

HOW TO SUBMIT CLAIMS TO AND FILE COMPLAINTS AGAINST SPD

As you may know, Small Press Distribution (“SPD”) announced earlier in 2024 that it ceased operations and is in the process of dissolving.

Several months prior to shuttering, SPD notified publishers that it closed its warehouse and relocated inventory to one of two places: Ingram Content Group (“Ingram”) *or* Publishers Storage & Shipping Company (“PSSC”). Publishers may now be faced with fewer distribution options; potentially unexpected costs of shipping, warehousing, and locating inventory; and, at least in some cases, unpaid sales income.

SPD is a non-profit entity. Typically, when a non-profit entity decides to wind down its operations, it is required to take certain steps, including disposing its remaining assets and, where possible, paying parties to which it owes money. If you worked with SPD and believe that your company is owed money from prior sales, or that SPD sent your inventory to a third party without your authorization, resulting in unexpected costs being incurred by your company, you should consider taking steps to protect your rights before SPD completes the dissolution process.

Although there is no guarantee of relief, publishers that are negatively impacted by SPD’s contemplated dissolution have at least two courses of non-litigation action that they can explore:

1. **Submit a claim against SPD with its Attorney (“Claim”)**
2. **File a complaint with the California Attorney General’s Office (“Complaint”)**

Publishers are free to pursue both options. As noted in the footer to this document, we are not providing legal advice, and you should contact an attorney in connection with determining your rights and potential remedies as to SPD, including in connection with submitting a Claim or filing a Complaint.

BEFORE YOU BEGIN

Gather documents. In order to substantiate a Claim and/or a Complaint against SPD, it will be important to gather documents supporting such Claim or Complaint. Such documents may be attached to the Claim or Complaint.

Such documentation could include:

- Correspondence with SPD, Ingram or PSSC, including emails;
- Sales reports showing unpaid sales (i.e., accountings of amounts owed to your company but unpaid by SPD);
- Copies of any agreement(s) made with SPD, Ingram or PSSC;
- Documentation showing unanticipated expenses caused by SPD’s closure (e.g., costs of shipping or warehousing books, lost sales);
- Documentation of missing inventory (e.g., books that your company cannot locate but were previously warehoused by SPD); and

- Documentation of unaccounted for sales by SPD (e.g., changes in inventory managed by SPD on Amazon or other sites where your company has no corresponding accounting of sales).

Again, you ideally should consult with an attorney regarding the appropriate documents to include with a Claim or Complaint.

OPTION 1: Submit a Claim Against SPD

If your company has been affected by SPD's cessation of operations, your company most likely received a letter from SPD's attorney, Mary T. Dowling, Esq., in April. Ms. Dowling is assisting SPD in connection with its dissolution process. To make a Claim against SPD, the April letter requires that certain information be provided, as noted below, not later than **Thursday, August 8, 2024**. If you believe that your company is owed money from SPD, or if your company cannot locate inventory previously under the care of SPD, **you can submit a Claim**.

It is recommended that you mail any claims by Thursday, August 1, 2024.

Submitting a Claim Against SPD

The following sets out the Claim submission process, as detailed in the April letter; again, you may want to check with your attorney before doing so.

1. **Compile relevant documents.** Non-privileged documents showing that your company is owed money by SPD or has lost money because of SPD's abrupt closure may be included.
2. **Print relevant documents.** Claims must be submitted by physical mail, so make sure your documents are printed and organized.
3. **Complete the form attached here as Page 5.** SPD's attorney will review the information provided to help determine what your company may be owed. SPD requests that you provide the following:
 - (a) Your company's full legal name, address, and phone number;
 - (b) The total amount of your Claim;
 - (c) The basis for the Claim (as in, why does SPD owe your company money?); and
 - (d) Any other information that may be useful to verify your claim. Documents showing your company's relationship with SPD, and any proof that might show that your company is owed money, may be included.
4. **Mail the form, including all documents.** Send a completed form and any supporting documents to SPD's law firm, keeping a complete copy for your records:

**Tovella Dowling, P.C.
600 W. Broadway, Suite 660
San Diego, CA 92101**

**CLAIMS SHOULD BE MAILED BY THURSDAY, AUGUST 1, 2024
AND MUST BE RECEIVED BY THURSDAY, AUGUST 8, 2024**

The information provided herein does not, and is not intended to, constitute legal advice. All information provided herein is for general informational purposes only. You should contact an attorney to obtain advice with respect to your rights and potential remedies.

OPTION 2: File a Complaint with the California Attorney General’s Office

To properly dissolve, SPD must complete certain steps and make certain filings. In California, the Attorney General’s Office (“AG’s Office”) is responsible for supervising nonprofit organizations, protecting their charitable assets, and managing their dissolution. **Filing a Complaint with the AG’s Office will help to ensure that the office has information relevant to the SPD dissolution process beyond whatever information SPD has provided.** Again, you may both submit a Claim to SPD *and* file a Complaint with the AG’s Office.

Filing a Complaint with the California AG’s Office

The following summarizes our understanding of the AG’s Office process for filing a Claim with the office; again, you may want to check with your attorney before doing so.

1. **Complete the charity complaint form on Page 6.** This form (Form CT-9) is required to file complaints regarding charities or fundraising professionals with the AG’s Registry of Charities and Fundraisers. You may use the form attached here as Page 6 which has basic details about SPD already filled out. You will be asked to provide the following:
 - **Basic details of the complaint.** You may briefly summarize how SPD’s abrupt closure has negatively impacted your company. Provide as much detail as possible and consider attaching documents showing such negative impact;
 - **Information about funds and other assets being lost or diverted.** You may provide specific details about your situation, including whether your company has not been paid for prior sales, whether your company’s books cannot be located, and any amounts paid to Ingram or PSSC to ship or warehouse your company’s books. Consider providing your best estimate as to the amount of money your company is owed or has lost because of SPD’s closure;
 - **Information about actions that have been taken to resolve the problem.** You may provide details on any action that you have taken to contact SPD; if you have submitted a Claim to SPD through Ms. Dowling, consider noting this important information. If there are communications supporting your Complaint (e.g., letters, emails), consider printing and attaching them to the completed form;
 - **Names and other information of anyone that might be responsible.** You may include anyone from SPD that you have dealt with in the past, plus their contact information (if available to you);
 - **Names and other information of anyone that may have additional information.** You may provide names of anyone outside of SPD that might have information relevant to the AG’s Office; and
 - **Your name and other information.** You may mark the box at the bottom of Form CT-9 if you would like to remain anonymous.

2. **Mail the completed form.** Send a completed form and the applicable supporting documents by physical mail to:

**Registry of Charities and Fundraisers
Office of Attorney General
P.O. Box 904337
Sacramento, CA 94203**

Please also keep a copy of your submission for your records. If you file a Complaint with the AG's Office, please notify CLMP by sending an email to LRHook@clmp.org. For more information on the AG's Office process for filing a Complaint, please visit <https://www.oag.ca.gov/charities/complaints>.

CLAIM FORM

Legal name: _____

Address: _____

Phone number: _____

E-mail address: _____

Total amount of claim: _____

Basis of the claim:

Additional information you believe may be useful to verify the nature and amount of the claim, including copies of any relevant documents:



1300 I Street
P.O. Box 903447
Sacramento, CA 94203-4470
Fax: (916) 444-3651
Complaints@doj.ca.gov

COMPLAINT TO THE CALIFORNIA ATTORNEY GENERAL REGARDING A CHARITY OR CHARITABLE SOLICITATION

Name of Organization: Small Press Distribution

List any other names the organization uses: SPD

Address of organization: 1341 7th St.

City, State, ZIP: Berkeley, CA 94710

Organization Telephone Number: (510) 524-1668 Organization Web address: www.spdbooks.org

Other identifying information for the corporation, if known:

Corporate # 1585172 State Charity Registration # 068156 FEIN: 943042614

Briefly summarize the main point of your complaint here (Attach additional pages for the details of your complaint, if necessary):

Have charitable funds or other assets been lost, wasted or diverted from proper charitable purposes? Or, is there a danger that such loss will soon occur? Please explain, giving your best estimate of the amount lost or at risk, if you know:

What action has already been taken, either within the organization or with other law enforcement agencies, to try to resolve this problem:

List the names, addresses and telephone numbers, if known, of all persons you believe may be responsible for this problem:

List the names, address and telephone number of any other persons who may have additional information concerning the complaint:

Your name, address and telephone number: _____

Date: _____

Check here if you request that your identity be kept confidential.

Mail the completed form and any attachment to: Registry of Charities and Fundraisers, Office of Attorney General, P.O. Box 903447, Sacramento, CA 94203-4470.