7b below, and for a "No" response to line 8a, 8b, or 10b below, describe the circumstances, processes, or changes in Schedule O. See instructions.

Check if Schedule O contains a response to any question in this Part VI

Section A. Governing Body and Management

		Yes	No
1a	Enter the number of voting members of the governing body at the end of the tax year		
1b	Enter the number of voting members included in line 1a, above, who are independent		
2	Did any officer, director, trustee, or key employee have a family relationship or a business relationship with any other officer, director, trustee, or key employee?		<input checked="" type="checkbox"/>
3	Did the organization delegate control over management duties customarily performed by or under the direct supervision of officers, directors or trustees, or key employees to a management company or other person?	<input checked="" type="checkbox"/>	
4	Did the organization make any significant changes to its governing documents since the prior Form 990 was filed?		<input checked="" type="checkbox"/>
5	Did the organization become aware during the year of a significant diversion of the organization's assets?		<input checked="" type="checkbox"/>
6	Does the organization have members or stockholders?		<input checked="" type="checkbox"/>
7a	Does the organization have members, stockholders, or other persons who may elect one or more members of the governing body?		<input checked="" type="checkbox"/>
7b	Are any decisions of the governing body subject to approval by members, stockholders, or other persons?		<input checked="" type="checkbox"/>
8	Did the organization contemporaneously document the meetings held or written actions undertaken during the year by the following:		
a	The governing body?	<input checked="" type="checkbox"/>	
b	Each committee with authority to act on behalf of the governing body?		
9	Is there any officer, director, trustee, or key employee listed in Part VII, Section A, who cannot be reached at the organization's mailing address? If "Yes," provide the names and addresses in Schedule O		<input checked="" type="checkbox"/>

Section B. Policies (This Section B requests information about policies not required by the Internal Revenue Code.)

		Yes	No
10a	Does the organization have local chapters, branches, or affiliates?		<input checked="" type="checkbox"/>
10b	If "Yes," does the organization have written policies and procedures governing the activities of such chapters, affiliates, and branches to ensure their operations are consistent with those of the organization?		
11a	Has the organization provided a copy of this Form 990 to all members of its governing body before filing the form?	<input checked="" type="checkbox"/>	
11b	Describe in Schedule O the process, if any, used by the organization to review this Form 990.		
12a	Does the organization have a written conflict of interest policy? If "No," go to line 13	<input checked="" type="checkbox"/>	
12b	Are officers, directors or trustees, and key employees required to disclose annually interests that could give rise to conflicts?	<input checked="" type="checkbox"/>	
12c	Does the organization regularly and consistently monitor and enforce compliance with the policy? If "Yes," describe in Schedule O how this is done	<input checked="" type="checkbox"/>	
13	Does the organization have a written whistleblower policy?	<input checked="" type="checkbox"/>	
14	Does the organization have a written document retention and destruction policy?	<input checked="" type="checkbox"/>	
15	Did the process for determining compensation of the following persons include a review and approval by independent persons, comparability data, and contemporaneous substantiation of the deliberation and decision?		
15a	The organization's CEO, Executive Director, or top management official		<input checked="" type="checkbox"/>
15b	Other officers or key employees of the organization		
	If "Yes" to line 15a or 15b, describe the process in Schedule O. (See instructions.)		
16a	Did the organization invest in, contribute assets to, or participate in a joint venture or similar arrangement with a taxable entity during the year?		<input checked="" type="checkbox"/>
16b	If "Yes," has the organization adopted a written policy or procedure requiring the organization to evaluate its participation in joint venture arrangements under applicable federal tax law, and taken steps to safeguard the organization's exempt status with respect to such arrangements?		

Section C. Disclosure

- 17** List the states with which a copy of this Form 990 is required to be filed ► New York
- 18** Section 6104 requires an organization to make its Forms 1023 (or 1024 if applicable), 990, and 990-T (501(c)(3)s only) available for public inspection. Indicate how you make these available. Check all that apply.
 Own website Another's website Upon request
- 19** Describe in Schedule O whether (and if so, how), the organization makes its governing documents, conflict of interest policy, and financial statements available to the public.
- 20** State the name, physical address, and telephone number of the person who possesses the books and records of the organization: ► Star Eiting 20118 N 67th Ave Ste 300-615 Glendale, Arizona, USA 85308

Part VII Compensation of Officers, Directors, Trustees, Key Employees, Highest Compensated Employees, and Independent Contractors

Check if Schedule O contains a response to any question in this Part VII

Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees

1a Complete this table for all persons required to be listed Report compensation for the calendar year ending with or within the organization's tax year.

- List all of the organization's **current** officers, directors, trustees (whether individuals or organizations), regardless of amount of compensation. Enter -0- in columns (D), (E), and (F) if no compensation was paid.
- List all of the organization's **current** key employees, if any. See instructions for definition of "key employee."
- List the organization's five **current** highest compensated employees (other than an officer, director, trustee, or key employee) who received reportable compensation (Box 5 of Form W-2 and/or Box 7 of Form 1099-MISC) of more than \$100,000 from the organization and any related organizations.
- List all of the organization's **former** officers, key employees, and highest compensated employees who received more than \$100,000 of reportable compensation from the organization and any related organizations.
- List all of the organization's **former** directors or trustees that received, in the capacity as a former director or trustee of the organization, more than \$10,000 of reportable compensation from the organization and any related organizations.

List persons in the following order: individual trustees or directors; Institutional trustees; officers; key employees; highest compensated employees; and former such persons.

Check this box if neither the organization nor any related organization compensated any current officer, director, or trustee.

(A) Name and Title	(B) Average hours per week (describe hours for related organizations in Schedule O)	(C) Position (check all that apply)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
(1) Sean Noble, Director & President & Executive Director	40	<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>				0	0	0
(2) Dr Courtney Koshar, Director & Secretary	1	<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>				0	0	0
(3)										
(4)										
(5)										
(6)										
(7)										
(8)										
(9)										
(10)										
(11)										
(12)										
(13)										
(14)										
(15)										
(16)										

Part VII Section A. Officers, Directors, Trustees, Key Employees, and Highest Compensated Employees (continued)

(A) Name and title	(B) Average hours per week (describe hours for related organizations in Schedule O)	(C) Position (check all that apply)						(D) Reportable compensation from the organization (W-2/1099-MISC)	(E) Reportable compensation from related organizations (W-2/1099-MISC)	(F) Estimated amount of other compensation from the organization and related organizations
		Individual trustee or director	Institutional trustee	Officer	Key employee	Highest compensated employee	Former			
(17)										
(18)										
(19)										
(20)										
(21)										
(22)										
(23)										
(24)										
(25)										
(26)										
(27)										
(28)										
1b Sub-total										
c Total from continuation sheets to Part VII, Section A										
d Total (add lines 1b and 1c)							0	0	0	

2 Total number of individuals (including but not limited to those listed above) who received more than \$100,000 in reportable compensation from the organization **0**

	Yes	No
3 Did the organization list any former officer, director or trustee, key employee, or highest compensated employee on line 1a? <i>If "Yes," complete Schedule J for such individual</i>		✓
4 For any individual listed on line 1a, is the sum of reportable compensation and other compensation from the organization and related organizations greater than \$150,000? <i>If "Yes," complete Schedule J for such individual</i>		✓
5 Did any person listed on line 1a receive or accrue compensation from any unrelated organization or individual for services rendered to the organization? <i>If "Yes," complete Schedule J for such person</i>		✓

Section B. Independent Contractors

1 Complete this table for your five highest compensated independent contractors that received more than \$100,000 of compensation from the organization.

(A) Name and business address	(B) Description of services	(C) Compensation
Noble & Associates P.O Box 44293 Phoenix, AZ 85064	Management services	340,000
The Word Doctors LLC 1800 Diagonal Road Ste 600 Alexandria, VA 85253	Marketing Consulting	150,507
Project Education LLC 84 Autumn Dr , Tolland, CT 06084	Fundraising Management	131,162
Holtzman Vogel 98 Alexandria Pike # 53 Warrenton, VA 20186-2849	Legal	109,815

2 Total number of independent contractors (including but not limited to those listed above) who received more than \$100,000 in compensation from the organization **4**

Part VIII Statement of Revenue

			(A) Total revenue	(B) Related or exempt function revenue	(C) Unrelated business revenue	(D) Revenue excluded from tax under sections 512, 513, or 514	
Contributions, gifts, grants and other similar amounts	1a	Federated campaigns	1a 0				
	b	Membership dues	1b 0				
	c	Fundraising events	1c 0				
	d	Related organizations	1d 0				
	e	Government grants (contributions)	1e 0				
	f	All other contributions, gifts, grants, and similar amounts not included above	1f 61,838,792				
	g	Noncash contributions included in lines 1a-1f: \$					
	h	Total. Add lines 1a-1f ▶		61,838,792			
Program Service Revenue			Business Code				
	2a	-----					
	b	-----					
	c	-----					
	d	-----					
	e	-----					
	f	All other program service revenue		0	0	0	
g	Total. Add lines 2a-2f ▶		0				
Other Revenue	3	Investment income (including dividends, interest, and other similar amounts) ▶		2,470	0	2,470	
	4	Income from investment of tax-exempt bond proceeds ▶					
	5	Royalties ▶					
	6a	Gross Rents	(i) Real				
			(ii) Personal				
	b	Less: rental expenses					
	c	Rental income or (loss)					
	d	Net rental income or (loss) ▶		0	0	0	
	7a	Gross amount from sales of assets other than inventory	(i) Securities				
			(ii) Other				
	b	Less: cost or other basis and sales expenses					
	c	Gain or (loss)					
	d	Net gain or (loss) ▶		0	0	0	
	8a	Gross income from fundraising events (not including \$ of contributions reported on line 1c). See Part IV, line 18 a					
b	Less: direct expenses b						
c	Net income or (loss) from fundraising events . . ▶		0	0	0		
9a	Gross income from gaming activities. See Part IV, line 19 a						
b	Less: direct expenses b						
c	Net income or (loss) from gaming activities . . ▶		0	0	0		
10a	Gross sales of inventory, less returns and allowances a						
b	Less: cost of goods sold b						
c	Net income or (loss) from sales of inventory . . ▶		0	0	0		
Miscellaneous Revenue		Business Code					
11a	-----						
b	-----						
c	-----						
d	All other revenue						
e	Total. Add lines 11a-11d ▶						
12	Total revenue. See Instructions. ▶		61,841,262	0	2,470	0	

Part IX Statement of Functional Expenses

Section 501(c)(3) and 501(c)(4) organizations must complete all columns.
 All other organizations must complete column (A) but are not required to complete columns (B), (C), and (D).

<i>Do not include amounts reported on lines 6b, 7b, 8b, 9b, and 10b of Part VIII.</i>		(A) Total expenses	(B) Program service expenses	(C) Management and general expenses	(D) Fundraising expenses
1	Grants and other assistance to governments and organizations in the U.S. See Part IV, line 21	44,599,946	44,599,946		
2	Grants and other assistance to individuals in the U.S. See Part IV, line 22	0	0		
3	Grants and other assistance to governments, organizations, and individuals outside the U.S. See Part IV, lines 15 and 16	0	0		
4	Benefits paid to or for members	0	0		
5	Compensation of current officers, directors, trustees, and key employees	0	0	0	0
6	Compensation not included above, to disqualified persons (as defined under section 4958(f)(1)) and persons described in section 4958(c)(3)(B)	0	0	0	0
7	Other salaries and wages	0	0	0	0
8	Pension plan contributions (include section 401(k) and section 403(b) employer contributions)	0	0	0	0
9	Other employee benefits	0	0	0	0
10	Payroll taxes	0	0	0	0
11	Fees for services (non-employees):				
a	Management	340,000	0	340,000	0
b	Legal	326,274	0	326,274	0
c	Accounting	21,225	0	21,225	0
d	Lobbying				
e	Professional fundraising services. See Part IV, line 17	212,139			212,139
f	Investment management fees	0	0	0	0
g	Other	4,367,101	4,367,101	0	0
12	Advertising and promotion	0	0	0	0
13	Office expenses	32,000	0	32,000	0
14	Information technology	0	0	0	0
15	Royalties	0	0	0	0
16	Occupancy	10,920	0	10,920	0
17	Travel	28,698	0	28,698	0
18	Payments of travel or entertainment expenses for any federal, state, or local public officials	0	0	0	0
19	Conferences, conventions, and meetings	0	0	0	0
20	Interest	0	0	0	0
21	Payments to affiliates	0	0	0	0
22	Depreciation, depletion, and amortization	0	0	0	0
23	Insurance				
24	Other expenses. Itemize expenses not covered above (List miscellaneous expenses in line 24f. If line 24f amount exceeds 10% of line 25, column (A) amount, list line 24f expenses on Schedule O.)				
a	Communications and surveys	10,307,089	10,307,089	0	0
b				
c				
d				
e				
f	All other expenses				
25	Total functional expenses. Add lines 1 through 24f	60,245,391	59,274,135	759,117	212,139
26	Joint costs. Check here <input type="checkbox"/> if following SOP 98-2 (ASC 958-720). Complete this line only if the organization reported in column (B) joint costs from a combined educational campaign and fundraising solicitation				

Part X Balance Sheet

		(A) Beginning of year		(B) End of year		
Assets	1	Cash—non-interest-bearing	1,608,260	1	1,646,293	
	2	Savings and temporary cash investments	0	2	1,574,071	
	3	Pledges and grants receivable, net	0	3	0	
	4	Accounts receivable, net	0	4	0	
	5	Receivables from current and former officers, directors, trustees, key employees, and highest compensated employees. Complete Part II of Schedule L	0	5	0	
	6	Receivables from other disqualified persons (as defined under section 4958(f)(1)), persons described in section 4958(c)(3)(B), and contributing employers and sponsoring organizations of section 501(c)(9) voluntary employees' beneficiary organizations (see instructions)	0	6	0	
	7	Notes and loans receivable, net	0	7	0	
	8	Inventories for sale or use	0	8	0	
	9	Prepaid expenses and deferred charges	5,341	9	0	
	10a	Land, buildings, and equipment: cost or other basis. Complete Part VI of Schedule D	10a	0		0
	b	Less: accumulated depreciation	10b	0	10c	0
	11	Investments—publicly traded securities	0	11	0	
	12	Investments—other securities. See Part IV, line 11	0	12	0	
	13	Investments—program-related. See Part IV, line 11	0	13	0	
	14	Intangible assets	0	14	0	
	15	Other assets. See Part IV, line 11	0	15	0	
16	Total assets. Add lines 1 through 15 (must equal line 34)	1,613,601	16	3,220,364		
Liabilities	17	Accounts payable and accrued expenses	500	17	0	
	18	Grants payable	0	18	0	
	19	Deferred revenue	0	19	0	
	20	Tax-exempt bond liabilities	0	20	0	
	21	Escrow or custodial account liability. Complete Part IV of Schedule D	0	21	0	
	22	Payables to current and former officers, directors, trustees, key employees, highest compensated employees, and disqualified persons. Complete Part II of Schedule L	0	22	0	
	23	Secured mortgages and notes payable to unrelated third parties	0	23	0	
	24	Unsecured notes and loans payable to unrelated third parties	0	24	0	
25	Other liabilities. Complete Part X of Schedule D	0	25	0		
26	Total liabilities. Add lines 17 through 25	500	26	0		
Net Assets or Fund Balances	Organizations that follow SFAS 117, check here <input type="checkbox"/> and complete lines 27 through 29, and lines 33 and 34.					
	27	Unrestricted net assets	0	27	0	
	28	Temporarily restricted net assets	0	28	0	
	29	Permanently restricted net assets	0	29	0	
	Organizations that do not follow SFAS 117, check here <input checked="" type="checkbox"/> and complete lines 30 through 34.					
	30	Capital stock or trust principal, or current funds	0	30	0	
	31	Paid-in or capital surplus, or land, building, or equipment fund	0	31	0	
	32	Retained earnings, endowment, accumulated income, or other funds	1,613,101	32	3,220,364	
33	Total net assets or fund balances	1,613,101	33	3,220,364		
34	Total liabilities and net assets/fund balances	1,613,101	34	3,220,364		

Part XI Reconciliation of Net Assets

Check if Schedule O contains a response to any question in this Part XI

1	Total revenue (must equal Part VIII, column (A), line 12)	1	61,841,262
2	Total expenses (must equal Part IX, column (A), line 25)	2	60,245,391
3	Revenue less expenses. Subtract line 2 from line 1	3	1,595,871
4	Net assets or fund balances at beginning of year (must equal Part X, line 33, column (A))	4	1,613,101
5	Other changes in net assets or fund balances (explain in Schedule O)	5	11,392
6	Net assets or fund balances at end of year. Combine lines 3, 4, and 5 (must equal Part X, line 33, column (B))	6	3,220,364

Part XII Financial Statements and Reporting

Check if Schedule O contains a response to any question in this Part XII

	Yes	No
1 Accounting method used to prepare the Form 990. <input checked="" type="checkbox"/> Cash <input type="checkbox"/> Accrual <input type="checkbox"/> Other _____ If the organization changed its method of accounting from a prior year or checked "Other," explain in Schedule O.		
2a Were the organization's financial statements compiled or reviewed by an independent accountant?		<input checked="" type="checkbox"/>
b Were the organization's financial statements audited by an independent accountant?	<input checked="" type="checkbox"/>	
c If "Yes" to line 2a or 2b, does the organization have a committee that assumes responsibility for oversight of the audit, review, or compilation of its financial statements and selection of an independent accountant? If the organization changed either its oversight process or selection process during the tax year, explain in Schedule O.	<input checked="" type="checkbox"/>	
d If "Yes" to line 2a or 2b, check a box below to indicate whether the financial statements for the year were issued on a separate basis, consolidated basis, or both: <input type="checkbox"/> Separate basis <input type="checkbox"/> Consolidated basis <input type="checkbox"/> Both consolidated and separate basis		
3a As a result of a federal award, was the organization required to undergo an audit or audits as set forth in the Single Audit Act and OMB Circular A-133?		
b If "Yes," did the organization undergo the required audit or audits? If the organization did not undergo the required audit or audits, explain why in Schedule O and describe any steps taken to undergo such audits		

**SCHEDULE D
(Form 990)**

Supplemental Financial Statements

OMB No 1545-0047

2010

Open to Public Inspection

Department of the Treasury
Internal Revenue Service

▶ Complete if the organization answered "Yes," to Form 990, Part IV, line 6, 7, 8, 9, 10, 11, or 12.

▶ Attach to Form 990. ▶ See separate instructions.

Name of the organization

Center To Protect Patient Rights, Inc

Employer identification number

26-4683543

Part I Organizations Maintaining Donor Advised Funds or Other Similar Funds or Accounts. Complete if the organization answered "Yes" to Form 990, Part IV, line 6.

	(a) Donor advised funds	(b) Funds and other accounts
1 Total number at end of year		
2 Aggregate contributions to (during year)		
3 Aggregate grants from (during year)		
4 Aggregate value at end of year		
5 Did the organization inform all donors and donor advisors in writing that the assets held in donor advised funds are the organization's property, subject to the organization's exclusive legal control? <input type="checkbox"/> Yes <input type="checkbox"/> No		
6 Did the organization inform all grantees, donors, and donor advisors in writing that grant funds can be used only for charitable purposes and not for the benefit of the donor or donor advisor, or for any other purpose conferring impermissible private benefit? <input type="checkbox"/> Yes <input type="checkbox"/> No		

Part II Conservation Easements. Complete if the organization answered "Yes" to Form 990, Part IV, line 7.

1 Purpose(s) of conservation easements held by the organization (check all that apply).
 Preservation of land for public use (e.g., recreation or education) Preservation of an historically important land area
 Protection of natural habitat Preservation of a certified historic structure
 Preservation of open space

2 Complete lines 2a through 2d if the organization held a qualified conservation contribution in the form of a conservation easement on the last day of the tax year.

	Held at the End of the Tax Year
a Total number of conservation easements	2a
b Total acreage restricted by conservation easements	2b
c Number of conservation easements on a certified historic structure included in (a)	2c
d Number of conservation easements included in (c) acquired after 8/17/06, and not on a historic structure listed in the National Register	2d

3 Number of conservation easements modified, transferred, released, extinguished, or terminated by the organization during the tax year ▶

4 Number of states where property subject to conservation easement is located ▶

5 Does the organization have a written policy regarding the periodic monitoring, inspection, handling of violations, and enforcement of the conservation easements it holds? Yes No

6 Staff and volunteer hours devoted to monitoring, inspecting, and enforcing conservation easements during the year ▶

7 Amount of expenses incurred in monitoring, inspecting, and enforcing conservation easements during the year ▶ \$

8 Does each conservation easement reported on line 2(d) above satisfy the requirements of section 170(h)(4)(B)(i) and section 170(h)(4)(B)(ii)? Yes No

9 In Part XIV, describe how the organization reports conservation easements in its revenue and expense statement, and balance sheet, and include, if applicable, the text of the footnote to the organization's financial statements that describes the organization's accounting for conservation easements.

Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets. Complete if the organization answered "Yes" to Form 990, Part IV, line 8.

1a If the organization elected, as permitted under SFAS 116 (ASC 958), not to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide, in Part XIV, the text of the footnote to its financial statements that describes these items.

b If the organization elected, as permitted under SFAS 116 (ASC 958), to report in its revenue statement and balance sheet works of art, historical treasures, or other similar assets held for public exhibition, education, or research in furtherance of public service, provide the following amounts relating to these items:

(i) Revenues included in Form 990, Part VIII, line 1 ▶ \$

(ii) Assets included in Form 990, Part X ▶ \$

2 If the organization received or held works of art, historical treasures, or other similar assets for financial gain, provide the following amounts required to be reported under SFAS 116 (ASC 958) relating to these items:

a Revenues included in Form 990, Part VIII, line 1 ▶ \$

b Assets included in Form 990, Part X ▶ \$

Part III Organizations Maintaining Collections of Art, Historical Treasures, or Other Similar Assets (continued)

- 3** Using the organization's acquisition, accession, and other records, check any of the following that are a significant use of its collection items (check all that apply):
- a Public exhibition
 - b Scholarly research
 - c Preservation for future generations
 - d Loan or exchange programs
 - e Other
- 4** Provide a description of the organization's collections and explain how they further the organization's exempt purpose in Part XIV.
- 5** During the year, did the organization solicit or receive donations of art, historical treasures, or other similar assets to be sold to raise funds rather than to be maintained as part of the organization's collection? Yes No

Part IV Escrow and Custodial Arrangements. Complete if the organization answered "Yes" to Form 990, Part IV, line 9, or reported an amount on Form 990, Part X, line 21.

- 1a** Is the organization an agent, trustee, custodian or other intermedary for contributions or other assets not included on Form 990, Part X? Yes No
- b** If "Yes," explain the arrangement in Part XIV and complete the following table:

	Amount
c Beginning balance	1c
d Additions during the year	1d
e Distributions during the year	1e
f Ending balance	1f

- 2a** Did the organization include an amount on Form 990, Part X, line 21? Yes No
- b** If "Yes," explain the arrangement in Part XIV.

Part V Endowment Funds. Complete if the organization answered "Yes" to Form 990, Part IV, line 10.

	(a) Current year	(b) Prior year	(c) Two years back	(d) Three years back	(e) Four years back
1a Beginning of year balance					
b Contributions					
c Net investment earnings, gains, and losses					
d Grants or scholarships					
e Other expenditures for facilities and programs					
f Administrative expenses					
g End of year balance					

2 Provide the estimated percentage of the year end balance held as:

- a** Board designated or quasi-endowment ▶ %
- b** Permanent endowment ▶ %
- c** Term endowment ▶ %

3a Are there endowment funds not in the possession of the organization that are held and administered for the organization by:

	Yes	No
(i) unrelated organizations	3a(i)	
(ii) related organizations	3a(ii)	
b If "Yes" to 3a(ii), are the related organizations listed as required on Schedule R?	3b	

4 Describe in Part XIV the intended uses of the organization's endowment funds.

Part VI Land, Buildings, and Equipment. See Form 990, Part X, line 10.

Description of investment	(a) Cost or other basis (investment)	(b) Cost or other basis (other)	(c) Accumulated depreciation	(d) Book value
1a Land				
b Buildings				
c Leasehold improvements				
d Equipment				
e Other				

Total. Add lines 1a through 1e. (Column (d) must equal Form 990, Part X, column (B), line 10(c.) ▶

Part VII Investments—Other Securities. See Form 990, Part X, line 12.

(a) Description of security or category (including name of security)	(b) Book value	(c) Method of valuation Cost or end-of-year market value
(1) Financial derivatives		
(2) Closely-held equity interests		
(3) Other		
(A) -----		
(B) -----		
(C) -----		
(D) -----		
(E) -----		
(F) -----		
(G) -----		
(H) -----		
(I) -----		
Total. (Column (b) must equal Form 990, Part X, col (B) line 12.) ▶		

Part VIII Investments—Program Related. See Form 990, Part X, line 13.

(a) Description of investment type	(b) Book value	(c) Method of valuation Cost or end-of-year market value
(1)		
(2)		
(3)		
(4)		
(5)		
(6)		
(7)		
(8)		
(9)		
(10)		
Total. (Column (b) must equal Form 990, Part X, col (B) line 13.) ▶		

Part IX Other Assets. See Form 990, Part X, line 15.

(a) Description	(b) Book value
(1)	
(2)	
(3)	
(4)	
(5)	
(6)	
(7)	
(8)	
(9)	
(10)	
Total. (Column (b) must equal Form 990, Part X, col. (B) line 15.) ▶	

Part X Other Liabilities. See Form 990, Part X, line 25.

1. (a) Description of liability	(b) Amount
(1) Federal income taxes	
(2)	
(3)	
(4)	
(5)	
(6)	
(7)	
(8)	
(9)	
(10)	
(11)	
Total. (Column (b) must equal Form 990, Part X, col. (B) line 25.) ▶	

2. FIN 48 (ASC 740) Footnote. In Part XIV, provide the text of the footnote to the organization's financial statements that reports the organization's liability for uncertain tax positions under FIN 48 (ASC 740).

Part XI Reconciliation of Change in Net Assets from Form 990 to Audited Financial Statements		
1	Total revenue (Form 990, Part VIII, column (A), line 12)	1 61,841,262
2	Total expenses (Form 990, Part IX, column (A), line 25)	2 60,245,391
3	Excess or (deficit) for the year. Subtract line 2 from line 1	3 1,595,871
4	Net unrealized gains (losses) on investments	4 0
5	Donated services and use of facilities	5 0
6	Investment expenses	6 0
7	Prior period adjustments	7 0
8	Other (Describe in Part XIV.)	8 347,989
9	Total adjustments (net). Add lines 4 through 8	9 347,989
10	Excess or (deficit) for the year per audited financial statements. Combine lines 3 and 9	10 1,943,860

Part XII Reconciliation of Revenue per Audited Financial Statements With Revenue per Return		
1	Total revenue, gains, and other support per audited financial statements	1 61,838,791
2	Amounts included on line 1 but not on Form 990, Part VIII, line 12:	
a	Net unrealized gains on investments	2a 0
b	Donated services and use of facilities	2b 0
c	Recoveries of prior year grants	2c 0
d	Other (Describe in Part XIV.)	2d 0
e	Add lines 2a through 2d	2e 0
3	Subtract line 2e from line 1	3 61,838,791
4	Amounts included on Form 990, Part VIII, line 12, but not on line 1:	
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a 0
b	Other (Describe in Part XIV.)	4b 0
c	Add lines 4a and 4b	4c 0
5	Total revenue. Add lines 3 and 4c. (This must equal Form 990, Part I, line 12.)	5 61,838,791

Part XIII Reconciliation of Expenses per Audited Financial Statements With Expenses per Return		
1	Total expenses and losses per audited financial statements	1 59,897,401
2	Amounts included on line 1 but not on Form 990, Part IX, line 25:	
a	Donated services and use of facilities	2a 0
b	Prior year adjustments	2b 0
c	Other losses	2c 0
d	Other (Describe in Part XIV.)	2d 0
e	Add lines 2a through 2d	2e 0
3	Subtract line 2e from line 1	3 59,897,401
4	Amounts included on Form 990, Part IX, line 25, but not on line 1:	
a	Investment expenses not included on Form 990, Part VIII, line 7b	4a 0
b	Other (Describe in Part XIV.)	4b 347,990
c	Add lines 4a and 4b	4c 347,990
5	Total expenses. Add lines 3 and 4c. (This must equal Form 990, Part I, line 18.)	5 60,245,391

Part XIV Supplemental Information

Complete this part to provide the descriptions required for Part II, lines 3, 5, and 9; Part III, lines 1a and 4; Part IV, lines 1b and 2b; Part V, line 4; Part X, line 2; Part XI, line 8; Part XII, lines 2d and 4b; and Part XIII, lines 2d and 4b. Also complete this part to provide any additional information.

DIFFERENCE OF \$347,989 REPRESENTS THE 2009 AUDIT ACCRUAL FOR EXPENSES THERE ARE NO ACCRUAL ITEMS FOR 2010

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SCHEDULE G
(Form 990 or 990-EZ)

Department of the Treasury
Internal Revenue Service

**Supplemental Information Regarding
Fundraising or Gaming Activities**

Complete if the organization answered "Yes" to Form 990, Part IV, lines 17, 18, or 19, or if the organization entered more than \$15,000 on Form 990-EZ, line 6a.
▶ Attach to Form 990 or Form 990-EZ. ▶ See separate instructions.

OMB No 1545-0047

2010

Open to Public Inspection

Name of the organization

Center To Protect Patient Rights, Inc

Employer identification number

26-4683543

Part I

Fundraising Activities. Complete if the organization answered "Yes" to Form 990, Part IV, line 17. Form 990-EZ filers are not required to complete this part.

- 1** Indicate whether the organization raised funds through any of the following activities. Check all that apply.
- | | |
|---|---|
| a <input type="checkbox"/> Mail solicitations | e <input type="checkbox"/> Solicitation of non-government grants |
| b <input checked="" type="checkbox"/> Internet and email solicitations | f <input type="checkbox"/> Solicitation of government grants |
| c <input checked="" type="checkbox"/> Phone solicitations | g <input type="checkbox"/> Special fundraising events |
| d <input checked="" type="checkbox"/> In-person solicitations | |
- 2a** Did the organization have a written or oral agreement with any individual (including officers, directors, trustees or key employees listed in Form 990, Part VII) or entity in connection with professional fundraising services? **Yes** **No**
- b** If "Yes," list the ten highest paid individuals or entities (fundraisers) pursuant to agreements under which the fundraiser is to be compensated at least \$5,000 by the organization.

(i) Name and address of individual or entity (fundraiser)	(ii) Activity	(iii) Did fundraiser have custody or control of contributions?		(iv) Gross receipts from activity	(v) Amount paid to (or retained by) fundraiser listed in col (i)	(vi) Amount paid to (or retained by) organization
		Yes	No			
1 Project Education LLC 84 Autumn Dr Tolland CT 06084	Fundraising using targeted communications		✓	\$2,622,000	\$131,163	\$2,490,837
2 Yescalis Campaign Strategies 1010 N 2nd Ave,Phoenix, AZ85003	Fundraising consulting		✓	\$459,000	\$45,900	\$413,100
3						
4						
5						
6						
7						
8						
9						
10						
Total				3,081,000	177,063	2,903,937

3 List all states in which the organization is registered or licensed to solicit contributions or has been notified it is exempt from registration or licensing.

New York

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Part II Fundraising Events. Complete if the organization answered "Yes" to Form 990, Part IV, line 18, or reported more than \$15,000 of fundraising event contributions and gross income on Form 990-EZ, lines 1 and 6b. List events with gross receipts greater than \$5,000.

		(a) Event #1	(b) Event #2	(c) Other events	(d) Total events
		(event type)	(event type)	(total number)	(add col (a) through col (c))
Revenue	1	Gross receipts	None		
	2	Less: Charitable contributions			
	3	Gross income (line 1 minus line 2)			
Direct Expenses	4	Cash prizes			
	5	Noncash prizes			
	6	Rent/facility costs			
	7	Food and beverages			
	8	Entertainment			
	9	Other direct expenses			
	10	Direct expense summary. Add lines 4 through 9 in column (d) ▶			
11	Net income summary. Combine line 3, column (d), and line 10 ▶				()

Part III Gaming. Complete if the organization answered "Yes" to Form 990, Part IV, line 19, or reported more than \$15,000 on Form 990-EZ, line 6a.

		(a) Bingo	(b) Pull tabs/instant bingo/progressive bingo	(c) Other gaming	(d) Total gaming (add col (a) through col (c))
		1	Gross revenue	None	
Direct Expenses	2	Cash prizes			
	3	Noncash prizes			
	4	Rent/facility costs			
	5	Other direct expenses			
	6	Volunteer labor	<input type="checkbox"/> Yes _____ % <input type="checkbox"/> No	<input type="checkbox"/> Yes _____ % <input type="checkbox"/> No	<input type="checkbox"/> Yes _____ % <input type="checkbox"/> No
7	Direct expense summary. Add lines 2 through 5 in column (d) ▶				()
8	Net gaming income summary. Combine line 1, column d, and line 7 ▶				()

- 9 Enter the state(s) in which the organization operates gaming activities: _____
- a Is the organization licensed to operate gaming activities in each of these states? Yes No
- b If "No," explain: _____
- 10a Were any of the organization's gaming licenses revoked, suspended or terminated during the tax year? Yes No
- b if "Yes," explain: _____

11 Does the organization operate gaming activities with nonmembers? Yes No

12 Is the organization a grantor, beneficiary or trustee of a trust or a member of a partnership or other entity formed to administer charitable gaming? Yes No

13 Indicate the percentage of gaming activity operated in:

a	The organization's facility	13a	%
b	An outside facility	13b	%

14 Enter the name and address of the person who prepares the organization's gaming/special events books and records:

Name ▶ _____

Address ▶ _____

15a Does the organization have a contract with a third party from whom the organization receives gaming revenue? Yes No

b If "Yes," enter the amount of gaming revenue received by the organization ▶ \$ _____ and the amount of gaming revenue retained by the third party ▶ \$ _____

c If "Yes," enter name and address of the third party:

Name ▶ _____

Address ▶ _____

16 Gaming manager information:

Name ▶ _____

Gaming manager compensation ▶ \$ _____

Description of services provided ▶ _____

Director/officer Employee Independent contractor

17 Mandatory distributions:

a Is the organization required under state law to make charitable distributions from the gaming proceeds to retain the state gaming license? Yes No

b Enter the amount of distributions required under state law to be distributed to other exempt organizations or spent in the organization's own exempt activities during the tax year ▶ \$ _____

Part IV Supplemental Information. Complete this part to provide the explanations required by Part I, line 2b, columns (iii) and (v), and Part III, lines 9, 9b, 10b, 15b, 15c, 16, and 17b, as applicable. Also complete this part to provide any additional information (see instructions).

Contributions solicited by fundraisers were made payable to the Center. Following receipt of funds a commission of 5% to 10% was paid to the fundraising company

**SCHEDULE I
(Form 990)**

Department of the Treasury
Internal Revenue Service

OMB No. 1545-0047

2010

Open to Public
Inspection

**Grants and Other Assistance to Organizations,
Governments, and Individuals in the United States**

Complete if the organization answered "Yes" to Form 990, Part IV, line 21 or 22.
▶ Attach to Form 990.

Name of the organization

Center To Protect Patient Rights, Inc.

Employer identification number

26-4683543

Part I General information on Grants and Assistance

- 1** Does the organization maintain records to substantiate the amount of the grants or assistance, the grantees' eligibility for the grants or assistance, and the selection criteria used to award the grants or assistance? Yes No
- 2** Describe in Part IV the organization's procedures for monitoring the use of grant funds in the United States.

Part II Grants and Other Assistance to Governments and Organizations in the United States. Complete if the organization answered "Yes" to Form 990, Part IV, line 21, for any recipient that received more than \$5,000. Check this box if no one recipient received more than \$5,000. Part II can be duplicated if additional space is needed.

1 (a) Name and address of organization or government	(b) EIN	(c) IRC section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance	
(1) American Energy Alliance 1100H Street,NW,Ste 400 Wash. DC 20005	26-2731617	501C4	250,000.00	0	FMV		General Support	
(2) American Future Fund4225 Fleur Dr #142 Des Moines,IA 50321	26-0620554	501C4	11,685,000.00	0			General Support	
(3) Americans for Job Security 107 S. West St PMB 551 Alexandria VA	52-2062978	501C4	4,828,000.00	0			General Support	
(4) Americans for Ltd Govt. 9900 Main St Suite 303 Alexandria VA	36-3975580	501C4	5,585,000.00	0			General Support	
(5) Americans for Prosperity 2111Wilson Blvd Arlington VA 22201	75-3148958	501C4	1,924,000.00	0			General Support	
(6) Americans for Tax Reform 7200 12th St 4th floorNW Washington DC	52-1403587	501C4	4,189,000.00	0			General Support	
(7) Americans United for Life 655 15th St NW Wash,DC 20005	36-3906065	501C3	45,000.00	0			General Support	
(8) Americans United for Life Action 655 15th StNWSte10Wash,DC20005	26-2696809	501C4	559,000.00	0			General Support	
(9) Club for Growth 2001 L St NW Suite 600, Washington,DC20036	20-4681603	501C4	690,000.00	0			General Support	
(10) Coalition to Protect Patient Right PO Box 3114 Arlington VA 22203	27-0224057	501C4	205,000.00	0			General Support	
(11) Common Sense Issue, Inc. 8190A Beechmont Ave. #103 Cinn OH45255	20-8824036	501C4	10,000.00	0			General Support	
(12) Common Sense Issues Coalition P.O. Box 54984 Cinn. OH 45254	20-8824096	501C4	25,000.00	0			General Support	
2 Enter total number of section 501(c)(3) and government organizations								0
3 Enter total number of other organizations								0

Part III Grants and Other Assistance to Individuals in the United States. Complete if the organization answered "Yes" to Form 990, Part IV, line 22. Part III can be duplicated if additional space is needed.

	(a) Type of grant or assistance	(b) Number of recipients	(c) Amount of cash grant	(d) Amount of non-cash assistance	(e) Method of valuation (book, FMV, appraisal, other)	(f) Description of non-cash assistance
1						
2						
3						
4						
5						
6						
7						

Part IV Supplemental Information. Complete this part to provide the information required in Part I, line 2, and any other additional information.

The organization carefully considered the mission of each grant recipient organization prior to making the general support grants

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**SCHEDULE I
(Form 990)**

**Grants and Other Assistance to Organizations,
Governments, and Individuals in the United States**

Complete if the organization answered "Yes" to Form 990, Part IV, line 21 or 22.
▶ Attach to Form 990.

OMB No. 1545-0047

2010

Open to Public
Inspection

Department of the Treasury
Internal Revenue Service

Name of the organization

Center To Protect Patient Rights, Inc.

Employer identification number

26-4683543

Part I General Information on Grants and Assistance

- 1** Does the organization maintain records to substantiate the amount of the grants or assistance, the grantees' eligibility for the grants or assistance, and the selection criteria used to award the grants or assistance? Yes No
- 2** Describe in Part IV the organization's procedures for monitoring the use of grant funds in the United States.

Part II Grants and Other Assistance to Governments and Organizations in the United States. Complete if the organization answered "Yes" to Form 990, Part IV, line 21, for any recipient that received more than \$5,000. Check this box if no one recipient received more than \$5,000. Part II can be duplicated if additional space is needed.

1 (a) Name and address of organization or government	(b) EIN	(c) IRC section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
(1) US Health Freedom Coal. 4715 N 32nd St Ste 107 Phoenix, AZ 85018	87-0809179	501C4	1,430,000.00	0			General Support
(2) Concerned Wmn 4 America Leg 1015 15St.NW,Ste1100 Wash DC	95-3370744	501C4	4,500.00	0			General Support
(3) Freedom Vote PO Box 882 Dayton, OH 45401	27-3004397	501C4	200,000.00	0			General Support
(4) Hispanic Leadership Fund PO 23162 Alexandria, VA 22304	26-2383617	501C4	47,000.00	0			General Support
(5) The Inst. for Liberty 1250 CT Av NW Ste 200 Washington DC 20036	20-2641983	501C4	457,000.00	0			General Support
(6) Protect Your Vote Inc 610 S. Blvd Tampa, FL 33606	27-3512898	501C4	100,000.00	0			General Support
(7) Revere America 1701 Penn Ave NW, Ste 300 Washington DC 20006	27-2334193	501C4	2,300,000.00	0			General Support
(8) Sixty Plus Assoc 60 King St Ste 315 Alexandria VA 22314	54-1564919	501C4	8,990,000.00	0			General Support
(9) Susan B Anthony List 1707 L St NW, Ste 550 Washington, DC 20036	54-1850126	501C4	1,025,000.00	0			General Support
(10) Tea Party Patriots 1025 Rose Creek Dr Woodstock, GA 30189	27-0470227	501C4	30,000.00	0			General Support
(11)							
(12)							

2 Enter total number of section 501(c)(3) and government organizations 0

3 Enter total number of other organizations 22

For Paperwork Reduction Act Notice, see the Instructions for Form 990.

Cat No. 50055P

Schedule I (Form 990) (2010)

SCHEDULE O
(Form 990 or 990-EZ)

Supplemental Information to Form 990 or 990-EZ

OMB No 1545-0047

2010

**Open to Public
Inspection**

Department of the Treasury
Internal Revenue Service

Complete to provide information for responses to specific questions on
Form 990 or 990-EZ or to provide any additional information.

▶ Attach to Form 990 or 990-EZ.

Name of the organization

Center To Protect Patient Rights, Inc

Employer identification number

26-4683543

Part VI, Line 11(A) The organization shares a copy of the final form 990 with the Board of Directors prior to submitting it
to the Internal Revenue Service.

Part VI, Line 19 The organization provides copies of its governing documents and conflict of interest policy available request

Part VI, Line 12 c The organization works to enforce and monitor its conflicts of interest policy by applying it throughout
the year to instances that may arise which involve potential conflicts The organization will also review it during its annual
board meeting, along with its other good governance policies

Part XII, 2a & 2b - An annual audit has been completed

Part VI, Line 3 - The organization delegated management duties to the organizations executive directors firm

Part XI, Line 5 - An adjustment to reconcile opening and closing balances of net assets was made This increased net assets by \$11,392.

SCHEDULE O
(Form 990 or 990-EZ)

Supplemental Information to Form 990 or 990-EZ

OMB No. 1545-0047

2010

**Open to Public
Inspection**

Department of the Treasury
Internal Revenue Service

Complete to provide information for responses to specific questions on
Form 990 or 990-EZ or to provide any additional information.

▶ Attach to Form 990 or 990-EZ.

Name of the organization

Center To Protect Patient Rights, Inc.

Employer identification number

26-4683543

This return has been amended to include Schedule R and an additional Schedule O, and a change to the response to Part IV, Line 33.

No other changes have been made to the return. Due to an inadvertent omission Schedule R was not included in the initial filing.

All financial activities including donor contributions were however included in the Center's financial and other data reported

on Form 990 as well as other supporting schedules.

**SCHEDULE R
(Form 990)**

Department of the Treasury
Internal Revenue Service

Name of the organization

Center To Protect Patient Rights, Inc.

Related Organizations and Unrelated Partnerships

▶ Complete if the organization answered "Yes" to Form 990, Part IV, line 33, 34, 35, 36, or 37.
▶ Attach to Form 990. ▶ See separate instructions.

OMB No. 1545-0047

2010

Open to Public
Inspection

Employer identification number
26-4683543

Part I Identification of Disregarded Entities (Complete if the organization answered "Yes" to Form 990, Part IV, line 33.)

(a) Name, address, and EIN of disregarded entity	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Total income	(e) End-of-year assets	(f) Direct controlling entity
(1) Meridian Edition LLC During 2010, what is now Meridian Edition was called American Commitment LLC (7/7/10-12/28/10) and Meridian Edition LLC (1/2/28/10-12/31/10). 26911 N. 23rd Lane Phoenix, AZ 85085 80-0549969	nonprofit purposes including fundraising	DE	9,964,000	231,708	N/A
(2) _____	_____	_____	_____	_____	_____
(3) _____	_____	_____	_____	_____	_____
(4) During 2010, Corner Table was called Eleventh Edition LLC(10/8/10-12/28/10) and Corner Table, LLC (12/28/10-12/31/10)	nonprofit purposes including fundraising	DE	12,960,100	409,941	N/A
(5) 26911 N. 23rd Lane, Phoenix, AZ 85085 27-3639310	_____	_____	_____	_____	_____
(6) _____	_____	_____	_____	_____	_____

Part II Identification of Related Tax-Exempt Organizations (Complete if the organization answered "Yes" to Form 990, Part IV, line 34 because it had one or more related tax-exempt organizations during the tax year.)

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Exempt Code section	(e) Public charity status (if section 501(c)(3))	(f) Direct controlling entity	(g) Section 512(b)(13) controlled entity?	
						Yes	No
(1) None	_____	_____	_____	_____	_____	_____	_____
(2) _____	_____	_____	_____	_____	_____	_____	_____
(3) _____	_____	_____	_____	_____	_____	_____	_____
(4) _____	_____	_____	_____	_____	_____	_____	_____
(5) _____	_____	_____	_____	_____	_____	_____	_____
(6) _____	_____	_____	_____	_____	_____	_____	_____
(7) _____	_____	_____	_____	_____	_____	_____	_____

Part III Identification of Related Organizations Taxable as a Partnership (Complete if the organization answered "Yes" to Form 990, Part IV, line 34 because it had one or more related organizations treated as a partnership during the tax year.)

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Predominant income (related, unrelated, excluded from tax under sections 512-514)	(f) Share of total income	(g) Share of end-of-year assets	(h) Disproportionate allocations?		(i) Code V—UBI amount in box 20 of Schedule K-1 (Form 1065)	(j) General or managing partner?		(k) Percentage ownership
							Yes	No		Yes	No	
(1) None												
(2)												
(3)												
(4)												
(5)												
(6)												
(7)												

Part IV Identification of Related Organizations Taxable as a Corporation or Trust (Complete if the organization answered "Yes" to Form 990, Part IV, line 34 because it had one or more related organizations treated as a corporation or trust during the tax year.)

(a) Name, address, and EIN of related organization	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Direct controlling entity	(e) Type of entity (C corp, S corp, or trust)	(f) Share of total income	(g) Share of end-of-year assets	(h) Percentage ownership
(2)							
(3)							
(4)							
(5)							
(6)							
(7)							

Part IV Transactions With Related Organizations (Complete if the organization answered "Yes" to Form 990, Part IV, line 34, 35, 35a, or 36.)

Note. Complete line 1 if any entity is listed in Parts II, III, or IV of this schedule.

		Yes	No
1	During the tax year, did the organization engage in any of the following transactions with one or more related organizations listed in Parts II-IV?		
a	Receipt of (i) interest (ii) annuities (iii) royalties or (iv) rent from a controlled entity		1a
b	Gift, grant, or capital contribution to other organization(s)		1b
c	Gift, grant, or capital contribution from other organization(s)		1c
d	Loans or loan guarantees to or for other organization(s)		1d
e	Loans or loan guarantees by other organization(s)		1e
f	Sale of assets to other organization(s)		1f
g	Purchase of assets from other organization(s)		1g
h	Exchange of assets		1h
i	Lease of facilities, equipment, or other assets to other organization(s)		1i
j	Lease of facilities, equipment, or other assets from other organization(s)		1j
k	Performance of services or membership or fundraising solicitations for other organization(s)		1k
l	Performance of services or membership or fundraising solicitations by other organization(s)		1l
m	Sharing of facilities, equipment, mailing lists, or other assets		1m
n	Sharing of paid employees		1n
o	Reimbursement paid to other organization for expenses		1o
p	Reimbursement paid by other organization for expenses		1p
q	Other transfer of cash or property to other organization(s)		1q
r	Other transfer of cash or property from other organization(s)		1r

2 If the answer to any of the above is "Yes," see the instructions for information on who must complete this line, including covered relationships and transaction thresholds.

(1)	(a) Name of other organization	(b) Transaction type (e-r)	(c) Amount involved	(d) Method of determining amount involved
(1)				
(2)				
(3)				
(4)				
(5)				
(6)				

Part VI Unrelated Organizations Taxable as a Partnership (Complete if the organization answered "Yes" to Form 990, Part IV, line 37.)

Provide the following information for each entity taxed as a partnership through which the organization conducted more than five percent of its activities (measured by total assets or gross revenue) that was not a related organization. See instructions regarding exclusion for certain investment partnerships.

	(a) Name, address, and EIN of entity	(b) Primary activity	(c) Legal domicile (state or foreign country)	(d) Are all partners section 501(c)(3) organizations?		(e) Share of end-of-year assets	(f) Disproportionate allocations?		(g) Code V—UBI amount in box 20 of Schedule K-1 (Form 1065)	(h) General or managing partner?	
				Yes	No		Yes	No		Yes	No
(1)	None										
(2)											
(3)											
(4)											
(5)											
(6)											
(7)											
(8)											
(9)											
(10)											
(11)											
(12)											
(13)											
(14)											
(15)											
(16)											

Part VII Supplemental Information

Complete this part to provide additional information for responses to questions on Schedule R (see instructions).

N/A

Area with horizontal dashed lines for supplemental information.

EXHIBIT B



3 of 3 DOCUMENTS

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SECTION: A section; Pg. A01

LENGTH: 2467 words

HEADLINE: A Koch-tied labyrinth of political spending

BYLINE: Matea Gold

BODY:

The political network spearheaded by conservative billionaires Charles and David Koch has expanded into a far-reaching operation of unrivaled complexity, built around a maze of groups that cloaks its donors, according to an analysis of new tax returns and other documents.

The filings show that the network of politically active nonprofit groups backed by the Kochs and fellow donors in the 2012 elections financially outpaced other independent groups on the right and, on its own, matched the long-established national coalition of labor unions that serves as one of the biggest sources of support for Democrats.

The resources and the breadth of the organization make it singular in American politics: an operation conducted outside the campaign finance system, employing an array of groups aimed at stopping what its financiers view as government overreach. Members of the coalition target different constituencies but together have mounted attacks on the new health-care law, federal spending and environmental regulations.

Key players in the Koch-backed network have already begun engaging in the 2014 midterm elections, hiring new staff members to expand operations and strafing House and Senate Democrats with hard-hitting ads over their support for the Affordable Care Act.

Its funders remain largely unknown; the coalition was carefully constructed with extensive legal barriers to shield its donors.

But they have substantial firepower. Together, the 17 conservative groups that made up the network raised at least \$407 million during the 2012 campaign, according to the analysis of tax returns by The Washington Post and the Center for Responsive Politics, a nonpartisan group that tracks money in politics.

A labyrinth of tax-exempt groups and limited-liability companies helps mask the sources of the money, much of which went to voter mobilization and television ads attacking President Obama and congressional Democrats, according to tax filings and campaign finance reports.

The coalition's revenue surpassed that of the Crossroads organizations, a super PAC and nonprofit group co-founded by GOP strategist Karl Rove that together brought in \$325 million in the last cycle.

The left has its own financial muscle, of course; unions plowed roughly \$400 million into national, state and local elections in 2012. A network of wealthy liberal donors organized by the group Democracy Alliance mustered about \$100 million for progressive groups and super PACs in the last election cycle, according to a source familiar with the totals.

The donor network organized by the Kochs - along with funding an array of longtime pro-Republican groups such as the U.S. Chamber of Commerce, the National Rifle Association and Americans for Tax Reform - distributed money to a coalition of groups that share the brothers' libertarian, free-market perspective. Each group was charged with a specialized task such as youth outreach, Latino engagement or data crunching.

The system involved roughly a dozen limited-liability companies with cryptic, alphabet-soup names such as SLAH LLC and ORRA LLC, and entities that dissolved and reappeared under different monikers.

Lloyd Hitoshi Mayer, a University of Notre Dame Law School professor who studies the tax issues of politically active nonprofits, said he has never seen a network with a similar design in the tax-exempt world.

"It is a very sophisticated and complicated structure," said Mayer, who examined some of the groups' tax filings. "It's designed to make it opaque as to where the money is coming from and where the money is going. No layperson thought this up. It would only be worth it if you were spending the kind of dollars the Koch brothers are, because this was not cheap."

Tracing the flow of the money is particularly challenging because many of the advocacy groups swapped funds back and forth. The tactic not only provides multiple layers of protection for the original donors but also allows the groups to claim they are spending the money on "social welfare" activities to qualify for 501(c)(4) tax-exempt status.

Such maneuvers could be sharply restricted under new regulations proposed by the Internal Revenue Service in November. The new rules seek to rein in nonprofit groups that have increasingly engaged in elections while avoiding the donor disclosure required of political committees.

The donors

It is unclear how much of the network's funds came directly from the Kochs, who head Koch Industries, one of the largest privately held companies in the country. The brothers, who fund a host of libertarian think tanks and advocacy groups, are heralded on the right and pilloried on the left for their largess.

While "the Koch network" has become a shorthand in political circles, the coalition is financed by a large pool of other conservative donors as well, according to people who participate in the organization.

Through a corporate spokesman, the Kochs declined to comment on what support they give.

"Koch's involvement in political and public policy activities is at the core of fundamental liberties protected by the First Amendment to the United States Constitution," Koch Industries spokesman Robert Tappan said in an e-mailed statement. "This type of activity is undertaken by individual donors and organizations on all ends of the political spectrum - on the left, the middle, and the right. In many situations, the law does not compel disclosure of donors to various causes and organizations."

Tappan added that "Koch has been targeted repeatedly in the past by the Administration and its allies because of our real (or, in some cases, perceived) beliefs and activities concerning public policy and political issues."

In a rare in-person interview with *Forbes* in late 2012, Charles Koch defended the need for venues that allow donors to give money without public disclosure, saying such groups provide protection from the kind of attacks his family and company have weathered.

"We get death threats, threats to blow up our facilities, kill our people. We get Anonymous and other groups trying to crash our IT systems," he said, referring to the computer-hacking collective. "So long as we're in a society like that, where the president attacks us and we get threats from people in Congress, and this is pushed out and becomes part of the culture - that we are evil, so we need to be destroyed, or killed - then why force people to disclose?"

Since 2003, the Kochs have hosted twice-yearly seminars with like-minded donors at which they collect pledges for groups that share their commitment to deregulation and free markets.

Jack Schuler, a Chicago health-care entrepreneur, attended one of the Kochs' donor meetings in Beaver Creek, Colo., several years ago and has contributed about \$100,000 a year to their efforts since then.

"They came across as guys who are putting a lot of their own money into it," Schuler said. "They are pretty soft-spoken, not screamers or screechers. They provide the leadership, the staff - without the framework, I wouldn't do it on my own."

Many donors get involved because they "value the privacy afforded to them by giving to these entities," said Phil Kerpen, president of American Commitment, a nonprofit free-market advocacy group that is part of the network.

"There are hundreds and hundreds of very successful and patriotic Americans that take part in the seminars," Kerpen added. "To suggest that anything that goes through any of these entities is Charles and David Koch is very misleading. There are a significant number of donors involved."

The money

Much of the money that flowed through the network in the last election cycle originated with two nonprofit groups that served as de facto banks, feeding money to groups downstream, according to an analysis by Center for Responsive Politics researcher Robert Maguire, who investigates politically active nonprofits.

The biggest was the Freedom Partners Chamber of Commerce, an Arlington County-based group set up in November 2011 that now functions as the major funding arm of the network, according to people familiar with the operation. The organization, whose board includes current and former Koch Industries officials, brought in nearly \$256 million in its first year, "significantly more revenue than was expected," according to its tax filing.

Nearly \$150 million was in the form of dues paid by more than 200 members of the organization, which is structured as a business league. An additional \$105.8 million came from something called "SA Fund."

James Davis, a spokesman for Freedom Partners, said the organization funds groups "based on whether or not they advance the common business interests of our members in promoting economic opportunity and free-market principles."

Davis said the group has been upfront about its spending and made its tax return available online as soon as it was filed in September.

"Our members are free to disclose their affiliation if they wish," he said. "We leave that decision with them. Unfortunately, recent IRS and other instances of intimidation and harassment of individuals and groups because of their policy beliefs and activities demonstrate why it's important to keep such information confidential."

According to people familiar with the network, Freedom Partners took the place of a now-defunct group based in Alexandria called TC4 Trust, which raised more than \$66 million in three years before it was shuttered in June 2012, according to tax filings.

The same tax preparer - a Kansas City, Mo.-based partner in the accounting firm BKD - did the returns for Freedom Partners and TC4 Trust, as well as for nearly half the other groups in the network and for the nonprofit Charles Koch Institute.

In all, the feeder funds and the groups they financed raised an estimated \$407 million in the last election cycle. That figure is a conservative one, since it does not account for the complete revenue of eight groups that have not yet filed their tax returns for the latter half of 2012.

Of the \$407 million, \$302 million can be traced to Freedom Partners or TC4 Trust.

The sources of the rest of the money remain a mystery, but many donors in the network write checks to the individual groups, according to people familiar with the system. Some of the organizations also have additional funding streams outside the network.

The structure

Freedom Partners and TC4 Trust moved a large share of their funds through an intermediary group, the Phoenix-based Center to Protect Patient Rights, which served as a major cash turnstile for groups on the right during the past two election cycles. It is run by political operative Sean Noble, who served as a Koch consultant in 2012.

Rather than finance CPPR directly, Freedom Partners and TC4 Trust transferred \$129 million to limited-liability companies with changing names that are registered in Delaware, a state that requires corporations to disclose little about

their operations: Eleventh Edition (which was renamed Corner Table and then Cactus Wren) and American Commitment (which was SDN, then became Meridian Edition).

Their relationship to CPPR was unknown until May, when the Arizona group acknowledged in amended tax filings that the LLCs were its affiliates.

Such LLCs are known as "disregarded entities," which means that, for IRS purposes, they do not exist. Their revenue is reported on the balance sheets of their parent organizations.

Tax experts said disregarded entities are typically used by nonprofits to, for example, hold a piece of real estate to shield an organization from liability.

But they also can be used to make it harder to trace the movement of funds between groups. In its final tax return, TC4 reported doling out nearly \$28 million to 10 organizations with names such as POFN LLC, PRDIST LLC and TRGN LLC. Those are the affiliates of the groups Public Notice, Americans for Prosperity and Generation Opportunity, in that order.

The Post and the Center for Responsive Politics identified the groups that make up the Koch-backed network through an analysis of tax filings, which revealed their shared DNA. Most have affiliated LLCs and received a substantial share of their revenue from the feeder funds.

The makeup of the coalition was corroborated by people familiar with the structure who said the network is ad hoc and will not necessarily remain constant.

A key player is Americans for Prosperity, the Virginia-based advocacy organization that finances activities across the country and ran an early and relentless television ad assault against Obama during the 2012 campaign. More than \$44 million of the \$140 million the organization raised in that election cycle came from Koch-linked feeder funds.

Other groups in the network included the American Future Fund, a Des Moines-based nonprofit that poured more than \$25 million into ads against Obama and congressional Democrats in 2012; Concerned Women for America, a conservative Christian women's activist group that ran a get-out-the-vote effort aimed at young women; the Libre Initiative Trust, a Texas-based group aimed at Latinos; Generation Opportunity, which seeks to engage millennials; and Themis Trust, which houses the data used by the allied groups.

The network also distributed funds to other independent political players. In the last election, Freedom Partners and CPPR doled out millions of dollars to a wide assortment of groups on the right, including the U.S. Chamber of Commerce (\$3 million), the NRA (\$6.6 million), the National Federation of Independent Business (\$2.5 million) and Heritage Action for America (\$500,000).

Obama's reelection prompted internal reassessments in the network, as it did among many conservative groups that had worked to defeat him in 2012. But there are no signs that the coalition plans to retreat.

Rather, officials are focused on creating a more effective operation aimed at bolstering the conservative movement for the long term. Freedom Partners, which now has nearly 50 employees, is expected to bring many functions in-house and expand beyond grantmaking, according to people familiar with the plans. Groups such as CPPR are expected to play a smaller role going forward.

Others are already engaged in the 2014 fight. Americans for Prosperity is in the midst of a \$20-million-plus ad blitz attacking congressional Democrats for their support of the health-care law, while the Libre Initiative has targeted Latinos with similar messages.

"We raised a lot of money and mobilized an awful lot of people, and we lost, plain and simple," David Koch told Forbes shortly after Election Day. "We're going to study what worked, what didn't work, and improve our efforts in the future. We're not going to roll over and play dead."

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Alice Crites contributed to this report.

LOAD-DATE: January 6, 2014

EXHIBIT C

Buying Your Vote
Dark Money and Big Data

The Dark Money Man: How Sean Noble Moved the Kochs' Cash into Politics and Made Millions



Sean Noble (dckndon.com)

by Kim Barker and Theodorick Meyer
ProPublica, Feb. 14, 2014, 1:30 P.M.

For a brief, giddy moment, Sean Noble—a little-known former aide to an Arizona congressman—became one of the most important people in American politics.

Plucked from obscurity by libertarian billionaire brothers Charles and David Koch, Noble was tasked with distributing a torrent of political money raised by the Koch network, a complex web of nonprofits nicknamed the Kochtopus, into conservative causes in the 2010 and 2012 elections.

Noble handed out almost \$137 million in 2012 alone -- all of it so-called dark money from unnamed donors -- from his perch atop the Center to Protect Patient Rights, a group run out of an Arizona post office box.

Much of it was channeled to obvious destinations: Groups supporting Republican presidential candidate Mitt Romney, for example.

But with Noble as ringmaster, Koch money also poured into efforts that didn't surface until long after Election Day: To a political committee backing Wisconsin Gov. Scott Walker against a recall attempt; to a group blaming President Obama for high gas prices; even to a legal challenge to Arizona's redistricting plan.

"I must tell you that Sean Noble from your group has been immensely helpful in our efforts," a California multimillionaire wrote to Charles Koch [1] in October 2012, asking Koch to give several million to support an anti-union initiative in the state. "Thanks for any consideration."

Noble appears to have lost his central position in the Koch empire, undone by poor election results and a California investigation that shined an unwelcome light on some of the Center's inner workings, insiders say.

But his story shows how the Supreme Court's landmark 2010 Citizens United ruling has given rise to a new breed of power brokers who control a growing pool of money raised in secret and spent to influence politics in ways that voters can't always trace.

Much of Noble's work in 2012 remained invisible to the public until the Center and dozens of other Koch-backed nonprofits released their tax returns late last year.

An examination of those tax returns, along with court records and filings with the Federal Election Commission, shows that the Center to Protect Patient Rights bent state election laws and federal tax rules governing how such groups are supposed to operate.

Millions of dollars the Center told the Internal Revenue Service it gave to other groups only for "tax exempt education and social welfare purposes" were actually spent on election ads and other political activities. Experts on nonprofit law said it's the donor's responsibility to follow up on grants if they were not spent as required.

One of the biggest beneficiaries of the Koch network's money was Sean Noble himself, tax documents show. The Center paid three firms owned by Noble almost \$24 million for consulting and other services in 2012—or more than \$1 of every \$6 it spent.

Sheila Krumholz, the executive director of the Center for Responsive Politics, a nonpartisan watchdog group that has written extensively about the Koch [2] network [3], said disclosures from nonprofits come far too late to help voters and regulators.

"What we're ending up with is information which is almost entirely useless to the voters," she said. "Because it's come so far after the election, so far after the fact that voters can barely remember what these organizations were doing and on behalf of which candidates or parties."

There's no indication that Noble or the Center are under scrutiny by authorities for violating tax or election laws.

For this story, ProPublica interviewed dozens of people about Noble, from his high-school science teacher to fellow Republican operatives, most of whom spoke on condition of anonymity, fearing possible backlash from fellow conservatives or the Kochs.

Noble did not respond to questions from ProPublica.

In an email, Rob Tappan, spokesman for Koch Industries [4], did not respond to specific questions from ProPublica about Noble or the Center, but acknowledged Noble "was a consultant for Koch in the past and attended Koch seminars." Tappan likened Noble to Jim Messina, who was Obama's campaign manager, and Paul Begala, a chief strategist for Bill Clinton in his first presidential run. Tappan said Noble was a consultant for "many other groups and issues." (Read his entire response here [5].)

Most who know Noble, 43, saw him as an unlikely candidate to become the Kochs' money man.

"There were plenty of people who had a lot more actual campaign experience," said a Democratic operative who knew Noble in Arizona. "That's a pretty big step up from Triple A to the majors, maybe Double A to the majors."

An affable, handsome man with graying temples who favors jeans and eschews ties, Noble had an aw-shucks demeanor. He liked watching Little League baseball games with his family, leading his local Mormon ward and working tirelessly behind the scenes on campaigns for minor

<http://www.propublica.org/article/the-dark-money-man-how-sean-noble-moved-the-kochs-cash-into-politics-and-ma>

politicians.

Over the last two election cycles, though, Noble's persona evolved. He flew first class [6], accumulated five homes and sat near the 50-yard-line at the Super Bowl [7]. He rubbed elbows with top conservatives, from Sarah Palin [8] to John McCain [9].

Even if Noble's role in the Koch network is over, his story illuminates larger truths about how money changes both politics and the people who handle it.

"I think Sean at the end of the day is an anecdotal story of something that's happening much bigger in the American electorate," said a Republican consultant who knows Noble. "Mr. Noble goes to Washington."

Noble was an unusual choice for the Koch brothers. He overshared. His blog [10], called Noble Thinking, was a bizarre mix of personal revelations ("I was a terrible dater [11]"), bragging about his connections (attending a dinner [12] "with a guest list that was right out of the Who's Who D.C.-New York power corridor") and fears about Obama (particularly, "the march toward socialized health care [13]").

The Kochs are known for valuing discretion and control.

Noble's main credential was working for Arizona Rep. John Shadegg for more than 13 years, eventually becoming his in-state chief of staff. Though hardly a household name, Shadegg was influential in the conservative wing of the Republican Party.

"It's important to understand the influence that John Shadegg had within Republican and conservative circles at the time," a Democratic operative in Arizona told ProPublica. "That was his in."

At some point, Noble met Randy Kendrick, a lawyer by training who was on the board of the Goldwater Institute, [14] a bastion of libertarian thought in the West. Kendrick and her husband, an owner of the Arizona Diamondbacks, were big Shadegg donors. (The Huffington Post wrote [15] about Kendrick and Noble in 2013.)

In spring 2009, when it became clear that Obama was pursuing a national health-care law, Kendrick turned to Noble for help defeating it. Noble had recently left Shadegg's office to launch a consulting firm, Noble Associates, out of his Phoenix home.

"Sean got hooked up with Randy," a prominent Arizona Republican said in an interview. "He became her local guy to manage everything. He became her political consultant."

Kendrick was also close to the Koch brothers. "Randy Kendrick is in the inner circle of the Koch brothers' network," a Republican consultant told ProPublica, adding that she pushed the Kochs to back a new group targeting Obama's health-care plan. As for Noble, "I think they liked the fact that he hadn't been a political consultant before."

Noble was no slick Washington insider. A self-described "hick from Show Low [16]," Ariz., a town of about 11,000, Noble married a woman he had met on his Mormon mission in Indiana and became a devoted father of five. He had tried living in the nation's capital once, moving his

family there for two years in the 1990s, only to move back to work in Shadegg's Phoenix district again. He was the type of guy who said "good grief" [17] and meant it [18].

Noble also had the right ideological background: He quoted Barry Goldwater, Ronald Reagan and libertarian icon Ayn Rand. His first political memory [19] was from 1976, when Jimmy Carter was elected president and his mother started to cry, saying, "We're going to be beaten by the Soviets now."

In 1994, when he was 24, Noble attended [20] Rush Limbaugh's freshman orientation in Baltimore [21] for the 73 Republican members of Congress who had gained office in the so-called Republican Revolution. When he was 37, Noble was among the 2,200 mourners [22] at William F. Buckley's funeral at St. Patrick's Cathedral in Manhattan.

For years, Charles and David Koch, two of the richest men in America, had helped form and support a network of conservative think tanks, foundations and social welfare nonprofits that pursued a libertarian agenda. They seeded the ground for the Tea Party, and then cultivated the various groups that sprouted. In the 1980s, the Koch brothers helped form [23] the group that split into two of the most influential conservative nonprofits now operating, Americans for Prosperity and FreedomWorks.

The Kochs raised money for their network in part at secretive semi-annual retreats. The media wasn't invited and attendees weren't supposed to talk about them, a kind of "Fight Club" for like-minded billionaires.

One donor who has attended the retreats told ProPublica in an email that he had only a sketchy idea of how money raised at the events was disbursed. He responded to questions on condition of anonymity, saying he feared backlash from the Obama administration and the IRS and adding that the Kochs resented any information from the events being disclosed.

"The people who attend these events have ultimate respect for the Founding Fathers and the Constitution," he wrote. "The over-riding theme is that nothing worthwhile is achieved without hard work, coupled with integrity and humility. ... And the Kochs are not in this for any personal gain whatsoever as all they seem to get is vilification."

By spring 2009, Noble had landed a job within the Koch network. On April 16, the Center to Protect Patient Rights was incorporated by a lawyer in Maryland [24] who went on to work with other groups tied to the Kochs. Noble was its executive director, documents show. According to the group's tax filings, he was paid no salary; his firm received \$30,000 a month, he said in a sworn deposition in 2013.

Noble registered his firm [25] to lobby on the Center's behalf, but otherwise it flew beneath the radar. No one even seemed to know its precise name — the incorporation documents called it the Center to Protect Patient Rights [26]. In lobbying documents, Noble said he was working for the Center to Protect Patients' Rights [27].

Heather Higgins, a longtime Koch ally, was the group's initial secretary [28], and Dr. Eric Novack, who had led the fight for a health-care proposition backed by Kendrick in Arizona in 2008, was the treasurer. Novack acknowledged he didn't know much about the group's activities. "My only involvement was, we were starting something," he said in an interview. "They asked me because I was a body. I had no decision-making power. ... I left very quickly."



The only known address for the Center to Protect Patient Rights is P.O. Box 72465 in Phoenix. The box costs \$72 year, according to the U.S. Postal Service. Even though the group's lawyer said the Center didn't maintain a regular office, the Center paid \$50,000 in 2012 for "occupancy" — a term usually used to mean rent. (Laura Segall for ProPublica)

The usually voluble Noble, a man who blogged so much that he once blogged about how he hadn't blogged in two days [29], didn't discuss the Center to Protect Patient Rights publicly — ever. In a 2009 story in the Arizona Guardian [30], a political news website, Noble was described only as working on "a national campaign opposed to President Barack Obama's healthcare initiative."

In the 2013 deposition, Noble wouldn't even say who hired him because of confidentiality agreements. "I can't tell you who I do work for," he responded to a lawyer's question.

"Wait a minute," the lawyer said. "I asked how your salary got set, and you're telling me that you had a discussion with some people in 2009 and you're refusing to tell me who?"

"I am," Noble replied.

If not for the Supreme Court's ruling on Citizens United, Noble's work for the Koch network might have ended as soon as the fight over the health-care law was decided.

The decision helped to clear the way for corporations and unions to contribute unlimited amounts of money to outside groups — groups that operated independently from candidates' campaigns and parties, but were free to buy direct political ads or pay for a broad spectrum of political activities.

"This is a total game-changer for federal politics," Noble blogged about the decision [31], adding that he believed races later that year would likely be decided by outside interests. "Some will claim that this makes politics more dirty. I don't. Politics has always been pretty messy."

"Seriously, this will change campaigns in a big, big way," he added.

In the Citizens United opinion, Justice Anthony M. Kennedy said the influx of union or corporate cash would not corrupt elections because of laws requiring outside groups to disclose their donors. Voters could give appropriate weight to messages paid for by special interests.

But those laws didn't apply to groups like the Center to Protect Patient Rights. As social welfare nonprofits, they didn't have to name their donors. And they could spend as much as they wanted on politics, as long as, in the IRS's view, social welfare remained their primary purpose.

After the Affordable Care Act became law in March 2010, the Center's lobbying work [32] related to health care ended, [33] leaving Noble free to take on new challenges. As it happened, a key job was open in the Kochs' network. Matt Schlapp, a former political director to President George W. Bush who had led the Kochs' election efforts as vice president of federal affairs for Koch Industries' lobbying arm, had recently left to form his own consulting firm.

Noble stepped in to fill the gap.

"My impression of the environment he found himself in, with the changes in the federal law, it created enormous opportunities," said another Republican consultant who knows Noble. "He was in the right time, right place."

Noble began attending twice-a-month strategy meetings in Washington, as one of the people representing the Koch network alongside other conservative powerbrokers, including top GOP strategist Karl Rove's people, Politico [34] later reported.

One national conservative operative said he heard about Noble and the Center in conversations in early 2010 about who was doing what that year. "They were going to be the primary vehicle for the Koch money, for the Koch network," the operative told ProPublica.

In late June, Noble attended the semi-annual Koch retreat at the St. Regis resort in Aspen, Colo., along with Randy Kendrick and her husband, an event later described in stories by Think Progress [35] and The New York Times [36].

Noble spoke on a panel called "Mobilizing Citizens for November" with Tim Phillips from Americans for Prosperity, Mark Mix from the anti-union nonprofit National Right to Work, and Karl Crow from Themis Trust, a voter database group. Noble was the only panelist of the four listed without an affiliation — there was no mention of his role at the Center to Protect Patient Rights.

By that time, he had no need to advertise. The Center had raised almost \$62 million [37] in 2010, giving out \$44.6 million in grants [38] to 22 like-minded groups, most of which then turned around and spent money on political activities.

The year brought huge gains for Republicans. The GOP recaptured the majority in the House, gaining 63 seats, and added six seats in the Senate. The party's conservative wing did especially well: Almost one-third of Tea Party [39] candidates in the House and half in the Senate won. Conservative dark money groups outspent liberal ones by about 10-to-1, research by the Center for Responsive Politics shows. [40]

Noble predicted the outcome on Twitter [41] days before the election.

"It's official: 2010 will be an historic election for the GOP," he wrote.

"Obama will lose mojo," he added.

As the 2012 presidential election approached, the Kochtopus started adding new arms. Noble was a key player in expanding the network's complicated web of nonprofits and limited liability companies [42].

At the top of the network were groups such as the Freedom Partners Chamber of Commerce [43], a trade association formed in late 2011, and the TC4 Trust [44], a social welfare nonprofit that said in a filing to the IRS it would "focus on the advancement of free markets, liberty and individual freedoms." As is typical with such groups, the identities of donors did not need to be disclosed.

Money flowed from them to the Center, which acted as a sort of clearinghouse, distributing grants to dozens of smaller groups. Many of these nonprofits spent directly on politics, including election ads. Some also made grants to yet another layer of groups. Not all of Freedom Partners and TC4's money flowed through the Center; they also gave some money to smaller groups directly.

For reasons that are not entirely clear, the Kochs then added another level of complexity to this already opaque set-up.

A dozen of the Koch-affiliated nonprofits included limited liability corporations -- LLCs -- called "disregarded entities" that were considered part of the nonprofits for tax purposes. Many of the 20 disregarded entities in the Koch network had strings of letters for names: STN, POFN, SLAH, ORRA. Noble was the first person consulting for the Kochs to create a disregarded entity that was linked to one of the nonprofits. He called it SDN. Eventually, Noble changed the name to Meridian Edition, one of two disregarded entities of the Center to Protect Patient Rights.

This additional layer made it even harder to follow the flow of cash through the Kochtopus, political operatives and tax experts said. When the TC4 Trust, for example, passed money to the disregarded entity of another Koch network group -- say, Americans for Prosperity -- tax records showed the funds going to a company called PRDIST [45], rather than to the much better known Americans for Prosperity.

"I think it's being used to disguise the source of their money," said Marcus Owens, who ran the Exempt Organizations division for the IRS from 1990 to 2000.

The Koch network moved more than \$204 million through disregarded entities in the last half of 2011 and before the 2012 election, according to tax documents filed last year. That included almost \$115 million in grants from Freedom Partners, the trade association, to Corner Table, the Center's second disregarded entity.

Noble helped to dispense this river of cash, sometimes with a knowing wink. The Center gave \$320,000 [45] — all from undisclosed contributors, of course — to a Colorado group called the Arioch Project. The project's original name? Patefacere [46] — the present infinitive of the Latin verb that means "to disclose."

The tangle of groups made it seem as though Koch money was being diffused broadly, but tax records show it flowed into many smaller groups at a high level of concentration. At least 20 nonprofits across the country received at least half of their revenue from the Center, Freedom Partners or both.

Americans for Responsible Leadership, a group run by a friend of Noble's, got \$24.7 million in grants from the Center [47], or almost 98 percent of its revenue [48].

Noble helped to run or incorporate no less than three groups named American Commitment at one point or another. One of them got almost 97 percent of its \$11.7 million in revenue in 2012 from the Center, Freedom Partners and Americans for Responsible Leadership.

The American Future Fund, which pulled in a whopping \$68 million [49] in 2012, got more than 92 percent of that money from Freedom Partners and the Center.

On their 2012 tax returns, signed under penalty of perjury, the Center and Freedom Partners [50] told the IRS they were not engaged in politics, checking "no" [51] to a question [52] asking if they had spent money to influence elections. Freedom Partners [53] said its grants [54] were "subject to express prohibitions or protections against the use of grant funds for electioneering purposes." The Center said that it gave grants to groups for education and social welfare [55] — not politics.

Yet, in fact, more than \$90 million funneled through these groups ended up paying for political activities. According to tax and FEC records, the American Future Fund poured at least \$19.8 million from the Center and Freedom Partners into elections. Americans for Responsible Leadership spent at least \$9.3 million received from the Center. American Commitment spent at least \$1.1 million of its grants from Freedom Partners and the Center on politics.

No one from Freedom Partners, Americans for Responsible Leadership or the American Future Fund returned calls and emails asking for comment.

Phil Kerpen, the president of American Commitment, told ProPublica that the allegation that American Commitment had spent grant money earmarked for social welfare purposes on politics was "false." He described what the Center and Freedom Partners had said on their tax returns as "general characterizations" of their grants.

"All our political expenditures were out of our organization's general treasury," Kerpen said.

Nonprofit experts said groups like the Center are supposed to make sure their money is used as earmarked.

"The grantor is responsible for how the grants are used because it's the grantor's money," said Lloyd Hitoshi Mayer, a law professor and associate dean at the University of Notre Dame who specializes in nonprofits and campaign finance.

If a grant is improperly administered, the group that gave it could become the subject of an IRS audit.

In some cases, voters had no way to know for more than a year after the election that the Koch network, aided by the Center, was behind particular political initiatives or messages — an outcome that underscored campaign-finance watchdogs' worst fears about the corrosive effects of dark money.

It wasn't until this year, for example, that Citizens for Responsibility and Ethics in Washington, a watchdog group, reported that Noble's Center [56] supplied all of the \$80,000 raised in 2012 by All Votes Matter [57]. During the election, the group had worked to change rules governing Pennsylvania's electoral votes in ways that would benefit Republicans.

The Center also was a major backer of a group that spearheaded an effort to register Americans in Israel to vote in U.S. elections, supplying more than half of its 2012 revenue, [58] ProPublica found. The Koch network's involvement in this initiative did not surface at the time, even though The Times of Israel [59] ran stories [60] spotlighting the group's "I Vote Israel" [61] project and questioning its refusal to disclose its donors.

The Center's involvement in a contentious Arizona redistricting fight was also not known — until now. It provided \$150,000 to a group called FAIR Trust [62] — described as the "Fair AZ Independent Redistrict" on the Center's tax return — which hired lawyers to sue Arizona's redistricting commission in April 2012 to challenge new legislative and congressional districts. The Trust, which also sent lawyers to commission meetings, has repeatedly refused to identify its backers.

"Without knowing who they were representing, you couldn't really fairly evaluate what they were saying," said Linda C. McNulty, a Democratic member of the commission. "They clearly were doing somebody's bidding, but they wouldn't say whose it was."

David Cantelme, one of the lawyers who represents the Trust, said he couldn't talk about who hired him and had no information about the grant from the Center.

Voters in Wisconsin also had no idea the extent to which Koch network money fueled election ads urging them to oppose the recall of Gov. Scott Walker.

Until late 2013, when the Center filed its tax return, voters had no way of knowing that Noble's group supplied [63] virtually all of the \$510,230 raised in 2012 [64] by the Coalition for American Values Action, another social-welfare nonprofit. The Coalition then donated more than three-quarters of that money to the PAC that paid for the ads. The PAC received no contributions other than the Coalition's.

The day of the recall vote, Noble's blog linked to one of the ads [65], calling it "a fascinating approach to a unique situation." "If the good people of Wisconsin think like the folks in this ad, it's going to be Walker by double digits," he wrote.

He didn't mention the Center's role in funding the effort.

A hefty chunk of the Koch network money that flowed through the Center in 2012 went to Noble's firms.

Noble's earnings had risen swiftly as his ties to the Koch brothers grew, tax filings and other records show. In 2008, the year before he joined the Center, Noble earned almost \$205,000, according to a later court filing, from consulting and his work for Shadegg.

By 2010, the year of the midterms, he earned almost \$640,000, the filing said. He and his wife bought an investment property a couple miles from their Phoenix home, according to the filing and property records.

At the end of 2010, Noble established a second firm, DC London [66], to do "consulting and governmental affairs," according to incorporation documents. Its name was largely aspirational: on Twitter, Noble noted that he'd never been to London [67]. DC London opened an office in <http://www.propublica.org/article/the-dark-money-man-how-sean-noble-moved-the-kochs-cash-into-politics-and-ma>

downtown Washington and went on to hire almost 30 staff members in a little more than two years.

Noble personally earned almost \$2.3 million in 2011, court records show, impressive for a non-election year. Much of his income seems to have derived from having the Center to Protect Patient Rights hire his firms. The Center paid more than \$6.3 million [68] to DC London and Noble Associates for consulting, management and reimbursement for "consulting expenses paid to consultants without markup." Free Enterprise America, another nonprofit run by Noble [69], paid DC London almost \$400,000 [70] for consulting as well. (Noble did not [71] disclose that he partly owned DC London on that tax return, as required by the IRS.)

Noble Associates bought a condo in Washington, D.C., in 2011 for \$665,000, property records show. The Nobles also bought a half-acre of land in Hurricane, Utah, then built a 9,000-square-foot house on it, a gabled concoction with eight bedrooms, eight bathrooms and five fireplaces.

Then came 2012, a record-setter for spending by dark money groups and Noble's consulting businesses.

The Center paid a whopping \$20.7 million [72] to DC London for "consulting & other services," according to its tax return. Of that, \$15.8 million was for costs "reimbursed to DC London for the Center's program expenses without markup." What costs DC London could have incurred remain a mystery: The Center's work mostly consisted of directing grants to other nonprofits, and it doesn't appear to have offered any programs. (The Center also spent \$50,000 on what its tax return described as "occupancy," a term usually used to mean rent, even though the Center's lawyer told ProPublica in an email [73] that the group had no office.)

In addition, the Center paid consulting and management fees of \$270,000 to Noble Associates and \$2.8 million for "survey and phone programs" to Angler, a company incorporated in October 2011 and run out of DC London's office. Noble was the president.

The Center disclosed its transactions with Noble's firms on its tax returns, as required.

After the disappointing 2012 election results, many questioned how effectively the Koch network and other conservative organizations had deployed their resources. Filings with the FEC showed that conservative dark money groups had outspent liberal ones by at least \$276 million to \$29 million, to little apparent effect.

One Koch donor, who wanted to remain anonymous because he feared possible retribution from the IRS, said he had attended one Koch retreat and had given to the Koch network for several years. He said he remained impressed by the organization's accomplishments in states such as Indiana, Michigan and Wisconsin. He also said he didn't think the Koch brothers would tolerate a consultant steering such a large amount of money to himself.

"My guess is he'd be cut off pretty damn quickly," the donor told ProPublica.

The payments to Noble's firms were unusual, campaign finance experts said.

An analysis of tax returns filed by 100 other politically active nonprofits, including all the groups funded by the Koch network that have made their 2012 tax returns available, showed just 19 hired consulting firms owned by employees or board members.

For those 19 groups, the median payment to an employee-affiliated firm for consulting or other services was \$108,000, a tiny fraction of the millions paid to Noble's firms. For instance, the Republican Jewish Coalition paid \$60,000 for consulting to the firm of then-board member and former White House spokesman Ari Fleischer.

Most social-welfare nonprofits avoid insider transactions and pay their leaders fixed salaries instead. GOP strategist Karl Rove's Crossroads GPS, one of the largest politically active dark money groups, raised almost \$180 million in 2012 and paid its top executive a salary of \$538,000.

Owens, the former IRS official, said social welfare nonprofits are not allowed to pay "excessive" benefits to people who control the organization or to companies they run.

"That's probably an excessive private benefit right there," Owens said, after ProPublica told him how much Noble's firms earned in 2012. "That's a huge amount of contracts for someone in charge to hand out to contractors he controls."

Groups given grants by the Center to Protect Patient Rights also started hiring Noble's companies. The Center gave grants to 25 nonprofits that reported political spending to the FEC or state authorities during the 2012 election cycle. Of those groups, 10 hired Angler, the company that operated from DC London's office. The American Future Fund, for instance, paid Angler \$5.3 million [74], mainly for social media advertisements. It's possible that much of this money went to companies such as Facebook and Twitter, with Angler keeping a smaller commission.

American Commitment—which Noble was a board member of until June 2012—paid Angler \$168,000 in 2012 [75] for "media production." Kerpen, who Noble hired at American Commitment, said he picked the group's vendors based on merit, not because of Noble. "We've actually never received a contribution from any donor that asked for a particular vendor to be used," Kerpen said.

Two groups that received grants from the Center appear to have paid Angler hundreds of thousands of dollars just to use a phone system to make calls to voters. The calls themselves were made by temps hired separately through an agency.

It's not clear how much Noble personally earned in 2012, but his wife, Julie, estimated it was at least \$3 million, according to court filings.

She said Noble received other perks as well. Noble Associates paid for his cell phone and his Washington, D.C., mortgage. He charged most meals in Washington to Noble Associates.

In the 2013 sworn deposition, Noble said the election year was unprecedented.

"The way that 2012 went, we're never going to see anything like that again," he said.

Noble's prime position in the Koch network took a hit at the end of the 2012 campaign, when he and the Center circumvented California election laws in an attempt to influence two state ballot measures.

Noble first met California political strategist Tony Russo in Las Vegas in October 2011 [76], according to a recorded interview Russo later gave to California investigators. Russo wanted Koch money for an effort to fight unions. Noble agreed to help, paying hundreds of thousands [77] of dollars to run focus groups [78], develop ads and reach out to voters, Russo said.

Russo hoped the Koch network would do even more. Russo later said he and Noble spoke more than 18 times [79] in the run-up to the election, meeting once in Washington [80].

Meanwhile, Russo and Jeff Miller, another California consultant, raised \$29 million from about 150 confidential donors to fight a proposition to raise taxes and to support another one limiting unions' political power. They transferred the money to a Virginia-based trade association that had agreed to spend it on ads related to the initiatives. But as Election Day drew closer, the association, Americans for Job Security, balked at buying ads [81], worried that under California law, it would be required to disclose [82] who had donated the funds for them.

Russo said he approached Noble [83] and offered to transfer money from the Virginia group to the Center. In return, he asked Noble to tap separate resources to help in California [84]. Noble thought he had access [85] that could help. Russo recalled

separate resources to help in California [94]. Noble thought he had groups [95] that could help, Russo related.

"He said, you know, get me your money," Russo said in his interview.

Americans for Job Security transferred about \$4 million to the Center on Sept. 10 [86]. On Sept. 13, American Future Fund gave about \$4 million to a California affiliate, the California Future Fund for Free Markets, which was spending money on the anti-union proposition.

Americans for Job Security sent another \$1.4 million [87] to the Center on Oct. 11. The Center then gave most [88] of that money to Americans for Responsible Leadership, run by Kirk Adams, a friend and former client of Noble's. On Oct. 15, Americans for Responsible Leadership sent \$11 million to the Small Business Action Committee, a PAC spending on the initiatives.

Within days, a good governance group [89] demanded a state inquiry into the contribution.

Still, Americans for Job Security gave another \$6.5 million to the Center on Oct. 22 [90]. But no additional money from Koch-funded groups flowed back into the California initiatives fight – at Noble's direction, Russo said.

California had launched an investigation.

"The explanation [91] was, your regulatory guys are going crazy and I just don't think we can do it," Russo said.

California's Fair Political Practices Commission sued [92] Americans for Responsible Leadership on Oct. 25, 2012, seeking to force the group to reveal its donors. Six days later, a Sacramento Superior Court judge ordered that the group turn over the records to the state for an audit, saying that voters could suffer "irreparable harm" [93] if they didn't know who was behind the group before the election. Americans for Responsible Leadership appealed. The case made its way to the California Supreme Court, which on Nov. 4 unanimously ordered Americans for Responsible Leadership to turn over its records [94].

The next day, just before the election, Noble and Adams sent letters to the Small Business Action Committee as part of a settlement with regulators, admitting [95] they had funneled money from Americans for Job Security to the Small Business Action Committee.

The state then accused the groups of money laundering [96] based on their efforts to disguise the original source of the \$11 million transferred to the Small Business Action Committee in October.

In his interview with investigators, Russo said he was "shocked" [97] by the admission from Noble, because he believed that the money came from a pool of money unrelated to the funds Americans for Job Security passed to the Center.

Miller said he felt "just completely screwed [98]" by Noble's admission.

"I'm not sure how their network works, to be perfectly frank [99]," Miller later told investigators in a recorded interview. "But when he, when he started to get in the shit storm, he panicked and lied to you all about how it was done to protect his organizations. That's what I think happened. I don't know that, though. That's what I think happened. I think that he panicked and to prevent your agency from opening up his books, he made, he lied."

In total, the Virginia trade association had sent \$24.5 million to the Center. Only \$15 million ended up going to California for the propositions, which conservatives ended up losing by a large margin.

State regulators eventually slapped Americans for Responsible Leadership and the Center with a record fine [100], \$1 million.

Individual donors to the effort were never disclosed, although the redaction was so poor, it was possible to determine that they included

financier Charles Schwab, California philanthropist Eli Broad and Gap Chairman Bob Fisher, but not the Kochs or their companies.

Initially, it appeared that the California Attorney General's office might open a criminal investigation into the donations. But the investigation never moved forward; Noble was never interviewed in the case.

As part of an agreement with the state, Adams and Noble were able to write off the \$11 million transferred through their organizations to the Small Business Action Committee as a simple mistake. The failure to disclose the original source of the funds "was inadvertent, or at worst negligent," their stipulation [101] with California's attorney general and campaign finance regulators said.

Yet Noble and the lawyers he worked with were hardly new to campaign finance. Attorneys at Holtzman Vogel Josefiak, based on the East Coast, were national experts in dark money groups and election law, representing everyone from Crossroads GPS to the American Future Fund.

A lawyer and a paralegal there had helped incorporate two of Noble's consulting firms and several Koch-connected social-welfare nonprofits, as well as handling the Center's application for tax-exempt status to the IRS. Another Holtzman Vogel lawyer had even helped incorporate and dissolve the California Future Fund for Free Markets, the nonprofit that spent money on the anti-union measure.

"I would assume, given the high skill level at Holtzman Vogel, that their lawyers were familiar with California's campaign finance law requirements," said Paul S. Ryan, senior counsel at the Campaign Legal Center [102] in Washington. "They're good lawyers."

The California investigation, coupled with poor election results, weakened Noble's influence on the Koch network and shrank the Center's role within it.

"There were growing rumors, frustration, through 2010, 2011 and 2012, that Sean was controlling everything, that it was too insular, that it was all about who Sean liked and knew," a top national conservative operative familiar with the Koch network told ProPublica.

Noble's life was also changing in other ways. No longer was he the Arizona outsider who blogged about serving as the Mormon bishop in his ward [103], who preferred Waffle House [104] to Washington's pricey eateries, and who praised his wife for earning "sainthood for tolerating my work schedule." [105]

In April 2013, Noble filed for divorce. Though his wife of more than 20 years was a homemaker raising their five children, he argued in filings that she deserved no spousal maintenance. After they separated, he bought a condo in Phoenix for himself for \$510,000 and another for his parents for \$181,500.

Noble had become involved with Elissa Scannell, a former scheduler for Shadegg who was his partner at DC London, records filed as part of the divorce case show. Just before the 2012 election, the two flew to see the World Series. According to documents submitted by his wife, Noble spent more than \$7,700 for a vacation for himself and Scannell in the Bahamas over New Year's 2013. That March, he paid more than \$3,600 for a trip for him and Scannell to Hawaii, records show.

Noble's life with Scannell was centered in Washington, D.C., a city he once described as a "cesspool" on his blog [106]. He posted a photograph to Facebook [107] the night after the Jingle Ball in December, of the two of them alongside singer Enrique Iglesias.

The Koch network was changing, too. In 2013, it gave greater prominence to Freedom Partners, which has supplanted the Center as its primary distributor of cash to other groups.

Because Freedom Partners is a trade association, this move also helped the network sidestep IRS proposed limits [108] on political activity by
<http://www.propublica.org/article/the-dark-money-man-how-sean-noble-moved-the-kochs-cash-into-politics-and-ma>

because Freedom Partners is a trade association, this move also helped the network sidestep the proposed limits [109] on political activity by social welfare nonprofits. Those would define political spending as expenditures reported to the FEC and grants to other tax-exempt groups involved in elections, unless they specifically say the money won't be spent on politics.

The dark money strategies Noble helped pioneer at the Center are likely to play a substantial role in the upcoming midterms. Targeted blasts of spending by outside groups could have far more effect on this year's smaller slate of congressional and local races than they had on 2012's megabuck national and statewide contests, campaign finance experts said.

Months after the 2012 election, Freedom Partners hired a new president, Marc T. Short, a longtime political operative and former Koch employee [109] who tended Ronald Reagan's ranch [110] in California in his 20s. He is 43, the same age as Noble – and some say the most likely heir to Noble's role.

The Kochs convened their first 2014 retreat for big donors at a resort near Palm Springs, Calif., in late January. On the agenda: Centralizing control and creating a more coordinated approach to winning elections, as opposed to the piecemeal one from past years, according to Politico [111]. The Kochs plan to back candidates in primaries, to make sure that Republicans that agree with their philosophy make it to the general election.

Noble was not among the consultants listed on a one-page agenda for the meeting obtained by Mother Jones [112]. Short and others from Freedom Partners were.

Noble's biggest known client in recent months has been Arizona's largest electric utility, Arizona Public Service, which DC London worked for in a contentious fight over solar energy [113]. In a strange twist, the face of the pro-solar side was Barry Goldwater Jr., the son of Noble's idol.

Last September, at a panel [114] for a Republican conference in Michigan [115], Noble, wearing jeans, a light blue button-down shirt and a dark suit jacket, talked about the failures of the 2012 election. He said the Obama campaign won because of having so many people on the ground, knocking on doors and personally talking to people.

In the future, Noble said, conservative candidates needed to work harder to connect with voters, particularly young ones. Candidates also needed to face their critics.

"Ultimately, I think what we have to teach our candidates—and this is why I will never be a candidate—is that you just have to—you have to deal with it, I mean you have to take the arrows, you got to have thick enough skin that you can get in the game, you know, and do that kind of thing," Noble said. "I would never do that because I've watched it up close."

For more on the Koch brothers' influence on politics, read our guide [116]. And for more on the influence of money in politics, read the top questions [117] from our Q&A on Dark Money in the 2012 campaign.

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EXHIBIT D

Form **990**

Return of Organization Exempt From Income Tax

OMB No 1545-0047

2010

Open to Public Inspection

Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except black lung benefit trust or private foundation)

Department of the Treasury
Internal Revenue Service

The organization may have to use a copy of this return to satisfy state reporting requirements

A For the 2010 calendar year, or tax year beginning 2010, and ending 2010

B Check if applicable:
 Address change
 Name change
 Initial return
 Terminated
 Amended return
 Application pending

C Name of organization Center To Protect Patient Rights, Inc.
 Doing Business As _____
 Number and street (or P O box if mail is not delivered to street address) _____ Room/suite _____
P.O. Box 72465
 City or town, state or country, and ZIP + 4
Phoenix, AZ 85050

D Employer identification number 26-4683543

E Telephone number 480-252-0772

F Name and address of principal officer
Sean Noble - P.O. Box 72465 Phoenix, AZ 85050

G Gross receipts \$ 60,885,692

H(a) Is this a group return for affiliates? Yes No
H(b) Are all affiliates included? Yes No
 If "No," attach a list (see instructions)

I Tax-exempt status 501(c)(3) 501(c)(4) ◀ (insert no) 4947(a)(1) or 527

J Website: None

K Form of organization Corporation Trust Association Other ▶

L Year of formation 2009 **M** State of legal domicile MD

Part I Summary

Activities & Governance	1 Briefly describe the organization's mission or most significant activities: <u>Building a coalition of like-minded organizations and individuals, and educating the public on issues related to health care with an emphasis on patients rights. Engaging in issue advocacy and activities to influence legislation related to health care.</u>			
	2 Check this box <input type="checkbox"/> if the organization discontinued its operations or disposed of more than 25% of its net assets			
	3 Number of voting members of the governing body (Part VI, line 1a)	<u>3</u>	<u>3</u>	
	4 Number of independent voting members of the governing body (Part V, line 1b)	<u>4</u>	<u>2</u>	
	5 Total number of individuals employed in calendar year 2010 (Part V, line 2a)	<u>5</u>	<u>0</u>	
	6 Total number of volunteers (estimate if necessary)	<u>6</u>	<u>0</u>	
	7a Total unrelated business revenue from Part VIII, column (C), line 12	<u>7a</u>	<u>0</u>	
b Net unrelated business taxable income from Form 990-T, line 34	<u>7b</u>	<u>0</u>		
Revenue	8 Contributions and grants (Part VIII, line 1h)	<u>13,656,500</u>	<u>61,838,792</u>	
	9 Program service revenue (Part VIII, line 2g)	<u>0</u>	<u>0</u>	
	10 Investment income (Part VIII, column (A), lines 3, 4, and 7d)	<u>211</u>	<u>2,470</u>	
	11 Other revenue (Part VIII, column (A), lines 5, 7d, 8c, 9c, 10c, and 11e)	<u>0</u>	<u>0</u>	
	12 Total revenue (add lines 8 through 11) (must equal Part VIII, column (A), line 12)	<u>13,656,711</u>	<u>61,841,262</u>	
	Expenses	13 Grants and similar amounts paid (Part IX, column (A), lines 1-3)	<u>10,783,500</u>	<u>44,599,946</u>
		14 Benefits paid to or for members (Part IX, column (A), line 4)	<u>0</u>	<u>0</u>
		15 Salaries, other compensation, employee benefits (Part IX, column (A), lines 5-10)	<u>0</u>	<u>0</u>
		16a Professional fundraising fees (Part IX, column (A), line 11e)	<u>154,927</u>	<u>212,138</u>
		b Total fundraising expenses (Part IX, column (D), line 25) ▶ <u>212,139</u>		
17 Other expenses (Part IX, column (A), lines 11a-11d, 11f-24f)	<u>1,110,525</u>	<u>15,433,307</u>		
18 Total expenses. Add lines 13-17 (must equal Part IX, column (A), line 25)	<u>12,048,952</u>	<u>60,245,391</u>		
19 Revenue less expenses. Subtract line 18 from line 12	<u>1,608,260</u>	<u>1,595,871</u>		
Net Assets or Fund Balances	20 Total assets (Part X, line 16)	<u>1,608,260</u>	<u>3,220,364</u>	
	21 Total liabilities (Part X, line 26)	<u>500</u>	<u>0</u>	
	22 Net assets or fund balances. Subtract line 21 from line 20	<u>1,607,760</u>	<u>3,220,364</u>	

Part II Signature Block

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

Sign Here

Signature of officer: Sean Noble Date: 11/13/11
 Type or print name and title: Sean Noble, President

Paid Preparer Use Only

Preparer's name: Howard Skolnik Preparer's signature: [Signature] Date: 11/13/11 Check if self-employed PTIN: P01064967
 Firm's name: Howard Skolnik CPA Firm's EIN: _____
 Firm's address: 11646 N. 129th Way, Scottsdale, AZ 85259 Phone no: 602-524-0974

May the IRS discuss this return with the preparer shown above? (see instructions) Yes No

513 13

Part III Statement of Program Service Accomplishments

Check if Schedule O contains a response to any question in this Part III

1 Briefly describe the organization's mission:
Building a coalition of like-minded organizations and individuals, and educating the public on issues related to health care with an emphasis on patients rights. Engaging in issue advocacy and activities to influence legislation related to health care.

2 Did the organization undertake any significant program services during the year which were not listed on the prior Form 990 or 990-EZ? [] Yes [x] No
If "Yes," describe these new services on Schedule O.

3 Did the organization cease conducting, or make significant changes in how it conducts, any program services? [] Yes [x] No
If "Yes," describe these changes on Schedule O.

4 Describe the exempt purpose achievements for each of the organization's three largest program services by expenses. Section 501(c)(3) and 501(c)(4) organizations and section 4947(a)(1) trusts are required to report the amount of grants and allocations to others, the total expenses, and revenue, if any, for each program service reported.

4a (Code:) (Expenses \$ 59,274,135 including grants of \$ 44,291,946) (Revenue \$)
Coalition Building: The organization helped to build a coalition of like minded organizations and individuals, which worked to educate the public about healthcare reform and advocate in favor of patients rights.
Issue Advocacy/ Legislative Advocacy: The organization engaged in helping to plan, create, design and execute an issue advocacy /legislative awareness campaign in conjunction with its broad based healthcare coalition.

4b (Code:) (Expenses \$ including grants of \$) (Revenue \$)

4c (Code:) (Expenses \$ including grants of \$) (Revenue \$)

4d Other program services. (Describe in Schedule O.)
(Expenses \$ including grants of \$) (Revenue \$)

4e Total program service expenses ▶ \$59,274,135

Part IV Checklist of Required Schedules

	Yes	No
1 Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? If "Yes," complete Schedule A		✓
2 Is the organization required to complete Schedule B, Schedule of Contributors? (see instructions)	✓	
3 Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? If "Yes," complete Schedule C, Part I		✓
4 Section 501(c)(3) organizations. Did the organization engage in lobbying activities, or have a section 501(h) election in effect during the tax year? If "Yes," complete Schedule C, Part II		
5 Is the organization a section 501(c)(4), 501(c)(5), or 501(c)(6) organization that receives membership dues, assessments, or similar amounts as defined in Revenue Procedure 98-19? If "Yes," complete Schedule C, Part III		✓
6 Did the organization maintain any donor advised funds or any similar funds or accounts where donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts? If "Yes," complete Schedule D, Part I		✓
7 Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas, or historic structures? If "Yes," complete Schedule D, Part II		✓
8 Did the organization maintain collections of works of art, historical treasures, or other similar assets? If "Yes," complete Schedule D, Part III		✓
9 Did the organization report an amount in Part X, line 21; serve as a custodian for amounts not listed in Part X; or provide credit counseling, debt management, credit repair, or debt negotiation services? If "Yes," complete Schedule D, Part IV		✓
10 Did the organization, directly or through a related organization, hold assets in term, permanent, or quasi-endowments? If "Yes," complete Schedule D, Part V		✓
11 If the organization's answer to any of the following questions is "Yes," then complete Schedule D, Parts VI, VII, VIII, IX, or X as applicable.		
a Did the organization report an amount for land, buildings, and equipment in Part X, line 10? If "Yes," complete Schedule D, Part VI		✓
b Did the organization report an amount for investments—other securities in Part X, line 12 that is 5% or more of its total assets reported in Part X, line 16? If "Yes," complete Schedule D, Part VII		✓
c Did the organization report an amount for investments—program related in Part X, line 13 that is 5% or more of its total assets reported in Part X, line 16? If "Yes," complete Schedule D, Part VIII		✓
d Did the organization report an amount for other assets in Part X, line 15 that is 5% or more of its total assets reported in Part X, line 16? If "Yes," complete Schedule D, Part IX		✓
e Did the organization report an amount for other liabilities in Part X, line 25? If "Yes," complete Schedule D, Part X		✓
f Did the organization's separate or consolidated financial statements for the tax year include a footnote that addresses the organization's liability for uncertain tax positions under FIN 48 (ASC 740)? If "Yes," complete Schedule D, Part X		✓
12 a Did the organization obtain separate, independent audited financial statements for the tax year? If "Yes," complete Schedule D, Parts XI, XII, and XIII	✓	
b Was the organization included in consolidated, independent audited financial statements for the tax year? If "Yes," and if the organization answered "No" to line 12a, then completing Schedule D, Parts XI, XII, and XIII is optional		✓
13 Is the organization a school described in section 170(b)(1)(A)(ii)? If "Yes," complete Schedule E		✓
14 a Did the organization maintain an office, employees, or agents outside of the United States?		✓
b Did the organization have aggregate revenues or expenses of more than \$10,000 from grantmaking, fundraising, business, and program service activities outside the United States? If "Yes," complete Schedule F, Parts I and IV		
15 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of grants or assistance to any organization or entity located outside the United States? If "Yes," complete Schedule F, Parts II and IV		✓
16 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of aggregate grants or assistance to individuals located outside the United States? If "Yes," complete Schedule F, Parts III and IV		✓
17 Did the organization report a total of more than \$15,000 of expenses for professional fundraising services on Part IX, column (A), lines 6 and 11e? If "Yes," complete Schedule G, Part I (see instructions)	✓	
18 Did the organization report more than \$15,000 total of fundraising event gross income and contributions on Part VIII, lines 1c and 8a? If "Yes," complete Schedule G, Part II		✓
19 Did the organization report more than \$15,000 of gross income from gaming activities on Part VIII, line 9a? If "Yes," complete Schedule G, Part III		✓
20 a Did the organization operate one or more hospitals? If "Yes," complete Schedule H		✓
b If "Yes" to line 20a, did the organization attach its audited financial statements to this return? Note. Some Form 990 filers that operate one or more hospitals must attach audited financial statements (see instructions)		✓

**SCHEDULE I
(Form 990)**

Department of the Treasury
Internal Revenue Service

**Grants and Other Assistance to Organizations,
Governments, and Individuals in the United States**

Complete if the organization answered "Yes" to Form 990, Part IV, line 21 or 22.
▶ Attach to Form 990.

OMB No. 1545-0047

2010

Open to Public
Inspection

Name of the organization

Center To Protect Patient Rights, Inc.

Employer identification number

26-4663543

Part I General Information on Grants and Assistance

1 Does the organization maintain records to substantiate the amount of the grants or assistance, the grantees' eligibility for the grants or assistance, and the selection criteria used to award the grants or assistance? Yes No

2 Describe in Part IV the organization's procedures for monitoring the use of grant funds in the United States.

Part II Grants and Other Assistance to Governments and Organizations in the United States. Complete if the organization answered "Yes" to Form 990, Part IV, line 21, for any recipient that received more than \$5,000. Check this box if no one recipient received more than \$5,000. Part II can be duplicated if additional space is needed.

1 (e) Name and address of organization or government	(b) EIN	(c) IRC section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance	
(1) American Energy Alliance 1100H Street, NW, Ste 400 Wash. DC 20005	26-2731617	501C4	2,300,000.00	0			General Support	
(2) American Future Fund 4225 Fleur Dr #142 Des Moines, IA 50321	26-0620554	501C4	11,685,000.00	0			General Support	
(3) Americans for Job Security 107 S West St. PMB 551 Alexandria VA	52-2062978	501C4	4,828,000.00	0			General Support	
(4) Americans for Ltd Govt. 9900 Main St Suite 303 Alexandria VA	36-3875580	501C4	5,585,000.00	0			General Support	
(5) Americans for Prosperity 2111 Wilson Blvd Arlington VA 22201	75-3148958	501C4	1,924,000.00	0			General Support	
(6) Americans for Tax Reform 7200 12th St, 4th floor NW Washington DC	52-1403587	501C4	4,189,000.00	0			General Support	
(7) Americans United for Life 655 15th St NW Wash, DC 20005	36-3906065	501C3	45,000.00	0			General Support	
(8) Americans United for Life Action 655 15th St NW Ste 410 Wash, DC 20005	26-2696809	501C4	559,000.00	0			General Support	
(9) Club for Growth 2001 L St NW Suite 600, Washington, DC 20036	20-4681603	501C4	690,000.00	0			General Support	
(10) Coalition to Protect Patient Right PO Box 3114 Arlington VA 22203	27-0224057	501C4	205,000.00	0			General Support	
(11) Common Sense Issue, Inc. 8190A Beechmont Ave., #103 Cinn OH 45255	20-8824036	501C4	10,000.00	0			General Support	
(12) Common Sense Issues Coalition P.O. Box 54984 Cinn. OH 45254	20-8824096	501C4	25,000.00	0			General Support	
2 Enter total number of section 501(c)(3) and government organizations								0
3 Enter total number of other organizations								0

For Paperwork Reduction Act Notice, see the instructions for Form 990. Schedule I (Form 990) (2010) Cat. No. 50055P

Part III Grants and Other Assistance to Individuals in the United States. Complete if the organization answered "Yes" to Form 990, Part IV, line 22. Part III can be duplicated if additional space is needed.

(a) Type of grant or assistance	(b) Number of recipients	(c) Amount of cash grant	(d) Amount of non-cash assistance	(e) Method of valuation (book, FMV, appraisal, other)	(f) Description of non-cash assistance
1					
2					
3					
4					
5					
6					
7					

Part IV Supplemental Information. Complete this part to provide the information required in Part I, line 2, and any other additional information.

The organization carefully considered the mission of each grant recipient organization prior to making the general support grants.

8050

SCHEDULE I
(Form 990)

Grants and Other Assistance to Organizations, Governments, and Individuals in the United States

Complete if the organization answered "Yes" to Form 990, Part IV, line 21 or 22.
▶ Attach to Form 990.

OMB No. 1545-0047

2010

Open to Public Inspection

Department of the Treasury
Internal Revenue Service
Name of the organization

Employer identification number

Center To Protect Patient Rights, Inc.

26-4683543

Part I General Information on Grants and Assistance

- 1 Does the organization maintain records to substantiate the amount of the grants or assistance, the grantees' eligibility for the grants or assistance, and the selection criteria used to award the grants or assistance? Yes No
- 2 Describe in Part IV the organization's procedures for monitoring the use of grant funds in the United States.

Part II Grants and Other Assistance to Governments and Organizations in the United States. Complete if the organization answered "Yes" to Form 990, Part IV, line 21, for any recipient that received more than \$5,000. Check this box if no one recipient received more than \$5,000. Part II can be duplicated if additional space is needed.

1 (a) Name and address of organization or government	(b) EIN	(c) IRC section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance	
(1) US Health Freedom Coal. 4715 N 32nd St. Ste 107 Phoenix, AZ 85018	87-0809179	501C4	1,431,000.00	0			General Support	
(2) Concerned Wmn 4 America Leg 1015 15StNW, Ste1100 Wash DC	95-3370744	501C4	4,550.00	0			General Support	
(3) Freedom Vote PO Box 882 Dayton, OH 45401	27-3004397	501C4	200,000.00	0			General Support	
(4) Hispanic Leadership Fund PO 23162 Alexandria, VA 22304	26-2383617	501C4	47,000.00	0			General Support	
(5) The Inst. for Liberty 1250 CT Av. NW Ste 200 Washington DC 20036	20-2641983	501C4	457,000.00	0			General Support	
(6) Protect Your Vote Inc. 610 S. Blvd. Tampa, FL 33606	27-3512898	501C4	100,000.00	0			General Support	
(7) Revere America 1701 Penn Ave NW, Ste 300 Washington DC 20006	27-2334193	501C4	2,300,000.00	0			General Support	
(8) Sixty Plus Assoc.60 King St Ste 315 Alexandria VA 22314	54-1564919	501C4	8,990,000.00	0			General Support	
(9) Susan B Anthony List 1707 L St NW, Ste 550 Washington, DC 20036	54-1850126	501C4	1,025,000.00	0			General Support	
(10) Tea Party Patriots 1025 Rose Creek Dr Woodstock, GA 30189	27-0470227	501C4	30,000.00	0			General Support	
[11]								
[12]								
2 Enter total number of section 501(c)(3) and government organizations								0
3 Enter total number of other organizations								22

Cat No. 50055P

Schedule I (Form 990) (2010)

EXHIBIT E

MARCH 31, 2014 4:00 AM

Inside the Koch-Funded Ads Giving Dems Fits

A years-long campaign is bearing fruit.

By Eliana Johnson

In one of the ads Americans for Prosperity (AFP) has put on the air this year, a thirtysomething actress stands against a white backdrop and looks into the camera. “People don’t like political ads,” she says plaintively. “I don’t like them either. But health care isn’t about politics, it’s about people, and millions of people have lost their health insurance, millions of people can’t see their own doctors, and millions are paying more and getting less.” At the close, a narrator urges viewers to “tell Mary Landrieu to stop thinking about politics and start thinking about people.” Such ads have also run against Mark Pryor in Arkansas, Mark Udall in Colorado, and incumbent Democratic House members in Arizona, Florida, and New Hampshire.

Ads like the “[white ad](#),” as it has become known, are not new to 2014. They are part of a sustained assault against Obamacare mounted with the help of the donor network organized by Charles and David Koch and the array of social-welfare groups it funds.

The ads themselves, which have inflamed Democrats this election season, represent five years of knowledge, accumulated through polls and focus groups, about how to use the health-care issue to pull Americans into the GOP camp. With AFP having spent over \$30 million so far this year to bring down sitting Democratic senators, the ads also symbolize the changing nature of American politics. Since the Supreme Court’s 2010 *Citizens United* decision, unlimited outside spending by 501(c)(4) social-welfare groups has finally allowed Republicans to match the political muscle of labor unions, whose spending was also blown open by the decision, but which have long poured money into Democratic coffers.

That newfound equity is one reason why the AFP ads have sent Democrats into a tailspin and led them to make the ads, and two of the people funding them, a major campaign issue of 2014. Senate majority leader Harry Reid devoted much of a news conference and an entire speech on the Senate floor to attacking the Koch brothers, calling their efforts “un-American” and accusing them of trying to rig the political system in their favor. The Democratic Senatorial Campaign Committee has launched a [digital campaign](#) around the rallying cry “The GOP is addicted to Koch!”

“The Koch Brothers have already spent \$30 million this year savaging Democratic Senate candidates in an effort buy a U.S. Senate that is good for their family and bad for just about every other family in America,” the group said. AFP president Tim Phillips dismisses attacks like this as

the “villain approach” to politics and says he’s not only skeptical of their efficacy but finds them morally repugnant. “If you google AFP, you’ll find that we’ve never gone after George Soros. It’s the right of every American to be involved in the political process — and frankly, the responsibility.”

The Koch network’s anti-Obamacare assault began in 2009 with Sean Noble, a former chief of staff to Arizona congressman John Shadegg and then an adviser to the Koch brothers, and Randy Kendrick, the wife of Arizona Diamondbacks part-owner Ken Kendrick and a prominent donor to the Kochs’ formidable fundraising network.

Noble had worked with Arizona state legislators in 2008 on Proposition 101, an amendment to the state constitution that would have prohibited employer and individual mandates in health insurance. When it was defeated, Noble says, Kendrick urged him to take the health-care fight national.

“Randy Kendrick said, ‘Who do I have to give money to? What organizations are doing this?’” Noble tells me. When he surveyed the landscape, Noble found only 501(c)(3) groups such as the Galen Institute and the Pacific Research Institute, which, unlike 501(c)(4)s, are prohibited from participating in campaign-related activity. There weren’t any groups operating in the (c)(4) space devoted to putting the brakes on a national health bill.

For Kendrick, events added a sense of urgency to the cause. It was November of 2008: President Obama had won the election, and rumors swirled that he was set to nominate former South Dakota senator Tom Daschle to serve as secretary of the Department of Health and Human Services — a nomination eventually derailed by news that Daschle had for years failed to pay taxes on a car and driver lent to him by a wealthy friend.

Kendrick had read Daschle’s 2008 book *Critical: What We Can Do About the Health-Care Crisis* and saw it as a blueprint for the legislation the Obama administration would look to enact. She was alarmed. Daschle noted polls and research showing that the political climate in 2008 was more favorable to a fundamental reform of the nation’s health-care system than it was in the early 1990s, when Hillarycare sputtered out. He pointed to growing support for “a so-called individual mandate” and urged readers to help overcome “the mistaken belief that we have the best health care in the world.”

The result of Kendrick and Noble’s efforts was the Center to Protect Patient Rights (CPPR), which was incorporated in April 2009 and funded largely through donations from the Koch network. The two attended a June 2009 Koch donor seminar in Aspen, Colo., where, Noble says, a federal takeover of health care was for the first time introduced to donors as an issue of urgent importance.

Before lunch on the third and final day of the seminar, Noble says, Kendrick delivered an “impassioned speech” on the topic. “People were moved to tears by how invested she was in this,” Noble says, and at the lunch that followed her remarks, donors spontaneously pledged \$13 million to the cause. Since then, similar lunches have raised over \$100 million.

With that largesse, CPPR produced dozens of ads that targeted hundreds of Democratic congressmen in the 2010 midterm elections, when Republicans regained 63 seats and recaptured the House majority in the largest midterm romp since 1938. Noble coordinated the disbursement of over \$50 million to several other groups that paid to put the ads on the air: Americans for Prosperity, the 60 Plus Association, Americans for Job Security, Americans for Limited Government, and the American Future Fund. Two years later, California officials levied a \$1 million fine on CPPR when they determined the group failed to disclose the intermediary sources of independent expenditures it made to oppose two ballot propositions in the state.

CPPR funneled money to multiple groups, Noble says, both to protect the anonymity of donors and because IRS regulations prohibit any individual (c)(4) group from spending more than 50 percent of its time on candidate-related political activity.

In 2010, though, the activity of the groups was extraordinarily well-orchestrated, with no two groups airing ads in the same congressional district. Attack ads against Democratic incumbents blanketed the country: The 60 Plus Association spent to air ads in Arizona’s 1st congressional district, Florida’s 2nd and 24th, Indiana’s 2nd, Minnesota’s 8th, New York’s 20th, Ohio’s 16th, Pennsylvania’s 3rd, and Wisconsin’s 3rd and 8th, for example, while Americans for Job Security put up ads in New York’s 24th, North Carolina’s 2nd and 8th, Ohio’s 18th, and Virginia’s 9th. The American Future Fund put up spots in Alabama’s 2nd, Colorado’s 7th, New Mexico’s 1st, and Washington’s 2nd.

To craft and produce the ads, Noble brought in GOP pollster and wordsmith Frank Luntz and ad guru Larry McCarthy, the latter famous for producing the 1988 Willie Horton ad that helped to sink Michael Dukakis’s presidential campaign.

In a series of focus groups, Luntz concluded that ads with an “ideological” feel to them wouldn’t work. “They weren’t credible or relevant to people in their day-to-day lives,” he says. “There was one political operative who thought rationing was the big issue. That wasn’t conceivable to people.” Neither was talk of death panels.

Instead, Luntz found that emotional appeals were more effective and that women were considered more credible than men on the issue. “Women are more focused on quality of life and peace of mind,” Luntz says. This year, all of AFP’s testimonial ads feature middle-class women speaking from their homes: Donna Marzullo and Helen DePrima in New Hampshire, Shannon Wendt and

Julie Boonstra in Michigan, and a woman identified as Wanda in Marion, Ark. (Fact-checkers have called into question the accuracy of the testimonials delivered in some of these ads, as well as Reid's contention that they are “absolutely false” and “made up from whole cloth.”)

“What Frank did,” Noble says, “is he took political guys like me and like Larry and had to kind of shake us into understanding that we needed to treat this differently than we would a political campaign, that we had to do this not by beating someone over the head but by persuading.” Luntz, he says, “took the strengths of our arguments and amplified them.”

CPPR's initial efforts were aimed at preventing Obamacare's passage, and one of the first ads Noble and McCarthy produced was a personalized warning about the dangers of nationalized health care. Over Memorial Day weekend in 2009, it went on the air in eight states that were home to crucial members of the Senate Finance Committee — including Republicans Susan Collins and Chuck Grassley — which was responsible for voting the bill that would become the Affordable Care Act out of committee and into the full Senate.

In the ad, “Survivor,” paid for by one of AFP's 501(c)(4) arms, PatientsUnitedNow, Ontario native Shona Holmes told viewers about her experience with the Canadian health-care system. “I survived a brain tumor, but if I had relied on my government for health care, I'd be dead,” she said. “I am a Canadian citizen, and as my brain tumor got worse, my government health-care system told me I had to wait six months to see a specialist. In six months, I would have died.” The ad blanketed the airwaves on Fox News; CNN's Dana Bash flew to Ontario to interview Holmes and tell her story; and Jake Tapper, then of ABC News, took questions about her case to Canadian prime minister Stephen Harper.

Noble and his team at CPPR, which functioned out of the office of his consulting firm, DC London, in Washington, D.C., also worked with Americans for Prosperity and several other groups to turn out voters opposed to the emerging bill at the town-hall forums that senators were hosting in their home states during the 2009 August recess. “We knew we had to make that summer absolute hell,” Noble says.

Local AFP chapters activated their networks, and CPPR placed calls to seniors who were considered Republican base voters, people over the age of 65 who had voted consistently in GOP primaries, urging them to come out to the town halls and arming them with talking points. The *Cook Political Report* wondered in September 2009 whether 2010 would prove to be the year “angry white seniors” decided the election in favor of Republicans, much the way “angry white males” were said to have turned the tide in 1994.

“We packed these town halls with people who were just screaming about this thing,” Noble recalls. Scenes from those meetings, of constituents blowing up at their elected representatives and of public forums descending into chaos, blanketed the news throughout August.

At a forum in Philadelphia where Arlen Specter (since deceased) appeared with Health and Human Services secretary Kathleen Sebelius, the crowd, with spectators lining the walls, exploded when Specter admitted that he hadn't personally read the legislation — which ran over 1,000 pages — but instead had assigned it out to his staff. “We expected we could turn out 250 people there,” Noble says. “Over 1,000 showed up.”

“You have to make judgments very fast,” Specter explained as the audience shouted him down. Sebelius didn't make any friends when she jumped to his defense. “The Senate bill isn't written,” she said, “so don't boo the senator for not reading a bill that isn't written.” The crowd booed her in turn.

CPPR's strategy changed when the House passed the Affordable Care Act and President Obama signed it into law in March 2010. Noble and his team set their sights on returning the House to the GOP.

“We made a deliberate recommendation that you gotta focus on the House,” Noble says. “That's where this bill passed. Pelosi broke so many arms of Democrats that had no business voting for that bill. Obamacare clearly was the watershed moment that provided the juice to deliver the majority back to the Republicans in the House.”

On June 8, 2010, an Excel spreadsheet listed 64 Democratic congressmen in order of the likelihood of their defeat. The list of targets expanded to 88 in June and to 105 in August. Each of the House districts identified was given a “win potential” between 1 and 5 and a score between 1 and 40 based on the voting record of each member and the composition of the district, among other things. The 105 candidates were ultimately divided into three tiers based on the likelihood of a GOP victory, and resources were allotted accordingly. On Election Day, Republicans snatched 48 of the 50 seats in “tier 1” from Democrats and 61 of the 80 seats in the top two tiers.

Noble and company went up with ads in June 2010, earlier than outside groups had ever gone on the air before. By August, some of the most vulnerable Democrats had been damaged so badly that the ads were no longer needed. That was the case in Colorado's fourth district, where Democratic incumbent Betsy Markey was running for reelection against Republican Cory Gardner. For a week in June and two weeks in August, Americans for Prosperity ran an ad against Markey that featured a series of her constituents, one of whom declared, “Markey betrayed us by voting for a government health-care plan.” With Markey's own polling showing her approval rating at 38 percent, Noble says, “we did not spend another dime in that race from August until Election Day.”

Between June and November, CPPR and the constellation of groups to which it disbursed millions of dollars in funds sought to tie Democrats not to President Obama, who inspires warm feelings among most Americans, but to House speaker Nancy Pelosi. They used her name like a dirty

word. The 60 Plus Association told Floridians that “Alan Grayson and Suzanne Kosmas are putting Nancy Pelosi’s liberal agenda ahead of seniors.” The American Future Fund told South Dakota voters that Stephanie Herseth Sandlin “votes to support Nancy Pelosi’s agenda more than 90 percent of the time.” Americans for Job Security put constituents from North Carolina’s second congressional district on the air to tell voters that their congressman, Bob Etheridge, “voted for Nancy Pelosi’s health-care plan.”

Luntz’s research had demonstrated the need to tie Democratic congressmen to a more national figure. President Obama and Harry Reid proved far less likely than Pelosi to push swing voters into the Republican camp. “When we tied them to Pelosi, swing voters were more likely to vote against them 65 percent of the time,” Noble says. “She was absolutely toxic for her conference with swing voters.” Surprisingly, she produced a more negative reaction among women than did Reid and Obama.

The political climate was so hostile to Democrats that Noble wound up running ads against Democrats who fell into tier 3, incumbents he’d determined it would be difficult to pick off. “There was some interesting stretching of the field that no one thought was possible,” he says.

In late October, the 60 Plus Association dumped \$100,000 into an ad buy in Minnesota’s eighth congressional district, where incumbent Jim Oberstar, the chairman of the Transportation Committee, had served for over three decades. His opponent, a young Navy captain and virtually a political unknown, was deeply underfunded. The spot featured a picture of Oberstar with a grinning Pelosi looming in the background. “He votes with his party 97 percent of the time,” a narrator said, “for \$500 billion in Medicare cuts, Nancy Pelosi’s budgets, and debts future generations can’t afford.” *Cook Political Report* analyst David Wasserman noted that “even many local Republicans can’t get their head around the idea that Navy Captain Chip Cravaack, who in July had \$24,000 in the bank to Oberstar’s \$1.1 million and warned that the U.S. was headed towards socialism under President Obama, is a serious threat to the 36-year House veteran and Transportation Committee chair.” On Election Day, Cravaack eked out a victory by 1.6 percentage points.

AFP has taken the lead in the ad wars again this year. The Center to Protect Patient Rights, under Noble’s leadership, recently rebranded itself as American Encore, a group that will focus on a broader set of issues including the proposed IRS regulations and the free-enterprise system.

AFP’s goal is to help recapture the Senate. AFP president Tim Phillips thinks it’s possible to do so by pressing the Obamacare issue. “Some say the further you get from the passage of a law, the tougher it gets to move America,” he tells me, “but Obamacare is different because the impact is evolving, Americans’ experiences with the law are evolving, and most of them are bad.” Noble puts it more sharply. “What we warned people was going to happen is now happening,” he says,

“so it’s a natural extension of the debate. Now we’re saying ‘We told you so’ without saying ‘We told you so.’”

In the ads themselves, warnings from Canadians like Shona Holmes have been replaced by testimonials offered on a state-by-state basis from those who say they’ve been hurt by the health-care law. AFP has linked local victims with their lawmakers’ support for the bill.

Noble is confident that just as the issue allowed Republicans to recapture the House in 2010, it will give the GOP the “juice” to reclaim the Senate in 2014. “It’s kind of like this great story,” he says. “We don’t know how it’s going to end, but Democrats are going to lose twice over it.” Much to the chagrin of angry Democrats, the ad war is one that shows no signs of letting up. According to Phillips, “We think of this as year five of what very well could be a decade-long or more effort to defeat government-run health care.”

If Harry Reid thinks he’s fed up with the Kochs now, he may just be getting the first taste of what their political network has in store.

— *Eliana Johnson is media editor of NATIONAL REVIEW ONLINE.*

EXHIBIT F

Return of Organization Exempt From Income Tax

OMB No. 1545-0047

2011

Open to Public Inspection

Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except black lung benefit trust or private foundation)

▶ The organization may have to use a copy of this return to satisfy state reporting requirements.

Department of the Treasury
Internal Revenue Service

A For the 2011 calendar year, or tax year beginning **2011**, and ending **2012**

B Check if applicable:
 Address change
 Name change
 Initial return
 Terminated
 Amended return
 Application pending

C Name of organization **Center To Protect Patient Rights, Inc.**
 Doing Business As
 Number and street (or P.O. box if mail is not delivered to street address) Room/suite
P.O. Box 72465
 City or town, state or country, and ZIP + 4
Phoenix, AZ 85050

D Employer identification number
26-4683543

E Telephone number
480-252-0772

F Name and address of principal officer:
Sean Noble - P.O. Box 72465 Phoenix, AZ 85050

G Gross receipts \$ **25,318,576**

H(a) Is this a group return for affiliates? Yes No
H(b) Are all affiliates included? Yes No
 If "No," attach a list. (see instructions)

I Tax-exempt status: 501(c)(3) 501(c) (**4**) ◀ (insert no.) 4947(a)(1) or 527

J Website: ▶ **None**

K Form of organization: Corporation Trust Association Other ▶

L Year of formation: **2009** **M** State of legal domicile: **MD**

Part I Summary

Activities & Governance	1 Briefly describe the organization's mission or most significant activities: Building a coalition of like-minded organizations and individuals, and educating the public on issues related to limited government, free enterprise, and health care with an emphasis on patient rights. Engaging in issue advocacy and activities to influence legislation related to limited government, free enterprise, and health care.		
	2 Check this box <input type="checkbox"/> If the organization discontinued its operations or disposed of more than 25% of its net assets.		
	3 Number of voting members of the governing body (Part VI, line 1a)	3	2
	4 Number of independent voting members of the governing body (Part VI, line 1b)	4	1
	5 Total number of individuals employed in calendar year 2011 (Part V, line 2a)	5	0
	6 Total number of volunteers (estimate if necessary)	6	0
	7a Total unrelated business revenue from Part VIII, column (C), line 12	7a	0
b Net unrelated business taxable income from Form 990-T, line 34	7b	0	
Revenue	8 Contributions and grants (Part VIII, line 1h)	Prior Year 61,838,792	Current Year 25,318,576
	9 Program service revenue (Part VIII, line 2g)		0
	10 Investment income (Part VIII, column (A), lines 3, 4, and 7d)	2,470	3,246
	11 Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)		0
	12 Total revenue—add lines 8 through 11 (must equal Part VIII, column (A), line 12)	61,841,262	25,321,822
Expenses	13 Grants and similar amounts paid (Part IX, column (A), lines 1–3)	44,599,946	14,805,985
	14 Benefits paid to or for members (Part IX, column (A), line 4)		0
	15 Salaries, other compensation, employee benefits (Part IX, column (A), lines 5–10)		0
	16a Professional fundraising fees (Part IX, column (A), line 11e)	212,138	0
	b Total fundraising expenses (Part IX, column (D), line 25) ▶		
	17 Other expenses (Part IX, column (A), lines 11a–11d, 11f–24e)	15,433,307	8,366,170
18 Total expenses. Add lines 13–17 (must equal Part IX, column (A), line 25)	60,246,391	23,172,155	
19 Revenue less expenses. Subtract line 18 from line 12	1,595,871	2,149,667	
Net Assets or Fund Balances	20 Total assets (Part X, line 16)	Beginning of Current Year 3,220,364	End of Year 5,370,031
	21 Total liabilities (Part X, line 26)		
	22 Net assets or fund balances. Subtract line 21 from line 20	3,220,364	5,370,031

Part II Signature Block

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

Sign Here

Signature of officer: *Sean Noble* Date: **11/13/12**
 Type or print name and title: **Sean Noble, President**

Paid Preparer Use Only

Print/Type preparer's name: **Howard Scolnik** Preparer's signature: *Howard Scolnik* Date: **11/13/12** Check if self-employed PTIN: **P01064967**
 Firm's name: **Howard Scolnik CPA** Firm's EIN: **602-524-0974**
 Firm's address: **11646 N. 129th Way, Scottsdale, AZ 85259** Phone no.:

May the IRS discuss this return with the preparer shown above? (see instructions) Yes No

Part III Statement of Program Service Accomplishments

Check if Schedule O contains a response to any question in this Part III

1 Briefly describe the organization's mission:

Building a coalition of like-minded organizations and individuals, and educating the public on issues related to limited government, free enterprise, and health care with an emphasis on patient rights. Engaging in issue advocacy and activities to influence legislation related to limited government, free enterprise, and health care.

2 Did the organization undertake any significant program services during the year which were not listed on the prior Form 990 or 990-EZ? Yes No
If "Yes," describe these new services on Schedule O.

3 Did the organization cease conducting, or make significant changes in how it conducts, any program services? Yes No
If "Yes," describe these changes on Schedule O.

4 Describe the organization's program service accomplishments for each of its three largest program services, as measured by expenses. Section 501(c)(3) and 501(c)(4) organizations and section 4947(a)(1) trusts are required to report the amount of grants and allocations to others, the total expenses, and revenue, if any, for each program service reported.

4a (Code:) (Expenses \$ 22,992,474 including grants of \$ 14,805,985) (Revenue \$)

Coalition Building: The organization helped to build a coalition of like minded organizations and individuals, which worked to educate the public about limited government, free enterprise, and healthcare reform and advocate in favor of limited government, free enterprise, and patient rights.
Issue Advocacy/ Legislative Advocacy: The organization engaged in helping to plan, create, design and execute an issue advocacy /legislative awareness campaign in conjunction with its broad based limited government, free enterprise, and healthcare coalition.

4b (Code:) (Expenses \$ including grants of \$) (Revenue \$)

4c (Code:) (Expenses \$ including grants of \$) (Revenue \$)

4d Other program services (Describe in Schedule O.)
(Expenses \$ including grants of \$) (Revenue \$)

4e Total program service expenses ▶ 22,992,474

Part IV Checklist of Required Schedules

	Yes	No
1 Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? If "Yes," complete Schedule A	<input type="checkbox"/>	<input checked="" type="checkbox"/>
2 Is the organization required to complete Schedule B, Schedule of Contributors (see instructions)?	<input checked="" type="checkbox"/>	<input type="checkbox"/>
3 Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? If "Yes," complete Schedule C, Part I	<input type="checkbox"/>	<input checked="" type="checkbox"/>
4 Section 501(c)(3) organizations. Did the organization engage in lobbying activities, or have a section 501(h) election in effect during the tax year? If "Yes," complete Schedule C, Part II	<input type="checkbox"/>	<input type="checkbox"/>
5 Is the organization a section 501(c)(4), 501(c)(5), or 501(c)(6) organization that receives membership dues, assessments, or similar amounts as defined in Revenue Procedure 98-19? If "Yes," complete Schedule C, Part III	<input type="checkbox"/>	<input checked="" type="checkbox"/>
6 Did the organization maintain any donor advised funds or any similar funds or accounts for which donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts? If "Yes," complete Schedule D, Part I	<input type="checkbox"/>	<input checked="" type="checkbox"/>
7 Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas, or historic structures? If "Yes," complete Schedule D, Part II	<input type="checkbox"/>	<input checked="" type="checkbox"/>
8 Did the organization maintain collections of works of art, historical treasures, or other similar assets? If "Yes," complete Schedule D, Part III	<input type="checkbox"/>	<input checked="" type="checkbox"/>
9 Did the organization report an amount in Part X, line 21; serve as a custodian for amounts not listed in Part X; or provide credit counseling, debt management, credit repair, or debt negotiation services? If "Yes," complete Schedule D, Part IV	<input type="checkbox"/>	<input checked="" type="checkbox"/>
10 Did the organization, directly or through a related organization, hold assets in temporarily restricted endowments, permanent endowments, or quasi-endowments? If "Yes," complete Schedule D, Part V	<input type="checkbox"/>	<input checked="" type="checkbox"/>
11 If the organization's answer to any of the following questions is "Yes," then complete Schedule D, Parts VI, VII, VIII, IX, or X as applicable.		
a Did the organization report an amount for land, buildings, and equipment in Part X, line 10? If "Yes," complete Schedule D, Part VI	<input type="checkbox"/>	<input checked="" type="checkbox"/>
b Did the organization report an amount for investments—other securities in Part X, line 12 that is 5% or more of its total assets reported in Part X, line 16? If "Yes," complete Schedule D, Part VII	<input type="checkbox"/>	<input checked="" type="checkbox"/>
c Did the organization report an amount for investments—program related in Part X, line 13 that is 5% or more of its total assets reported in Part X, line 16? If "Yes," complete Schedule D, Part VIII	<input type="checkbox"/>	<input checked="" type="checkbox"/>
d Did the organization report an amount for other assets in Part X, line 15 that is 5% or more of its total assets reported in Part X, line 16? If "Yes," complete Schedule D, Part IX	<input type="checkbox"/>	<input checked="" type="checkbox"/>
e Did the organization report an amount for other liabilities in Part X, line 25? If "Yes," complete Schedule D, Part X	<input type="checkbox"/>	<input checked="" type="checkbox"/>
f Did the organization's separate or consolidated financial statements for the tax year include a footnote that addresses the organization's liability for uncertain tax positions under FIN 48 (ASC 740)? If "Yes," complete Schedule D, Part X	<input type="checkbox"/>	<input checked="" type="checkbox"/>
12a Did the organization obtain separate, independent audited financial statements for the tax year? If "Yes," complete Schedule D, Parts XI, XII, and XIII	<input type="checkbox"/>	<input type="checkbox"/>
b Was the organization included in consolidated, independent audited financial statements for the tax year? If "Yes," and if the organization answered "No" to line 12a, then completing Schedule D, Parts XI, XII, and XIII is optional	<input type="checkbox"/>	<input type="checkbox"/>
13 Is the organization a school described in section 170(b)(1)(A)(ii)? If "Yes," complete Schedule E	<input type="checkbox"/>	<input checked="" type="checkbox"/>
14a Did the organization maintain an office, employees, or agents outside of the United States?	<input type="checkbox"/>	<input checked="" type="checkbox"/>
b Did the organization have aggregate revenues or expenses of more than \$10,000 from grantmaking, fundraising, business, investment, and program service activities outside the United States, or aggregate foreign investments valued at \$100,000 or more? If "Yes," complete Schedule F, Parts I and IV	<input type="checkbox"/>	<input checked="" type="checkbox"/>
15 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of grants or assistance to any organization or entity located outside the United States? If "Yes," complete Schedule F, Parts II and IV	<input type="checkbox"/>	<input checked="" type="checkbox"/>
16 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of aggregate grants or assistance to individuals located outside the United States? If "Yes," complete Schedule F, Parts III and IV	<input type="checkbox"/>	<input checked="" type="checkbox"/>
17 Did the organization report a total of more than \$15,000 of expenses for professional fundraising services on Part IX, column (A), lines 6 and 11e? If "Yes," complete Schedule G, Part I (see instructions)	<input type="checkbox"/>	<input checked="" type="checkbox"/>
18 Did the organization report more than \$15,000 total of fundraising event gross income and contributions on Part VIII, lines 1c and 8a? If "Yes," complete Schedule G, Part II	<input type="checkbox"/>	<input checked="" type="checkbox"/>
19 Did the organization report more than \$15,000 of gross income from gaming activities on Part VIII, line 9a? If "Yes," complete Schedule G, Part III	<input type="checkbox"/>	<input checked="" type="checkbox"/>
20a Did the organization operate one or more hospital facilities? If "Yes," complete Schedule H	<input type="checkbox"/>	<input checked="" type="checkbox"/>
b If "Yes" to line 20a, did the organization attach a copy of its audited financial statements to this return?	<input type="checkbox"/>	<input type="checkbox"/>

**SCHEDULE I
(Form 990)**

Department of the Treasury
Internal Revenue Service

Name of the organization

Center To Protect Patient Rights, Inc.

Employer identification number

26-4683543

**Grants and Other Assistance to Organizations,
Governments, and Individuals in the United States**

Complete if the organization answered "Yes" to Form 990, Part IV, line 21 or 22.
▶ Attach to Form 990.

OMB No. 1545-0047

2011

Open to Public
Inspection

Part I General Information on Grants and Assistance

1 Does the organization maintain records to substantiate the amount of the grants or assistance, the grantees' eligibility for the grants or assistance, and the selection criteria used to award the grants or assistance? Yes No

2 Describe in Part IV the organization's procedures for monitoring the use of grant funds in the United States. Yes No

Part II Grants and Other Assistance to Governments and Organizations in the United States. Complete if the organization answered "Yes" to Form 990, Part IV, line 21, for any recipient that received more than \$5,000. Check this box if no one recipient received more than \$5,000.

Part II can be duplicated if additional space is needed

1 (a) Name and address of organization or government	(b) EIN	(c) IRC section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
(1) All Votes Matter 417 W South St. Carlisle, PA 17013	45-2210307	501C4	60,000	0	0	0	General Support
(2) American Future Fund -4225 Fleur Dr.#142 Des Moines,IA 50321	26-0620554	501C4	1,075,000	0	0	0	General Support
(3) Americans for Responsible Leadership PO 80871 Phoenix, AZ 85060	45-2841608	501C4	902,000	0	0	0	General Support
(4) Concerned Women for America Legislative Action Committee 1015 Fifteenth St. NW Ste 1100 Washington, DC 20005	95-3370744	501C4	1,453,000	0	0	0	General Support
(6) Sixty Plus Association - 1600 Wilson Blvd Arlington,VA 22209	54-1564919	501C4	2,404,000	0	0	0	General Support
(7) Free Enterprise America 2198 E Camelback Rd Ste 325 Phoenix, AZ 85016	27-4395336	501C4	3,627,500	0	0	0	General Support
(9) American Commitment 1100G St. NW Ste840 Wash DC20005	45-2600535	501C4	1,614,985	0	0	0	General Support
(10) Coalition to Protect Patient Right PO Box 3114 Arlington, VA 22203	27-0224057	501C4	1,570,000	0	0	0	General Support
(11) Defend Your Healthcare 21 Elm Rock Rd. Bronxville,NY10708	27-0979989	501C4	65,000	0	0	0	General Support
(12) WI Club for Growth Inc 1223W Main St#304 Sun Prairie WI	11-3723921	501c4	225,000	0	0	0	General Support

2 Enter total number of section 501(c)(3) and government organizations listed in the line 1 table 0

3 Enter total number of other organizations listed in the line 1 table 10

For Paperwork Reduction Act Notice, see the Instructions for Form 990.

Cat. No. 50055P

Schedule I (Form 990) (2011)

Part III **Grants and Other Assistance to Individuals in the United States.** Complete if the organization answered "Yes" to Form 990, Part IV, line 22.
Part III can be duplicated if additional space is needed.

	(a) Type of grant or assistance	(b) Number of recipients	(c) Amount of cash grant	(d) Amount of non-cash assistance	(e) Method of valuation (book, FMV, appraisal, other)	(f) Description of non-cash assistance
1						
2						
3						
4						
5						
6						
7						

Part IV **Supplemental Information.** Complete this part to provide the information required in Part I, line 2, and any other additional information.

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**SCHEDULE I
(Form 990)**

Department of the Treasury
Internal Revenue Service

Name of the organization

Center To Protect Patient Rights, Inc.

**Grants and Other Assistance to Organizations,
Governments, and Individuals in the United States**

Complete if the organization answered "Yes" to Form 990, Part IV, line 21 or 22.
▶ Attach to Form 990.

OMB No. 1545-0047

2011

Open to Public
Inspection

Employer identification number

26-4683543

Part I General Information on Grants and Assistance

- 1** Does the organization maintain records to substantiate the amount of the grants or assistance, the grantees' eligibility for the grants or assistance, and the selection criteria used to award the grants or assistance? Yes No
- 2** Describe in Part IV the organization's procedures for monitoring the use of grant funds in the United States. Yes No

Part II Grants and Other Assistance to Governments and Organizations in the United States. Complete if the organization answered "Yes" to Form 990, Part IV, line 21, for any recipient that received more than \$5,000. Check this box if no one recipient received more than \$5,000. Part II can be duplicated if additional space is needed

1 (a) Name and address of organization or government	(b) EIN	(c) IRC section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
(1) US Health Freedom Coalition 4715 N 32ND St Phoenix, AZ 85018	87-0809179	501C4	125,000	0 0	0 0	0	General Support
(2) Taxpayers Protection Alliance 815 King St, Ste 309 Alexandria, VA	45-0702828	501C4	10,000	0 0	0 0	0	General Support
(3) POFN LLC	45-0702828	501C4	711,000	0 0	0 0	0	General Support
(4) Ohio Liberty Council PO Box 3153 Westerville, OH 43086	27-0326042	501C4	210,000	0 0	0 0	0	General Support
(5) Ohio 2.0 38 South Deer Creek Dr Amelia, OH 45102	45-2927730	501C4	565,000	0 0	0 0	0	General Support
(6) Americans United for Life Action 655 15th St NW Ste 410 DC 20005	36-3906065	501C4	25,000	0 0	0 0	0	General Support
(7) Americans for Prosperity 1726 M St, NW, 10th Floor DC 20036	75-3148958	501C4	129,000	0 0	0 0	0	General Support
(8) Americans for Job Security 107 South West St, PMB 551 Alexandria, VA 22314	52-2062978	501C6	17,000	0 0	0 0	0	General Support
(10) American Grassroots Coalition, I 4308 N. Smoke Ridge Ct (11) NE Roswell, GA 30075	27-179613	501C4	17,000	0 0	0 0	0	General Support
(12)							

2 Enter total number of section 501(c)(3) and government organizations listed in the line 1 table 0

3 Enter total number of other organizations listed in the line 1 table 10

For Paperwork Reduction Act Notice, see the Instructions for Form 990.

Cat. No. 50055P

Schedule I (Form 990) (2011)

EXHIBIT G

Return of Organization Exempt From Income Tax

OMB No 1545-0047

2011

Open to Public Inspection

Department of the Treasury
Internal Revenue Service

Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except black lung benefit trust or private foundation)

The organization may have to use a copy of this return to satisfy state reporting requirements

A For the 2011 calendar year, or tax year beginning 2011, and ending 2011, and ending 20

B Check if applicable:
 Address change
 Name change
 Initial return
 Terminated
 Amended return
 Application pending

C Name of organization Center To Protect Patient Rights, Inc
 Doing Business As _____
 Number and street (or P O box if mail is not delivered to street address) _____ Room/suite _____
P.O. Box 72465
 City or town, state or country, and ZIP + 4
Phoenix, AZ 85050

D Employer identification number 26-4683543

E Telephone number 480-252-0772

F Name and address of principal officer
Sean Noble - P O Box 72465 Phoenix, AZ 85050

G Gross receipts \$ 25,318,576

H(a) Is this a group return for affiliates? Yes No
H(b) Are all affiliates included? Yes No
 If "No," attach a list (see instructions)

I Tax-exempt status 501(c)(3) 501(c) (4) ◀ (insert no) 4947(a)(1) or 527

J Website: None

K Form of organization Corporation Trust Association Other ▶

L Year of formation 2009

M State of legal domicile MD

Part I Summary		Prior Year	Current Year
Activities & Governance	1 Briefly describe the organization's mission or most significant activities: <u>Building a coalition of like-minded organizations and individuals, and educating the public on issues related to limited government, free enterprise, and health care with an emphasis on patient rights. Engaging in issue advocacy and activities to influence legislation related to limited government, free enterprise, and health care</u>		
	2 Check this box <input type="checkbox"/> if the organization discontinued its operations or disposed of more than 25% of its net assets.		
	3 Number of voting members of the governing body (Part VI, line 1a)	3	<u>2</u>
	4 Number of independent voting members of the governing body (Part VI, line 1b)	4	<u>1</u>
	5 Total number of individuals employed in calendar year 2011 (Part V, line 2a)	5	<u>0</u>
	6 Total number of volunteers (estimate if necessary)	6	<u>0</u>
	7a Total unrelated business revenue from Part VIII, column (C), line 12	7a	<u>0</u>
b Net unrelated business taxable income from Form 990-T, line 34	7b	<u>0</u>	
Revenue	8 Contributions and grants (Part VIII, line 1h)	<u>61,838,792</u>	<u>25,318,576</u>
	9 Program service revenue (Part VIII, line 2g)		<u>0</u>
	10 Investment income (Part VIII, column (A), lines 3, 4, and 7d)	<u>2,470</u>	<u>3,246</u>
	11 Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)		<u>0</u>
	12 Total revenue—add lines 8 through 11 (must equal Part VIII, column (A), line 12)	<u>61,841,262</u>	<u>25,321,822</u>
Expenses	13 Grants and similar amounts paid (Part IX, column (A), lines 1–3)	<u>44,599,946</u>	<u>14,805,985</u>
	14 Benefits paid to or for members (Part IX, column (A), line 4)		<u>0</u>
	15 Salaries, other compensation, employee benefits (Part IX, column (A), lines 5–10)		<u>0</u>
	16a Professional fundraising fees (Part IX, column (A), line 11e)	<u>212,138</u>	<u>0</u>
	b Total fundraising expenses (Part IX, column (D), line 25) ▶		
	17 Other expenses (Part IX, column (A), lines 11a–11d, 11f–24e)	<u>15,433,307</u>	<u>8,366,170</u>
18 Total expenses. Add lines 13–17 (must equal Part IX, column (A), line 25)	<u>15,645,445</u>	<u>23,172,155</u>	
19 Revenue less expenses Subtract line 18 from line 12	<u>46,195,817</u>	<u>2,149,667</u>	
Net Assets or Fund Balances	20 Total assets (Part X, line 16)	<u>3,220,364</u>	<u>5,370,031</u>
	21 Total liabilities (Part X, line 26)		
	22 Net assets or fund balances. Subtract line 21 from line 20	<u>3,220,364</u>	<u>5,370,031</u>

Part II Signature Block

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

Sign Here

Signature of officer: Sean Noble Date: 16 May 2013
 Type or print name and title: Sean Noble, President

Paid Preparer Use Only

Print/Type preparer's name: Howard Skolnik Preparer's signature: [Signature] Date: 5/13/13 Check if self-employed PTIN: P01064967
 Firm's name: Howard Skolnik CPA Firm's EIN: _____
 Firm's address: 11646 N 129th Way, Scottsdale, AZ 85259 Phone no: 602-524-0974

May the IRS discuss this return with the preparer shown above? (see instructions) Yes No

SCANNED JUN 12 2013

9 613

Part III Statement of Program Service Accomplishments

Check if Schedule O contains a response to any question in this Part III

1 Briefly describe the organization's mission:

Building a coalition of like-minded organizations and individuals, and educating the public on issues related to limited government, free enterprise, and health care with an emphasis on patient rights. Engaging in issue advocacy and activities to influence legislation related to limited government, free enterprise, and health care

2 Did the organization undertake any significant program services during the year which were not listed on the prior Form 990 or 990-EZ? Yes No

If "Yes," describe these new services on Schedule O.

3 Did the organization cease conducting, or make significant changes in how it conducts, any program services? Yes No

If "Yes," describe these changes on Schedule O.

4 Describe the organization's program service accomplishments for each of its three largest program services, as measured by expenses. Section 501(c)(3) and 501(c)(4) organizations and section 4947(a)(1) trusts are required to report the amount of grants and allocations to others, the total expenses, and revenue, if any, for each program service reported.

4a (Code:) (Expenses \$ 22,992,474 including grants of \$ 14,805,985) (Revenue \$)

Coalition Building: The organization helped to build a coalition of like minded organizations and individuals, which worked to educate the public about limited government, free enterprise, and healthcare reform and advocate in favor of limited government, free enterprise, and patient rights
Issue Advocacy/ Legislative Advocacy The organization engaged in helping to plan, create, design and execute an issue advocacy /legislative awareness campaign in conjunction with its broad based limited government, free enterprise, and healthcare coalition

4b (Code:) (Expenses \$ including grants of \$) (Revenue \$)

4c (Code:) (Expenses \$ including grants of \$) (Revenue \$)

4d Other program services (Describe in Schedule O.)
(Expenses \$ including grants of \$) (Revenue \$)

4e Total program service expenses ▶ 22,992,474

Part IV Checklist of Required Schedules

	Yes	No
1 Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? <i>If "Yes," complete Schedule A</i>		✓
2 Is the organization required to complete <i>Schedule B, Schedule of Contributors</i> (see instructions)?	✓	
3 Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? <i>If "Yes," complete Schedule C, Part I</i>		✓
4 Section 501(c)(3) organizations. Did the organization engage in lobbying activities, or have a section 501(h) election in effect during the tax year? <i>If "Yes," complete Schedule C, Part II</i>		
5 Is the organization a section 501(c)(4), 501(c)(5), or 501(c)(6) organization that receives membership dues, assessments, or similar amounts as defined in Revenue Procedure 98-19? <i>If "Yes," complete Schedule C, Part III</i>		✓
6 Did the organization maintain any donor advised funds or any similar funds or accounts for which donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts? <i>If "Yes," complete Schedule D, Part I</i>		✓
7 Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas, or historic structures? <i>If "Yes," complete Schedule D, Part II</i>		✓
8 Did the organization maintain collections of works of art, historical treasures, or other similar assets? <i>If "Yes," complete Schedule D, Part III</i>		✓
9 Did the organization report an amount in Part X, line 21; serve as a custodian for amounts not listed in Part X; or provide credit counseling, debt management, credit repair, or debt negotiation services? <i>If "Yes," complete Schedule D, Part IV</i>		✓
10 Did the organization, directly or through a related organization, hold assets in temporarily restricted endowments, permanent endowments, or quasi-endowments? <i>If "Yes," complete Schedule D, Part V</i>		✓
11 If the organization's answer to any of the following questions is "Yes," then complete Schedule D, Parts VI, VII, VIII, IX, or X as applicable.		
a Did the organization report an amount for land, buildings, and equipment in Part X, line 10? <i>If "Yes," complete Schedule D, Part VI</i>		✓
b Did the organization report an amount for investments—other securities in Part X, line 12 that is 5% or more of its total assets reported in Part X, line 16? <i>If "Yes," complete Schedule D, Part VII</i>		✓
c Did the organization report an amount for investments—program related in Part X, line 13 that is 5% or more of its total assets reported in Part X, line 16? <i>If "Yes," complete Schedule D, Part VIII</i>		✓
d Did the organization report an amount for other assets in Part X, line 15 that is 5% or more of its total assets reported in Part X, line 16? <i>If "Yes," complete Schedule D, Part IX</i>		✓
e Did the organization report an amount for other liabilities in Part X, line 25? <i>If "Yes," complete Schedule D, Part X</i>		✓
f Did the organization's separate or consolidated financial statements for the tax year include a footnote that addresses the organization's liability for uncertain tax positions under FIN 48 (ASC 740)? <i>If "Yes," complete Schedule D, Part X</i>		✓
12 a Did the organization obtain separate, independent audited financial statements for the tax year? <i>If "Yes," complete Schedule D, Parts XI, XII, and XIII</i>		
b Was the organization included in consolidated, independent audited financial statements for the tax year? <i>If "Yes," and if the organization answered "No" to line 12a, then completing Schedule D, Parts XI, XII, and XIII is optional</i>		
13 Is the organization a school described in section 170(b)(1)(A)(ii)? <i>If "Yes," complete Schedule E</i>		✓
14 a Did the organization maintain an office, employees, or agents outside of the United States?		✓
b Did the organization have aggregate revenues or expenses of more than \$10,000 from grantmaking, fundraising, business, investment, and program service activities outside the United States, or aggregate foreign investments valued at \$100,000 or more? <i>If "Yes," complete Schedule F, Parts I and IV.</i>		✓
15 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of grants or assistance to any organization or entity located outside the United States? <i>If "Yes," complete Schedule F, Parts II and IV</i>		✓
16 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of aggregate grants or assistance to individuals located outside the United States? <i>If "Yes," complete Schedule F, Parts III and IV</i>		✓
17 Did the organization report a total of more than \$15,000 of expenses for professional fundraising services on Part IX, column (A), lines 6 and 11e? <i>If "Yes," complete Schedule G, Part I (see instructions)</i>		✓
18 Did the organization report more than \$15,000 total of fundraising event gross income and contributions on Part VIII, lines 1c and 8a? <i>If "Yes," complete Schedule G, Part II</i>		✓
19 Did the organization report more than \$15,000 of gross income from gaming activities on Part VIII, line 9a? <i>If "Yes," complete Schedule G, Part III</i>		✓
20 a Did the organization operate one or more hospital facilities? <i>If "Yes," complete Schedule H</i>		✓
b If "Yes" to line 20a, did the organization attach a copy of its audited financial statements to this return?		

**SCHEDULE I
(Form 990)**

**Grants and Other Assistance to Organizations,
Governments, and Individuals in the United States**

Complete if the organization answered "Yes" to Form 990, Part IV, line 21 or 22.
▶ Attach to Form 990.

OMB No. 1545-0047

2011

Open to Public
Inspection

Department of the Treasury
Internal Revenue Service

Name of the organization

Center To Protect Patient Rights, Inc.

Employer identification number

26-4683543

Part I General Information on Grants and Assistance

- 1 Does the organization maintain records to substantiate the amount of the grants or assistance, the grantees' eligibility for the grants or assistance, and the selection criteria used to award the grants or assistance? Yes No
- 2 Describe in Part IV the organization's procedures for monitoring the use of grant funds in the United States. Yes No

Part II Grants and Other Assistance to Governments and Organizations in the United States. Complete if the organization answered "Yes" to Form 990, Part IV, line 21, for any recipient that received more than \$5,000. Check this box if no one recipient received more than \$5,000. Part II can be duplicated if additional space is needed

1 (a) Name and address of organization or government	(b) EIN	(c) IRC section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
(1) All Votes Matter 417 W South St Carlisle, PA 17013	45-2210307	501C4	60,000	0 0	0 0		General Support
(2) American Future Fund -4225 Fleur Dr.#142 Des Moines,IA 50321	26-0620554	501C4	1,075,000	0 0	0 0		General Support
(3) Americans for Responsible Leadership PO 80871 Phoenix, AZ 85060	45-2841608	501C4	902,000	0 0	0 0		General Support
(4) Concerned Women for America Legislative Action Committee	95-3370744	501C4	1,453,000	0 0	0 0		General Support
(5) 1015 Fifteenth St. NW Ste 1100 Washington, DC 20005							
(6) Sixty Plus Association - 1600 Wilson Blvd Arlington,VA 22209	54-1564919	501C4	2,404,000	0 0	0 0		General Support
(7) Free Enterprise America 2198 E Camelback Rd Ste 325 Phoenix, AZ 85016	27-4395336	501C4	3,627,500	0 0	0 0		General Support
(9) American Commitment 1100G St. NW Ste840 Wash DC20005	45-2600535	501C4	1,614,985	0 0	0 0		General Support
(10) Coalition to Protect Patient Right PO Box 3114 Arlington, VA 22203	27-0224057	501C4	1,570,000	0 0	0 0		General Support
(11) Defend Your Healthcare 21 Elm Rock Rd Bronxville,NY10708	27-0979989	501C4	65,000	0 0	0 0		General Support
(12) WI Club for Growth Inc 1223W Main St#304 Sun Prairie WI	11-3723921	501C4	225,000	0 0	0 0		General Support

2 Enter total number of section 501(c)(3) and government organizations listed in the line 1 table 0

3 Enter total number of other organizations listed in the line 1 table 10

Part III Grants and Other Assistance to Individuals in the United States. Complete if the organization answered "Yes" to Form 990, Part IV, line 22. Part III can be duplicated if additional space is needed.

(e) Type of grant or assistance	(b) Number of recipients	(c) Amount of cash grant	(d) Amount of non-cash assistance	(e) Method of valuation (book, FMV, appraisal, other)	(f) Description of non-cash assistance
1					
2					
3					
4					
5					
6					
7					

Part IV Supplemental Information. Complete this part to provide the information required in Part I, line 2, and any other additional information.

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**SCHEDULE I
(Form 990)**

**Grants and Other Assistance to Organizations,
Governments, and Individuals in the United States**

OMB No. 1545-0047

2011

Complete if the organization answered "Yes" to Form 990, Part IV, line 21 or 22.
▶ Attach to Form 990.

Open to Public
Inspection

Department of the Treasury
Internal Revenue Service

Name of the organization

Center To Protect Patient Rights, Inc.

Employer identification number

26-4683543

Part I General Information on Grants and Assistance

- 1 Does the organization maintain records to substantiate the amount of the grants or assistance, the grantees' eligibility for the grants or assistance, and the selection criteria used to award the grants or assistance? Yes No
- 2 Describe in Part IV the organization's procedures for monitoring the use of grant funds in the United States. Yes No

Part II Grants and Other Assistance to Governments and Organizations in the United States. Complete if the organization answered "Yes" to Form 990, Part IV, line 21, for any recipient that received more than \$5,000. Check this box if no one recipient received more than \$5,000.

Part II can be duplicated if additional space is needed

1 (a) Name and address of organization or government	(b) EIN	(c) IRC section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
(1) US Health Freedom Coalition 4715 N 32ND St Phoenix, AZ 85018	87-0809179	501C4	125,000	0 0	0 0	0	General Support
(2) Taxpayers Protection Alliance 815 King St. Ste 309 Alexandria, VA	45-0702828	501C4	10,000	0 0	0 0	0	General Support
(3) POFN LLC	45-0702828	501C4	711,000	0 0	0 0	0	General Support
(4) Ohio Liberty Council PO Box 3153 Westerville, OH 43086	27-0326042	501C4	210,000	0 0	0 0	0	General Support
(5) Ohio 2 0 38 South Deer Creek Dr Amelia, OH 45102	45-2927730	501C4	565,000	0 0	0 0	0	General Support
(6) Americans United for Life Action 655 15th St NW Ste 410 DC 20005	36-3906065	501C4	25,000	0 0	0 0	0	General Support
(7) Americans for Prosperity 1726 M St. NW, 10th Floor DC 20036	75-3148958	501C4	129,000	0 0	0 0	0	General Support
(8) Americans for Job Security 107 South West St. PMB 551 Alexandria, VA 22314	52-2062978	501C6	17,000	0 0	0 0	0	General Support
(10) American Grassroots Coalition I 4308 N. Smoke Ridge Ct. (11) NE Roswell, GA 30075	27-179613	501C4	17,000	0 0	0 0	0	General Support
(12)							

2 Enter total number of section 501(c)(3) and government organizations listed in the line 1 table 0

3 Enter total number of other organizations listed in the line 1 table 10

SCHEDULE O
(Form 990 or 990-EZ)

Supplemental Information to Form 990 or 990-EZ

OMB No 1545-0047

2011

Open to Public Inspection

Department of the Treasury
Internal Revenue Service

Complete to provide information for responses to specific questions on
Form 990 or 990-EZ or to provide any additional information.
▶ Attach to Form 990 or 990-EZ.

Name of the organization
Center To Protect Patient Rights, Inc.

Employer identification number
26-4683543

This return has been amended to include Schedule R and an additional Schedule O, and a change to the response to Part IV, Line 33.

No other changes have been made to the return. Due to an inadvertent omission Schedule R was not included in the initial filing.

All financial activities including donor contributions were however included in the Center's financial and other data reported
on Form 990 as well as other supporting schedules.

EXHIBIT H

Form **990**

Return of Organization Exempt From Income Tax

OMB No 1545-0047

Under section 501(c), 527, or 4947(a)(1) of the Internal Revenue Code (except black lung benefit trust or private foundation)

2012

Open to Public Inspection

Department of the Treasury
Internal Revenue Service

The organization may have to use a copy of this return to satisfy state reporting requirements.

A For the 2012 calendar year, or tax year beginning **2012**, and ending **2012**

B Check if applicable:
 Address change
 Name change
 Initial return
 Terminated
 Amended return
 Application pending

C Name of organization **Center To Protect Patient Rights, Inc.**
 Doing Business As _____
 Number and street (or P.O. box if mail is not delivered to street address) Room/suite
P.O. Box 72465
 City, town or post office, state, and ZIP code
Phoenix, AZ 85050

D Employer identification number
26-4683543

E Telephone number
(925) 452-7771

G Gross receipts \$ **148,569,081**

F Name and address of principal officer:
Sean Noble - P.O. Box 72465 Phoenix, AZ 85050

H(a) Is this a group return for affiliates? Yes No
H(b) Are all affiliates included? Yes No
 If "No," attach a list (see instructions)

H(c) Group exemption number ▶ _____

I Tax-exempt status 501(c)(3) 501(c) (**4**) ◀ (insert no.) 4947(a)(1) or 527

J Website: ▶ **None**

K Form of organization Corporation Trust Association Other ▶ _____

L Year of formation: **2009** **M** State of legal domicile: **MD**

Part I Summary			
Activities & Governance	1	Briefly describe the organization's mission or most significant activities: <u>Building a coalition of like-minded organizations and individuals, and educating the public on issues related to limited government, free enterprise, and health care with an emphasis on patient rights. Engaging in issue advocacy and activities to influence legislation related to limited government, free enterprise, and health care.</u>	
	2	Check this box <input type="checkbox"/> if the organization discontinued its operations or disposed of more than 25% of its net assets.	
	3	Number of voting members of the governing body (Part VI, line 1a)	3
	4	Number of independent voting members of the governing body (Part VI, line 1b)	2
	5	Total number of individuals employed in calendar year 2012 (Part V, line 2a)	0
	6	Total number of volunteers (estimate if necessary)	0
	7a	Total unrelated business revenue from Part VIII, column (C), line 12	0
7b	Net unrelated business taxable income from Form 990-T, line 34	0	
Revenue	8	Contributions and grants (Part VIII, line 1h)	25,318,576
	9	Program service revenue (Part VIII, line 2g)	-
	10	Investment income (Part VIII, column (A), lines 3, 4, and 7d)	3,246
	11	Other revenue (Part VIII, column (A), lines 5, 6d, 8c, 9c, 10c, and 11e)	-
	12	Total revenue—add lines 8 through 11 (must equal Part VIII, column (A), line 12)	25,321,822
Expenses	13	Grants and similar amounts paid (Part IX, column (A), lines 1-3)	14,805,985
	14	Benefits paid to or for members (Part IX, column (A), line 4)	-
	15	Salaries, other compensation, employee benefits (Part IX, column (A), lines 5-10)	-
	16a	Professional fundraising fees (Part IX, column (A), line 11e)	-
	17	Other expenses (Part IX, column (A), lines 11a-11d, 11f-24e)	8,366,170
	18	Total expenses. Add lines 13-17 (must equal Part IX, column (A), line 25)	23,172,155
Net Assets or Fund Balances	19	Revenue/less expenses. Subtract line 18 from line 12	2,149,667
	20	Total assets (Part X, line 16)	5,370,031
	21	Total liabilities (Part X, line 26)	-
	22	Net assets or fund balances. Subtract line 21 from line 20	5,370,031

Part II Signature Block

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

Sign Here
 Signature of officer: *[Signature]* Date: **11/14/13**
 Type or print name and title: **Dr. Courtney Foster - Director & Secretary**

Paid Preparer Use Only
 Print/Type preparer's name: **Howard Scolnik** Preparer's signature: *[Signature]* Date: **11/14/13** Check if self-employed PTIN: **P01064967**
 Firm's name: **Howard Scolnik CPA** Firm's EIN: _____
 Firm's address: **11646 N. 129th Way, Scottsdale, AZ 85259** Phone no: **602-524-0974**

May the IRS discuss this return with the preparer shown above? (see instructions) Yes No

SCANNED DEC 28 2013

613 18

Part III Statement of Program Service Accomplishments

Check if Schedule O contains a response to any question in this Part III

- 1 Briefly describe the organization's mission:
 Building a coalition of like-minded organizations and individuals, and educating the public on issues related to limited government, free enterprise, and health care with an emphasis on patient rights. Engaging in issue advocacy and activities to influence legislation related to limited government, free enterprise, and health care
- 2 Did the organization undertake any significant program services during the year which were not listed on the prior Form 990 or 990-EZ? Yes No
 If "Yes," describe these new services on Schedule O.
- 3 Did the organization cease conducting, or make significant changes in how it conducts, any program services? Yes No
 If "Yes," describe these changes on Schedule O
- 4 Describe the organization's program service accomplishments for each of its three largest program services, as measured by expenses. Section 501(c)(3) and 501(c)(4) organizations are required to report the amount of grants and allocations to others, the total expenses, and revenue, if any, for each program service reported

4a (Code:) (Expenses \$ 114,228,149 including grants of \$ 112,158,149) (Revenue \$)
 Coalition Building The organization helped to build a coalition of like-minded organizations and individuals, which worked to educate the public about limited government, free enterprise, and healthcare reform and to advocate in favor of limited government, free enterprise, and patient rights

4b (Code:) (Expenses \$ 21,875,340 including grants of \$) (Revenue \$)
 Issue Advocacy/Legislative Advocacy The organization engaged in helping to plan, create, design, and execute an issue advocacy/legislative awareness campaign in conjunction with its broad based limited government, free enterprise, and healthcare coalition

4c (Code:) (Expenses \$ including grants of \$) (Revenue \$)

4d Other program services (Describe in Schedule O.)
 (Expenses \$ including grants of \$) (Revenue \$)

4e Total program service expenses ▶ 136,103,489

Part IV Checklist of Required Schedules

	Yes	No
1 Is the organization described in section 501(c)(3) or 4947(a)(1) (other than a private foundation)? If "Yes," complete Schedule A		✓
2 Is the organization required to complete Schedule B, Schedule of Contributors (see instructions)?	✓	
3 Did the organization engage in direct or indirect political campaign activities on behalf of or in opposition to candidates for public office? If "Yes," complete Schedule C, Part I		✓
4 Section 501(c)(3) organizations. Did the organization engage in lobbying activities, or have a section 501(h) election in effect during the tax year? If "Yes," complete Schedule C, Part II		
5 Is the organization a section 501(c)(4), 501(c)(5), or 501(c)(6) organization that receives membership dues, assessments, or similar amounts as defined in Revenue Procedure 98-19? If "Yes," complete Schedule C, Part III		✓
6 Did the organization maintain any donor advised funds or any similar funds or accounts for which donors have the right to provide advice on the distribution or investment of amounts in such funds or accounts? If "Yes," complete Schedule D, Part I		✓
7 Did the organization receive or hold a conservation easement, including easements to preserve open space, the environment, historic land areas, or historic structures? If "Yes," complete Schedule D, Part II		✓
8 Did the organization maintain collections of works of art, historical treasures, or other similar assets? If "Yes," complete Schedule D, Part III		✓
9 Did the organization report an amount in Part X, line 21, for escrow or custodial account liability; serve as a custodian for amounts not listed in Part X; or provide credit counseling, debt management, credit repair, or debt negotiation services? If "Yes," complete Schedule D, Part IV		✓
10 Did the organization, directly or through a related organization, hold assets in temporarily restricted endowments, permanent endowments, or quasi-endowments? If "Yes," complete Schedule D, Part V		✓
11 If the organization's answer to any of the following questions is "Yes," then complete Schedule D, Parts VI, VII, VIII, IX, or X as applicable.		
a Did the organization report an amount for land, buildings, and equipment in Part X, line 10? If "Yes," complete Schedule D, Part VI		✓
b Did the organization report an amount for investments—other securities in Part X, line 12 that is 5% or more of its total assets reported in Part X, line 16? If "Yes," complete Schedule D, Part VII		✓
c Did the organization report an amount for investments—program related in Part X, line 13 that is 5% or more of its total assets reported in Part X, line 16? If "Yes," complete Schedule D, Part VIII		✓
d Did the organization report an amount for other assets in Part X, line 15 that is 5% or more of its total assets reported in Part X, line 16? If "Yes," complete Schedule D, Part IX		✓
e Did the organization report an amount for other liabilities in Part X, line 25? If "Yes," complete Schedule D, Part X		✓
f Did the organization's separate or consolidated financial statements for the tax year include a footnote that addresses the organization's liability for uncertain tax positions under FIN 48 (ASC 740)? If "Yes," complete Schedule D, Part X		✓
12a Did the organization obtain separate, independent audited financial statements for the tax year? If "Yes," complete Schedule D, Parts XI and XII		✓
b Was the organization included in consolidated, independent audited financial statements for the tax year? If "Yes," and if the organization answered "No" to line 12a, then completing Schedule D, Parts XI and XII is optional		✓
13 Is the organization a school described in section 170(b)(1)(A)(ii)? If "Yes," complete Schedule E		✓
14a Did the organization maintain an office, employees, or agents outside of the United States?		✓
b Did the organization have aggregate revenues or expenses of more than \$10,000 from grantmaking, fundraising, business, investment, and program service activities outside the United States, or aggregate foreign investments valued at \$100,000 or more? If "Yes," complete Schedule F, Parts I and IV.		✓
15 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of grants or assistance to any organization or entity located outside the United States? If "Yes," complete Schedule F, Parts II and IV		✓
16 Did the organization report on Part IX, column (A), line 3, more than \$5,000 of aggregate grants or assistance to individuals located outside the United States? If "Yes," complete Schedule F, Parts III and IV		✓
17 Did the organization report a total of more than \$15,000 of expenses for professional fundraising services on Part IX, column (A), lines 6 and 11e? If "Yes," complete Schedule G, Part I (see instructions)		✓
18 Did the organization report more than \$15,000 total of fundraising event gross income and contributions on Part VIII, lines 1c and 8a? If "Yes," complete Schedule G, Part II		✓
19 Did the organization report more than \$15,000 of gross income from gaming activities on Part VIII, line 9a? If "Yes," complete Schedule G, Part III		✓
20a Did the organization operate one or more hospital facilities? If "Yes," complete Schedule H		✓
b If "Yes" to line 20a, did the organization attach a copy of its audited financial statements to this return?		

**SCHEDULE I
(Form 990)**

**Grants and Other Assistance to Organizations,
Governments, and Individuals in the United States**

OMB No 1545-0047

2012

Open to Public
Inspection

Complete if the organization answered "Yes" to Form 990, Part IV, line 21 or 22.
▶ Attach to Form 990.

Department of the Treasury
Internal Revenue Service
Name of the organization

Employer identification number

26-4683543

Center To Protect Patient Rights, Inc

Part I General Information on Grants and Assistance

- 1** Does the organization maintain records to substantiate the amount of the grants or assistance, the grantees' eligibility for the grants or assistance, and the selection criteria used to award the grants or assistance? Yes No
- 2** Describe in Part IV the organization's procedures for monitoring the use of grant funds in the United States.

Part II Grants and Other Assistance to Governments and Organizations in the United States. Complete if the organization answered "Yes" to Form 990, Part IV, line 21, for any recipient that received more than \$5,000. Part II can be duplicated if additional space is needed.

1 (a) Name and address of organization or government	(b) EIN	(c) IRC section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
(1) All Votes Matter 417 W South St Carlisle, PA 17013	45-2210307	501C-4	80,000	0	0		See note 1 Part IV
(2) American Catholics for Religious Freedom PO Box 1838 Alexandria VA	45-5233112	501C-3	375,000	0	0		Public Education
(3) American Energy Alliance 1100 H St NW Ste 400 Washington DC 20005	26-2731617	501C-4	864,960	0	0		See note 1 Part IV
(4) American Family Association Inc PO Box 2440 Tupelo, MS 38803	64-0607275	501C-3	50,000	0	0		Public Education
(5) American Future Fund 4225 Fleur Dr Ste 142, Des Moines IA	26-0620554	501C-4	49,182,409	0	0		See note 1 Part IV
(6) American Principles in Action 1420K St NW Ste 300 Wash, DC 20005	26-4613397	501C-4	100,000	0	0		See note 1 Part IV
(7) Americans for Jerusalem Ltd 12 16th St NW, Ste 600, Wash DC 20036	51-0402204	501C-4	535,000	0	0		See note 1 Part IV
(8) Americans for Job Security 66 Canal Center Plz Ste 555 Alexandria, VA	52-2062978	501C-6	100,000	0	0		Public Education
(9) Americans for Limited Govt 9900 Main St, Ste 303 Fairfax, VA 22031	36-3975580	501C-4	1,575,000	0	0		See note 1 Part IV
(10) Americans for Prosperity 2111 Wilson Blvd Ste 350 Arlington, VA	75-3148958	501C-4	11,513,079	0	0		See note 1 Part IV
(11) Americans for Responsible Lead ship PO 80871 Phoenix, AZ 85060	45-2841608	501C-4	24,650,800	0	0		See note 1 Part IV
(12) Americans for Tax Reform 722 12th St NW Washington DC 20005	52-1403587	501C-4	350,000	0	0		See note 1 Part IV

- 2** Enter total number of section 501(c)(3) and government organizations listed in the line 1 table
- 3** Enter total number of other organizations listed in the line 1 table

**SCHEDULE I
(Form 990)**

**Grants and Other Assistance to Organizations,
Governments, and Individuals in the United States**

OMB No 1545-0047

2012

Open to Public
Inspection

Complete if the organization answered "Yes" to Form 990, Part IV, line 21 or 22.
▶ Attach to Form 990.

Department of the Treasury
Internal Revenue Service
Name of the organization

Employer identification number

26-4683543

Center To Protect Patient Rights, Inc

Part I General Information on Grants and Assistance

- 1 Does the organization maintain records to substantiate the amount of the grants or assistance, the grantees' eligibility for the grants or assistance, and the selection criteria used to award the grants or assistance? Yes No
- 2 Describe in Part IV the organization's procedures for monitoring the use of grant funds in the United States.

Part II Grants and Other Assistance to Governments and Organizations in the United States. Complete if the organization answered "Yes" to Form 990, Part IV, line 21, for any recipient that received more than \$5,000. Part II can be duplicated if additional space is needed.

1 (a) Name and address of organization or government	(b) EIN	(c) IRC section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
(1) Americans United for Life Action 655 15th St NW Ste 410 Wash DC	36-3906065	501C-4	65,000	0	0	0	See note 1 Part IV
(2) Arioq Project P O Box 40831 Denver, CO 80204	45-5023066	501C-4	320,000	0	0	0	See note 1 Part IV
(3) Benjamin Rush Foundation N 32nd St Ste 107 Phoenix, AZ 85018	30-0523451	501C-3	25,000	0	0	0	Public Education
(4) Citizen Link 8605 Explorer Dr Colorado Spring, CO 80920	20-0960855	501C-4	4,195,218	0	0	0	See note 1 Part IV
(5) Citizen Media P O Box 563 Englewood, CO 80151	27-2039289	501C-4	156,000	0	0	0	See note 1 Part IV
(6) Citizens Awareness Project 700 17th St Ste 2000 Denver CO 80202	45-5542575	501C-4	1,000,000	0	0	0	See note 1 Part IV
(7) Club for Growth 200 L St NW Washington, DC 20036	20-4681603	501C-4	450,000	0	0	0	See note 1 Part IV
(8) Coal for Amer Values Action Inc 119 S Emerson STE 231 MtProspect Ill	45-4412825	501C-4	510,000	0	0	0	See note 1 Part IV
(9) Coalition to Protect Patient Right PO Box 3114 Arlington, VA 22203	27-0224057	501C-4	710,000	0	0	0	See note 1 Part IV
(10) Common Sense Issue, Inc 8190-A Beechmont Ave #103 Cir, OH 45255	20-8824036	501C-4	75,000	0	0	0	See note 1 Part IV
(11) Concerned Women for America 1015 15TH St NW Ste 1100 Wash DC	95-3370744	501C-4	173,573	0	0	0	Public Education
(12) Coun for Cit Against Gov Waste 1301 Penn Ave NW Ste 107 Wash DC	52-1369152	501C-4	25,000	0	0	0	See note 1 Part IV

- 2 Enter total number of section 501(c)(3) and government organizations listed in the line 1 table
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**SCHEDULE I
(Form 990)**

**Grants and Other Assistance to Organizations,
Governments, and Individuals in the United States**

Complete if the organization answered "Yes" to Form 990, Part IV, line 21 or 22.
▶ Attach to Form 990.

OMB No 1545-0047

2012

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Name of the organization

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Center To Protect Patient Rights, Inc

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(1) Emergency Cmte for Israel - 11 Dupont CIR NW # 325 Washington DC	27-2572894	501C-4	200,000	0 0	0 0		See note 1 Part IV
(2) Fair AZ Independent Redistrict 4183 W Gail Drive Chandler, AZ 85226	27-4395336	501C-4	150,000	0 0	0 0		See note 1 Part IV
(3) Freedom Vote PO Box 882 Dayton OH 45401	27-3004397	501C-4	100,000	0 0	0 0		See note 1 Part IV
(4) Generation Joshua 1 Pat Henry Cir Purcellville, VA 20132	54-1719605	501C-4	30,000	0 0	0 0		See note 1 Part IV
(5) GOPAC Education Fund 1101 16th St NW Ste400 Wash DC 20036	45-1475628	501C-4	121,826	0 0	0 0		See note 1 Part IV
(6) Hispanic Leadership Fund P O Box 23162 Alexandria, VA 22304	26-2383617	501C4	645,000	0 0	0 0		See note 1 Part IV
(7) Home School Legal Defense Ass 1 Pat Henry Cir Purcellville, VA 20132	54-1719605	501C-3	25,000	0 0	0 0		Public Education
(8) Independence Institute 727 E 16th Ave Denver CO 80203	84-0990300	501C-3	5,000	0 0	0 0		Public Education
(9) King Street Patriots PO Box 27378 Houston TX 77227	27-1620172	501C-4	70,000	0 0	0 0		See note 1 Part IV
(10) Morning in America Inc 1616 Westgate Cir Brentwood TN 37027	45-4987004	501C-4	521,500	0 0	0 0		See note 1 Part IV
(11) Ntl Rifle Assoc for Leg Action 11250 Waples Mill Rd Fairfax VA 22030	53-0116130	501C-4	3,150,000	0 0	0 0		See note 1 Part IV
(12) Ohio Voter Integrity Project 4750 Drake Rd, Cin, OH 45243	45-5246852	501C-4	5,000	0 0	0 0		See note 1 Part IV

- 2 Enter total number of section 501(c)(3) and government organizations listed in the line 1 table
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**SCHEDULE I
(Form 990)**

**Grants and Other Assistance to Organizations,
Governments, and Individuals in the United States**

Complete if the organization answered "Yes" to Form 990, Part IV, line 21 or 22.
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OMB No. 1545-0047

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(1) Policy & Taxation Group PO Box 53454 Wash DC 20009	33-0719993	501C-4	88,000	0	0		See note 1 part IV
(2) RightChange.com, Inc PO Box 2259 Wilmington, NC 28402	27-2531555	501C-4	850,000	0	0		See note 1 part IV
(3) SIXTY Plus Association, 515 King St Ste 315 Alexandria, VA 22314	54-1564919	501C-4	2,630,723	0	0		See note 1 part IV
(4) Susan B Anthony List 1707 L St Nw Ste 550 Wash DC 20036	54-1850126	501C-4	385,000	0	0		See note 1 part IV
(5) Veterans for a Strong America PO Box 1246 Sioux Falls, SD 57101	27-3016581	501C-4	937,000	0	0		See note 1 part IV
(6) Heritage Action Fund 214 Massachusetts Ave NE, Suite 400 Washington DC 20002	23-7327730	501C-4	8,000	0	0		See note 1 part IV
(8) American Commitment 1300 Penn Ave Washington DC 20004	45-2600535	501C-4	4,781,559	0	0		See note 1 part IV
(9) Generation Opportunity PO Box 100716 Arlington, VA 22210	27-2936085	501C-4	29,211				See note 1 part IV
(10) Republican Jewish Coal. 50 F ST N W, Ste 100 Washington DC 20001	52-1386172	501C-4	20,484				See note 1 part IV
(11) Vets for Econ. Freedom 11300 Rockville Pike 1200 Rockville MD 20852	45-3593119	501C-4	32,062				See note 1 part IV
(12) The Libre Initiative 3805 Planta- tion Grove Blvd Ste 51 Mission TX 78572	45-2686411	501C-4	152,366				See note 1 part IV

- 2** Enter total number of section 501(c)(3) and government organizations listed in the line 1 table
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**SCHEDULE I
(Form 990)**

Department of the Treasury
Internal Revenue Service

**Grants and Other Assistance to Organizations,
Governments, and Individuals in the United States**

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- 1** Does the organization maintain records to substantiate the amount of the grants or assistance, the grantees' eligibility for the grants or assistance, and the selection criteria used to award the grants or assistance? Yes No
- 2** Describe in Part IV the organization's procedures for monitoring the use of grant funds in the United States.

Part II Grants and Other Assistance to Governments and Organizations in the United States. Complete if the organization answered "Yes" to Form 990, Part IV, line 21, for any recipient that received more than \$5,000. Part II can be duplicated if additional space is needed.

1 (a) Name and address of organization or government	(b) EIN	(c) IRC section if applicable	(d) Amount of cash grant	(e) Amount of non-cash assistance	(f) Method of valuation (book, FMV, appraisal, other)	(g) Description of non-cash assistance	(h) Purpose of grant or assistance
(1) NFIB 53 Century Blvd Ste 300 Nashville, TN 37214	94-0707299	501C-6	135,783	0	0		See note 1 part IV
(2)							
(3)							
(4)							
(5)							
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(9)							
(10)							
(11)							
(12)							

2 Enter total number of section 501(c)(3) and government organizations listed in the line 1 table

3 Enter total number of other organizations listed in the line 1 table

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For Paperwork Reduction Act Notice, see the Instructions for Form 990.

Cat. No. 50055P

Schedule I (Form 990) (2012)

Part III Grants and Other Assistance to Individuals in the United States. Complete if the organization answered "Yes" to Form 990, Part IV, line 22. Part III can be duplicated if additional space is needed.

(a) Type of grant or assistance	(b) Number of recipients	(c) Amount of cash grant	(d) Amount of non-cash assistance	(e) Method of valuation (book, FMV, appraisal, other)	(f) Description of non-cash assistance
1					
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Part IV Supplemental Information. Complete this part to provide the information required in Part I, line 2, Part III, column (b), and any other additional information.

Note 1 - Public Education and Social Welfare

Part I, line 2

Center to Protect Patient Rights, Inc., carefully evaluates the missions and activities of recipient organizations prior to making any grants to ensure that funds are

used only for tax exempt education and social welfare purposes of recognized tax exempt section 501(c)(3), 501(c)(4), and 501(c)(6) organizations. Grants are accompanied

by a letter of transmittal indicating how grant funds may be used. The organization maintains records in its corporate and accounting records regarding the amounts of grants made

to organizations, the status of those organizations, and the approval of grants by the board of directors.

EXHIBIT I

STATE OF CALIFORNIA
FAIR POLITICAL PRACTICES COMMISSION

INVESTIGATION REPORT

I CASE NO: 12/784 Report 30 CASE NAME: Americans for Responsible
Leadership

REPORT DATE: 08/16/13

Page 1 of 110 page(s)

II REPORT TYPE: Interview

III REPORT PREPARED BY: Perna *Perna* DATE SIGNED: *8/16/13*

IV DISTRIBUTION: File

V INTERVIEW SUMMARY ONLY:

Interview Recorded: Yes

Manner of Interview: In Person

Person(s) Interviewed: Anthony Russo, represented by Thomas Hilachk and
Patrick Hanly.

Work Address:

Telephone(s):

VI NARRATIVE:

On July 17, 2013, an interview of Anthony Russo was conducted by Gary Winuk of the California Fair Political Practices Commission (FPPC), Cliff Zall and Barton Bowers of the California State Attorney General's office, and Robert Perna of the FPPC. Attorneys representing Anthony Russo at the interview were Thomas Hiltachk and Patrick Hanly. The interview primarily focused on the activities of Anthony Russo and Jeff Miller on Express Advocacy and Issue Advocacy relating to California during the years 2011 and 2012. The interview was conducted at the Law Office of Patrick Hanly, 980 Ninth Street, 16th Floor, in Sacramento, California. The interview was recorded on a digital recording device and electronically submitted to Foothill Transcription Company, who prepared a

12/784 Americans for Responsible Leadership

transcript of the interview. Robert Perna compared the transcript with the recorded interview and identified some discrepancies, for the most part in the proper identification of the person speaking, and requested that Foothill Transcription make those changes to the original transcript. The corrected transcript of the interview of Anthony Russo is attached to this investigation report.

Transcription of Recorded Interview

of

Tony Russo

Sacramento, California

Interviewed by: Gary Winuk
Bob Perna
Cliff Zall
Barton Bowers

Transcribed by: Carolyn Rodriguez,
Foothill Transcription Company
July 24, 2013
Elk Grove, California

1 know the answers, but why would that potentially
2 be a benefit to him when they really couldn't
3 spend it on issue ads that close to the election
4 anyway?

5 Mr. Russo: Well, I'm no lawyer --

6 Mr. Winuk: Sure.

7 Mr. Russo: -- but my understanding is, even initiatives
8 count as issues under the candidate requirements
9 for the 50/50. So I don't think it mattered.

10 Mr. Hanly: Is that for federal law?

11 Mr. Hiltachk: It's tax, it's tax rules.

12 Mr. Russo: It's an IRS thing, I think.

13 Mr. Hiltachk: 501(c)(4) Tax Rule.

14 Mr. Winuk: Yeah.

15 Mr. Hiltachk: We can talk about this off-line and I can
16 explain it to you.

17 Mr. Winuk: Okay, oh, I get it.

18 Mr. Russo: But that --

19 Mr. Hiltachk: But it came up in the conversation and I just
20 wanted to make sure you guys -- it's one of
21 elements.

22 Mr. Winuk: Yeah, no, that's interesting.

23 Mr. Russo: And then, there was this one email, during the
24 height of the court case, you asked, any other
25 discussions with Sean? When the first court

1 ruled against Sean, I shot him an email and said
2 hey, do you have time to talk because I wanted
3 to make sure I had good legal counsel, and he
4 said they did. And so, but in the course of
5 that, when he did say you guys are, you know,
6 crazy, he also said that if this kept going down
7 the path it was going, he might have to say the
8 money went from ARL to CPPR to AJS because he
9 said, you know, I can't --

10 Mr. Winuk: You mean the other way around.

11 Mr. Russo: Or the other way around.

12 Mr. Winuk: I'm sorry.

13 Mr. Russo: -- because he couldn't tolerate an audit of
14 CPPR.

15 Mr. Hanly: Cliff, because you had asked, why would he write
16 that letter Cliff?

17 Mr. Zall: Right.

18 Mr. Hanly: And so, I don't know if that places --

19 Mr. Russo: So I think they thought --

20 Mr. Hiltachk: That conversation was before the letters ever
21 came out.

22 Mr. Russo: Right, it wasn't, yeah.

23 Mr. Hiltachk: But it was in between in one of your questions
24 so we wanted to get that clear.

25 Mr. Winuk: Okay. I appreciate that.

1 Mr. Russo: And I said well, that that wouldn't be right.
2 And that's when he said but, you know, we can't
3 tolerate an audit of CPPR. So I don't know if
4 -- obviously they thought that that would lead
5 to an audit, like you wanted to audit ARL, I
6 guess.

7 Mr. Winuk: Okay. That was a good --

8 Mr. Hiltachk: Okay. So that's it.

9 Mr. Winuk: Okay. Thanks a lot.

10 Mr. Hiltachk: Thanks guys.

11 Mr. Bowers: Thank you, Mr. Russo.

12 Mr. Russo: Yeah.

13 - INTERVIEW CONCLUDED -
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