STATE OF NORTH CAROLINA	IN THE GENERAL COURT OF JUSTICE SUPERIOR COURT DIVISION
WAKE COUNTY	FILE NO.: _____
ADRIADN ORTEGA, Plaintiff, v. NORTH CAROLINA DEMOCRATIC PARTY and DAVID P. PARKER, Individually, Defendants.	VERIFIED COMPLAINT AND MOTION FOR PRELIMINARY INJUNCTION

NOW COMES Plaintiff Adriadn Ortega ("Ortega" or "Plaintiff") by and through undersigned counsel, and brings his Complaint and Motion for Preliminary Injunction against David P. Parker ("Parker"), individually, and the North Carolina Democratic Party ("NCDP") (hereinafter, collectively "Defendants"). In support of his Complaint and Motion for Preliminary Injunction, Ortega states and alleges as follows:

INTRODUCTION

This case arises out of Defendants' known false and defamatory statements about Ortega made during an April 19, 2011, press conference ("Press Conference") in which Defendants knowingly chose to defame Ortega in an attempt to deflect public scrutiny away from Defendants' own failings and inappropriate conduct by falsely attacking Ortega, a private person, who does not have the public forum to protect his good name. Additionally, Defendants' statements during the Press Conference constitute a breach of the Separation Agreement, Confidentiality Agreement, and Release ("Sexual Harassment Settlement") entered into between the Parties to settle retaliatory dismissal allegations asserted by Ortega.

Ortega, by this Complaint, seeks the following: (1) to hold Defendants accountable for their false, despicable, and defamatory statements made about him; (2) to hold Defendants accountable for their willful and intentional breach of the Sexual Harassment Settlement; (3) a declaratory judgment that NCDP is required to comply with the terms of the Sexual Harassment Settlement, including making the future payments due to Ortega, not disparage Ortega, and not make statements beyond those contractually agreed to under the terms of the Sexual Harassment Settlement; and (4) a preliminary injunction requiring specific performance by the NCDP of the provisions of the Sexual Harassment Settlement.

PARTIES

1. Plaintiff Adriadn Ortega is a citizen and resident of Wake Country, North Carolina.

2. Ortega is a "private figure" under North Carolina law related to defamation. Specifically, he does not enjoy significantly greater access to the channels of effective communication and thus does not have a more realistic opportunity to counteract false statements than private individuals normally enjoy.

3. David P. Parker is a citizen and resident of North Carolina.

4. David P. Parker is, and was at the relevant time to this lawsuit, the North Carolina Democratic Party Chairman.

5. The North Carolina Democratic Party is an unincorporated association and defined and existing as a political party pursuant to N.C. Gen. Stat. § 163-96 with its headquarters located in Raleigh, North Carolina.

JURISDICTION AND VENUE

6. The above allegations are hereby incorporated herein as if fully set forth.

7. The amount in controversy exceeds ten thousand ($10,000.00) dollars and pursuant to N.C. Gen. Stat. § 7A-243, this Court has jurisdiction over the subject matter of this action.

8. Venue is proper pursuant to N.C. Gen. Stat. § 1-82 and N.C. Gen. Stat. § 1-79.

FACTUAL BACKGROUND

9. Ortega is a young man with a strong personal interest in politics. His interest in politics is rooted in his desire to help others and improve society in general. On March 15, 2010, Ortega began what he believed was his dream job: working for the NCDP. Ortega's responsibilities included working with volunteers, fundraising, organizing grassroots initiatives, and researching topics of party interest.

10. Additionally, Ortega was responsible for videotaping Republicans' speaking events as part of his employment responsibilities with NCDP. Given the ideological conflicts between the Democratic and Republican parties, one might envision that videotaping speaking events of the opposing party could result in personal confrontations and heated exchanges between the people involved. However, Ortega's professionalism and integrity enabled him to handle these politically-sensitive situations amicably. As a testament to Ortega's character, once the Defendants publicly attacked and defamed the private Ortega, a number of blog posts were made in his support. In these posts, politically active Republicans complimented Ortega for his professionalism, personality, and courteous nature.

11. Ortega's employment at NCDP ended in late 2011. As disclosed by third parties, confirmed by Defendants in the Press Conference and in a statement by John Wallace, legal counsel for NCDP, Ortega and NCDP entered into the confidential Sexual Harassment Settlement, at issue herein, in early 2012.

12. Parker signed the Sexual Harassment Settlement on behalf of the NCDP.

13. Due to Defendants' material breaches of the Sexual Harassment Settlement, Ortega has been forced to bring this action to enforce the terms of the Sexual Harassment Settlement.

Ortega's Obligations under the Sexual Harassment Settlement

14. Ortega entered into the confidential Sexual Harassment Settlement in order to reasonably and fairly settle his legal claims of discrimination and retaliatory discharge against NCDP in a confidential manner.

15. Under the terms of the Sexual Harassment Settlement Ortega is to:

16. ▪ Cause his Equal Employment Opportunity Commission ("EEOC") Complaint for retaliatory discharge to be dismissed;

17. ▪ Keep confidential the discussions, communications, or other information related in any way to the termination of his employment with NCDP;

18. ▪ Decline to acknowledge or confirm any allegation or confirm the filing of any complaint against the NCDP;

19. ▪ State that he had a satisfactory working relationship with the NCDP;

20. ▪ Refrain from making any disparaging remarks with respect to the NCDP;

21. ▪ If asked questions regarding the dispute between the Parties, to state that the matter has been resolved by agreement of the parties;

22. At all times relevant to this lawsuit Ortega has complied with and not violated the terms of the Sexual Harassment Settlement.

NCDP's Obligations under the Sexual Harassment Settlement

23. Under the terms of the Sexual Harassment Settlement NCDP is to:

24. ▪ Provide payments as detailed in the Sexual Harassment Settlement to Ortega to cause him to dismiss his claims against the NCDP and settle all claims by Ortega against NCDP

related to his retaliatory dismissal and employment prior to the date of the Sexual Harassment Settlement;

25. ▪ Pay Ortega's health insurance premiums as described in the Sexual Harassment Settlement;

26. ▪ Keep the terms of the Sexual Harassment Settlement confidential;

27. ▪ Refrain from making any disparaging remarks about Ortega;

28. ▪ Provide only the dates of employment and position held if contacted regarding Ortega's employment;

29. ▪ If asked for the reasons Ortega's employment ended, shall indicate that Ortega's employment ended for business reasons unrelated to his job performance;

30. ▪ If asked questions regarding the dispute that led to the Sexual Harassment Settlement, the NCDP shall state that the matter has been resolved by agreement of the parties.

Events Leading to the Infamous Press Conference

31. Ortega sent a letter to the NCDP dated December 8, 2011. A third party released a copy of Ortega's letter of December 8, 2011 ("Dec. 8, 2011 Letter"). A true and accurate copy of the Dec. 8, 2011 Letter is found at http://www.wral.com/asset/news/state/nccapitol/2012/04/18/10998792/parmley_letter.pdf, and is attached as Exhibit A, and is incorporated herein by reference.

32. In response to the release of the Dec. 8, 2011 Letter, the NCDP instructed John Wallace ("Wallace"), counsel for the NCDP, to release a statement to the press on April 19, 2012 that included a copy of the Notice of Charge of Discrimination filed by Ortega ("EEOC Complaint").

33. Upon information and belief, the NCDP and Parker schemed to protect the NCDP politically and protect Parker in his role as Chairman in particular by misrepresenting the facts surrounding the Plaintiff, Plaintiff's employment, and the Sexual Harassment Settlement. Defendants had John Wallace release the EEOC Complaint to lay the ground work for their plan to make false allegations against Ortega, misrepresent his past statements, disparage Ortega, and publicly paint Ortega as a dishonest liar and an extortionist.

34. Upon information and belief, Defendants premeditated release of the EEOC Complaint was part of Defendants willful and wanton plan to materially breach the Sexual Harassment Settlement during the Press Conference the following day.

35. A true and accurate copy of the statement by Wallace is attached as Exhibit B, and is incorporated herein by reference.

36. A true and accurate copy of the Notice of Charge of Discrimination (EEOC Complaint) is attached as Exhibit C, and incorporated herein by reference.

37. This Notice of Charge of Discrimination includes a brief sworn statement from Ortega ("EEOC Affidavit").

38. The EEOC Complaint was filed by Ortega against the NCDP for **retaliatory dismissal** in response to Ortega reporting being sexual harassed, **not** for the underling sexual harassment itself.

39. The Dec. 8, 2011 Letter details the sexual harassment of Ortega as well as Ortega's efforts to report and resolve the sexual harassment internally to the NCDP.

The Infamous Press Conference

40. To do damage control, protect the NCDP politically and Parker himself in his capacity as NCDP Chairman, Parker held the Press Conference at the NCDP headquarters in his position as Chairman.

41. Specifically on April 19, 2012, Parker held the Press Conference in an attempt to save his job and protect his political standing, which had already been weakened due to his perceived poor performance as NCDP Chairman.

42. Parker is an attorney with over 30 years of experience and has indicated he has expertise with EEOC claims, thus showing the Defendants were fully aware of the falsity of their statements and the willfulness of their misrepresentations as detailed below.

43. On April 19, 2012, Defendants held the now-infamous Press Conference in which Parker addressed the general public via the news media. A recording of the Press Conference can be found at http://www.wral.com/news/state/nccapitol/video/11001244/#/vid11001244. A transcript of the Press Conference is attached as Exhibit D.

44. Upon information and belief, Defendants knew, or should have known, that their oral statements made during the Press Conference would be recorded in multiple permanent forms.

45. At the Press Conference, Defendants knew, or should have known, that their statements made during the Press Conference would be disseminated and repeated by multiple news organization to a widespread, state and national audience.

46. Upon information and belief, Defendants goal in launching attacks on Ortega's reputation, honesty, and integrity was to redirect scrutiny of Defendants' actions away from

themselves and onto the Plaintiff, who did not have the benefit the public stage to defend himself or the financial resources to protect his reputation against the NCDP or its Chairman.

47. Additionally, Parker stood to benefit personally, i.e., to maintain his job as NCDP Chairman, by attacking Ortega's reputation, honesty, and integrity by redirecting scrutiny from himself. Parker's actions in an attempt to maintain his job as NCDP Chairman.

The Known False and Defamatory Statements Made by Defendants at the Press Conference

48. Near the start of the Press Conference, Defendants made reference to the EEOC Affidavit of Ortega and his Dec. 8, 2011 Letter found online.

49. The Defendants acknowledged the existence of the Sexual Harassment Settlement during the Press Conference.

50. In reference to the Ortega EEOC Affidavit and his Dec. 8, 2011 Letter, Defendants stated "I'm gonna go through these facts. Some of y'all have read these documents. Some of you have read the salacious letter. Some of you have read the EEOC charges. I don't think too many of you have put them together, and I am going to take a moment and bore you with this."

51. Defendants had a clear factual understanding of the contents of and actual statements contained in the EEOC Affidavit and the Dec. 8, 2011 Letter.

52. Defendants' false and defamatory statements include:

53. ▪ Defendants' statements that characterize and publicly paint the EEOC Complaint and EEOC Affidavit as being claims based on the underlying sexual harassment that Ortega was subject to by his supervisor while employed at the NCDP. This statement was false at the

time it was made, and Defendants knew the same was false as the EEOC Complaint "DISCRIMINATION BASED ON" is clearly marked as "RETALIATION." Further, the EEOC Affidavit's sworn statement includes the following statement from Ortega, "I feel that I have been retaliated against from my complaints of sexual harassment in violation of Title VII of the Civil Rights Act of 1964.";

54. ▪ Defendants' statements that, "the lawyer has also talked with me and has reaffirmed that the employee says that he had a satisfactory working relationship here at the NCDP." This statement was false at the time it was made, and Defendants knew the same was false; moreover, to say it was violation of the Sexual Harassment Settlement;

55. ▪ Defendants' statements that the unwanted shoulder rubs addressed in the Dec. 8, 2011 Letter are similar to Mitt Romney's one time touching of Rick Perry. This statement was false at the time it was made, and Defendants knew the same was false;

56. ▪ Defendants' statements that the shoulder rubs were not truly "unwanted" by "various people, including Mr. Ortega." This statement was false at the time it was made, and Defendants knew the same was false, as the Dec. 8, 2011 Letter states that Ortega verbally objected to said shoulder rubs;

57. ▪ Defendants' statements that the reported conversations about clothing options were "just normal discourse." This statement was a false, intentional distortion of the actual claim in the Ortega Dec. 8, 2011 Letter at the time it was made, and Defendants knew the same was a false distortion of the actual statement. The actual statement in the Dec. 8, 2011 Letter is "the Executive Director often solicited my opinion about his clothes. He would point both hands to his crotch area and ask me how his crotched looked.";

58. ▪ Defendants' statements that "[t]here was nothing sexual about" the pretend punches as alleged in the Dec. 8, 2011 Letter. This statement was a false at the time it was made, an intentional distortion of the truth and actual claims in the Dec. 8, 2011 Letter, and Defendants knew the same was a false distortion of the actual statement. The actual statement in the Dec. 8, 2011 Letter is "the Executive Director would frequently pretend to punch my crotch and make a popping noise with his mouth.";

59. ▪ Defendants' statements the "the EEOC complaint, what it says in there is that there was no discrimination, in other words, no behavior, no poisoned environment, no hostile environment, no harassment prior to September 6th" 2011. This statement was false at the time it was made, and Defendants knew the same was false as: (a) the EEOC Complaint contains no such statements. Specifically, the EEOC Complaint and EEOC of Affidavit do not make any comment regarding the start date of the sexual harassment as they relate to retaliatory dismissal, (b) the EEOC Complaint and EEOC Affidavit clearly state that the basis of the complaint is retaliatory dismissal, and (c) the only reference to the September 6th, 2011 in the EEOC Complaint are in a date box representing the statutory allowable date ranges for a valid EEOC complaint, 180 days prior to filling of the complaint. The date range on the EEOC Complaint corresponds to 180 days prior to filling, which the retaliatory dismissal occurred during, and not a statement by Ortega of the earliest date the sexual harassment events happened;

60. ▪ Defendants' statements that "the EEOC complaint is under oath. The letter is not, it's simply a counter offer." This statement was false at the time it was made, and Defendants knew the same was false as the Defendants intentionally use the EEOC date related to the retaliatory dismissal, not dates of sexual harassment, to make false statements that the Dec. 8,

2011 Letter is a statement Ortega knows to be false, since it was not repeated in the EEOC Complaint;

61. ▪ In reference to the Executive Director showing Ortega a picture of the Executive Director's penis on July 29, 2011, Defendants claim that "[i]t has been described to me that there was a picture of a guy standing nearly naked on the streets of San Francisco which people saw in this office. But it's not alleged in the EEOC Complaint. It just is not. It's neither unwanted nor offensive." This statement was false at the time it was made, and Defendants knew the same was false. The picture referenced in the Dec. 8, 2011 Letter was on Parmley's personal laptop. The Executive Director showing a picture of his penis prior to the date of retaliatory dismissal in the EEOC Complaint does not make this repulsive action any less unwanted or offensive;

62. ▪ Defendants' statements that "[t]he earliest date discrimination takes place is September 6, 2011. That's in his sworn statement." This statement was false at the time it was made, and Defendants knew the same was false as the only reference to September 6, 2011 in the EEOC Complaint relates to the date range that the retaliatory dismissal occurred and not the dates that the underlying sexual harassment occurred. Defendants further went on to state that, "It is a crime, as I understand the law, if he lies in that statement." This statement is defamatory when taken in context with the reference to the Dec. 8, 2011 Letter as the statement in context claims Ortega lied to the NCDP in his Dec. 8, 2011 Letter to the NCDP;

63. ▪ Defendants' statements related to the September 6, 2011 leg touching incident, "Mr. Parmley is in the front seat. Mr. Ortega is in the back seat with another person. Ortega goes to sleep. Parmley reaches around, behind, through apparently between bucket seats. Whacks him on the leg to wake him up. It's not sexual, it's not unwanted." This statement was false

at the time it was made, and Defendants knew the same was false. This statement by Defendants simply defies logic and common sense as (a) it is impossible for Ortega to have consented to the touching while asleep and (b) persons asleep do not normally want to be woken-up by a "whack."

64. Per the EEOC affidavit, Ortega finally complained about the ongoing sexual harassment;

65. ▪ Defendants' account that "Mr. Ortega meets with Jay Parmley to discuss unwanted touching. This is in his EEOC Complaint. This is true. He said things were being said. He said nothing about anything making him uncomfortable." This statement was false at the time it was made, and Defendants knew the same was false as meeting with Mr. Parmley to discuss unwanted touching by definition, means that Ortega did in fact make statements about things which made Ortega uncomfortable. Additionally, Defendants' assertion that "things were being said" would not be relevant unless these "things" were significant and also made Ortega uncomfortable. Moreover there are a number of items which Ortega complained about as being sexually inappropriate in the workplace;

66. ▪ In summarizing the EEOC Complaint and the Dec. 8, 2011 Letter and the sexual harassment events, Defendants stated: "So what you've got is waking someone up on September 6th. It's talked about at some point with the Director of Administration. October 3rd it stops." This statement was false at the time it was made, and Defendants knew the same was false as EEOC Complaint is based on retaliatory dismissal, not the underlying sexual harassment;

67. ▪ In reference to the Dec. 8, 2011 Letter, "Quite frankly to me, the letter smacked of extortion." This statement was false at the time it was made, and Defendants knew the same was false.

NCDP Breaches the Sexual Harassment Settlement

68. Under the terms of the Sexual Harassment Settlement the only information the NCDP is able to provide about Ortega to any third party is:

a. The dates of Ortega's employment and position held;

b. If asked, that the reason for Ortega's employment ending was for business reasons unrelated to Mr. Ortega's job performance;

c. If asked about the dispute between the parties, that the matter has been resolved by agreement of the parties.

69. Under the Sexual Harassment Settlement the NCDP is to refrain from making any disparaging remarks regarding Ortega.

70. The statements made during the Press Conference are in breach of the Sexual Harassment Settlement as they include statements about Ortega's employment with NCDP outside of those allowed by the Sexual Harassment Settlement.

71. The statements made during the Press Conference disparage Ortega as they improperly indentify and portray him as an extortionist, liar, overly sensitive, as being dishonest, and generally being a person you would not want to hire.

72. The NCDP, at the Press Conference and through legal counsel, continues to insist that Ortega meet his obligations under the Sexual Harassment Settlement by repeatedly stating that Ortega has "acknowledged that he has a satisfactory working relationship" with the NCDP while the NCDP violates the terms of the Sexual Harassment Settlement by disparaging Ortega.

73. The disparagement by the NCDP has caused damages to Ortega.

FIRST CAUSE OF ACTION
(Libel *Per Se*)

74. The allegations of Paragraphs 1-73 are re-alleged and incorporated herein by reference.

75. Defendants made their statements at the Press Conference, knowing that the statements would be recorded in multiple permanent forms, thus the Defendants caused multiple instances of their statements to be printed.

76. Defendants statements during the Press Conference were read from a written script contained on Defendants' notepad. Defendants acknowledge that the statement was coming from this script near the beginning of the Press Conference.

77. Defendants' statements were of and concerning Ortega.

78. Defendants' statements were deliberately published to third parties.

79. The words published by Defendants at and through the New Conference defamed and libeled Ortega.

80. Defendants' false and defamatory about Ortega described above were made in the absence of a privilege or justification.

81. At the time Defendants published the statements, Defendants knew or should have known that Defendants' statements of and concerning Ortega were false; or negligently failed to take reasonable steps to ascertain whether the statements were true or false.

82. At the time Defendants published the statements, Defendants knew or should have known that Defendants' statements of and concerning Ortega were false; or recklessly disregarded information strongly indicting that the statements were false. As such, Defendants published the statements with actual malice.

83. Defendants' false and defamatory statements constitute libel per se in that they are libelous on their face, adversely reflect upon Ortega's honesty in the workplace, and falsely accuse Ortega of committing a major crime.

84. Defendants' false and defamatory statements have caused and continue to cause injury to Ortega's reputation.

85. Defendants' false and defamatory statements have caused and continue to cause direct financial injury to Ortega.

86. Defendants' false and defamatory statements have caused and continue to cause Ortega mental suffering.

87. Ortega has suffered damages, proximately caused by Defendants, as a result of their defamation of Ortega, in an amount to be proven during the trial of this matter.

88. The actions of Defendants also entitle Ortega to an award of punitive damages as allowed by law.

SECOND CAUSE OF ACTION
(Libel *Per Quod*)

89. The allegations of Paragraphs 1-88 are re-alleged and incorporated herein by reference.

90. Defendants made their statements at the Press Conference, knowing that the statements would be recorded in multiple permanent forms, thus the Defendants caused multiple instances of their statements to be printed.

91. Defendant statement during the Press Conference was read from a written script contained on Defendants' notepad. Defendant acknowledge that his statement was coming from this script near the beginning of the Press Conference.

92. Defendants' statements were of and concerning Ortega.

93. Defendants' statements were deliberately published to third parties.

94. The words published by Defendants by means of the New Conference defamed and libeled Ortega.

95. The false statements are defamatory when considered in connection with innuendo, colloquium, and the circumstances in which they were made, thus constituting libel per quod.

96. The innuendo, colloquium, and the circumstances specifically include the information contained in this Complaint, the Press Conference as a whole, the events and circumstances surrounding the Press Conference, the EEOC Complaint, the EEOC Affidavit, and the Dec. 8, 2011 Letter.

97. Defendants' false and defamatory statements about Ortega described above were made in the absence of a privilege or justification.

98. At the time Defendants published the statements, Defendants knew or should have known that Defendants' statements of and concerning Ortega were false; or negligently failed to take reasonable steps to ascertain whether the statements were true or false.

99. At the time Defendants published the statements, Defendants knew or should have known that Defendants' statements of and concerning Ortega were false; or recklessly disregarded information strongly indicting that the statements were false. As such, Defendants published the statements with actual malice.

100. Defendants' false and defamatory statements have caused and continue to cause injury to Ortega's reputation.

101. Defendants' false and defamatory statements have caused and continue to cause direct financial injury to Ortega.

102. Defendants' false and defamatory statements have caused and continue to cause Ortega mental suffering.

103. Ortega has suffered damages, proximately caused by Defendants, as a result of their defamation of Ortega, in an amount to be proven during the trial of this matter.

104. The actions of Defendants also entitle Ortega to an award of punitive damages as allowed by law.

THIRD CAUSE OF ACTION
(Slander *Per Se*)

105. The allegations of Paragraphs 1-104 are re-alleged and incorporated herein by reference.

106. Defendants' false and defamatory statements were during the Press Conference.

107. Defendants' statements were of and concerning Ortega.

108. Defendants' statements were published to third parties.

109. The words published by Defendants at and through the New Conference defamed and slandered Ortega.

110. Defendants' false and defamatory about Ortega described above were made in the absence of a privilege or justification.

111. At the time Defendants published the statements, Defendants knew or should have known that Defendants' statements of and concerning Ortega were false; or negligently failed to take reasonable steps to ascertain whether the statements were true or false.

112. At the time Defendants published the statements, Defendants knew or should have known that Defendants' statements of and concerning Ortega were false; or recklessly disregarded information strongly indicting that the statements were false. As such, Defendants published the statements with actual malice.

113. Defendants' false and defamatory statements constitute slander per se in that they are libelous on their face, adversely reflect upon Ortega's honesty in the workplace, and accuse Ortega of a major crime.

114. Defendants' false and defamatory statements have caused and continue to cause injury to Ortega's reputation.

115. Defendants' false and defamatory statements have caused and continue to cause direct financial injury to Ortega.

116. Defendants' false and defamatory statements have caused and continue to cause Ortega mental suffering.

117. Ortega has suffered damages, proximately caused by Defendants, as a result of their defamation of Ortega, in an amount to be proven during the trial of this matter.

118. The actions of Defendants also entitle Ortega to an award of punitive damages as allowed by law.

FOURTH CAUSE OF ACTION
(Slander *Per Quod*)

119. The allegations of Paragraphs 1-118 are re-alleged and incorporated herein by reference.

120. Defendants' false and defamatory statements were during the Press Conference.

121. Defendants' statements were of and concerning Ortega.

122. Defendants' statements were deliberately published to third parties.

123. The words published by Defendants at and through the New Conference defamed and slandered Ortega.

124. The false statements are defamatory when considered in connection with innuendo, colloquium, and the circumstances in which they were made, thus constituting slander per quod.

125. The innuendo, colloquium, and the circumstances specifically include the information contained in this complaint, the Press Conference as a whole, the events and circumstances

surrounding the Press Conference, the EEOC Complaint, the EEOC Affidavit, and the Dec. 8, 2011 Letter.

126. Defendants' false and defamatory about Ortega described above were made in the absence of a privilege or justification.

127. At the time Defendants published the statements, Defendants knew or should have known that Defendants' statements of and concerning Ortega were false; or negligently failed to take reasonable steps to ascertain whether the statements were true or false.

128. At the time Defendants published the statements, Defendants knew or should have known that Defendants' statements of and concerning Ortega were false; or recklessly disregarded information strongly indicting that the statements were false. As such, Defendants published the statements with actual malice.

129. Defendants' false and defamatory statements have caused and continue to cause injury to Ortega's reputation.

130. Defendants' false and defamatory statements have caused and continue to cause direct financial injury to Ortega.

131. Defendants' false and defamatory statements have caused and continue to cause Ortega mental suffering.

132. Ortega has suffered damages, proximately caused by Defendants, as a result of their defamation of Ortega, in an amount to be proven during the trial of this matter.

133. The actions of Defendants also entitle Ortega to an award of punitive damages as allowed by law.

FIFTH CAUSE OF ACTION
(Breach of Contract)

134. The allegations of Paragraphs 1-133 are re-alleged and incorporated herein by reference.

135. The Sexual Harassment Settlement is a valid and enforceable contract between Ortega and NCDP.

136. The Sexual Harassment Settlement requires that the NCDP not disparage Ortega to any third party.

137. Further, pursuant to the Sexual Harassment Settlement the only information the NCDP is able to provide about Ortega to any third party is:

a. The dates of Ortega's employment and position held;

b. If asked, that the reason for Ortega's employment ending was for business reasons unrelated to Mr. Ortega's job performance;

c. If asked about the dispute between the parties, that the matter has been resolved by agreement of the parties.

138. Ortega has complied in all material respects with his obligations under the Sexual Harassment Settlement.

139. NCDP has materially breached the Sexual Harassment Settlement.

140. NCDP's breaches of the Sexual Harassment Settlement consist of the following:

141. ▪ Making disparaging statements about Ortega to a third party;

142. ▪ Disclosing information regarding Ortega's employment in contradiction to the restrictions of the Sexual Harassment Settlement.

143. NCDP also breached the covenant of good faith and fair dealing with Ortega by taking these actions.

144. As a direct and proximate result of NCDP's breach of the Sexual Harassment Settlement, Ortega has been injured and will continue to suffer injuries, in excess of $10,000.00.

SIXTH CAUSE OF ACTION
(Declaratory Judgment)

145. The allegations of Paragraphs 1-144 are re-alleged and incorporated herein by reference.

146. An actual controversy exists between the NCDP and Ortega regarding the obligations of the Parties under the Sexual Harassment Settlement.

147. Ortega has complied with all material requirements of the Sexual Harassment Settlement.

148. The NCDP has violated the Sexual Harassment Settlement by making repeated public statements that Ortega had a satisfactory working relationship with the NCDP.

149. Simultaneously, the NCDP has materially breached the Sexual Harassment Settlement by publicly disparaging Ortega and releasing information about his employment in violation of the restrictions of the Sexual Harassment Settlement.

150. Ortega believes that the NCDP will fail to make the future payments due to Ortega under the Sexual Harassment Settlement.

151. Failure by the NCDP to make the future payments due to Ortega under the Sexual Harassment Settlement would likely constitute a violation of the North Carolina Wage and Hour Act, thus enabling Ortega to recover double damages and attorneys' fees.

152. A declaratory judgment will resolve any issues related to the Parties obligations under the Sexual Harassment Settlement.

153. Specifically, Ortega seeks a declaration that the NCDP is:

a. Required to make the future monetary payments due to him under the Sexual Harassment Settlement;

b. Obligated not to disparage Ortega to any third party;

c. Obligated to provide only the dates of Ortega's employment and the position he held when questioned about Ortega's employment with NCDP;

d. Obligated to state only that the dispute between the parties has been resolved by mutual agreement when asked about the retaliatory dismissal dispute between the NCDP and Ortega.

PRAYER FOR RELIEF

WHEREFORE, Plaintiff, Ortega demands judgment against the Defendants as follows:

1. That Plaintiff have and recover against the Defendants, jointly and severally, such monetary relief, injunctive relief, and equitable relief to which Plaintiff may be entitled;
2. That Plaintiff have and recover punitive damages against Defendants, jointly and severally in an amount in excess of $10,000.00;
3. That it be awarded their costs and expenses incurred in this action;
4. For an award of attorneys' fees;
5. For a public apology;
6. For a trial by jury on all such issues so triable.
7. For a Declaratory Judgment that Defendants are to comply with all terms of the Sexual Harassment Settlement;
8. For such other and further relief as may be deemed appropriate by the Court.

MOTION FOR PRELIMINARY INJUNCTION

1. NOW COMES Plaintiff and hereby moves this Court for a Preliminary Injunction Order, and in support of said Motion, states as follows:

2. Plaintiff is filing this Verified Complaint in this action against Defendants. The Verified Complaint which is incorporated herein by reference servers as an affidavit in support if the instant motion.

3. The NCDP has made repeated statements that disparage Ortega in violation of the Sexual Harassment Settlement.

4. The NCDP has made repeated statements about Ortega's employment in violation of the Sexual Harassment Settlement.

5. Shockingly, the NCDP has on multiple occasions publicly stated that Ortega had a satisfactory working relationship with the NCDP, knowing this to be false and a violation of the Sexual Harassment Settlement.

6. Additionally Ortega believes the NCDP will not make the future payments due to Ortega under the terms of the Sexual Harassment Settlement.

7. The past actions by the NCDP have shown that the NCDP will violate the Sexual Harassment Settlement for the NCDP's own interest.

8. Every time the NCDP violates the Sexual Harassment Settlement, Ortega is harmed and the harm to his reputation is permanent and irreparable.

9. Ortega has a constitutional right to privacy. Every time the NCDP breaches the Sexual Harassment Settlement, Ortega's right to privacy is violated by the NCDP. Specifically, Ortega believed that he was contracting to maintain his right to privacy through the confidentiality provisions of the Sexual Harassment Settlement.

10. In this case, Plaintiff moves for the issuance of a preliminary injunction pursuant to Rule 65 of the North Carolina Rules of Civil Procedure.

11. Plaintiff will suffer immediate and irreparable harm as a result of NCDP's actions set forth herein, including but not limited to immediate damage to Ortega's personal reputation, loss of employment opportunities, financial loss, and damage to Ortega's professional reputation, thereby warranting issuance of a preliminary injunction. Further, a preliminary injunction is necessary for the protection of Plaintiff's rights during the course of litigation as Plaintiff is a private figure without the public forum to protect his good name from the contractual breaches by the NCDP.

12. Pursuant to Rule 65 if the North Carolina Rules of Civil Procedure, Plaintiff hereby moves the Court for a Preliminary Injunction ordering NCDP to make the future payments due Ortega under the Sexual Harassment Settlement, to not disparage Ortega, and to only makes statements regarding Ortega as agreed under the Sexual Harassment Settlement.

13. Pursuant to Rule 65 of the North Carolina Rules of Civil Procedure, an appropriate Bond will be filed as a condition precedent to the issuance of this Preliminary Injunction.

WHEREFORE, Plaintiffs based on the relief sought in this Motion, respectfully pray to the Court as follows:

1. That he be granted injunctive relief as set forth above;

2. That he be awarded his costs and expenses incurred in this action;

3. That he be awarded attorneys' fees;

4. That the Court grant Plaintiff such other relief as the Court may deem appropriate.

This the 14th day of June, 2012.

SHANAHAN LAW GROUP, PLLC

BY: 

Kieran J. Shanahan, NCSB # 13329
John E. Branch, III, NCSB # 32598
128 E. Hargett Street, Suite 300
Raleigh, North Carolina 27601
Telephone: 919-856-9494
Facsimile: 919-856-9499

VERIFICATION

Adriadn Ortega, being first duly sworn, deposes and says that he has read the contents of the foregoing Complaint, knows the contents thereof and that the same is true of his own knowledge, except as to matters stated upon information and belief, and as to those matters, he believes them to be true.

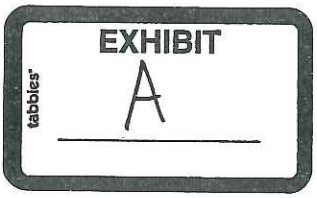
By: _____
Adriadn Ortega

SWORN TO AND SUBSCRIBED BEFORE ME

This the 14th day of June, 2012.

Donna L. Walker
Notary Public
My Commission Expires: 4-13-2014

DONNA L. WALKER
Notary Public
Wake County
My Commission Expires
04/13/2014
NORTH CAROLINA



[redacted]

December 8, 2011

Mr. Jay Parmley
Executive Director
North Carolina Democratic Party
220 Hillsborough Street
Raleigh, NC 27603

Via e-mail and hand delivery

Re: Termination of Employment

Dear Mr. Parmley:

I believe that I was sexually harassed during the course of my employment with the North Carolina Democratic Party. Examples of offensive behavior and degrading treatment include, but are not limited to, the following:

- the Executive Director frequently gave me unwanted shoulder rubs despite my verbal objections;
- the Executive Director often solicited my opinion on his clothes. He would point both hands to his crotch area and ask me how his crotch looked in those pants that day;
- the Executive Director would frequently pretend to punch my crotch and make a popping noise with his mouth;
- on July 28, 2011, the Executive Director discussed, in detail, his sexual activities from the past when he was living in South Carolina. In addition, he discussed in detail his sexual activities from when he moved to North Carolina, where he solicited sex from gay websites such as [redacted]
- on July 29, 2011, the Executive Director showed me a picture of a penis; and
- on September 6, 2011, during the drive back from the DNC Kick-Off in Charlotte, the Executive Director reached back several times from the driver's seat and caressed my leg.

On October 1, 2011, I met with Executive Director Jay Parmley to address the sexual harassment I was receiving in the office. On October 3, 2011, I met with former Executive Director Scott Falmlen to debrief him regarding my meeting with Jay Parmley. Falmlen expressed that I was a valuable employee. On November 21, 2011, I was advised that my employment with the Party had been terminated.

During the course of my employment with the North Carolina Democratic Party, I consistently and adequately performed my duties [redacted]

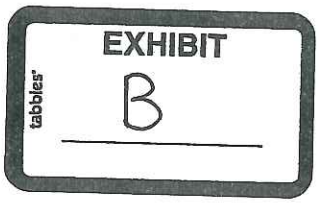
I believe that the sexual harassment towards me created an offensive, hostile work environment. Moreover, I believe that I was fired in retaliation for my complaints of sexual harassment.

I will sign a separation agreement, confidentiality agreement, and release under the following conditions:

- provision of severance compensation equivalent to one year's pay; and
- with regards to health insurance coverage, NCDP will cover the cost of my COBRA enrollment for one year or until I find employment with health coverage, whichever comes first.

Please respond within seven (7) calendar days. If I do not hear from you by December 15, 2011, I will escalate my complaint to the State Executive Council of the North Carolina Democratic Party.

If the matter is not satisfactorily resolved by December 31, 2011, I will consider legal action.



From: John Wallace

Sent: Wednesday, April 18, 2012 07:43 PM

To: Binker, Mark

Raleigh, North Carolina

April 18, 2012

I represent the North Carolina Democratic Party and have done so for a number of years. In the late Fall of 2011, I undertook representation of the Democratic Party in a personnel matter arising from certain contentions made by a former employee. I addressed the matter in a manner that was professional and respectful of the interests of the former employee. As with most personnel matters, particularly matters arising from assertions of a former employee, the parties saw matters differently. In this type of situation, it is difficult, if not impossible, to ascertain the truth. My task was to address and resolve the matters presented to me equitably and appropriately. I did so. I engaged in a polite, respectful negotiation with the complainant, resulting in a mutually agreed resolution satisfactory to both parties. The parties contemplated that the terms of the agreement would remain confidential, but at the same time, explicitly contemplated that the dispute between the parties would not be prejudicial to the former employee nor to my client. The former employee has acknowledged that he had a satisfactory working relationship with the Democratic Party.

An EEOC charge was filed arising from this dispute. A copy of the charge is attached. Matters of this sort are routinely negotiated and settled confidentially. In fact, the processes of the federal agency with jurisdiction over employment disputes, the Equal Employment Opportunity Commission (EEOC), are confidential. The EEOC's mediation and settlement processes are confidential. The system put in place

by the EEOC promotes compromise and settlement, as was done here. I am surprised at the eagerness with which the press and others would seek to have the parties violate the terms of their agreement.

Beyond this statement, I cannot and will not comment.

John R. Wallace

Wallace & Nordan L.L.P.

3737 Glenwood Ave., Suite 260

Post Office Box 12065 (27605)

Raleigh, North Carolina 27612

Telephone - (919) 782-9322

Facsimile - (919) 782-8113

EEOC FORM 131 (11/09)

U.S. Equal Employment Opportunity Commission

EXHIBIT
tabbies
C

Mr. David Parker
CHAIR
NORTH CAROLINA DEMOCRATIC PARTY
220 HILLSBOROUGH STREET
Raleigh, NC 27603

PERSON FILING CHARGE

Adriadn I. Ortega

THIS PERSON *(check one or both)*

- [ ] Claims To Be Aggrieved
- [ ] Is Filing on Behalf of Other(s)

EEOC CHARGE NO.

433-2012-00565

NOTICE OF CHARGE OF DISCRIMINATION

(See the enclosed for additional information)

This is notice that a charge of employment discrimination has been filed against your organization under:

- [X] Title VII of the Civil Rights Act (Title VII)
- [ ] The Equal Pay Act (EPA)
- [ ] The Americans with Disabilities Act (ADA)
- [ ] The Age Discrimination in Employment Act (ADEA)
- [ ] The Genetic Information Nondiscrimination Act (GINA)

The boxes checked below apply to our handling of this charge:

1. [ ] No action is required by you at this time.
2. [ ] Please call the EEOC Representative listed below concerning the further handling of this charge.
3. [X] Please provide by **28-FEB-12** a statement of your position on the issues covered by this charge, with copies of any supporting documentation to the EEOC Representative listed below. Your response will be placed in the file and considered as we investigate the charge. A prompt response to this request will make it easier to conclude our investigation.
4. [ ] Please respond fully by to the enclosed request for information and send your response to the EEOC Representative listed below. Your response will be placed in the file and considered as we investigate the charge. A prompt response to this request will make it easier to conclude our investigation.
5. [ ] EEOC has a Mediation program that gives parties an opportunity to resolve the issues of a charge without extensive investigation or expenditure of resources. If you would like to participate, please say so on the enclosed form and respond by to
If you DO NOT wish to try Mediation, you must respond to any request(s) made above by the date(s) specified there.

For further inquiry on this matter, please use the charge number shown above. Your position statement, your response to our request for information, or any inquiry you may have should be directed to:

Ola M. Wiggins,
Enforcement Supervisor
EEOC Representative

Telephone **(919) 856-4714**

Raleigh Area Office
1309 Annapolis Drive
Raleigh, NC 27608

Fax: (919) 856-4151

Enclosure(s): [X] Copy of Charge

CIRCUMSTANCES OF ALLEGED DISCRIMINATION

[ ] Race [ ] Color [ ] Sex [ ] Religion [ ] National Origin [ ] Age [ ] Disability [X] Retaliation [ ] Genetic Information [ ] Other

See enclosed copy of charge of discrimination.

Date	Name / Title of Authorized Official	Signature
February 7, 2012	Thomas M. Colclough, Director	Thomas M. Colclough

Enclosure with EEOC Form 131 (11/09)

INFORMATION ON CHARGES OF DISCRIMINATION

EEOC RULES AND REGULATIONS

Section 1601.15 of EEOC's regulations provides that persons or organizations charged with employment discrimination may submit a statement of position or evidence regarding the issues covered by this charge.

EEOC's recordkeeping and reporting requirements are found at Title 29, Code of Federal Regulations (29 CFR): 29 CFR Part 1602 (see particularly Sec. 1602.14 below) for Title VII and the ADA; 29 CFR Part 1620 for the EPA; and 29 CFR Part 1627, for the ADEA. These regulations generally require respondents to preserve payroll and personnel records relevant to a charge of discrimination until disposition of the charge or litigation relating to the charge. (For ADEA charges, this notice is the written requirement described in Part 1627, Sec. 1627.3(b)(3), .4(a)(2) or .5(c), for respondents to preserve records relevant to the charge – the records to be retained, and for how long, are as described in Sec. 1602.14, as set out below). Parts 1602, 1620 and 1627 also prescribe record retention periods – generally, three years for basic payroll records and one year for personnel records. Questions about retention periods and the types of records to be retained should be resolved by referring to the regulations.

Section 1602.14 Preservation of records made or kept. . . . . Where a charge ... has been filed, or an action brought by the Commission or the Attorney General, against an employer under Title VII or the ADA, the respondent ... shall preserve all personnel records relevant to the charge or the action until final disposition of the charge or action. The term *personnel records relevant to the charge*, for example, would include personnel or employment records relating to the aggrieved person and to all other aggrieved employees holding positions similar to that held or sought by the aggrieved person and application forms or test papers completed by an unsuccessful applicant and by all other candidates or the same position as that for which the aggrieved person applied and was rejected. The date of *final disposition of the charge or the action* means the date of expiration of the statutory period within which the aggrieved person may bring [a lawsuit] or, where an action is brought against an employer either by the aggrieved person, the Commission, or the Attorney General, the date on which such litigation is terminated.

NOTICE OF NON-RETALIATION REQUIREMENTS

Section 704(a) of Title VII, Section 207(f) of GINA, Section 4(d) of the ADEA, and Section 503(a) of the ADA provide that it is an unlawful employment practice for an employer to discriminate against present or former employees or job applicants, for an employment agency to discriminate against any individual, or for a union to discriminate against its members or applicants for membership, because they have opposed any practice made an unlawful employment practice by the statutes, or because they have made a charge, testified, assisted, or participated in any manner in an investigation, proceeding, or hearing under the statutes. The Equal Pay Act contains similar provisions. Additionally, Section 503(b) of the ADA prohibits coercion, intimidation, threats, or interference with anyone because they have exercised or enjoyed, or aided or encouraged others in their exercise or enjoyment, of rights under the Act.

Persons filing charges of discrimination are advised of these Non-Retaliation Requirements and are instructed to notify EEOC if any attempt at retaliation is made. Please note that the Civil Rights Act of 1991 provides substantial additional monetary provisions to remedy instances of retaliation or other discrimination, including, for example, to remedy the emotional harm caused by on-the-job harassment.

NOTICE REGARDING REPRESENTATION BY ATTORNEYS

Although you do not have to be represented by an attorney while we handle this charge, you have a right, and may wish to retain an attorney to represent you. If you do retain an attorney, please give us your attorney's name, address and phone number, and ask your attorney to write us confirming such representation.

EEOC Form 5 (11/09)

CHARGE OF DISCRIMINATION

This form is affected by the Privacy Act of 1974. See enclosed Privacy Act Statement and other information before completing this form.

Charge Presented To: [ ] FEPA [X] EEOC

Agency(ies) Charge No(s): 433-2012-00565

and EEOC

State or local Agency, if any

Name (indicate Mr., Ms., Mrs.)	Home Phone (Incl. Area Code)	Date of Birth
Mr. Adriadn I. Ortega	(919) 413-4157	07-29-1985

Street Address: 113 S. Wilmington Street, Apt. 206 Raleigh, NC 27601

Named is the Employer, Labor Organization, Employment Agency, Apprenticeship Committee, or State or Local Government Agency That I Believe Discriminated Against Me or Others. (*If more than two, list under PARTICULARS below.*)

Name	No. Employees, Members	Phone No. (Include Area Code)
NORTH CAROLINA DEMOCRATIC PARTY	15 - 100	(919) 821-2777

Street Address: 220 Hillsborough Street, Raleigh, NC 27603

Name	No. Employees, Members	Phone No. (Include Area Code)

Street Address: City, State and ZIP Code

DISCRIMINATION BASED ON (*Check appropriate box(es).*)

[ ] RACE [ ] COLOR [X] SEX [ ] RELIGION [ ] NATIONAL ORIGIN
[X] RETALIATION [ ] AGE [X] DISABILITY [ ] GENETIC INFORMATION
[ ] OTHER (*Specify*)

DATE(S) DISCRIMINATION TOOK PLACE

Earliest	Latest
09-06-2011	11-21-2011

[ ] CONTINUING ACTION

THE PARTICULARS ARE (*If additional paper is needed, attach extra sheet(s)*):

I. I have worked for the Respondent since March 10, 2010, as Research and Rapid Response. During my tenure I was sexually harassed by the Executive Director. During Sept. 2011, I discussed the harassment with the Director of Administration. On or around Oct. 1, 2011, my supervisor revealed to me that he had been advised of my allegations against him. I met with another Executive Director on or around Oct. 3, 2011, and was advised that I would not be retaliated against. I was no longer sexually harassed but on or around Nov. 21, 2011, my employment was terminated. Prior to my termination, I was advised that Conen Morgan, Director of New Media and Digital Strategy had taken my notebooks where I maintained records of the harassment in an attempt to help my supervisor. I came in late due to my disability and the Respondent accommodated me.

II. A letter was sent to me from my Executive Director, Jay Parmley (Homosexual) indicating that I had been terminated effective Nov. 30, 2011. I was hired under contract as an "at will" employee, and was advised that my terminated was based on the "at will" theory.

III. I feel that I have been retaliated against from my complaints of sexual harassment in violation of Title VII of the Civil Rights Act of 1964, as amended.

I want this charge filed with both the EEOC and the State or local Agency, if any. I will advise the agencies if I change my address or phone number and I will cooperate fully with them in the processing of my charge in accordance with their procedures.

I declare under penalty of perjury that the above is true and correct.

Jan 31, 2012 — Date

Adr Ortg — Charging Party Signature

NOTARY – *When necessary for State and Local Agency Requirements*

I swear or affirm that I have read the above charge and that it is true to the best of my knowledge, information and belief.
SIGNATURE OF COMPLAINANT

SUBSCRIBED AND SWORN TO BEFORE ME THIS DATE
(*month, day, year*)

EEOC Form 5 (11/09)

CHARGE OF DISCRIMINATION

This form is affected by the Privacy Act of 1974. See enclosed Privacy Act Statement and other information before completing this form.

Charge Presented To:
- [ ] FEPA
- [X] EEOC

Agency(ies) Charge No(s):
433-2012-00565

and EEOC

State or local Agency, if any

THE PARTICULARS ARE *(If additional paper is needed, attach extra sheet(s)):*

I feel that I have been retaliated against from my complaints of sexual harassment in violation of Title VII of the Civil Rights Act of 1964, as amended. I also feel that the Respondent will use my accommodation as a defense for ending my contract, which I feel if a violation of the American's with Disabilities Act, of 1990.

I want this charge filed with both the EEOC and the State or local Agency, if any. I will advise the agencies if I change my address or phone number and I will cooperate fully with them in the processing of my charge in accordance with their procedures.

I declare under penalty of perjury that the above is true and correct.

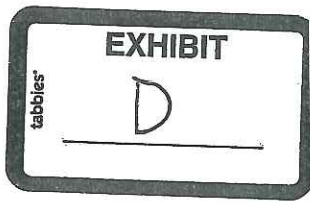
Jan 31, 2012
Date

Charging Party Signature

NOTARY – *When necessary for State and Local Agency Requirements*

I swear or affirm that I have read the above charge and that it is true to the best of my knowledge, information and belief.
SIGNATURE OF COMPLAINANT

SUBSCRIBED AND SWORN TO BEFORE ME THIS DATE
(*month, day, year*)



Unofficial Transcript of David Parker Press Conference*
Available at: http://www.wral.com/news/state/nccapitol/video/11001244/#/vid11001244
April 19th, 1:39 pm

*This is an unofficial transcript of David Parker's press conference and any inaccuracies resulting from its transcription are unintentional. Unclear or inaudible statements are noted.

David Parker:

"Had hoped that when we gathered in a room like this it would be for a more pleasant purpose such as for me to celebrate the election of Barack Obama, but it's not. We're here for ya'll to do your job and for me to make this statement. Um, which I've got on this pad so forgive me as I look down.

"Um. I could not talk with ya'll, uh, before the papers came out yesterday both the, uh, letter that came out and also the E.E.O.C. charge because quite frankly, I did not have any facts to talk with you about. Um, we had personnel law, we also have a, uh, confidentiality agreement that I respect and will continue to expect, uh, respect. For those of ya'll that were aggressive in trying to pursue me, I want to applaud your spunk, uh, but I'm sorry I just couldn't say anything until all this developed the way it did.

"Throughout all of this, I have played by the rules. I followed my lawyer's advice. This is an unfortunate incident. <1:00m> It does not change the need to support Democrats in the fall, however. In the world I live in outside Raleigh in this bubble of rush to judgment, um, business practices are standard and are normal and I follow them just as I followed them here in this case. I advise people on them, uh, and follow them myself. Being a volunteer Democratic Party Chair in, uh, this environment doesn't change my values. It doesn't change how I make, uh, decisions. But I do not supervise any personnel here. Uh, I am not a full time person. Uh, I am the chairman of the Democratic Party just like folks chair their, uh, their United Way or their board of trustees of their church. So I have no supervisory, uh, role unless something like this comes up in which case it has to be brought to me.

"Just like any other non-profit, <2:00m>I have an attorney that I, uh, look to because I cannot keep up with day to day affairs. Uh, I rely on that attorney. Uh, I consult that attorney when it's appropriate and it was in this case. And relying on attorneys is what volunteer, uh, boards and chairs like ours do in ours do in legal situations. I will tell you that I did not want to settle this case. Um, our lawyer settled the case differently from what I wanted to do. Uh, and recommended settlement, which I had no choice but to follow his advice and sign where I was told to sign. The reason for that is officers and directors of any organization, whether it is March of Dimes or it is a community college, have standard insurance- officers and directors insurance-that says that if they go off the reservation—they don't follow their lawyer's advice—they can be personally liable. So, I look to my lawyer, just as I did from the moment within—probably within 15 minutes of hearing about this I had my lawyer on the telephone. <3:00m>

"Am I throwing off on my lawyer, no. I am not. I am a lawyer myself. Lawyers are fallible. They don't, uh, don't get it right every time. In this case, I got good legal advice, but I didn't get real good political advice. I'm gonna stick with good legal advice, and good business advice. I'm not gonna do things because its political expedient. Never done that in my life. I don't intend to start now.

"I've talked with a lot of people around this country who have worked with Jay Parmley, uh, in four different states who he has been on staff. No one, and I mean no one, uh, and I don't know who in this room has tried to track down people in other states, but if you heard something bad about Jay Parmely, uh, frankly I would be shocked because I vetted him as thoroughly as I could. Never any allegations before. Uh, no allegations from anyone else on this staff. Um, he gets along well with men and

women, young and old, <4:00m> gay and straight, black and white, conservative and liberal. He's a friendly guy, that's who the man is. When he talks with you, he is one of those people that will shake your hand and put his hand—his other hand on your shoulder. It's like I saw pictures, uh, last night of Mitt Romney in a debate with, uh, Rick Perry and during the debate, he reaches over, he grabs Rick Perry by the shoulder, pats him on the shoulder, and squeezes his, uh, squeezes across here <motions to the top of the shoulder>. That's just who Mitt Romney is. Does that make anything wrong with him? No, it doesn't. It's not sexual. It's not an advance.

"Jay Parmley's hasty resignation made the situation worse. Because in your eyes and in the eyes of many, it seemed to substantiate what was going on. It was not a substantiation, it was a desire, quite frankly, to put an end to the discussion. It did not <5:00m>—you chased up on it—you in the press you did your job. That's what you're supposed to do.

"As I said before, sometimes attorneys give advice that is right, but not politically safe. Such was the case here. John Wallace gave me good, but not politically safe, advice. I chose to do what was right, rather than what was easy. And I'm standing here with you today because of that decision. And I am fine with it because that's who I am.

"I receive no salary for this job. I'm a part-time volunteer, just like you are in your church and in your United Way. I worked under the rules of law and of this party. Those rules are why boards and chairs get lawyers. The community college board and its chair—and I was chair of a community college board for a couple of years—don't supervise the President's activities. They do policy and budgets. The chair of this party <6:00m> goes out and advocates for this party hoping that cameras like yours will show up and that print media will take notes. That's what I do. But it also means that I don't have as much time in here to be able to interact with staff. My recommendation to not settle this case or in the alternative, to cept—to except the counter proposal and for Jay to resign was not accepted. The lawyer wanted to settle the case. The lawyer settled the case. Jay Parmley could not be terminated for cause in my opinion or in the lawyer's opinion.

"Some of ya'll took the time to actually read the statement of the lawyer. Uh, saying what he said about how he handled the case. Uh, the lawyer has also talked with me and has reaffirmed that the employee says that he had a satisfactory working relationship here at the N.C.D.P.

"I could <7:00m> not tell my board what was going on. Because personnel law forbids me from talking about personnel matters with non-supervisory board-members, non-supervisory co-workers. That's how the law works, so I was left with our lawyer. In this matter, once I became involved, uh after Mr. Ortega had been terminated—and I did not know about this until several weeks after his termination—I followed the internal procedures of our party and standard business practices and immediately consulted with our attorney. The fact that I as a lawyer had done E.E.O.say—E.E.O.C. cases before was helpful but not determinative because I have to listen to my attorney. I certainly voiced my opinions.

"Disclosures of information to the press. 'Kay, lots of well-intended folks have urged me to tell you all of the facts earlier in order to exonerate Jay Parmley and myself. I refused to do that before now. Because we gave our word and our agreement <8:00m> with Mr. Ortega and because of the rules of personnel law. I don't intend to violate that today. I do intend to look at the facts you have before you for a moment. Jay Parmley is a former employee also has personnel rights. I could not discuss this matter with you very much today had he not given me approval to talk with you because he has rights just like each one of you in the media and each member of the public has rights not to have your personnel file opened. It's a fundamental part of employee privacy.

"Mr. Ortega himself has rights that should be respected. I wanted to wait until we had the facts and the dates so that we could talk about those, uh, before you. I'm here to answer your questions once we get through this. I'm gonna go through these facts. Some of ya'll have read the documents. Some of you have read the salacious letter. Some of you have read the E.E.O.C. charges. I don't think to many of you have put them together. And I am going to take a moment and <9:00m> bore you with this. But it's a pretty afternoon but not lovely and I think you can—you can tolerate it.

"Here's the timeline and the letter that was put out. First item that he alleged and I want you to look at that letter because it's a counter offer. If you look at the letter at the end of it, it is a counter offer. And in fact, negotiations had been in place—I am now told, but did not know at the time—negotiations had been in place for a couple weeks before this letter was received. Look at the dates on the letter. Termination is on November 21st. Letter is dated December 8th. This is a counter offer just like as a lawyer I have seen thousands of counter offers where someone tries to state facts in their case that they think will improve their position. We've seen it a thousand time.

"Here's the first item. No particular date. Unwanted shoulder rubs. I've already talked about that with Mitt Romney's behavior. I've already talked about how different ones of us—<10:00m> particularly political people tend to put their hands on your shoulder or whatever it is they do. I noticed this behavior in Jay Parmley, I did not see anything sexual or unwanted in it. Did not see anything sexual or unwanted in it. With various people, including Mr. Ortega.

"Clothing opinions. Uh, Jay asked me about his clothes. Mr. Ortega asked me about his clothes. Other people do. Mr. Ortega had a good time making fun of my bowtie. Was there anything hostile in that environment? No, it's just normal discourse.

"Pretend punches. Some people like to act as though they're about to smack ya. They may do it in your shoulder. They may do it in some other body part. Some men like to pretend that they're gonna whack you in a particularly painful place. I don't know. I never observed that behavior. There is nothing sexual about that.

"Discussion of private life. This is something <11:00m> that when you look at the E.E.O.C. complaint—and this is why we don't try cases in the press by the way—because you're not gonna carry this. You're just not going to. Your editors aren't going to give you enough room to write it up. Your producers aren't going to give you enough time to put it on camera. It's just not gonna happen. But here's the deal. When you look at the E.E.O.C. complaint, what it says in there is that there was no discrimination, in other words, no behavior, no poisoned environment, no hostile environment, no harassment, prior to September 6th. Once can reason from that that in the letter—and in the E.E.O.C. complaint is under oath. The letter is not, it's simply a counter offer. The E.E.O.C complaint is under oath. The discussion of private life on July 28th is not mentioned on the E.E.O.C. complaint. Why? Probably because it didn't happen. I don't know. But you look at that. <12:00m> Which statement is under oath? That's the one that's going to carry more weight.

"Here's how E.E.O.C cases work. You go into the E.E.O.C. office, you sit down in front of the clerk. The clerk transcribes what you say after asking you questions. Types up the form, and you sign it. That how that works. That's how this worked.

"7-29-11. The picture, it's not mentioned under oath in the E.E.O.C. It's excluded because it's prior to the September 6, 2011 start date that Mr. Ortega set. This is in a counter offer letter. It has been described to me that there was a picture of a guy standing nearly naked on the streets of San Francisco which people saw in this office. But it's not alleged in the E.E.O.C. complaint. It just is not. It's neither

unwanted nor offensive. It's not a basis. It's the same thing that my investigation revealed <13:00m> when I looked into it.

"The earliest date discrimination takes place is September 6, 2011. That's in his sworn statement. It is a crime, as I understand the law, if he lies in that statement. He says the earliest thing that happened was September 6th. So what happened on September 6th is we look at the letter. And remember that none of this is looking at Jay Parmley's side. It's just looking at what was said in the complaints. It would be like trying someone on the pleadings in a domestic case.

"9-6-11 there's a leg touch. My understanding from the witnesses, is that it occurred during the drive back from Charlotte with were two witnesses in the car. And here's how it happened. Mr. Parmley is in the front seat. Mr. Ortega is in the back seat with another person. Ortega goes to sleep. Parmley reaches around, behind, through apparently between bucket seats. Whacks him on the leg to wake him up. It's not sexual, it's not unwanted. There's no hostile environment. <14:00m> That's it. That's it. I mean that's it. If you were a jury, I'd be very melodramatic about it. But you're not because you're not swayed by emotion.

"September 11th, he says he talks to the Director of Administration in his E.E.O.C. complaint. We did know of that. I did not know of that in December, uh, when I found out about this. Uh, it was not mentioned to Scott Falmlen in his conversation with Mr. Ortega. Um, the only thing that I was told in this office at any point was that Jay Parmley made certain folks uncomfortable because he got into their space. He's what a lot of folks call a close talker. Instead of talking out here (extending arm in front of himself), he gets slightly inside the space. There's nothing improper about that. It's just who he is. And again, I talked with a lot of people in other states. Never any allegations of any misconduct at all. Never any allegations of any of this.

<15:00m> "October 1st, he meets uh. Mr. Ortega meets with Jay Parmley to discuss unwanted touching. This is in his E.E.O.C. complaint. This is true. He said things were being said. He said nothing about anything making him uncomfortable. And then his next description is two days later, he talks with Scott Falmlen, our former executive director. This is all in the E.E.O.C. complaint folks. And informs him that the-that he had had a conversation with Jay Parmley and everything was fine. In the E.E.O.C. complaint, he says that on October 3rd, there was no further discrimination.

"So what you've got is waking someone up on September 6th. It's talked about at some point with the Director of Administration. October 3rd it stops. I don't know when the shoulder rubbing happened. I just don't know <16:00m> and I don't see anything in it and never did.

"Our attorney looks at these facts and says no cause for termination. I have to take the attorney's advice. I also have to do what's right. No cause for termination. I do not terminate people because it's politically expedient. I just don't.

"On November 21st—this is six weeks after Mr. Ortega says everything stops—he is terminated. I cannot talk about that. And will not. December 8th, there's a letter from Mr. Ortega which you have. This is the first I knew of any allegations. This is actually when I started my investigation. I learned that the discussions had been had with Mr. Ortega about a severance package. I didn't know anything about that. I was told after he was terminated that he had been terminated. His employment was terminated. And that a letter was—a later state in that process was a counter offer. Quite frankly to me, the letter smacked of extortion <17:00m> that it needed to be investigated thoroughly. I met with Scott Falmlen in person, I met with Jay Parmley in person, as they were both at the meeting with me. I called John Wallace, our attorney, immediately. I discussed everything with Mr. Parmley. The same things that I've droned on with you all about here this afternoon. John Wallace says there is no cause to terminate Jay Parmley.

"I read that in other states —because this was a meeting where there were folks from other states where he had worked—I didn't ask about these specific allegations, but I asked around "how did he do in your state?" The answer was "Great, everybody loves him." "No complaints?" "No, no one has ever said anything bad about Jay ever." But here we are.

"So in my opinion, where we were at that point was the lawyer said "there's no grounds to terminate." I can't talk to anybody else with—about it. I'm stuck. I can talk with the lawyer, I trust the lawyer—he's an excellent attorney. [18:00] My opinion was that he should either pay what Mr. Ortega wanted, that Mr. Parmley could quit voluntarily—because there was no grounds for his termination—or we could try the case out in a court of law, because I knew that if we did not and the case was settled, at some point we would be here. When we looked at how normal severance pay agreements are done and provisions—I'm not talking about this case— there are normally provisions for what is said to folks upon inquiry. So, January 31, he files an EEOC notice of charge of discrimination. And what I notice in that is that everything is exactly what my investigation showed. None of the stuff that was salacious in the 12/8 letter was included. We [19:00] were down to a whack on the leg to wake him up on September 6th and unwanted shoulder rubs. That don't amount to a hostile work environment.

"On February 27th, the matters you have seen in the letter that he wanted 1 year's pay—Mr. Ortega wanted 1 year's pay—plus health insurance. That was his counter-offer. The terms of the separation agreement are not and have not been released, um, by Mr. Ortega. We have asked that they be released, we would like for you to see that. We don't have that permission and I cannot talk about it. Mr. Wallace has said in his letter to you that this was a typical settlement of a severance matter—nothing unusual about it.

"Two months later—close to two months later, statements from a co-worker [20:00] are put out for your perusal and here we are. It was, and remains, our attorney's opinion that there was no cause to terminate Jay Parmley, under the law or under our personnel policy. He told that to our executive council—which is about 40 people—that constitutes our board of directors. I played by the rules, I followed my lawyer, this is an unfortunate incident, this does not change the need to support Democrats in the fall. For the good of this party and for the election of Democrats in the fall, I am asking staff to reschedule the currently-scheduled June 17th meeting of the SEC as soon as possible under a 14 day's notice—probably May 12th— to elect a new chair and other vacant officers and DNC members. I will not be seeking reelection as chair. Do you have any questions? [21:00] [Questions and answers are sometimes a bit difficult to follow due to audio quality and background noise]

Q: Where did the money come from?
A: I do not know.
- You don't know?
- I'll leave that up to the lawyer.

Q: Now that the Democrats are calling you "a man without a party," why not just step down now instead of waiting until whenever this meeting is held?
A: We will have an orderly transition, just as we do anytime we elect a new chair. I am not a man without a party, I am a Democrat. I will support this Democratic ticket from top-to-bottom. Every single one of the people that called for my resignation, I will vote for each and every one of them and I will vote for them proudly, if they are our nominees.

Q: If Governor Perdue or her staff did know about this, what exactly did they do about it?
A: This is what I know: on December 8th, I received a letter. I could not talk with anybody else. I did not talk with any of the attorn—with the Governor's office, I did not talk with any of the Governor's people, I

talked with my lawyer. [22:00] I talked with the consultant that was mentioned in the EEOC letter, Scott Falmen. That is who I talked to. I do not know that she knew anything. I have no reason to believe that she knew anything.

- The governor said she knew something.
- I don't know what she knows. I don't—I didn't see that. Um, I have been—and I understand that you're supposed to ask tough questions—I have been immersed in trying to get to the point, quite frankly, where I could stand in front of you and talk about these facts openly and truthfully. You're after the political story—I understand that. I applaud that. I'm not. I didn't make a political decision, I made a decision based on sound business practices and based on the law. And I know you don't care about this—and I respect that—now I have to do what I do. I've actually gotten calls from business around the state and from clients—and from other lawyers—saying "my God, what does this mean? Can a co-worker go out and talk [23:00] about a private agreement? What do we do?" And the answer is [shaking his head]—just the answer is . . .

Q: One former chair from the, uh, said the standard protocol would be to suspend the accused employee and do an independent investigation. Was that ever discussed, or why wasn't it?
A: There's no provision for that. Um, the independent investigation, um, that we could do would be done, um, frankly in violation of personnel law. I don't know who the former chair was. I had no one to consult with. I could not talk to Mr. Ortega, because I was informed on December 8th that our attorney was talking with him, therefore I cannot talk with him. My advice is "do not talk with anybody"—I mean the advice to me, rather—was to not talk to anybody but my attorney. That's what I did.
[24:00]

Q: Yet you said what you want is what's best for the party. With so many top Democrats calling for you to resign *right now*, how is your refusal good for the party?
A: We have to have an orderly transition. We will have a meeting as quickly as possible as our rules provide I have talked with staff here and staff is on board and staying—we have a lot of work to do. Some of you all attempted to cover and get personal interviews yesterday with Mitt Romney. Uh, you were turned down—we would like to make hay of that—we continue to go after Republicans and talk about jobs and the economy. Whether I stay in a transition role as we look towards a gavel in need of that order or not is neither here nor there.

- But has this become more about you as opposed to the party?
- A: [long pause] If I thought that it was about me alone, I wouldn't be standing here. Because I know that what I'm doing is right. I would [25:00] make this decision in a business environment 100 times out of 100. It's in this bubble, rush-to-judgment world in which political decisions are made instead of deciding what's right under normal standards of ethics. I adhere to the highest standards of ethics. At least I certainly try to. So, I appreciate your question.

Q: You're the chairman of a political party, though, don't politics rule as opposed to [unclear] business don't political parties have to be held to a higher standard than the average worker?
A: That's a great question. But the answer is this: we have to do what is right. We have to do what is moral. If you ask me difficult questions, I still cannot treat you differently, as a fellow human being, than I would if you treated—[26:00] if you ask me nice questions. That's your job. I'm not going to change the standards by which I have lived my life and by which I have practice law in order to succumb to political pressure. I'm simply not gonna do that. The problem here—[pointing to a different person?] and this gets to your question—is this issue has attracted *your* attention. So, we respond to that. There's a cat-and-mouse game—excuse me, John—between the press and politicians. We play it. I don't think that we should. I don't think that we get to do this and run this country the way it should be run. We shouldn't do politics the same way we do business, the same way we make decisions in our personal and in our lives and in our churches. John?

Q: You have discounted point-by-point Ortega's story and yet you paid for it, that amounts, essentially, to extortion, doesn't it? Is that what's right?
A: No comment on that, because to do so would require for me to talk about [27:00] the agreement, which I cannot and will not do. That's a great question posed by an educated and intelligent man. But I'm not going there.

- You already called it extortion.
- Look, the letter, the 12/8 letter, was—it was a counter demand, which was tantamount, in my opinion to, uh, trying to bump up something. But as I read it, as a lawyer, that day.

Q: What would be the harm for you to step down now as Republican [unclear] . . .?
A: Well, in fact, most of my fellow Democrats are asking me to stay on and fight this and not resign and hunker down, as it were, and continue to lead this party. It is my judgment that your attentions are distracting us about what we should be talking about. Just last night, um, you had a gubernatorial debate—should have been front and center on page one. [28:00] What?

- Well, that's sorta the point, isn't it? That people are making the case that because you're staying the story is continuing to stay on that debate (this question is somewhat inaudible).
- Mhm – People can make whatever points they'd like to.
- You also claim to support fellow Democrats [unclear]
- You'll have to ask her about that.
- I'm asking you about that.
- I have no response.

Q: Chairman Parker, isn't a slap in the face of our governor for you to not resign today?
A: I don't think so.

- Why not? She's asked you to. She's asked you more than once.
- I don't think so.

Q: You've defended Jay Parmley's actions—just to be clear—do you feel like his actions were misinterpreted? Do you think he was wrongly accused? Do you feel like Mr. Ortega lied?
A: [really long pause] [29:00] There was no creation of a hostile environment, nor was there sexual discrimination sufficient to warrant termination for cause of Mr. Parmley. Further than that, I have nothing to say.

Q: Did the party have a legal fund and, if so, would you release the residue to [unclear: "the expenditures for that fund?"]?
A: You'll have to ask Mr. Wallace, our party attorney, about that.

- You don't know if you have one?
- I know that there is a legal defense fund, I do not know how much is in it any more than I knew how much was in the accounts of the community college that I was chairman of the board for. I–I simply don't know. This is just like your local United Way where you look at staff and you assume that staff will do what they're paid to do. At least that's what we hoped. I wish I could answer that. Um, if I was allowed to stay as–as the chair unfettered, uh, frankly that's one of the things I would have looked into, because I would feel obligated to learn more about that. I've spent the last several days trying to deal with this issue.

[30:00]
Q: How will this situation affect Democratic prospects in the fall?
A: Um, absolutely none at all. This is, uh, to some extent, in the—a-a tempest created by the press in a tea pot. However, it is important and needs to be talked about.

Q: Why was Adriadn terminated in the first place?

A: Can't talk about that. It's pers—it'd be a violation of personnel law.

Q: Is there any discussion among yourself and executive counsel giving [unclear, something about diversity?] to your HR person, you don't have that?
A: Yes. And one of the things that I had sent out in, uh, a statement out to the SEC, which, whether I am chair or not, should be gone, is we need to look at our personnel policies—I, uh, actually built into [31:00] my statement a discussion of that, but I didn't know if you would care about it, so I pulled it out and I'm glad that you asked that question. We, um, under my leadership—we are going through and looking at all of the policies, the minutes, everything from this party for the last 20 years—I don't know if that project will be done without me or not in order to compile personnel manuals that make sense. Our personnel manual, as a for instance for now, has no outlet for someone that has a complaint against the executive director to go to anybody in particular. The-the someone in particular could be me, it could be the party attorney in order to filter that, it could be an outside HR firm and there are a lot of different ways to look at this. If we could have looked at this situation in an ideal world and done a lot of things that were not available to us.

Q: An administrative matter: the letter on December 8 that you've been talking about many of us that received some reports on it— [32:00] you can vouch to the authenticity of that letter that it was written by Mr. Ortega to the party or Mr. Parmley?
A: You'll have to ask Mr. Ortega.
- Is that the letter you saw, though?
- I haven't seen what you've gotten. I am—we all know what assume does—I am assuming that it is the same letter. I do not know.

Q: You described Mr. Parmley's actions as horse play or standard for close, uh, . . . [Parker filling in:] A close talker. . . is that appropriate in a business environment and when you noticed that manner that he was conducting himself, did you ever talk to him about it? Say that it is inappropriate? Jerry Sandusky, was roughly, uh, [unclear: would label himself the same way]—horse play.
A: I think there's a bit of a difference. There are no allegations here of any overt [33:00] acts of conduct such as has been alleged in the Sandusky case. What has been alleged here, um, and um I–I would bring more of you all forward as demonstrative evidence and show you what is my understanding of what happened, but it's not a harmful, offensive, or unwanted touching. It's not—John—it's nothing different than from what I think maybe one time when I shook your hand, I put my hand on your shoulder. It's just—It's just not any different. When I have my photograph taken with people, I frequently put my arm about them—and, by the way, I think we're going to wrap this up. Really quickly, maybe one more question after this.

Q: How can you go and raise money for the governor [unclear]
A: I have had governors call me asking me to please not resign, to please stay in this chair, um and I hear that.
- [34:00] [Something about fundraising] [Has her fundraising been hurt at all?]
- I don't know. I–I'm–I mean, it's too soon—all of this hit last Thursday. I don't know.

Q: Can you name some support, can you name somebody who is supporting you? Someone that would come forward and say "I'm still backing you"?
A: I'm not going to put them in that circumstance. I'll let them speak for themselves.

And we're gonna wrap it up. [Leaving] Thank you all very much.
Q: Will you release your investigations to us and we can verify the claims you've just made?
A: [leaving] It's a violation of personnel law.