EXHIBIT 1

INTRODUCTION

GO Lorrie's Airport Shuttle ("Respondent") is a door-to-door transportation company operating in San Francisco. Respondent operates at San Francisco International Airport (SFO), which is a department of the City and County of San Francisco. Respondent had been involved in a recent controversial decision by SFO Airport staff to change the manner in which transportation companies such as Respondent's were allowed to operate, adversely affecting their revenue. The decision by airport staff was reversed back in Respondent's favor in September 2011.

Prior to the decision being reversed, 23 of Respondent's employees made political contributions to San Francisco's then-interim Mayor, Ed Lee, in the amount of $500 – the limit under San Francisco's local elections rules; Respondent reimbursed all 23 in cash. Reimbursing another person for making a campaign contribution is violates Government Code Sections 84301 and 84300, subdivision (c) of the Political Reform Act (the "Act")[1].

For the purposes of this Stipulation, Respondent's violations of the Act are stated as follows:

Count 1: On or about September 15, 2011, Respondent made a Five Hundred Dollar ($500) campaign contribution to the Ed Lee for Mayor 2011 Committee in the name of Jason Perez rather than its own name, in violation of Government Code Sections 84301 and 84300, subdivision (c).

Count 2: On or about September 15, 2011, Respondent made a Five Hundred Dollar ($500) campaign contribution to the Ed Lee for Mayor 2011 Committee in the name of Paul W. Hsu rather than its own name, in violation of Government Code Sections 84301 and 84300, subdivision (c).

Count 3: On or about September 15, 2011, Respondent made a Five Hundred Dollar ($500) campaign contribution to the Ed Lee for Mayor 2011 Committee in the name of Nikolay I. Penev rather than its own name, in violation of Government Code Sections 84301 and 84300, subdivision (c).

Count 4: On or about September 15, 2011, Respondent made a Five Hundred Dollar ($500) campaign contribution to the Ed Lee for Mayor 2011 Committee in the name of Aydin Molla rather than its own name, in violation of Government Code Sections 84301 and 84300, subdivision (c).

Count 5: On or about September 15, 2011, Respondent made a Five Hundred Dollar ($500) campaign contribution to the Ed Lee for Mayor 2011 Committee in

[1] The Political Reform Act is contained in Government Code sections 81000 through 91014. All references to "Section(s)" are to the aforementioned Government Code unless otherwise indicated. Commission regulations appear at Title 2, California Code of Regulations, Section 18109, *et seq.*

the name of Sergio Adalberto Alvarado rather than its own name, in violation of Government Code Sections 84301 and 84300, subdivision (c).

Count 6: On or about September 15, 2011, Respondent made a Five Hundred Dollar ($500) campaign contribution to the Ed Lee for Mayor 2011 Committee in the name of Virgilio D. Caling rather than its own name, in violation of Government Code Sections 84301 and 84300, subdivision (c).

Count 7: On or about September 15, 2011, Respondent made a Five Hundred Dollar ($500) campaign contribution to the Ed Lee for Mayor 2011 Committee in the name of Zhirong Chen rather than its own name, in violation of Government Code Sections 84301 and 84300, subdivision (c).

Count 8: On or about September 15, 2011, Respondent made a Five Hundred Dollar ($500) campaign contribution to the Ed Lee for Mayor 2011 Committee in the name of Jun Li rather than its own name, in violation of Government Code Sections 84301 and 84300, subdivision (c).

Count 9: On or about September 15, 2011, Respondent made a Five Hundred Dollar ($500) campaign contribution to the Ed Lee for Mayor 2011 Committee in the name of Darrin Ben Yuan rather than its own name, in violation of Government Code Sections 84301 and 84300, subdivision (c).

Count 10: On or about September 15, 2011, Respondent made a Five Hundred Dollar ($500) campaign contribution to the Ed Lee for Mayor 2011 Committee in the name of Ricky Siu Man Fung rather than its own name, in violation of Government Code Sections 84301 and 84300, subdivision (c).

Count 11: On or about September 15, 2011, Respondent made a Five Hundred Dollar ($500) campaign contribution to the Ed Lee for Mayor 2011 Committee in the name of Hakki Z. Orhon rather than its own name, in violation of Government Code Sections 84301 and 84300, subdivision (c).

SUMMARY OF THE LAW

The Fair Political Practices Commission is charged with the duty to administer, implement, and enforce the provisions of the Political Reform Act of 1974. By enacting the Political Reform Act (the "Act"), California voters specifically found and declared that previous laws regulating political practices had suffered from inadequate enforcement, and that it was their purpose to ensure that the Act be vigorously enforced. (Sections 81001, subdivision (h), and 81002, subdivision (f).)

An express purpose of the Act, as set forth in section 81002, subdivision (a), is to ensure that receipts and expenditures in election campaigns are fully and truthfully disclosed, so that voter may be fully informed, and improper practices may be inhibited. Timely and truthful disclosure of the source of campaign contributions is an essential part of the Act's mandate.

In order to obtain disclosure of the true source of campaign contributions, Section 84301 prohibits contributions being made, directly or indirectly, by any person in a name other than that by which the contributor is identified for legal purposes.

Section 84300, subdivision (c), prohibits making campaign contributions of One Hundred Dollars ($100.00) or more unless the contributions are made by way of written instrument containing the names of both the actual donor and the real payee.

SUMMARY OF THE FACTS

GO Lorrie's Airport Shuttle ("Respondent") is a small, family-owned door-to-door transportation company operating in San Francisco that was founded by Tony Ruiz ("Founder Ruiz") nearly 40 years ago. Founder Ruiz passed away on September 23, 2011, leaving his wife, Lorraine, as the sole owner. Respondent has 32-33 owner/operator drivers and approximately 15-20 employees. Respondent's executive team is made up of the president, Julio Bonilla ("President Bonilla"); the chief financial officer, Hanan Qutami ("CFO Qutami"); and the general manager, Jason Perez ("GM Perez"), who was also Founder Ruiz's grandson.

Respondent operates at San Francisco International Airport (SFO), which is a department of the City and County of San Francisco. In June 2011, the SFO Airport Commission implemented a new curbside configuration using contiguous zones, where all shuttle companies were together. Prior to this, each company had a designated position. In the first month alone, Respondent lost $35,000 in revenue from walk-up customers and continued to lose more each month.

Respondent hired Claude Everhart ("Consultant Everhart"), a long-time friend of the Ruiz family and a former San Francisco Mayoral aide, to assist them with the Airport shuttle zoning issue. In August 2011, GM Perez and Consultant Everhart met with the SFO Airport Director, John Martin, to provide an update on current issues in the shared-ride industry at SFO and Respondent's loss of revenue due to the new contiguous zone system. Airport staff then conducted an independent study and concluded that all but one of the shuttle companies were being injured by the change in zones and decided to return to the designated zone approach in Terminals 1 and 3 on a temporary basis. Since then, Respondent is in a slightly better position than after the zone change, but still worse than before.

In early September 2011, GM Perez went to visit his grandfather, who was at home on hospice. Founder Ruiz asked his grandson to donate $10,000 to San Francisco's then-interim Mayor, Ed Lee. Larry Del Carlo, Mr. Perez's uncle and the president and CEO of Mission Housing Development Corporation, was hosting a fundraiser on September 15, 2011.

Mr. Perez knew the corporation couldn't write a check for $10,000 but figured he could ask 20 people to give the maximum of $500[2] and raise the $10,000. However, when he asked the office

[2] At all relevant times, a San Francisco Campaign Finance Reform Ordinance imposed a $500 limit on campaign contributions made to candidates for elected office, and prohibited contributions from corporations or businesses.

staff and drivers to make contributions, he found that they didn't have the money. Accordingly, Mr. Perez indicated that they would be reimbursed for the contribution. Thereafter, Mr. Perez went to CFO Qutami and directed her to give $500 cash to the employees who were named on a list provided to her by Mr. Perez. CFO Qutami confirmed with Founder Ruiz that she was to give $500 cash to each employee who was named on the list provided by Mr. Perez. Of the 20 checks collected by Respondent, one was written by GM Perez, ten by Respondent's drivers, and nine more from various staff and relatives.

On September 15, 2011, President Bonilla, CFO Qutami, and GM Perez attended Mr. Del Carlo's fundraiser which was staffed by Anna Zvagelskaya, a member of Ed Lee's campaign finance team. GM Perez presented Ms. Zvagelskaya with an envelope containing the 20 checks and contributor forms collected by Respondent. All 20 checks were deposited into the campaign account for Ed Lee for Mayor 2011 (the "Committee") on September 16, 2011.

On September 29, 2011, Consultant Everhart hosted another event, at which three additional checks were submitted from Respondent's drivers who were not able to submit a check in time for the September 15, 2011 fundraiser. None of these checks were accepted or deposited by the Committee.

On October 3, 2011, CFO Qutami called GM Perez, informing him that a reporter had called office staff asking questions about the contributions. GM Perez then called Mr. Del Carlo who told him to call Consultant Everhart. He called Everhart who told him that Respondent would only be in trouble if they reimbursed the employees. GM Perez told Mr. Del Carlo and Consultant Everhart that everyone had in fact been reimbursed for their contributions. GM Perez, Mr. Del Carlo, and Consultant Everhart worked together to have the contributions returned by the Committee to the contributors. On October 6, 2011, the Committee refunded all of the contributions associated with Respondent and delivered the checks directly to each contributor.

Counts 1 – 11

Making Campaign Contributions in the Name of Another

The 11 contributions made by GM Perez and the owner/operator drivers without reporting them as the true source of the contribution being charged for purposes of this settlement are as follows:

Count	Check Date	Intermediary	Employment Relationship	Amount
1.	09/09/2011	Jason Perez	Manager	$500
2.	09/08/2011	Paul W. Hsu	Driver	$500
3.	09/08/2011	Nikolay I. Penev	Driver	$500
4.	09/09/2011	Aydin Molla	Driver	$500
5.	09/13/2011	Sergio Adalberto Alvarado	Driver	$500
6.	09/13/2011	Virgilio D. Caling	Driver	$500
7.	09/13/2011	Zhirong Chen	Driver	$500
8.	09/13/2011	Jun Li	Driver	$500
9.	09/13/2011	Darrin Ben Yuan	Driver	$500

10.	09/15/2011	Ricky Siu Man Fung	Driver	$500
11.	09/15/2011	Hakki Z. Orhon	Driver	$500
			Total	**$5,500**

CONCLUSION

In determining the appropriate penalty for a particular violation of the Act, the Enforcement Division considers the typical treatment of a violation in the overall statutory scheme of the Act, with an emphasis on serving the purposes and intent of the Act. Additionally, the Enforcement Division considers the facts and circumstances of the violation in context of the factors set forth in Regulation 18361.5, subdivision (d)(1)-(6): the seriousness of the violations; the presence or lack of intent to deceive the voting public; whether the violation was deliberate, negligent, or inadvertent; whether the Respondent demonstrated good faith in consulting with Commission staff; and whether there was a pattern of violations.

Making campaign contributions in the name of another person is one of the more serious violations of the Act as it denies the public of information about the true source of a candidate's financial support. This is particularly true where, as here, the contributions resulted in the local contribution limits for the election for which the contributions was made being exceeded. Exceeding contribution limits provides unfair advantages to candidates who receive these contributions and defeats the purposes of the Act's provisions regarding disclosure of campaign contributions. The typical administrative penalty for similar violations, depending on the facts of the case, has been at or near the maximum penalty per violation. This matter consists of eleven counts of violating the Act carrying a maximum administrative penalty of $55,000.

In mitigation, Respondent has not previously been found to have violated the Act. Additionally, the originator of the decision to make these contributions passed away. Respondent has cooperated fully in this matter, providing numerous financial and business documents in response to investigative requests and voluntarily disclosing information regarding reimbursements for contributions which would not otherwise have been discovered. Respondent's executive team admitted the violations at an early stage of the investigation. At that time, they told investigators they did not understand that the reimbursements they had made were illegal. Finally, all twenty-three of the contributions that were collected were refunded to each intermediary, to whom Respondent sent a letter apologizing and advising them to tell the truth if contacted.

Recent penalties approved by the Commission concerning violations of Sections 84301 and 84300, subdivision (c), include:

In the Matter of Joel Anderson and Tax Fighters for Anderson 2010, FPPC No. 09/694. Respondent Joel Anderson was a member of the California State Assembly. Tax Fighters for Anderson 2010 was a candidate controlled committee. Respondents accepted campaign contributions through the Fresno County Republican Central Committee in excess of the

contribution limits, in violation of Government Code Section 85301 (5 counts). In December of 2009, the Commission imposed a penalty of $20,000.

In the Matter of Michelle Berman, FPPC No. 10/115 (Default Decision). Respondent caused a $1,000 contribution to the Friends of John Guardino committee ("Committee") to be made in the name of three separate intermediaries, in violation of Government Code sections 84301 and 84302. (3 counts). In November of 2010 the Commission imposed a penalty of $15,000.

In the Matter of James Larry Minor, No. 11/008. James Larry Minor made ten campaign contributions, each in the amount of $3,900 to the Jeff Stone for State Senate Campaign 2009 committee in a name other than his own, and made one contribution in 2006, in the amount of $3,300 to The Committee to Elect Brenda Salas campaign committee in a name other than his own, in violation of Government Code Section 84301 (11 counts) and made a contribution in excess of the campaign contribution limits, a total contribution of $39,000, to the Jeff Stone for State Senate Campaign 2009 committee, in excess of contribution limits, in violation of Government Code Section 85301(a) (1 count). In April of 2011 the Commission imposed a penalty of $60,000**.**

PROPOSED PENALTY

The facts of this case, including the factors discussed above, justify imposition of the agreed upon penalty of Forty Nine Thousand Five Hundred Dollars ($49,500), Four Thousand Five Hundred Dollars ($4,500) per count.