



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

THIS IS THE BEGINNING OF MUR # 2206

DATE FILMED 3/23/88 CAMERA NO. 2

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June 18, 1986

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MUR 2206

General Counsel  
Federal Elections Commission  
999 E. Street, NW  
Washington, DC 20463

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Dear Sir:

In accordance with provisions of 2 U.S.C. 437g(a)(1), I herein provide information identified by source and my informed opinion which gives rise to my belief in the truth of such statements and why I believe the subject commercial bank loans were not made in the "ordinary course of business" under 2 U.S.C. Section 431(8)(B)(vii)(II), and I urge the Commission to find reason to believe that these subject commercial national banks, some of their employees, and eighteen (18) other unidentified persons did in fact violate the law, specifically, 2 U.S.C. Section 441b(a). Further, I urge the Commission to refer the matter to the U.S. Justice Department for investigation and prosecution.

For your information, I am sending a copy of this Complaint to the Ohio Attorney General and the Ohio Secretary of State (Ohio Elections Commission) along with a formal complaint to them asking that they investigate and prosecute the four banks and the 18 individuals for violating Ohio's law which prohibits corporate contributions to political candidates.

You should note that I have purposefully limited my complaint to violations by the four Ohio national banks, some of their employees, and eighteen (18) other unidentified persons. It would be inappropriate for me, or anyone else to file a complaint against Senator John Glenn or against his Campaign Committee for knowingly and wilfully accepting an illegal contribution. It would certainly be premature until the fact of an illegal contribution has been established through due process of law. My complaint is directed toward that end.

The violations complained of are no less heinous than were those crimes which gave rise to establishing the Federal Elections Commission and caused a President of the United States to resign in disgrace. Corrupting the electoral process equates with the crime of treason and the corruptors should be given equal punishment.

As a student of Monetary Science who has studied the monetary history of the United States, I know, along with Monetary Scientists, that members of the commercial banking industry at its highest level maintain their control of the nation's sovereign monetary power through acts of political corruption. The people's public credit-power monopoly was usurped by private bankers in the beginning and has been maintained ever since through political corruption.

Listen to the respected voices of the past:

"I believe that banking institutions are more dangerous to our liberties than standing armies. Already they have raised up a money aristocracy that has set the government at defiance. The issuing power (of money) should be taken from the banks and restored to the government and to the people to whom it belongs..."  
....President Thomas Jefferson (56b)

New York, August 22, 1798

Mr. Oliver Wolcott  
Secretary of The Treasury

"No one knows better than yourself how difficult and oppressive is the collection even of taxes very moderate in amount, if there be a defective (bank money) circulation. According to all phenomena which fell under my notice, this is our case in the interior parts of the country.

"For these and other reasons (promoting the private banks of the United States) which I have thought well of, I have come to a conclusion that our Treasury ought to raise up a (currency) circulation of its own. I mean, by the issuing of Treasury notes...

"This appears to me an expedient equally necessary to keep the (currency) circulation (adequate) full...it will be easy to enlarge without hazard to credit."  
Alexander Hamilton

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"I have two great enemies, the Southern army in front of me and the financial institution in the rear. Of the two, the one in my rear is my greatest foe." ...Statement to Congress by President Abraham Lincoln during the Civil War.

"Money is the creature of law and the creation of the original issue of money should be maintained as an exclusive monopoly of national government.

"No duty is more imperative on the Government than the duty it owes the people to furnish them with a sound and uniform currency and of regulating the circulation of the medium of exchange so that labour will be protected from a vicious currency, and commerce will be facilitated by a cheap and safe exchange."

...President Lincoln's ideas on monetary policy are to be found on Page 91 of Senate Document No. 23 of the Library of Congress.

"This (despotic economic) domination is most powerfully exercised by those who, because they hold and control money, also govern credit and control its allotment, for that reason, supplying, so to speak, the life blood of the entire economic body, and grasping in their hands, as it were, the very soul of production, so that no one can breathe against their will."

...Pope Pius XI...The encyclical Quadragesimo Anno. (Paragraph 106 of 1934 English Translation)

"The State must resume the right to control the issue and cancellation of every kind of money. Till that is done, a body within the community will control what is vital to the community, and that is a false principle."

...The late Archbishop of Canterbury, Dr. William Temple, in "The Hope of a New World," page 56

Of all who have spoken, none has described this despotic economic domination of our people and of our people's representatives as starkly as did President Woodrow Wilson during World War II:

"The great monopoly in this country is the monopoly of big credits. A great industrial nation is controlled by its system of credit. The growth of the nation, therefore, and all our activities, are in the hands of a few men who chill and check and destroy genuine economic freedom."

"Some of the biggest men in the U.S. in the field of commerce and manufacture are afraid of somebody, are afraid of something. They know there is a power somewhere so organized, so subtle, so watchful, so interlocked, so complete, so pervasive, that they had better not speak above their breath when they speak in condemnation of it."

In viewing the world fifty years after Pius XI, the U.S. Catholic Bishops find that the very soul of production is still in the grasp of the Western commercial banks of the North. In the Third Draft of the Bishops' Pastoral Letter now entitled Economic Justice for All, the Bishops speak to the issue in Paragraph 270:

"The global system of finance, development and trade established by the Bretton Woods Conference in 1944---the World Bank, the International Monetary Fund and the GATT---was created by the North to prevent a recurrence of the economic problems that were perceived to have led to World War II. Forty years later that system seems incapable, without basic changes, of helping the debtor countries---which had no part in its creation---manage their increasingly untenable debt situation effectively and equitably."

More than seventy years after Woodrow Wilson's graphic depiction, we witness a nation's people (and their representatives) living in fear of this omnipresent, real (but invisible), tyrannical "something."

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We, today, are a democratic people with political republican representation being held in financial bondage by the outside usurpers of the sovereign power of credit.

Our pursuit of peace and prosperity, the fruits of political independence and technological legacy, has been limited not only by our lack of financial independence, but also by the corruption of our democratic electoral process perpetrated by those who control and operate the people's social financial mechanism.

To protect the electoral process in the aftermath of Watergate, Congress established the Federal Elections Commission. Has it been a success? The proof is in the pudding and the answer is NO. It is not necessarily the fault of the Commissioners. Congress failed to design a defense commensurate with the cunning and strength of our country's internal enemies. The Credit Power Monopoly within is a far greater threat to our people's liberties than is the threat of communism from anywhere on the Globe.

CONGRESS MUST RESTORE THE PEOPLE'S CREDIT POWER TO THE EXECUTIVE BRANCH OF GOVERNMENT...THE TREASURY DEPARTMENT!

The newly-nominated Justice to the U.S. Supreme Court, Antonin Scalia, has questioned the present Federal Reserve Board's independence of the elected President of the United States. By copy of this letter to the Chairman of the Senate Judiciary Committee, I am urging that the Committee ask Judge Scalia to expand upon this issue. He seems to be insisting on the public's credit power being vested in the hands of our elected President.

In separate correspondence to President Ronald Reagan, I shall attach proposed legislation with the suggested title of "National Tax and Financial Liberation Act."

In passing such an Act, Congress would be establishing a Constitutionally-lawful United States Treasury (credits) Money System in the United States - to replace the archaic Fractional Reserve Bank (credits) Money System...which is operating in the United States without law. The author of this proposal is Monetary Scientist Peter Cook of Wickliffe, Ohio. The proposed Act is a comprehensive document and represents fifty years of dedicated research and labor on the part of Mr. Cook.....a true work of love.

Thomas Jefferson and other Founding Fathers gave us the DECLARATION OF POLITICAL INDEPENDENCE. Let us pray that President Ronald Reagan and ALL members of Congress will sign an historic DECLARATION OF FINANCIAL INDEPENDENCE!

UNTIL THAT DAY, however, we the people must look to you Commission members to insure the integrity of the electoral process. In addition to referring this complaint to the Justice Department, I ask that you request the appropriate Congressional Committee to investigate the Office of the U.S. Comptroller of the Currency and the Securities Exchange Commission to determine why they failed to advise the FEC and to keep it informed in the matter of these bank loans.

Also, past violations by commercial banks must not go unexposed and unpunished. The bankers who made loans to Senator Ted Kennedy in 1980 must be brought to the bar of justice! You Commissioners also erred in voting to take no action against the commercial banks and bankers on Senator Gary Hart's bank loans in 1984. The burden of proof is on the bankers (and always has been) to demonstrate that political loans have been made in the ordinary course of business as well as being in accord with banking laws and regulations.

Like the bank loans to Senator Kennedy, the bank loans of the Ohio national banks to Senator Glenn are blatant and deliberate violation of law designed, in my opinion, to exact political influence in Ohio's General Assembly on banking legislation. You must undo what Commissioner Aikens describes as being "probably the worse thing we ever did." Her full statement as given in Executive Session on October 8, 1985 (MUR 2062 - Page 62) was: "And I think, unfortunately, we get into this can of worms because we long ago passed the Kennedy loan matter and it was probably the worse thing we ever did. There was no collateral; no amortization schedule; no due date; nothing."

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And we said, well, the banks can do that in ordinary course of business. And I voted for that one." (underscoring added)

PLEASE! Go back and reconsider all bank loans. Where corruption of this sort exists, there should be no protective statute of limitations.

Again, however, I urge you to concentrate your efforts on the corruptors, NOT the candidates or their committees.

For your information and for that of anyone reading this letter let me make one point abundantly clear...from personal experience as a bank employee I found my associates to be the finest people one could ever expect to meet. Their integrity is without question. Their allegiance to country, under God, with liberty and justice for all is unassailable. This is true of most personnel throughout the banking industry. The political corruptors are few in number, are involved in international finance, and give allegiance to NO country!

Sincerely yours,

*Robert P. Woodman*  
Robert P. Woodman,

Producer-Ownership & Monetary Design Engineer  
Castlewood 102  
17600 Detroit Avenue  
Lakewood, OH 44107

(216) 521-4102

enclosure: formal Complaint

RPW/ths

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General Counsel  
Federal Election Commission  
999 E. Street, NW  
Washington, DC 20463

COMPLAINANT:

Robert P. Woodman, Producer-Ownership & Monetary Design Engineer  
Castlewood 102  
17600 Detroit Avenue  
Lakewood, OH 44107  
(216) 521-4102

COMPLAINT

During an ongoing citizen audit of the "Report of Receipts and Disbursements" of the John Glenn Presidential Committee, Inc., I discovered "loan" transactions that lead me to believe that four (4) National Banks located in Ohio have knowingly and wilfully violated the provision of the Federal Election Campaign Act which proscribes political contributions of any type by national banks (2 U.S.C. Section 441b).

The following National Banks are the subjects of my complaint:

1. Bank One of Columbus, NA; 100 East Broad Street; Columbus, Ohio 43215
2. Banc Ohio; 155 East Broad Street; Columbus, Ohio 43215
3. Huntington National Bank; 17 South High Street; Columbus, Ohio 43215.
4. AmeriTrust Company; 900 Euclid Avenue; Cleveland, OH 44114

FACTUAL BASIS OF COMPLAINT & LEGAL REFERENCES

Title 2 of the United States Code at Section 441b(a) provides in part that "(1) it is unlawful for any national bank...to make a contribution or expenditure in connection with any election to any political office, or in connection with any primary election or political convention or caucus held to select candidates for any political office..." The terms "contribution" and "expenditure" include, inter alia, loans, advances, deposits of money, or anything of value made to a campaign committee in connection with any election for Federal office. 2 U.S.C. Section 441b(b)(2). Excluded from the definition of "contribution," however, are loans of money "by a national or State bank made in accordance with the applicable banking laws and made in accordance with the applicable law in the ordinary course of business." 2 U.S.C. Section 441(b)(2).

To be considered "in the ordinary course of business," Section 431(8)(B)(vii) provides that such loan....

- (I) shall be considered a loan by each endorser or guarantor, in that proportion of the unpaid balance that each endorser or guarantor bears to the total number of endorsers or guarantors;
- (II) shall be made on a basis which assures repayment, evidenced by a written instrument, and subject to a due date or amortization schedule; and
- (III) shall bear the usual and customary interest rate of the lending institution;

The Commission's Regulations, at 11 C.F. R. Section 100.7(b)(1) provide in addition that such loan must "bear the usual and customary interest rate of the lending institution for the category of the loan involved" ~~emphasis added~~ and be "made on a basis which assures repayment." (emphasis added).

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With the foregoing in mind, I hereunder provide information identified by source which gives rise to my belief in the truth of such statements and why I believe the subject loans were not made in the "ordinary course of business" under 2 U.S.C. Section 431(8)(B)(vii)(II) and I urge the Commission to find reason to believe that these subject national banks violated 2 U.S.C. Section 441b(a)

1. Loan Information from Report of Receipts and Disbursements submitted by the "John Glenn Presidential Committee Inc." covering the period From February 1, 1984 Through February 29, 1984 (Amended Report submitted December 4, 1984) (16)

Bank One of Columbus, N.A.

Loan Number One - Dated 2-9-84 in Amount of:	\$125,000
Loan Number Two - Dated 2-14-84 Amount of:	\$375,000
Total	<u>\$500,000</u>

Description of loans from Schedule C-P

Date Due:	ON DEMAND
Interest Rate	PRIME + 1%
Secured	YES

Banc Ohio

Loan Number One - Dated 2-9-84 Amount of:	\$125,000
Loan Number Two - Dated 2-14-84 Amount of:	\$375,000
Total	<u>\$500,000</u>

Description of loans from Schedule C-P

Date Due:	ON DEMAND
Interest Rate	PRIME + 1%
Secured	YES

Huntington National Bank

Loan Number One - Dated 2-9-84 Amount of:	\$125,000
Loan Number Two - Dated 2-14-84 Amount of:	\$375,000
Total	<u>\$500,000</u>

Description of loans (Same as above)

AmeriTrust Company

Loan Number One - Dated 2-9-84 Amount of:	\$125,000
Loan Number Two - Dated 2-14-84 Amount of:	\$375,000
Total	<u>\$500,000</u>

Description of loans from Schedule C-P

Date Due:	ON DEMAND
Interest Rate	PRIME + 1%
Secured	YES

Relevant loan information prior to February 1, 1984 (14,15)

Bank One of Columbus, NA - as of December, 1983 (14)

<u>Date of Loan</u>	<u>Amount</u>	<u>Due Date</u>
(A) 11-16-83	\$200,000	"Matching Funds Submission"
(B) 11-18-83	\$200,000	"Matching Funds Submission"
(C) 12-20-83	\$ 50,000	"Matching Funds Submission"

.....as of January 31, 1984 (15)

Loans Repaid

(A) 1-3-84 - \$200,000
(B) 1-3-84 - \$200,000
(C) 1-3-84 - \$ 50,000

.....in February, 1984 a loan of \$180,000 was made on 2-1-84 and was paid back on 2-9-84 (No loan description) (16)

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SUMMARY OF LOAN TRANSACTIONS BY JOHN GLENN PRESIDENTIAL COMMITTEE, INC., FOR CALENDAR YEAR 1983 AND THROUGH FEBRUARY 29, 1984. (14,15,16)

Bank One of Columbus, NA loaned the Committee \$630,000 in four (4) loans in the amounts of \$200,000; \$200,000; \$50,000; and \$180,000. These loans were in the nature of cash advances in anticipation of "matching funds," and were repaid as of 2-9-84.

On the dates of 2-9-84 and 2-14-84, four (4) national banks, the subjects of this Complaint, each made two (2) loans in the total amount of \$500,000 to the Committee. Details of these loans totalling \$2 million are set forth above; and, these loans are the ones which the Complainant has reason to believe were not made in the "ordinary course of business" under 2 U.S.C. Section 431(8)(B)(vii)(II) and, thus, constitute a violation by these national banks of 2 U.S.C. Section 441b(a).

Background & Qualifications of Complainant

RE:

COMMERCIAL BANK LOANS

Robert P. Woodman

Academic Background:

John Carroll University - 1948

Degree: Bachelor of Science in Business Administration with Accounting as the Field of Concentration

Cleveland Marshall Law School (now CSU) - 1948-1951

Two and one-half years of study included Law of Contracts, Real Property, Personal Property, & Commercial Sales.

Work Experience - 1948 - 1952

Central National Bank, Cleveland, Ohio

Assistant Auditor - 2 years.

In this position, I was assigned to audit operations at branch offices as well as at the Headquarters Office. Specific duties were:

- a. Reconcilement of cash and other balance sheet accounts with Headquarter balances.
- b. Conduct a direct savings account verification program with customers.
- c. Review and confirm the calculation and posting of interest to saving accounts.
- d. Review current status of Branch commercial loans, establish an age schedule on delinquent loans, and confirm customer compliance with loan agreement respecting adequate and valid collateral, insurance policy coverage, and filing of required financial statements or other data. Also, conducted "spot" verification directly with customers.
- e. Review current status of Branch mortgage loans, establish an age schedule on delinquent loans, confirm customer compliance with terms of loan agreement respecting taxes, insurance, and other requirements. Also, conducted "spot" verification directly with customers.
- f. Review and confirm Branch personnel compliance with all operating policies and procedures.
- g. Specific review of compliance with security procedures.

Headquarters Office

h. Participated in audits of Commercial Loan Department performing some basic review, monitoring, and verification functions as in Branch audit, with the significant difference being in the volume and loan values.

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Work Experience - 1948 - 1952 continued

i. Participated in audits of Headquarter Office Mortgage Loan Department, performing same basic review, monitoring and verification functions as at Branch Office with the significant difference being in the volume and loan values.

j. Participated in audits of the Corporate Trust Department. I assisted in verifying and reconciling collateral held in trust, in confirming that terms of trust agreement were being met by the respective Trust Officers, and in making direct client verification in certain instances.

j.(a) Estate Trust Department - Same activity as in (j).

k. Participated in audits of the Corporate Stock Transfer Department. I assisted in verifying and reconciling receipt of all newly issued stock certificates as well as review and confirm personnel compliance with all operating policies and procedures.

l. Participated in audits of the Centralized Commercial (checking) Department. This Department also included the Distribution Center which received all checks drawn on Central National Bank and distributed checks cashed or deposited which were drawn on other banks. I also assisted in direct customer verification of commercial accounts, assisted in locating lost or mis-directed deposits, and investigated instances of forged checks and dormant accounts with significant balances.

m. I assisted in periodic review of all other Departments and functions of Bank to assure uniform compliance with Bank policies and procedures.

COMMERCIAL LOAN CREDIT ANALYST - 2 Years

I was promoted to this Department and had the distinction of being the First person admitted to the Department who was not a graduate of an IVY League College.

The most important function of any bank is its Commercial Credit Department...it is the bank's major income generator! As a Credit Analyst, I provided staff support to the Commercial Loan Committee. With a thorough knowledge of every bank operation gained from my Audit experience and with my academic background in accounting, finance, and law, I assumed new duties and responsibilities which were of an auditing nature, except the auditing would be of the business operations of the Bank customers seeking commercial credit, i.e., Bank Loans. It was my responsibility to furnish the Loan Committee a complete Report of the Loan Applicant's business operations upon which the Loan Committee could predicate its decision:

- a. Prepared a balance sheet analysis.
- b. Developed and presented five-year historical business and operational analysis.
- c. Sought and gathered any and all business information relating to the particular business firm including that of the industry of which it was a part.
- d. Sought and gathered any and all relevant business information and background of the Loan Applicant.
- e. With this externally objective information obtained, along with that furnished by Loan Applicant, I projected a five-year proforma Business Plan and Balance Sheets reflecting the LOAN REPAYMENT SCHEDULE....the PRIMARY basis for making any loan.
- f. Prepared a Summary Report and Recommendation for the Loan Committee.

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WHY THE SUBJECT LOANS CANNOT BE CONSIDERED TO HAVE BEEN MADE "IN THE ORDINARY COURSE OF BUSINESS" AND IN ACCORDANCE WITH THE APPLICABLE BANKING LAWS. (2 U.S.C. Section 441 (b) (b) (2))

In the ordinary course of the Commercial Banking Business every loan request must be evaluated. Traditional bank credit analysis evaluates the past in order to foretell the future. Asset quality and cash flow quantity, the indicators of credit worthiness, are determined by the interrelationship of the 5 C's of credit:

CHARACTER, CAPACITY, CAPITAL, COLLATERAL, and CONDITIONS.

A bank lends against assets. Normally, it does not provide venture or speculative capital...THE REPAYMENT RISK IS NOT TOLERABLE.

National Banks which are owned by Bank Holding Companies are subject to two Federal regulatory bodies...The United States Comptroller of the Currency and The Securities Exchange Commission. It is to these bodies that the Federal Election Commission can look for guidance and determinations respecting the question of whether these loans were made "in the ordinary course of business."

For your information I have asked the U.S. Comptroller of the Currency to review these subject loans by a letter to the Cleveland, Ohio Office under the date of April 11, 1986. (25) In this letter attached, you will note the expressed purpose of my request of the Comptroller:

"The public has a right to know if these bank loans were made to influence banking legislation before Congress or the Ohio General Assembly." (25)

I have no way of knowing whether the Comptroller responded to my request. I do know, however, that the Comptroller's Office does cooperate with the FEC. Mr. Ralph E. Sharpe, Director - Enforcement and Compliance Division of the Comptroller's Office, in a letter, dated February 9, 1984, advised the Associate General Counsel for Enforcement, Kenneth Gross, Esq., of a finding of the national bank examiners: (21) Your Reference: MUR 1713

"During a recent examination of the First National Bank of Mt. Clemens, Michigan, national bank examiners discovered transactions that lead them to believe that the Bank and at least one of its officers knowingly and willfully violated the provision of the Federal Election Campaign Act which proscribes political contributions of any type by national banks (2 U.S.C. Section 441b)."

I have not communicated my concerns to the SEC nor am I aware of whether the Bank Holding Companies have disclosed any information about these loans in their 10K or other required Reports.

As an experienced Commercial Loan Credit Analyst I will provide you with my informed opinion of why the subject loans cannot be considered to have been made "in the ordinary course of business" and by copy of this Complaint to the U.S. Comptroller of the Currency so that he advise your Commission if these loans were made "in accordance with the applicable banking laws." In this latter regard, I urge the Commission to make its own direct request of the Comptroller.

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INFORMED OPINION

of

ROBERT P. WOODMAN

If any Loan Officer of one of these subject banks had asked me to make an evaluation of the requested loans I would have submitted the following Report with a Recommendation to DENY THE LOAN.

TO: Loan Committee of Bank X  
From: Robert P. Woodman, Credit Analyst  
Subject: Loan Request from John Glenn Presidential Committee, Inc., William White, Treasurer.

To properly assess the credit worthiness of this Applicant as to asset quality and/or cash flow quantity, namely, its ability to repay, I made the usual and ordinary examination of the Applicant's history, present circumstances, and near-term outlook. In a preface to my findings and recommendation, however, I present some background information regarding the growing practice of Presidential candidates seeking commercial bank loans to satisfy their cash needs in anticipation of Federal "Matching" funds:

BACKGROUND

Beginning with the 1976 Presidential campaign, candidates who met certain requirements became eligible to receive Federal Funds on a so-called matching basis. For each contribution up to \$250 a candidate raises, the federal government will give the candidate an equal amount. (7b)

The system, which grew out of the financial excesses of the Watergate era, is designed to encourage candidates to seek modest contributions from as many ordinary citizens as possible and to reduce the potential influence of large financial interests. Under the federal rules, no individual may contribute more than \$1,000 to any candidate. Presidential candidates, themselves, are limited to contributing \$50,000 to their own campaigns. (7b)

Corporations cannot make political contributions, except in limited amounts through political action committees. Moreover, the law permits bank loans to political candidates only if made in accordance with applicable banking laws and regulations and if made in the ordinary course of business. Such loans are deemed to be ordinary, according to campaign law specialists, if they bear the usual interest rate and are made on a basis that assures repayment. (7b)

Candidates commonly obtain loans from banks by presenting evidence that they have raised contributions entitling them to a specific amount of matching funds. The banks, in effect, advance the matching funds and then have first call on the government money when it arrives. (7b)

In some cases, the credits are used as "seed money" to get a campaign rolling. Most are sought, however, to tide a campaign over during rough spots in the primary election schedule, when cash is needed and matching funds are expected, but not yet available. (13)

"Candidates sometimes have cash flow problems," said Herbert Alexander, a professor of political science at the University of Southern California. He has written extensively on campaign finance. "It's not that they can't get money, but that they can't get it when they need it. Broadcast companies won't put commercials on the air without cash up front, and others are demanding as well...printers, newspapers, and so forth.

"So candidates are more inclined to raise money by means of bank loans, using matching funds as collateral." (13)

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The issue of collateral is a key one. Federal election law not only requires that campaign loans be made "in the ordinary course of business," but they carry a normal rate of interest, and, MOST IMPORTANT, that they be repaid. (13)

A loan that is not repaid becomes a campaign contribution, and it is illegal for banks to make contributions to political campaigns.

No one, including the Federal Election Commission, which enforces the law, is quite sure how a bank would compel a bankrupt campaign to cough up money it does not have, nor is anyone entirely sure how a bank would escape liability in such a case. (13)

Frederick S. Eiland, a spokesman for the Federal Election Commission, has said that the Commission can find out what "is in the ordinary course of business" for a bank by asking the institution. But he added that what it should do if a loan goes sour is unclear. (13)

Professor Alexander, however, said "the burden would be on the banker, if the Justice Department or the FEC ever went in, to show that special preference was not given." (13)

The idea of matching fund, however, is not always readily understood by bank lending officers according to William Oldaker, former chief counsel to the Federal Election Commission and Senator Kennedy's counsel in 1980. (13)

A bank considering a political loan has a right under law to seek an advisory opinion from the Federal Election Commission. (See 2 U.S.C. Section 437(f))

As of this time, the FEC has not received a formal Complaint about a Presidential Campaign bank loan.

APPLICANT'S HISTORY (The Committee)

Organization, Management, & Performance - According to news reports, the Committee has a poor record in this regard:

March 28, 1983; BUSINESS WEEK; (Page 103) (1)

- \* But Glenn's early attempts at putting together a grass-roots organization are hardly impressive. In sharp contrast to Mondale's armies of field operatives, Glenn has only three staffers in New Hampshire and Massachusetts, two outgunned aides in Iowa, and one full-time staffer in both California and Florida.
- \* Organization is critical in this election cycle because the Democrats have substantially altered their nominating rules. As a result, nearly a third of the delegates to the '84 convention could be selected in Northern and Southern regional primaries in the first few weeks of the campaign season.
- \* Glenn campaigners only recently opened an office in Iowa, where party caucuses on Feb. 27 kicked off the campaign, and are generally considered to be lagging far behind Mondale, Hart, and Senator Alan Cranston (D-Calif.) in the state. Glenn's late start is evident in events such as the recent Polk County (Des Moines) off-year Democratic meeting, where he received only a 5% vote in a straw poll of voters, compared with Mondale's 50% tally. "Glenn gets a warm response when he visits out here," comments Iowa Democratic Chairman Dave Nagel, "but his lack of organization is still evident."
- \* In New England, where New Hampshire, Vermont, Massachusetts, and Maine could combine to form a de facto Northern regional primary in early March, Glenn is viewed as trailing both Mondale and Hart. "Mondale has gobbled up the top party people and is the favorite in Massachusetts," says a Boston Democratic strategist advising Glenn.
- \* But other key Georgia party officials say that Glenn has no organizational presence in the state. "The support is there, but his people aren't," declares one Georgia pol.
- \* "Glenn is a tremendous general election candidate," says one top Democratic consultant. "But unless he gets organized soon, he'll never make it through the primaries."

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June 6, 1983; BUSINESS WEEK; (Washington Outlook) (2)

- \* Democratic activists in key states report that, far from slipping, Mondale commands a huge organizational lead over Glenn. That edge could be decisive next year.
- \* ...organizational ability will count for far more in 1984 than it has in recent elections.
- \* "I don't see any Mondale slippage or any gallop to Glenn," says a top Iowa Democratic official. "Glenn is still drawing interest from the moderates, but his organizational efforts are at a very early stage. Mondale, meanwhile, is getting good people in place in key congressional districts."
- \* Mondale could get another boost from recent Democratic rules changes that decreed that 550 uncommitted delegates--200 of them chosen in congressional district caucuses--be added to the ranks of pledged delegates at the convention. The changes were designed to increase the representation of elected officials. Unless Mondale stumbles badly, a big chunk of their votes is expected to go to him.
- \* Glenn's budding strength in the polls might have overcome some of these Mondale advantages, but that opportunity will be limited in 1984. In 1980 some 71% of the party's delegates were picked in primaries vs. 29% selected in caucuses, a ratio favoring a candidate who had the ability to generate a sudden momentum. Next year only 54% of Democratic delegates will be chosen in primaries. The remaining 46% will be the choices of state party caucuses, plus unpledged delegates.

November 14, 1983; BUSINESS WEEK: (Page 227) (4)

- \* The question posed.....but whether Ohio Senator John Glenn can pull his flagging campaign together to capitalize on the development. As of now, the signs from the Glenn camp are not encouraging.
- \* ...says former Democratic National Committee Chairman Robert S. Strauss. "He'll have to fight like hell for every black vote in the South. But Mondale still has a substantial lead over Glenn, and that hasn't changed."
- \* The other thing that hasn't changed, much to the dismay of Glenn supporters, is Glenn's inability to weld his fractious staff into an effective organization.
- \* Glenn's campaign has been in a deep swoon ever since October, when Mondale walked off with the AFL-CIO endorsement.
- \* More important, Glenn's oft-promised grassroots organization has failed to materialize. A recent staff shakeup that resulted in the dismissal of J. Joseph Grandmaison, Glenn's top organizer, has raised doubts that Glenn can put together a full-fledged national field effort in time for the Feb. 27 Iowa caucuses.
- \* "Glenn and Mondale are about even here, with Jackson having the potential to draw up to 15% of the vote," says one top Democratic strategist in North Carolina. "But if Glenn continues to wallow, that may not matter much."
- \* Whether Glenn can overcome his difficulties and capitalize on his newfound opportunity to boost his candidacy remains unclear.

January 6, 1984; THE WASHINGTON POST; (Thomas B. Edsall) (5)

- \* Sen. John Glenn's (D-Ohio) presidential campaign is having fundraising difficulties, and he will be forced to lay off 15 to 20 of the 78 members of his Washington headquarters staff.
- \* The cutbacks are the result of Glenn's failure to raise as much money as he expected in the final months of 1983.
- \* Glenn fell about \$200,000 short of his \$1.8 million goal for the last quarter of 1983.
- \* Glenn's faltering financial support comes at a critical time in the race for the Democratic presidential nomination. The heavy schedule of early primaries and caucuses in late February and early March makes a strong financial base essential now.

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January 9, 1984; THE PLAIN DEALER; (Tom Brazaitis) (6)

\* If there was any doubt that George Orwell's 1984 had arrived, William R. White laid it to rest last week. White, manager of Sen. John Glenn's presidential campaign, issued the following statement, written in Newspeak:

"No campaign ever has all the resources that it needs to do everything it would like to do. But we feel the John Glenn campaign is in better shape financially than other campaigns, precisely because we have been willing to make the hard decisions that help manage resources more effectively."

\* In plain language, the Glenn campaign raised \$5.7 million in 1983 and spent all but a few thousand of it -- and what do they have to show for it? White & Co. began with a candidate known and admired by practically every citizen of the planet as the last American hero. Glenn was being touted as the Eisenhower of the '80s; \$5.7 million later, public opinion polls showed Glenn slipping further behind former Vice President Walter F. Mondale.

\* Just when the Glenn campaign ought to be beefing up, it is cutting back. That may be White's idea of managing resources effectively, but we might want to think twice before hocking the family heirlooms to pour some of our money down this drain.

HISTORY SUMMARY: - The Committee is badly organized and managed. Senator Glenn's poor showing in the Iowa caucuses and public opinion polls elsewhere reflects this lack of organization and management. The Committee's performance must be ranked poor.

PRESENT CIRCUMSTANCES

Following Senator Glenn's weak sixth-place finish in the Iowa caucuses, Applicant, in addition to making other campaign outlays, must book large amounts of television time in New Hampshire and the nine states that will choose their delegates on what is called, "Super Tuesday" (March 13, 1984).

By the end of 1983, Applicant had only \$99,674 in cash and owed more than \$1 million.

At the end of 1983, Applicant had an outstanding line of credit in the amount of \$450,000 secured by "Matching Funds Submission."

As of January 31, 1984, the Applicant had a cash balance of only \$270,647 and an outstanding debt of \$890,000. The Applicant is seeking a total loan of \$2 million of which this bank is being asked to be a participant in the amount of \$500,000.

As collateral, Applicant offers about \$100,000 in tangible assets in the form of furniture and equipment. In addition, the Applicant has pledged an uncertain amount of anticipated federal matching funds. There are no co-signers or guarantors of repayment. The Applicant agrees to furnish a \$2 million life insurance policy of the candidate's life.

NEAR-TERM OUTLOOK

Repayment of this loan, if granted, depends on Applicant receiving significant matching funds which depends on its candidate's political fortunes. To date the candidate has not won a single primary and unsuccessful candidates usually have trouble attracting the large numbers of small contributions necessary to earn sizable federal matching funds.

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SUMMARY AND RECOMMENDATION

There is no experience in the bank's history in the making of loans to Committees of Presidential aspirants.

Because of the limited amount of tangible assets, any loan granted would be in the nature of a cash advance to be repaid out of future receipt of funds certain such as in tax-anticipation loans to political bodies.

Applicant relies on an uncertain source of funds for repayment of a loan. The Candidate is estopped by law from making any payments toward the loan if granted and all past contributors of \$1,000 are estopped from making any further contributions. The candidate and such contributors are also estopped from guaranteeing repayment of the Applicant's loan. In fact nobody can guarantee more than \$1,000 repayment.

There is no assured basis for repayment and, thus, the bank is estopped by federal law from making this loan to the Applicant.

RECOMMENDATION:

Loan should be rejected for the following reasons:

1. Character - The Committee lacks adequate organization and management.
2. Capacity - The Committee demonstrates no ability or capacity to generate sufficient funds to repay a loan.
3. Capital - The Committee has no net worth and is in debt in excess of \$500,000.
4. Collateral- The Committee has less than \$100,000 in tangible assets as collateral.
5. Conditions- Granting a loan under these circumstances can expose the bank to violation of the Federal Election Campaign Act.

END OF INFORMED OPINION OF ROBERT P. WOODMAN

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KNOWING VIOLATION

The above information, identified by source, and my informed opinion lead me to believe that the four banks which are subject of this Complaint knowingly violated the provision of the Federal Election Campaign Act which proscribes political contributions of any type by national banks (2 U.S.C. Section 441b).

WILLFUL VIOLATION

The information to follow, identified by source, leads me to believe that the four national banks in concert with 18 individual members of Senator John Glenn's 73-member finance committee (not the Campaign Committee), who wrote letters urging the Committee to borrow the money, willfully violated the provision of the Federal Election Campaign Act which proscribes political contributions of any type by national banks (2 U.S.C. Section 441b). (7b)

PERSONAL BACKGROUND IN MONETARY SCIENCE

About all most people know about "money" is that they do not have enough of it. I am one of relatively fortunate few who have received an education in monetary science. Through guidance and instruction from Peter Cook (Monetary Science Professor in Wickliffe, Ohio) and extensive personal research of my own, I can speak with authority about the power and influence of Commercial Banking.

I know for a fact that the 12 Federal Reserve Banks are independent, privately owned and locally controlled corporations. (See Lewis v. United States, 680 F.2d 1239, 1241 (9th Cir.1982))

I know for a fact that the 12 Federal Reserve Banks are owned by independent, privately owned and locally controlled commercial banks. ("I bet you thought..."; A publication of the Federal Reserve Bank of New York; Fourth Edition-1984) (55)

I know for a fact that ONLY commercial banks can create checkbook money with a bookkeeping entry. For every dollar of currency (Federal Reserve Notes) or coin in their vaults or on deposit with the Federal Reserve Bank, Commercial Banks can create many times it in checkbook money by lending, spending, or investing.

"Deposit creation, rather than currency deposits accounts for most of the \$375 billion of checkbook money. Banks hold only about \$40 billion of reserves. Only \$20 billion of that total is cash. The remaining reserves are deposit balances at Federal Reserve Banks. Reserves are the base on which the banking system has generated the bulk of the nation's money." (55)

IT IS A FACT that the MONETARY POWER of our country is in the control of the independent, privately owned and locally controlled commercial banks with the major money-center banks in effective control. The power of money creation held by any one commercial bank is directly proportional to the percent of the nation's cash currency it holds on deposit. (39)

The fastest way for super money-center banks to gain a monopoly of our country's MONETARY POWER is through interstate banking. It begins with "regional" interstate banking which creates regional monopolies through "buyouts" or "wipeouts." Then comes interstate banking which then consolidates the regional monopolies into one giant one...and we are right back to the Money Trust which held sway at the turn of the Century. (39) (60)

The history of commercial banking in America is a history of political corruption documented by numerous writers and historians. It is with this understanding and background that I provide the following information relative to the subject loans, the banks, and the 18 letter writers. (39) (60)

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To help focus in on the issue of a bank making a "loan" not in the "ordinary course of business" I quote the remarks of Commissioner Lee Ann Elliott made in Executive Session on October 8, 1985 re: MUR 2062 - Senator Gary Hart bank loans:

"Mr. Chairman, we have had discussions concerning the obligations of banks and what is in their ordinary course of business; and the fact that they are regulated by banking laws that in effect regulate their ordinary course of business. Now, it seems to me that if there is all the things that the regulations require; the instrument, the repayment period date and all those things are on it; and it meets with the regular banking procedures that to...for us to, at a later time, to go behind and try and put ourselves in the place of a loan officer, particularly when we know that these are things that are not usually decide by one person. They go to committees and boards of directors and things like that; that we cannot put ourselves in the place of a loan officer and make these independent decisions. That there has to be some evidence that the course...the regular course of business was not there. That perhaps there is something that's brought forward that someone was given special approval because they were related or something." (underscoring added for emphasis) (22)

From my experience I know Commissioner Elliott is correct as to who would authorize a loan, especially ones of high dollar amount or political loans. Upon a finding of reason to believe a loan was not made in the ordinary course of business because there appears to be no assured basis for repayment, it would appear to be the Commission's duty to subpoena the necessary documents and records which would show WHO approved the loan and WHY. I know of no other basis for establishing willfulness.

"FEC sources who refused to be named said no examination of the loan is under way because the commission traditionally responds only to official complaints, and none had been filed in this case." (Los Angeles Times; 2-26-84) (7b)

In response to my Complaint, I urge you to consider the following information identified by source:

- \* 100-page loan application and agreement - "Asked to explain exactly where \$2.5 million in security for the loan would come from, Hockman refused to give details from what he said was a 100-page loan application and agreement he helped draft." (7b) (Geoffrey L. Hockman; Committee deputy campaign manager)
- \* No advice or consent from Glenn's Finance Committee - Glenn had a 73-member Finance Committee to advise him but only a minority of 13 members urged him to take out the loans: "Hockman said the 13 members of Glenn's 73-member finance committee who wrote the backup letters given to the banks said simply that they felt funds could be raised to help pay off the loan if the tangile security was inadequate. He declined to name the signers of the letters....the letters were addressed to Glenn and were intended to convince him that obtaining the loan was a sound idea...The letters were furnished to the banks, he said. But he added that they were 'not part of the consideration of the banks' in granting the loan.  
However, a leading banker involved in the deal said the letters were important to the banks. Everett Krueger, senior vice president of Bank One, the consortium's leading bank, said the letters constituted "one of the ingredients that went into the credit decision." (7b)
- \* Questions regarding political influence: "A question that remains is whether loans help a bank when it needs a friend in Washington." (13) In the instant case, the same question applies to banks who need a friend or friends in Columbus, Ohio.
- \* Questions about legality - "Questioned about the loan deputy campaign manager Hockman said that "if anything is cleaner than a hound's tooth, it's this loan." He said lawyers for the campaign and the four banks had gone over all details to make sure they complied with federal banking and campaign statutes." (7b)

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\* Questions about legality continued - "For at least one of the banks that participated, the loan was one 'we would just as soon not have made. We knew going into it that it was possible, if not probable, that one candidate might attack the loan,' said Michael M. Van Buskirk, a spokesman for Banc One Corp., Bank One's holding company...But the loan was safe and sound...Each of us hired an outside counsel to review it. The political process is important to our system, so that even though we would just as soon not have made it, we felt we had no choice." (under-scoring added)

.....As expected, the Mondale campaign attacked the loan during the campaign, suggesting that it was, in effect, a donation. Mr. Buskirk said. "No complaint was ever filed though," he added." (13)

"David M. Ifshin, Mondale's campaign counsel, recently sent written protests to all of the banks' directors, charging that the loan arrangement appears to violate the federal limit of \$1,000 donation per person by those who wrote the 'letters of comfort.' .....Ifshin also said that 'if these loans do not meet the ordinary-course-of-business requirement, then they are contributions to the campaign by the banks themselves' in violation of federal law....Ifshin told a reporter that Mondale has not filed a complaint with the FEC, 'We're continuing to look at the matter very carefully,' he said....As a practical matter, however, the Mondale forces believe they will defeat Glenn despite the loan and thus see little to gain from pressing the issue." (7b) COMMENTARY: As a matter of law, are not attorneys required to report violations of law to the proper authorities? Does not their public duty transcend selfishness?

"Sen. Cranston also fared poorly in the campaign, but was able to secure a loan through Century National....'Basically, what he did was to borrow in anticipation of matching funds,' said Joseph S. Bracewell, president of the two-year-old, \$35 million-asset bank.....It started out small, and as it got up to our legal limit we sold most of it off to our upstream correspondents,; he said.....The reason the bank felt comfortable making the loan, he said is because Mr. Oldaker is a director of the bank and was able to advise him on it.

"...Mr. Bracewell said he doubts that the loan, by itself, would bring in business by adding to the bank's range of contacts or visibility.....'The real money in it is that if he had gotten the nomination, the federal government gives the Democratic and Republican nominees about \$30 million to spend,' said Mr. Bracewell. 'For a small bank like ours (having the funds on deposit is a definite carrot.' (13) COMMENTARY: Without cash deposits every commercial bank is limited in its ability to create and lend checkbook money at a interest. The primary purpose of a bank granting a political loan which is not in the ordinary course of business is to gain political influence toward the end of preserving or enhancing its CASH DEPOSITS. It is for this reason that the Act prohibits doing indirectly (the loan) what is prohibited from being done directly, namely, a contribution!

\* THE DEFAULT ISSUE - "The issue of default by a presidential contender has never been raised. There apparently hasn't been a significant nonperformer among presidential campaign credits, and certainly no one now is predicting a presidential "debt crisis" along the lines of Latin America.....But at least one election law expert believes that 1984 could provide the first such instance for the FEC....."This election may raise some questions," said William Oldaker, former chief counsel to the Federal Election Commission and Sen. Kennedy's counsel in 1981. Mr. Oldaker, who is now in private practice in Washington, also serves as a director on the board of a bank that made a large loan to the campaign of Sen. Alan Cranston, D-Calif...."There is just a much greater amount of debt cut this year," Mr. Oldaker said, adding that the sheer size of the debt could create repayment problems for candidates, especially the losers." (13)

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- \* The Default Issue continued - Sen. John Glenn admitted yesterday that he was in default on the \$2 million in loans made to him by four banks for his 1984 presidential campaign..... "Clearly the loans are in arrears," Glenn said. "We did not ask the banks to extend the loans and the banks did not volunteer that they would extend them." (33)

Glenn said he told bank officials "that they cannot expect substantial repayment of the loans until after the election." (33) ("election" refers to U.S. Senate 1986 November vote)

- \* Loan Portfolio Risk Management by National Banks - "Management of loan portfolio risk is the process of evaluating the quality of loans in the portfolio in order to maintain an adequate level of allowance for possible loan losses, assess lending policies and determine when loans should be charged off." (40)

Loans are charged off when management determines a loan to be uncollectible. As loans are charged off, the amount is taken from the allowance for loan losses. (40)

Placing a loan on nonaccrual is the result of an evaluation that interest should not be accrued in the current period and should be reported as income when collected. Until the loan becomes current as to principal and interest, and the borrower has demonstrated the ability to continue such payments, interest is included in income only to the extent received in cash. Unless collection is assured, interest is not accrued on loans...which are contractually past due as to principal or interest by 60 days or more, or by 30 days or more if the total amount of interest due is \$25,000 or more...(40)...(under date of 5-15-86) ...Sen. John Glenn met with bank officials in Ohio yesterday to talk about his lagging repayment of \$1.89 million in loans to his presidential campaign committee....Although the notes come due today and Glenn will be unable to repay, the four banks were not expected to declare the loans in default....For Glenn, paying Ohio banks interest of more than \$17,000 a month while also raising money for his re-election campaign this year has been difficult enough....The banks have allowed him to suspend interest payments for the past five months,.... (34)

COMMENTARY:

Many questions ought to be asked of the banks by the FEC regarding the status of the loans on the banks' books:

1. Have loan loss reserves been established for these loans?
2. Has the management of each bank determined their respective loan to be uncollectible?
  - a. Have all banks charged off the loans?
  - b. If so, has such action been reported to the Securities Exchange Commission by the Bank Holding Company of each bank?
  - c. If so, has such action been reported to the Office of the U.S. Comptroller of the Currency?
  - d. If so, has such action been reported to Federal Election Commission?
  - e. If so, has such action been reported to the stockholders of each bank or of its Holding Company?
3. In the course of its examinations of these banks or under its supervisory duties, has the U.S. Comptroller of the Currency taken any official action based on its findings regarding these loans?
4. Did each bank's independent auditors review the loans and report their findings to the Board of Directors? Did they report the issue of a potential election law violation by the employees approving and granting the loans?

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\* POLITICAL AWARENESS, INVOLVEMENT, RELATIONSHIPS, AND QUID PRO QUO CONSIDERATIONS - WHO approved the loans and WHY?

BACKGROUND ON THIS ISSUE

\* Excerpts from a Speech of Hon. Wright Patman in the House of Representatives; Monday, August 3, 1964:

"Big financial lobbies - like big business lobbies - seldom concern themselves with the public interest. The American Bankers Association is no exception.

"A number of years ago, the Buchanan Lobbying Investigating Committee of the House of Representatives divided lobbying into two categories - direct and indirect. The American Bankers Association - as ugly as any lobby in existence - practices both categories to the full.

"One clever means of antipublic action by the bankers' lobby is as subtle as a wart on a movie actress' nose. It takes the form of offering a Congressman bank stock either free or at a cost greatly under the market value. A member of my committee was approached and offered \$14,000 worth of bank stock as a gift. I am proud to report that he is of such caliber that he told the would-be donors to get out of his office and stay out - and in language unfit for this occasion.

"If there is to be any important change made in the working of America's monetary policy - so vital to the well-being of all of us - we are going to have to depend upon the grassroots to demand this change. The big financial community - the banking establishment, you may call it - has been very clever while Congress has slept. While Congress has slumbered the banking lobby - particularly the American Bankers Association and their propagandists - have seen to it that the people have remained either uninformed or misinformed on monetary matters. The business community has been passive, even though it has become a prime victim of high interest rates and tight money policies. Businessmen as well as other Americans must become alert. Do not permit the money changers to increase the tremendous gross interest burden of \$75 billion per annum we are already paying."

(at this point in his speech, Mr. Gonzalez asked that he yield which Mr. Patman did. Mr. Gonzalez then related this experience...)

"That involved a local businessman who made an appointment to see me here in my Washington office, who then proceeded to explain that he thought it would be beneficial to the bank with which he was associated, and to me, whom he considered a struggling "politico", if I would accept a position on the Board of Directors of that bank, because of my popularity - which of course made me feel very good, although I had some inward doubts about the extent of the popularity. He thought it would enhance the business and be a mutually satisfactory arrangement. I pointed out that I was in no other business, and was quite surprised to hear this, and thought he was there on other business. This is a very distinguished gentleman in the community. He stated that they were prepared to help, in this respect. I said I did not know what he meant by that, because I had no money. The people who know me well and generally those in my district, know I am not a "moneyed" man. I said I could not see how anybody could be a member of a board of directors of a bank without being a stockowner. He said he was prepared, and so were his associates, to let me have \$14,000 worth of stock, that it would not cost me anything, that they could make arrangements.

"At that point I stopped him. Maybe perhaps I should have listened and gotten all of the details. I told him the reason why I was stopping him was he was wasting his time as well as mine, for the main and simple reason that I would consider it an outright conflict of interest. I said, 'Surely you know I am a member of the Committee on Banking and Currency of the House.' He replied he did not know that. Of course, this made me a little angry, because I felt as knowledgeable a man as I am sure he is, he must know I am a member.

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BACKGROUND ON THIS ISSUE continued

"But even assuming he was telling the truth, I told him this - and I repeat it now because I feel that this is a strong personal rule of conduct that each elected representative has, and I have felt this way since I was on the city council of the city of San Antonio and in the senate in the Legislature of the State of Texas - that it was clearcut to me this would involve a conflict of interest and, inasmuch as I was a member of the committee particularly, but even if I were not, inasmuch as the banking industry is regulated and subject to the regulation of Congress, if I had any monetary interest in it, I would feel I had deliberately cut off my ability to serve as a disinterested and impartial Member of this House. I told him it would be a waste of time to consider the matter any further and I would thank him if he would put up whatever he had and forget about it and walk out of the room with that intention, because if I heard anything further, or necessity he would force me to embarrass him."

(Congressman Patman continued) - After commending Congressman Gonzalez for his commendable action and example, Congressman Patton said, "If this great country of ours, a democracy in a republic, ever falls, I predict that conflict of interest will be one of the principal contributing causes. (underscoring added) "I think the gentleman set a mighty fine example for the young people of our Nation and for the officeholders in every category, at the local level, school trustee, levy board member, city council, State legislator - all the other bodies in every category. I think it is a fine example that the gentleman from Texas has set. I fear that a lot of people probably would not have been as courageous and as honorable as was the gentleman from Texas. But I believe that he has rendered a great public service in pointing out the possibilities and letting the people know that there is a time when people should speak up, not only in their own interest, in the particular body in which they are serving, but to set a guideline and standard for others to follow." (exhibit 39)

\* NEWSPAPER REPORTS -

"D.C. Bank Thrives On Conservatives" - Last year a new bank opened in a sleek, new downtown building on K Street. Officials of the venture, the Palmer National Bank, talked about reaching high-technology customers, entrepreneurs and an "upscale market."

"The bank has done all that, attracting more than \$25 million in deposits. In addition, though, Palmer National has become a place to bank for a wide range of conservative groups, thanks to the conservative, Republican credentials of the bank's organizers. These groups have generated millions of dollars in deposits and loans for the bank.

"Other conservatives say the politics of Stefan A. Halper, the bank's chairman, is the reason they took their business to Palmer.

"Halper, a man with no previous banking experience but lots of political credentials, helped organize the bank while working as Deputy Assistant Secretary of State, according to the bank's 1982 application for a charter, then left the State Department after 20 months, shortly before the bank opened in June, 1983.

"Halper contends that the bank's politically related lending is insignificant. "We're really uninvolved in politics," he said. "Our business is business."

"A lot of people in the conservative movement bank with the Palmer National Bank," said Craig Shirley, communications director for the National Conservative Political Action Committee, which has borrowed more than \$400,000 from the bank in the last year, according to Federal Election Commission records. "Conservatives tend to be a little bit clubby" and prefer to deal with "those people who are sympathetic," Shirley added. (54)

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BACKGROUND ON THIS ISSUE continuedNEWSPAPER REPORTS - continued

"Banks Funded Hill Allies on withholding" - The three financial trade groups lobbying to repeal withholding on dividend and interest income made campaign contributions to more than 80 percent of the 334 members of Congress cosponsoring repeal bills, according to a study by Public Citizen's Congress Watch.

"The study said that 231 of the 287 House members cosponsoring the legislation received a total of \$563,115, an average of \$2,438 each. During the past four years, 41 or 47 Senate cosponsors received \$323,118, or an average of \$7,881 each.

The American Bankers Association, the U.S. League of Savings Institutions and the Credit Union National Association have launched a massive lobbying effort across the country, urging savers to write their legislators to ask repeal of the interest and dividend withholding, scheduled to begin July 1." (Exhibit 55)

\* "Hostage to the Banks" (Editorial) - "This time, though, there's not a small group of Americans being held hostage by Iranian students. Ratner, there's a large group of Americans being held hostage by America's own bankers.

"The bankers' high-powered lobbyists managed to win broad congressional support for an amendment repealing a provision of last year's tax bill that requires withholding of taxes on interest and dividends. Repeal has more than 300 cosponsors in the House, and more than 50 in the Senate.

"Then the bankers sought to bypass hostile committees by attaching their repeal amendment to the jobs bill. That bill not only contains money to stimulate employment, but it also appropriates \$5 billion to bail out the bankrupt Federal Unemployment Insurance Fund.

"That fund, from which individual states borrow in order to pay unemployment benefits, officially goes broke tonight unless Congress acts today. This deadline has given a sense of urgency to deliberations on the jobs bill. It is the jobless who are held hostage now. The sense of urgency and concern for the jobless was not sufficient, however, to deter the bankers and their supporters in Congress.

"As Senate Banking Committee Chairman Robert Dole - a foe of repeal - noted sarcastically, "LET THE POOR WAIT WHILE WE TAKE CARE OF THE BANKERS. THEY HAVE THE POLITICAL-ACTION COMMITTEES."

"Indeed they do. A report from the Federal Elections Commission shows that 414 PACs affiliated with the banking industry contributed \$4,324,113 to Congressional candidates during the past two years. The money was well-targeted, too. In the House, for instance, the largest sum went to Rep. Fernand J. St. Germain, a Rhode Island Democrat who is chairman of the House Banking Committee. He received \$53,150. In the Senate, the senior Democrat on the banking committee, Donald Riegle of Michigan, received the largest sum, \$82,207.

"Congress's deliberations on this issue provide a revealing test of whether the nation's best interests carry more weight on Capitol Hill than PAC contributions and constituent mail generated by the scare tactics of a powerful special-interest group." (Exhibit 56)

\* "Critics Cite Banks' Aid In Elections - PAC's Deny Influence on Withholding" - "The banking industry's political effort has expanded in recent years, and it now ranks with health, energy and real estate and construction as among the most significant political contributors in a climate where political action committees gave Federal candidates between \$85 million and \$90 million in 1981 and 1982.

"Senator Bob Dole, chairman of the Senate Finance Committee, one of the leading supporters of withholding, said that bank political action committees have helped the industry mount the "MOST MASSIVE CAMPAIGN IN HISTORY TO INTIMIDATE CONGRESS."

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BACKGROUND ON THIS ISSUE continuedNEWSPAPER REPORTS - continued

"Mr. Kasten, who tied up the Senate on Thursday and Friday by seeking to attach a repeal provision to a \$3.7 billion jobs bill that would also extend unemployment compensation benefits, said that his opponents are 'greatly exaggerating' the influence of bank political action committee contributions. A vote on his amendment is expected Monday.

"People don't give political contributions based on an issue," Mr. Kasten added, "THEY GIVE CONTRIBUTIONS FOR ACCESS, AND THEY GIVE TO PEOPLE WITH POWER." He said he expected to receive and accept bank contributions in the future.

"The reports to the Federal Election Commission showed that bank contributions were particularly heavy to chairmen of the Senate and House Banking Committees, as well as their respective ranking minority members. Last year, these committees produced major legislation allowing banks to match the high interest rates paid by money market funds, and provided guarantees to keep threatened thrift institutions in business.

"Like most political action committees, the banks tended to favor incumbents - the majority of whom eventually won their elections. (Exhibit 57)

\* BAD LOANS - INDUSTRY REPORT (Industry Week; 5-16-83; Page 29)

"In the wake of some of the biggest fiascos ever to sweep the financial-services industry, many American bankers are re-evaluating the procedures and control mechanisms they use to assess corporate loans.

"Both Chase and Continental responded by abruptly dismissing the officers involved with the bad loans. Seafirst went a step further and forced three key executives...into early retirement. It also demanded resignations from the other officers involved with Penn Square.

"Just when the dust was beginning to settle, two other banks - United American Bank of Knoxville (Tenn.) and American City Bank, Los Angeles - were declared insolvent last February.

"State of Tennessee banking officials who ordered United's doors shut cited "large and unusual" loan losses. Experts attribute the bank's demise primarily to a large concentration of loans in the hands of a few "insiders," the majority of whom were associates of Jake F. Butcher, the bank's former chairman.

"Yet, the fundamental problems - a breakdown in internal controls and human error - could prompt some banks to revamp their lending policies for some time to come.

"Whenever a bank deviates from "normal" banking practices or strays from its traditional banking niche...it's only a matter of time before it finds itself "derailed," asserts Fred Puerto, an analyst with Keefe, Bruyette & Woods Inc., a New York research firm specializing in banking.

"Others have revamped their lending policies completely. Chase, for example, has adopted new lending procedures to "bolster" existing policies....Specifically, it has created a risk-management unit that examines the financial risks in lending transactions and transmits its findings to the bank's lending officers. The bank has also created a "slightly more formal process" for evaluating credit and operating risks...This evaluation is conducted jointly by representatives from the bank's legal department, the controller, credit specialists, and the risk-management unit, along with the lending officer in charge of the particular area of business.

John C. Whitsitt, vice chairman of First Tennessee's credit policy committee, notes: "We have our own very thorough and comprehensive lending policy, and we expect every member of our organization to adopt it."

"GOOD LENDING, he submits, REQUIRES A STRUCTURED, FORMAL APPROACH. SPECIFICALLY, mr. whitsitt BELIEVES IN MAINTAINING A FILE THAT DOCUMENTS ALL LOAN DECISIONS - WITH THOSE DECISIONS SUBJECT TO FURTHER REVIEW BY VARIOUS LAYERS OF MANAGEMENT. THE BOARD OF DIRECTORS, he adds, SHOULD EXAMINE ALL MAJOR LOANS. Once a decision is made, the credit review is assessed by an "independent" source who reports directly to the board. If there is disagreement over loan quality, the independent source has

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BACKGROUND ON THIS ISSUE continued

BAD LOANS - INDUSTRY REPORT continued

"In addition to rating credit-seekers, banks are evaluating the nature of the loans they make. In a sour economy bankers generally "tighten the screws" on certain types of loans, such as acquisition financing, observes JERRY V. JARRETT, president and chief executive officer at AMERITRUST CO., A MAJOR CLEVELAND BANK.

"Given the Penn Square and Drysdales of the world, every bank of any size is tightening up, looking carefully at the credit process," acknowledges Michael K. Horgan, a senior vice president at New York's Citibank. When a bank gets stung, he adds, it is often the result of a breakdown in the process - or of "not taking the time" to understand the transaction. "That's when it comes back to bite you." (58)

THE ISSUE RESTATED: POLITICAL AWARENESS, INVOLVEMENT, RELATIONSHIPS, AND QUID PRO QUO CONSIDERATIONS - WHO approved the loans and WHY!

Banks do not make loans...bank employees do. Because these loans were not made on a basis which assures repayment they, by law, constitute prohibited political contributions. From my research I herein furnish information, identified by source, which I believe you will find sufficient to determine that there is probable cause to believe that a knowing and willful violation of the Act has occurred and that said violation should be referred to the Attorney General of the United States.

BANK ONE OF COLUMBUS, NA - (Bank One) "According to the suit, Glenn campaign officials approached Bank One in January 1984 and asked for a \$2 million loan. Bank One initially rejected the request, but indicated it would reconsider if other banks agreed to participate. The suit says experienced lending officers at all four banks independently reviewed the proposed loan and, after the Glenn campaign agreed to all terms demanded by the banks, concluded the loan to be sound." (Exhibit 59)

COMMENTARY: The John Glenn Presidential Committee received personal political contributions from Bank One officers as well as from the Banc One PAC: (61)

Everett Krueger, senior vice president of Bank One	
11-7-83	\$ 50.
12-2-83	\$500.
John G. McCoy, Bank One Officer	
6-22-83	\$ 500.
12-2-83	\$1000.*
* Appears to exceed limit of \$1,000	
Mrs. John G. McCoy (Wife of above Bank One Officer)	
6-22-83	\$ 500.
John F. Havens, Bank One employee	
2-24-83	\$ 500.

BANC ONE POLITICAL ACTION COMMITTEE

2-3-83	\$ 100	To the Committee
11-18-83	\$1000	To the Committee
1-31-84	\$2500	To the Committee
2-3-83	\$5000	Ohio Banc PAC

Everett Krueger, senior vice president of Bank One, the banks' consortium leading bank, was personally and officially informed about the political outlook of the Campaign and the financial status of the Campaign Committee. During the last two months of 1983 Bank One loaned the Committee \$450,000 which was repaid January 3, 1984. Prior to the loans which are the subject of this complaint, Bank One loaned the Committee \$180,000 on February 1, 1984 which loan was repaid on February 9, 1984, the date on which the four banks loaned the collective amount of \$500,000. (14, 15, 16)

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POLITICAL AWARENESS, ETC. ISSUE continued

## COMMENTARY continued

Other than the minimal amount of tangible assets and the hope for matching funds which would be insufficient to qualify the loan, the only additional consideration for the loan were 18 letters addressed to Senator Glenn from members of his 73-member Finance Committee. (Exhibit 7b)

While such letters have no binding force, Mr. Everett Krueger said the letters constituted "one of the ingredients that went into the credit decision." (Exhibit 7b)

under the circumstances, no credit risk analyst could or would approve such a loan. Anybody approving such a loan and anyone inducing a person to approve such a loan would be knowingly and wilfully violating the election laws prohibiting corporations from contributing to political candidates.

I submit that there is sufficient evidence to show that in the words of Commissioner Elliott "the regular course of business was not there ..." That perhaps there is something that's brought forward that someone was given special approval because they were related or something." (See Page 12 of this Complaint). - (22)

WHO gave the approvals and WHAT was the quid pro quo and WHO was expected to deliver?

Once satisfied that the banks made an illegal contribution I am sure you Commissioners can agree to refer the matter to the Justice Department for investigation and prosecution. When that occurs, I shall provide the Justice Department with all the information I have which links these banks' interest in and 1985 activity in Ohio banking legislation with one or more of the persons who signed the "letters of comfort" in support of the illegal contributions.

COMPLAINT SUMMARY

As an experienced commercial bank auditor; as an experienced commercial bank credit risk analyst; and as a student of monetary science, I have furnished my informed opinion as to why the loans made by four Ohio commercial banks to the John Glenn Presidential Committee, Inc., were not made in the ordinary course of business as defined in law.

I have supported this informed opinion with references to the voluminous reports and articles rendered by America's Working Press.

PRIMARY MOTIVATION FOR FILING COMPLAINT - As a student of Monetary Science I have learned that the fruits of the political freedom won in 1776 have been limited by the lack of financial freedom during the last 200-plus years. I also have learned that our break from financial bondage is at hand...without resort to bloodshed or revolution. An Act of Congress can launch us into a historic period of PEACE and PROSPERITY. We can secure financial freedom through use of our political freedom provided we purge our electoral process of the corrupting influence of those private individuals who control the financial social mechanism of our country.

I know from personal experience that most commercial bank personnel are the nicest people one would want to meet. Their integrity is beyond question. Their allegiance to our country, under God, with liberty and justice for all is unassailable. Unfortunately, there are those in commercial banking who march to the beat of a distant and/or foreign drummer. Anyone who would knowingly attempt to corrupt the American political process should be exposed and dealt with severely. The CRIME should be ranked with TREASON!

I file this COMPLAINT in the hope that it will spur Congress to limit all political contributions to those citizens who are qualified to vote in the respective states...the "bats & votes" concept enunciated by the Reverend Jessie Jackson.

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COMPLAINT SUMMARY continued

PRIMARY MOTIVATION FOR FILING COMPLAINT continued

It is my greater hope, however, that the filing of this Complaint will spur Congress to act to restore the sovereign monetary power to itself as provided for under the Constitution. Government is powerless to guarantee liberty and justice for the people if the nation's money power is exercised independently of the elected representatives and the President himself. ( I am heartened to read the viewpoint on this matter held by the newly-nominated U.S. Supreme Court Justice, Antonin Scalia. I would urge the Senators to ask Judge Scalia to enlighten them during the confirmation hearings on this contradiction in a democratic republic wherein the awesome monetary power of the people is in the control and exercise of private corporations owned, operated, and directed by other than elected representatives of the people.)

RESPECTFULLY SUBMITTED BY,

*Robert P. Woodman*

ROBERT P. WOODMAN,  
PRODUCER/OWNERSHIP & MONETARY DESIGN ENGINEER  
Castlewood 102  
17600 Detroit Avenue  
Lakewood, OH 44107

(216) 521-4102

enclosures: Listing of source material used for reference  
Some selected exhibits  
Transmittal Letter

- cc: Ohio Attorney General
- Ohio Elections Commission - Secretary of State
- Ohio Superintendent of Banks
- U. S. Comptroller of the Currency
- Chairman - U.S. Securities Exchange Commission
- Chairman - U.S. House Banking & Currency Committee
- Chairman - U.S. Senate Banking Committee
- Peter Cook, Professor of Monetary Science; Wickliffe, OH
- Scott Williams - Community Bankers Assn. of Ohio; Columbus, OH
- Tom Diemer/Brent Larkin - Plain Dealer; Cleveland, OH
- Robert L. Jackson/Robert Snogan - Los Angeles Times
- Robert M. Garsson - American Banker; Washington, D.C.
- Kenneth B. Noble/Jeff Gerth - New York Times
- James L. Rowe, Jr. - The Washington Post; Washington D.C.
- Bill Peterson/David S. Broder - " " "
- Brooks Jackson/Lee Berton - Wall St. Journal - New York
- Marilyn Much - Industry Week
- Rebecca McReynolds - Crain's Cleveland Business; Cleveland, OH
- Lake County News Herald - Willoughby, OH
- The Journal - Lorain, OH
- Lee Walczak - Business Week
- Thomas B. Edsall - The Washington Post; Washington, D.C.
- TRB FROM WASHINGTON - The New Republic
- Donald M. Rothberg - Associated Press; Washington, D.C.
- Associated Press - Cleveland, OH
- United Press International - Cleveland, OH
- Monica Langley - Wall Street Journal; New York

NOTARY

SWORN TO AND SUBSCRIBED before me a Notary Public on this 18th day of July, 1986.

*Edwin F. Fox*  
NOTARY PUBLIC

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IDENTIFICATION OF INFORMATION SOURCES:

- (1) Business Week - 3-28-83 (Page 103)
- (2) Business Week - 6-6-83 (Washington Outlook)
- (3) Fortune - 11-14-83 - (Page 46)
- (4) Business Week - 11-14-83 (Page 227)
- (5) The Washington Post - 1-6-84 - (Page 2)
- (6) Plain Dealer - 1-9-84 - (Page 21)
- (7) The Washington Post - 1-30-84 - (Page 34)
- (7b) Los Angeles Times - 2-26-84 - (Column by Robert L. Jackson & Robert Shogan)
- (8) The Washington Post - 4-19-84 - (Editorial: Campaign Debts)
- (9) The New Republic - 4-23-84 - (Page 6)
- (10) New York Times - 5-26-84 - (Washington Talk-Briefing by Phil Gailey)
- (11) Plain Dealer - 4-28-85 - (Glenn's debt holding steady - Tom Diemer- Washington Reporter)
- (12) Los Angeles Times - 7-7-85 - (AP Story by Donald M. Rothberg)
- (13) American Banker - 7-9-84 - (Page 3)
- (14) Glenn FEC Committee Report - 10-1-83/12-31-83
- (15) Glenn FEC Committee Report - January, 1984
- (16) Glenn FEC Committee Report - February, 1984
- (17) Glenn FEC Committee Report - March, 1984
- (18) Glenn FEC Committee Report - April, 1984
- (18b) Glenn FEC Committee Report - May, 1984
- (19) Partial Transcript of an Executive Session of the Federal Election Commission - Tuesday, 10-8-85 - RE: MUR 2062 - Senator Gary Hart
- (20) Partial Transcript of an Executive Session of the Federal Election Commission - Tuesday, 10-22-85 - RE: MUR 2062 - Senator Gary Hart.
- (21) FEC General Counsel's Report - RE: MUR 1713 - In the matter of:
1. First National Bank of Mount Clemens, Michigan
  2. Harold Allmacher, Jr.
  3. John Madigan
- (22) FEC General Counsel's Factual and Legal Analysis - RE: MUR 1713 - Senator Gary Hart.
- (23) Plain Dealer - 4-15-85 - (AP Story RE: "Interstate bank case is before high court")
- (24) Plain Dealer - 1-31-86 - "Glenn asks banks to defer interest on campaign loans." - PD Bureau
- (25) 4-11-86 Letter from: Robert P. Woodman to: Michael Holy, Office of the Comptroller of the Currency - Cleveland, Ohio.
- (26) The Journal (Lorain, OH) - (Page 4 - Letter to the Editor - "False credit")
- (27) 4-23-86 Letter from: Robert P. Woodman to: Thomas N. Kindness, Ohio Representative to Congress.
- (28) 6-5-85 Letter from: Robert P. Woodman to: Anthony Celebrezze, Ohio Attorney General.

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IDENTIFICATION OF INFORMATION SOURCES continued

- (29) The Journal (Lorain, OH) - (Page 4) - Letter to the Editor - "Foreign theft"
- (30) Wall Street Journal - 4-29-86 (Page 10) and Business Week - 12-13-82 (Page 86)
- (31) Washington Post National Weekly - 5-19-86 - (Page 15)
- (32) Plain Dealer - 5-17-86 - (AP Story - "Glenn 'snubbing his nose' at banks, foe says.")
- (33) Plain Dealer - 5-19-86 - ("Glenn misses deadline to repay \$2 million in loans for campaign.")
- (34) Plain Dealer - 5-15-86 - (Page 4A)
- (35) Crain's Cleveland Business - 4-7-86 - (Page 2)
- (36) Crain's Cleveland Business - 3-31-86 - (Page 24)
- (37) Plain Dealer - 5-8-86 - Article by Donald Sabath - RE: Hughes/AFL/CIO
- (38) Plain Dealer - 5-8-86 - Article by Mike Mahoney - RE: Banc One Merger.
- (39) Monetary Science Publishing (Wickliffe, OH) - "A B C's of America's Money System"
- (40) AmeriTrust Corporation - 1985 Annual Report
- (41) Glenn Committee Report to FEC - RE: List of Outstanding Debt.
- (42) News-Herald - 11-30-80 - Profile of Robert P. Woodman
- (43) Plain Dealer - 9-12-84 - Profile of Robert P. Woodman
- (44) Washington Post - 2-11-84 - Article by Peterson & Broder
- (45) Washington Post - 2-17-84 - Article by Bals & Klose
- (46) Plain Dealer - 3-25-84 - Article by Zimmerman
- (47) Wall Street Journal - 4-1-85 - (Page 48)
- (48) Washington Times - 4-9-85 - (AP Story-"Glenn still frets..")
- (49) Federal Reserve Bank of Cleveland - 9-15-85 - Economic Commentary - Interstate Banking: Its Impact on Ohio Banks.
- (50) Plain Dealer - 2-28-86 - (Article by Diemer: Kindness to file..)
- (50b) Plain Dealer - 4-24-86 - (Staff & Wire Reports..Sen. Aronoff..)
- (51) Plain Dealer - 4-26-86 - Article by Sloat - "ESM chief..."
- (52) Press Release by Robert P. Woodman - 4-28-86
- (53) Federal Reserve Bank of Cleveland - 12-85 - Annual Report
- (54) N.Y. Times - 11-5-84 - Article by Gerth - "D.C. Bank..."
- (54b) WSJ - 3-19-86 - Article by Berton - "Hearings in..."
- (55) NY Fed Res. Bank - 1984 - "I bet you thought" booklet
- (55b) Washington Post 3-2-83 - Article by Rowe - "Banks funded..."
- (56) The Miami Herald - 3-15-83 - Editorial - "Hostage to the Banks"
- (56b) QUOTES ON MONETARY POWER - Pope Pius XI; Archbishop of Canterbury, Dr. William Temple; Presidents Jefferson; Lincoln, and Wilson.
- (57) NY Times - 3-14-83 - Article by Noble - "Critics Cite Banks..."
- (57b) Corruption of Ohio Legislature by Banking Industry...Abstract from Promises of Power, a book authored by Carl Stokes, former Mayor of Cleveland, Chic.
- (58) Industry weekk. - 5-16-83 - Article by Marilyn Much - "Have Banks Learned Their Loan Lesson?"

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IDENTIFICATION OF INFORMATION SOURCES continued

- (59) Plain Dealer - 7-12-86 - Article by Diemer/Larkin - "Glenn, 4 banks sue over loans"
- (60) "Banking and Currency and The Money Trust," by Charles A. Lindberg, Sr. (1913) - Dedicated to The Public
- (61) various Reports filed with FEC
- (62) Plain Dealer - 5-22-86 - Article by Suddes - "House OKs new.."
- (63) Plain Dealer - 6-14-86 - PD Bureau article - "Kindness to..."
- (64) Plain Dealer - 6-21-86 - Article by Brazaitis - "Glenn blasts.."
- (65) News Release - 6-30-86 - U.S. Representative Kindness Re: Campaign Reform Proposal
- (66) Plain Dealer - 7-1-86 - Associated Press Report - "Kindness..."
- (67) Plain Dealer - 7-10-86 - Article by PD Bureau - "We've never.."
- (68) The Economist - 10-5-85 - Extensive Monetary Reform Survey by Economics Editor Rupert Pennant-Rea.
- (69) ECONOMIC JUSTICE FOR ALL: Catholic Social Teaching and the U.S. Economy - THIRD DRAFT of the U.S. Bishops' E Economy Pastoral - Especially Paragraphs 268/277.
- (70) BEYOND CAPITALIST PRODUCTION TO HUMAN DEVELOPMENT - Co-authored by William Ferree, S.M., Ph.D and Norman G. Kurland, ESOP Design Scientist & Investment Banker - A publication of the Center for Economic and Social Justice; Washington, D.C.
- (71) PROJECT FOR ECONOMIC JUSTICE Press Release - Bruce L. Mazole Executive Director - 4-25-86 - IDEAS advocated by the Presidential Task Force on Project Economic Justice, an organization established under the authority of the International Security and Development Cooperation Act of 1985.
- (72) DECLARATION OF FINANCIAL INDEPENDENCE: The Dawn of a New Age; by Peter Cook, Monetary Scientist; (Copyright 1982 by Peter Cook; Published by Monetary Science Institute; P.O. Box 88 Wickliffe, OH 44092

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10-A THE PLAIN DEALER, WEDNESDAY, SEPTEMBER 12, 1984

## Gadfly is ready, willing to clean up Cleveland's act

By Thomas S. Andrzejewski

**Gadfly** — A person who annoys others or rouses them from complacency.

Last month, Cleveland City Council held a meeting in the Bond Court Hotel to discuss Cleveland Electric Illuminating Co.'s offer to buy Cleveland Public Power. Council President George L. Forbes declared it a private meeting.

Robert P. Woodman refused to leave on the grounds that council meetings are public. He and several reporters who tried to stay were ejected by a policeman.

Then Woodman chewed out a reporter for not staying and protecting the public interest.

Increasingly, any public gathering is becoming a target of opportunity. There's little question: Bob Woodman's back in town.

"I don't know why he continues to do it," said Margaret Mary Woodman, his wife, who had just watered the tomato plants on the balcony of their Park Apartments suite. "I would have given up a long time ago.

"Every Saturday, he spends three hours down at the library. I mean I admire him. I feel badly because he just can't get anywhere. He goes to people in high places and they don't want to hear it."

That morning, Woodman, 61, had just returned from the Board of Elections, researching campaign contributions and expenses of Cleveland Board of Education members. Campaign financing is but one of a litany of problems he recites, and responds to with his own solutions.

"We have 305,000 registered voters (in Cleveland) with no leadership, no personal leadership," said Woodman. "And as long as we have money coming into campaigns, we're not going to have it."

He wants a charter amendment to limit contributions to registered voters, and no more than \$25.

That's only a start. His hot issue is that the city income tax should be applied to before-tax earnings of corporations, law firms and accounting firms, just as individuals get 2% taken from their before-tax paychecks. He estimates that would net the city about \$50 million.

Like many civic crusaders, Woodman often has difficulty gaining entry to the institutions he seeks to change or manipulate for change. "Whenever I deliver a news release to a radio station, the first thing they ask is 'who are you with?'"

Woodman is semiretired from a

career in business — banking, marketing, financial analysis. He grew up in the W. 84th St.-Madison Ave. area, and plans to spend the rest of his years in his native city.

He had lived in Lake County, where he embarked on numerous anti-tax campaigns. He ran unsuccessfully for office a number of times, mainly to gain a public platform. Willoughby City Council once voted down a proposal to hire Woodman as a \$6,000-a-year financial consultant, after he needed the suburb for years about its spending.

He once began billing CEI \$50 a month for a light pole he said was on his property. On another occasion, the Woodmans withheld 10% of their electric bill, what they estimated went to school taxes, in protest over a fee for busing their children to school.

The Woodman family, which includes eight children who are now adults, had lived in Willoughby and Wickliffe. Woodman was a member of the Lake County Board of Mental Retardation. In 1981, he resigned twice — once to protest residential programs for the retarded (he withdrew that resignation), then so he could devote time to what he calls the capitalist revolution.

Now it's time to revolutionize Cleveland.



Robert P. Woodman, gadfly who's back in Cleveland: 'I have a very high purpose here'

He believes employee ownership of plants and businesses will help Cleveland improve itself by improving its population. He rejects labels and offers to debate anyone who classifies him as a Socialist, capitalist, populist or anything except maybe a political progressive.

"I guess I'm a gadfly, I've been called that," said Woodman. "It's

necessary to get involved in things. I have a very high purpose here.

"I don't want to be egotistical, but I have learned something. Now I'd like to share my knowledge. At times, I wish I hadn't learned all this."

No doubt a lot of Cleveland officials, businessmen and media people will be wishing that, too.

EXH 43

Exp 72

# UNITED STATES Treasury-Money Law

**WE THE PEOPLE OF THE UNITED STATE . . .**

In order to liberate ourselves out of the archaic British tax and financial tyranny; to establish equal financial and economic opportunity in the Free Enterprise Arena for the great and the small, the Jew and Gentile, the black and the white etc.; to wipe-out the ever-threatening inflation and the capricious fluctuating interest rates and the chronic credit crunches; to establish money, business, industry, employment and investment security and stability; to promote and insure Judeo-Christian and equivalent domestic tranquility and ethics; to provide the best for the National Defense and secure the blessings of financial and economic liberty and security for ourselves and our posterity — We the People of The United States do ordain to enact this United States Treasury-Money proposal into the Monetary Law of the United States — as prescribed in Article 1, Section 8 and Clause 5 of the United States Constitution.

HR  
Adopted  
Public Law  
U. S. C. Title

The United State Treasury-Money Legislation consists of 3 major parts:

1. The purpose of this Legislation.
2. The enumerated reasons for this Legislation.
3. The dynamics of this legislation.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress Assembled, that this Act may be cited as:

**The United States Treasury-Money Act**

This Act establishing a Constitutionally-lawful United States Treasury "credits" Money System in the United States — to replace the archaic Fractional Reserve Bank "credits" Money System, which is operated in our United States without law (46: 3, 4 & 6).

**PART 1.0 THE PURPOSES OF THIS LEGISLATION**

**1.1** To finish the fight for the tax and financial independence started back in the 1770's by our **Founding Fathers**. They successfully won the religious and political freedoms — but failed to conquer the tyrannical British tax and money system — which system is now arrogantly manifesting itself in the ever-greater debts, taxes, unemployment, poverty, defaults, foreclosures and bankruptcies.

Tax and financial independence has never been successfully conquered on the battlefield.

Permanent tax, financial and economic independence can only be conquered by recognizing and understanding the time-tested, assets and tax monetizing techniques of the traditional commercial banking industry.

**1.2** To lawfully maneuver and lock the National Government into a perpetual balanced budget posture — with virtually unlimited financial resources — to always afford the best in National Defense, and for financing the national economy, for whatever is socially desirable, intellectually possible and physically feasible — without incurring the traditional public debt and tax burdens.

**1.3** To scientifically eliminate the personal, business and corporate Federal Income Taxes — by financing the National Government functions and obligations with "non-Government-indenting United States Treasury (credits) Money — as mandated in Article 1, Section 8, Clause 5 of the United States Constitution — and thus eliminate the "NEED" for the efficiency and honesty penalizing federal income taxes.

**1.4** Plug up and neutralize all Federal Income Tax loopholes, shelters, privilege, cheats and evaders — by eliminating the Federal Income taxes.

**1.5** Scientifically disarm the business and industry's Sword of Damocles — which are the short-term high-interest rates Bank Credit loans; the Bank Credit loan calls, and the Bank Credit personal, business and corporate loan cancellations.

**NOTE:** The term "Bank Credit" is synonymous with Bank Money — specifically, Bank "check-book money" manufactured, spent, loaned and invested by the commercial banking industry.

Continued on page 12.

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TREASURY-MONEY LAW from page 11.

1.6 To Scientifically wipe out the bane of commerce — the chronic tight money and Credit crunches — with the virtually inexhaustible United States Treasury-Credit Money System funds.

**NOTE:** The term "U.S. Treasury-Credit" is synonymous with U.S. Treasury Money — specifically, U.S. Treasury "checkbook money" created by the U.S. Treasury according to Law, to finance the national free enterprise economy and the Government — without indebting the Government.

1.7 To establish a source of "low" or "no" interest — self-liquidating loans of Treasury Credit funds to state, county, and local government authorities; for local, state and national transit systems; for local, county and state roads; for energy generating and development; for parks, schools, libraries, hospitals etc. — without cost to the taxpayers.

1.8 To financially encourage family-home ownership; the return of the family farm, and the return of the local merchants, business and industry — through long-term "low" or "no" interest loans of Treasury Credit funds — at no cost to the taxpayers.

1.9 To financially recognize the services and sacrifices of the past and future combat duty veterans — by granting them long-term 2.5% interest loans of Treasury Credit funds, to assist them in establishing themselves in education, homes, business, communities etc. — at no cost to the taxpayers.

1.10 To scientifically cultivate full employment, good wages and business profits — by providing agriculture, business, industry and investors — with adequate long-term, non-cancelable, self-liquidating loans of Treasury Credit funds — at no cost to the taxpayers.

1.11 To scientifically conquer and reverse the consumer goods prices-inflation by grinding down the gross public and private debts — through generous Government appropriations and grants of Treasury Credit funds, for the best in National Defense; for research and development of natural resources; for health and medical research, development and implementation; for highways, roads and bridge construction and maintenance; for the development of local and national mass-transit systems; for reduction of mail service cost, and for other social, business and industry needs and pleasures.

1.12 To scientifically guarantee the safety of the public's savings deposits in banks — by outlawing the bankers' archaic "fractional reserve" Bank (credits) Money System, in which

is enounced the inherent perpetual threat on runs-on-banks. By replacing the bankers' fractional reserve money and banking system with Constitutionally lawful Treasury (credits) Money System — the public's deposits are always 100% convertible into United States Treasury Certificates currency — which scientifically eliminates any potential of runs-on-banks because of fear or threat of a currency shortage.

1.13 To provide fast and liberal financial aid to victims of natural or other type of disaster, tragedy or emergency — through speedily opened Public Treasury windows — to dispense and administer special low interest loans and/or grants of Treasury Credit funds for reclaiming, restoring and rebuilding public and private property damages and losses — at virtually no cost to the taxpayers.

**NOTE:** The term "Public Treasury" is synonymous with United States Treasury.

1.14 To remove the interest-collecting incentive and profit-motive out of war, war mongering and war hardware manufacturing — by eliminating the financing of wars and armed conflicts through the sale of government-indebting bonds.

Finance wars and other National tragedies with Treasury (non-government-indebting) Credit funds, instead of the traditional Government (indebting) bonds — and thereby close the door to the Bank (credits) Money lending industry, to lucratively profit, from National tragedies, and speciously attach themselves upon the backs of taxpayers — through the perpetual interest load on the Government bonds.

1.15 To establish a National Defense financing system along the lines of the U.S.S.R. system, which is the same "type" of non-self-indebting financing system used by the 12 Federal Reserve bank corporations — which financing system will not incur or generate interest-bearing Federal Government debts.

Our advanced technology and productivity, hindered by the high interest cost of the Bank (credits) Money financing of our National Defense — is no match to keep up or stay ahead of even the backward technology and productivity of our adversary — whose trailing technology and productivity can be overcome by their inexhaustible "Domestic" (non-indebting) Ruble" financing resource 132:1234.

Therefore, to engage the full potential and benefits of our advanced technology and productivity — for the best and most for our National Defense and the national economy

Continued on page 13.

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ADDENDUM TO COMMENTS MADE BY ROBERT PATRICK WOODMAN TO THE OHIO  
SENATE/HOUSE CONFERENCE COMMITTEE RE: WORKMEN'S COMPENSATION LAW  
May 13, 1986

A real life story of how the General Assembly of Ohio was corrupted  
by the Banking industry...from Promises of Power by Carl Stokes:  
.....

"For the next five years we talked, through the time I worked with  
him on the Cleveland Trust Company lawsuit, and on through my years  
as mayor, as (Cyrus) Eaton became a trusted friend and adviser.

In that first talk, Eaton told me that Cleveland Trust had filed a  
suit asking the court to order Eaton to desist making his public charges  
against the bank's practices. Eaton had been telling anybody who would  
listen that the bank's board of directors was voting its own trust-  
held shares of stock, which was prohibited by Ohio law. He asked me  
to defend his former administrative assistant, Gordon Watson, whom he  
wanted to join him in the lawsuit. I would be working alongside Eaton's  
personal lawyer.....(skip to page 13)

Watch the game. The case was tried in July 1967. Gund died during  
the trial; he was succeeded as president by George Karch....Judge John  
V. Corrigan ruled in our favor, and Karch immediately announced he  
would appeal. By the time the case reached the appellate court, I  
had been elected mayor and my brother Louis argued the case. The ap-  
pellate court eventually reversed Corrigan's ruling, but meanwhile a  
much more fascinating struggle was going on in the state legislature.  
From under tables and out of sleeves, new cards were beginning to appear.  
Even before the case actually went to trial, the Cleveland Trust Company  
through its lobbyists and friendly legislators, was moving to amend the  
state law to make its voting practices legal.

During this time I was reelected to my third term as a legislator,  
in November 1966. Then occurred a graphic lesson in the protection of  
special interests. I had a good working relationship with Republican  
Governor James A. Rhodes and with Roger Cloud, leader of the Republican  
majority and Speaker of the House of Representatives. I went to Cloud  
to talk about my new committee appointments. He said, "Carl, you can  
have any committee you want with the exception of banking."

I asked, "Because of Cyrus Eaton and the Cleveland Trust fight?"  
"That's right," Cloud said.

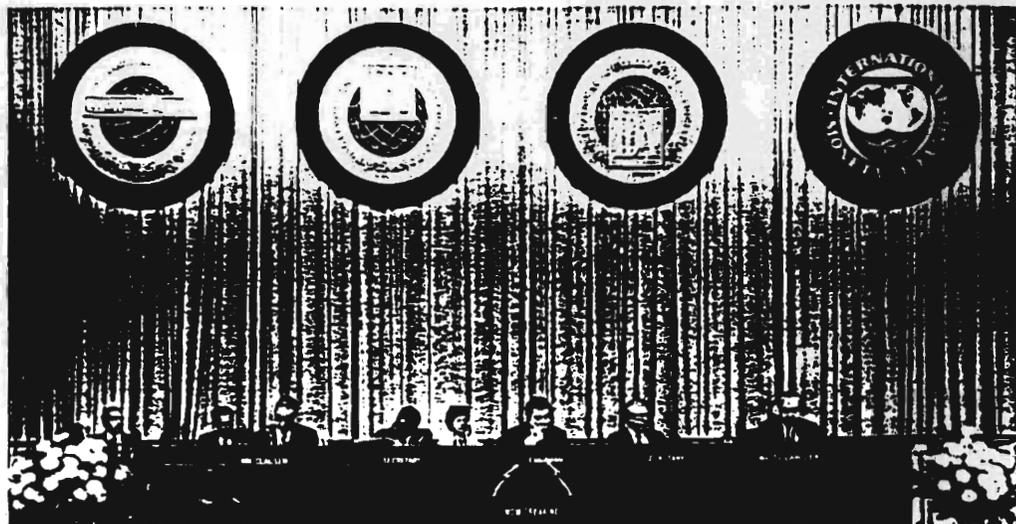
When the amendment was introduced in the legislature, I went to see  
Rhodes. I wanted to explain to him why it was wrong for Cleveland  
Trust to vote its trust-held shares.

"Carl, Cyrus Eaton is one man," he said. "There are a hundred banks  
in this state that will be affected. One man never beat a hundred.  
That's all."

So the legislature did amend the law and made our issue moot. The  
members of the banking committee that passed the legislation on to the  
floor were persons who the lobbyists had determined were either neutral  
to their or on their side. The people are not really represented when  
the work of government is being done. The day-to-day business of a  
legislature is to pass laws that affect the fundamental economic life of  
their state or, in the case of Congress, the nation itself. The men  
who really do the work on those laws, working on language construction  
and persuading legislators, represent special interests.

The people's lobby is supposed to be the legislature itself, but the  
men elected to it almost never are specifically knowledgeable about  
the industries and interests they are asked to pass judgment on. And,  
when these men want information, the only people they have to turn  
to are lobbyists and others with vested interests."

88040583272



## Committees and cranks

On September 22nd, finance ministers and central bankers from the five leading industrial countries agreed that the dollar was too high and should be pushed down. Their views need to be seen in the wider context of international monetary reform, which will be discussed next week in Seoul at the annual meetings of the International Monetary Fund and World Bank. Our economics editor, Rupert Pennant-Rea, tries to clarify the issues.

Arcane subjects attract a few clever people and a lot of cranks. Some—branches of pure physics or philosophy, for instance—have no practical use. Others count for much: cancer cures have eluded generations of geniuses and quacks, but could change millions of lives.

So it is with the international monetary system. Few academic economists have ever doubted its importance, but most pass quickly on to other fields. Those that stay to specialise—perhaps 300 or so at any one time—have poured out ideas, critiques and blueprints. These are read by another group of about the same size. It includes a few commercial money-men, but it is dominated by officials from central banks and finance ministries in the principal rich economies—known as the Group of Ten (G-10), even though Switzerland is its eleventh member. These officials have their own views, which they offer periodically in reports with unmemorable titles, whose contents are read closely by the G-10 academics and ignored

by everybody else.

This group of 600—happy surely to be dubbed the G-600—is the source of an informed debate about international finance. It holds conferences at places like Bellagio (the Rockefeller Foundation), West Berlin (the Aspen Institute) and Oxfordshire (the Ditchley Foundation). The discussions are serious and intelligent. But to the rest of the world, they mean very little.

This is a terrible gap. The international monetary system affects everybody's everyday lives. What happens to exchange rates, trade, interest rates and debt translates into jobs, the safety of a nest egg, the cost of a foreign holiday. For millions, it can make the difference between tolerable and intolerable poverty. The cranks who think that there should be a world currency or that money should be held on something called "granite" will be suggested in their correspondence that they may all be talking nonsense, but they are right to be concerned.

Politicians sense this. Their standard list of scapegoats includes several connected with international money: foreign speculators, too little (or too much) control over banks, and so on. These are useful for day-to-day hyperbole, but the politicians are on to something bigger. If the international monetary system goes badly wrong, the results are devastating. That is not true of other economic "fundamentals", like taxation or the size of the public sector. Their effects come through gradually, in slightly slower or faster economic growth, a few points more or less of inflation. But an international monetary failure is like a nuclear war. Far better for politicians to worry about it in advance than to regret it later.

Yet too much worrying out loud can be self-fulfilling. Perhaps, say complacent folk, the monetary system is working as well as can be expected in tricky times; criticism only makes them trickier. Continuing the nuclear analogy, the "balance of terror", for all its faults, has produced 40 years of peace between the great powers. The monetary system has saved the world from a crash.

The differences between the worried and the complacent stem partly from a cast of mind. Some people like to have things written down and agreed to them; the international monetary system should indeed be a system, complete with principles and facts. Others feel that money evolution is inevitable and better for it.

This difference of approach reflects

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April 22, 1986

Thomas N. Kindness  
Representative - Ohio  
U. S. Congress

Exhibit (27) - 1

Dear Mr. Kindness:

I enclose a copy of an Associated Press story published in the Plain Dealer, April 22, 1986, regarding your news conference held in Columbus Ohio on April 21, 1986.

Please forward to me immediately a copy of your news conference statement and a copy of the 60-second radio ads. If your statement and radio ads conform with what the AP reported, then I say to you, sir, that you owe Senator John Glenn a public apology.

As a matter of public record at the Federal Election Commission, Senator Glenn does not owe any money to any Ohio bank or banks. The true fact of the matter, Mr. Kindness, is that four Ohio national banks each made an illegal political contribution of \$500,000 to Senator Glenn's campaign committee.

For your information, I have reported these illegal contributions to the proper authority, the U.S. Comptroller of the Currency, at his office in Cleveland, Ohio. The Comptroller has jurisdiction over National Banks in the matter of supervision.

You should know that the Comptroller of the Currency takes his inter-agency responsibilities seriously. When his supervisors find any National Bank, its officers, or employees in violation of the federal election laws, his office reports said violations to the Federal Election Commission. A relatively recent example of this inter-agency cooperation occurred in Mt. Clemens, Michigan.

In its investigation of the so-called loans to Senator Glenn's campaign committee as to violations of applicable banking laws and regulations, the Comptroller's supervisors will find a violation of the Federal election laws prohibiting National Banks from making political contributions.

The Comptroller's supervisors will find out, as you should have found out in your research, that the Ohio bank loans to Glenn's committee "were not made in the ordinary course of business," and, thus, were not loans but, rather, were campaign contributions.

Section 100.7(a)(11) of Chapter 11 in the Federal Code of Regulations provides that a loan of money may be made by a National Bank to a political committee without it being deemed a contribution by the National Bank, IF the loan meets the test of being made "in the ordinary course of business."

The loans made by the four (4) Ohio banks to Senator John Glenn's Presidential Campaign Committee failed to meet the test of having been made. "in the ordinary course of business" on two counts:

1. Loans must be made on "a basis which assures repayment;" There was no such assurance on these bank loans because:
  - a) Senator Glenn is estopped from paying on the debt because of the \$50,000 limitation of contributions from Presidential candidates.
  - b) All supporters who had contributed the maximum of \$1,000

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are estopped from paying on the debt.

c) There is no other evident source of contributors.

2. Loans must be subject "to a due date or amortization schedule." There was no due date or amortization schedule on these loans because:

a) Loans were subject to call upon demand. It should be noted that without any basis for repayment, immediate default would ensue upon call for payment.

If before making your reckless charges against Senator Glenn, you had checked the public record you would have found that the Committee listed the bank loans as "secured." Knowing that Senator Glenn was estopped from securing the notes, why did you not look into the basis for the security? Whatever the security, it would be forfeited upon default. The value of the security would constitute a contribution by the owner(s) of the security and would represent a violation of the contribution limitation.

I can assure you, Mr. Kindness, the political fallout from the illegal actions of these four Ohio banks will rock the nation. Watergate will pale in comparison. You will find that some members of both political parties are involved in the corruption of the political process for the benefit of the commercial bankers.

I had sent you a copy of my letter which was published in the Lorain Journal, March 20, 1986 (see attached) in which I urged you and Senator Glenn to join forces in combatting the corruptive influence of America's Super commercial banks. I repeat my dequest, Mr. Kindness: Join forces with Senator Glenn and oppose America's greatest enemy...atheistic and materialistic commercial-bank royalists who owe allegiance to no country. They have usurped our country's sovereign power to issue credit and establish the value thereof, the power vested in Congress by the Constitution.

In any event, Mr. Kindness, I ask that you apologize to Senator Glenn for your false accusation of guilt based on association. It is time that you begin to raise your campaigning to a high road of decency and integrity. It is in the public's interest (and in your own) that you do so!

Very truly yours,

*Robert P. Woodman*

Robert P. Woodman

Castlewood 102  
17600 Detroit Avenue  
Lakewood, OH 44107 - 216-521-4102

cc: Senator John Glenn  
Associated Press - Columbus, Ohio  
Randy Wynn - Horvitz Publications - Washington, D.C.  
U.S. Comptroller of the Currency - Cleveland, Ohio Office

P.S. Interstate banking is what the four bank loans were all about. A full investigation will bring this out. I enclose a letter of mine to Ohio's Attorney General which will give you a glimpse of what occurred during 1985 in Ohio.

RPW

RPW/hs

88040683275

April 1986

En 25-1

Mr. Michael Holy  
Office of the Comptroller of the Currency  
Erieview Plaza  
Cleveland, OH 44114

Dear Mr. Holy:

Until demonstrated to the contrary I believe everyone in government service is honest and of goodwill. This presumption, of course, includes national bank examiners. As a former bank auditor, however, I know that inadequate staffing precludes the best of intentioned employees from accomplishing the task set before them.

Clearly without concern for the public interest, we see consolidation of SEC offices, the reduction in force of the Justice Department's anti-trust division, the cutback on IRS Agents who historically recover in taxes many times the dollars spent on them, and at a time of record bank failures, we witness a severe shortage of bank examiners.

I believe knowledgeable citizens have a responsibility to play the role of private Attorney Generals now and then. If one of us has information which, if placed into the hands of responsible public employees, it would assist them in doing the job of protecting the public interest, then we should come forward and volunteer the information.

It is in this spirit that I write this letter. Here is information I have gathered relative to bank loans to Senator John Glenn or to his Committee. The four banks were: Ameritrust Company, Huntington National Bank; Banc-Ohio of Columbus; and, Bank One of Columbus.

Item. The loans were made relative to Senator Glenn's unsuccessful 1984 Primary Presidential campaign.

Item. Four banks loaned about \$1.9 million to Senator Glenn or to his Committee.

Item. Senator Glenn is estopped from personally paying back this debt because of a \$50,000 limitation imposed upon Presidential candidates.

Item. Friends and supporters of Glenn's presidential bid who contributed the maximum \$1,000 allowed by law are also estopped from paying toward liquidation of the loan to the banks.

Item. A person in Senator Glenn's Cleveland office advised me that Senator Glenn had four or five co-signers on the bank loans. The co-signers would be obligating themselves to break the law on the limit to contributions if forced to pay back the loan as co-signers.

Item. A news reporter advised me that he understood there were no co-signers. He said, however, that very politically influential individuals furnished the banks on behalf of Glenn what he termed "Letters of Comfort."

Item. Some of these letter-writers were highly visible during Ohio's S&L so-called crisis and the banking legislation resulting therefrom. The four lending banks were heavily involved in lobbying this legislation.

Item. It has been reported that the bank loans were due on

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January 15, 1986 but that the banks did not call them.

Item. It has been reported that none of the principal of the loans was paid back in 1985.

If confidence in the American banking system is to be maintained, I say it is imperative that these bank loans to Senator Glenn or to his Committee be examined and a report be made public or delivered to Congress.

Did the banks make loans that were unsecured with little likelihood of anyone being able to pay them back?

Were any of the loan proceeds used to pay back funds advanced to Glenn .. in the form of loans from the "comfort-letter" writers so that they in turn could repay their (bank) creditors?

Of the bank loans, Senator Glenn is quoted as saying, "I see this as a moral obligation," and I believe he is sincere. But being of the "Right Stuff" however, is not the measurement used by commercial banks in making loans...at least not to those of us in Senator Glenn's constituency. We have to offer the banks an arm and a leg..and then some!

The public has a right to know if these bank loans were made to influence banking legislation before Congress or the Ohio General Assembly. And, we have a right to know this prior to the May 6th Ohio Democratic Primary. We must choose between Senator Glenn and his Primary opponent, Donald Scott.

There is a vital public interest involved here. I am sure you will agree that I am not asking you to investigate anything complex. I urge you to investigate immediately or advise me if you will not investigate.

If I can be of any help or service in your efforts, please let me know. I am at your service!

Sincerely yours,

*Robert P. Woodman*  
Robert P. Woodman,  
Investigative Citizen (Eye-See)

Castlewood #102  
17600 Detroit Avenue  
Lakewood, OH 44107  
216-521-4102

cc: Mr. Donald Scott  
News Media

RPW/hs

88040533277

Exhibit (26)

**Letters**

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Letters published in this column are done so as a public service. Opinions expressed are those of the writers and do not necessarily reflect the official views of the Journal. Letters should include the author's name and telephone number. Letters will be withheld only at the request of the letter writer. All letters are subject to editing.

**Letters to the Editor**

**False credit**

To the Editor: Recent news reports tell us that "The \$1.9 million debt that has haunted Sen. John Glenn since the collapse of his 1984 presidential campaign took on new life Feb. 27 as an issue in his campaign for re-election to the Senate."

Rep. Thomas N. Kindness, a Republican running against Glenn, said he would make it an issue if the commercial banks roll over the principal payments of Glenn's debt and defer interest payments until 1987.

Let's hope Glenn's commercial bank debt becomes an issue. It deserves national attention. Indeed, it deserves global focus! Kindness and Glenn as well as the rest of us will learn that Glenn is a victim of the international commercial bankers money scam!

You see, the commercial banks did not loan Glenn any of their depositors money. No, they simply created the credit with a bookkeeping entry to Glenn's checking account.

Although it cost the commercial banks virtually nothing to give Glenn a few million dollars worth of credit, Glenn now is begging his friends and supporters to give him some of their hard-earned wealth in order for him to pay back the millions that the commercial banks created with a simple bookkeeping entry.

And, the real kicker is that Glenn must beg for more earned wealth from his friends in order to pay the commercial banks their usury charge ... euphemistically called

interest.

The commercial bankers financial entrapment of Glenn is not unique. It is a world game! Peter Cook, Professor of Monetary Science in Wickliffe, Ohio, has documented proof that all credit (denominated in dollars) comes into existence from and through commercial banks at interest (usury). The source of Cook's documented proof comes from the private autonomous Federal Reserve Banks themselves.

Except in degree, Glenn's predicament differs not from that of leaders in Brazil, Mexico, and other debtor nations. The Brazilians and Mexicans must export much of their nations needed production to obtain dollars with which to pay toward their debt to Western commercial banks ... which debt was created in the first place by commercial bankers with bookkeeping or checkbook loans at no cost to the banks.

Leaders of these debtor nations are between a rock and a hard place. If by exporting their peoples needed goods and services they lower their people's living standard then these leaders face riots in the streets and loss of office ... sometimes violently. If they do not meet the demands of bankers for repayment at interest then their credit is cut off, their economies collapse, riots ensue and they lose their office and sometimes their lives.

To Glenn and Kindness, then, I say make commercial bank debt the issue. Out of a debate on this issue can come an answer to the federal deficit problem. No matter which candidate would win the Senate seat, we in America could end up winning a debt-free Treasury Monetary System as advocated by Cook.

Robert P. Woodman, Lakewood

**Russian hostages**

To the Editor: Sometime back four Russians were taken hostage by the terrorists. One of the Russians was executed. Shortly after this execution the three other Russians were released and returned to Russia.

It is well known now why the three Russians were released so quickly. There is no news about our Americans being held hostage by the terrorists for over a year.

William F. Barnes, Avon Lake

88040583278

**Foreign theft**

To the Editor: Eight European banks are about to steal ownership of America's third largest appliance manufacturer (White Consolidated Industries of Ohio) and Sen. John Glenn and Rep. Thomas Kindness refuse to do anything about it.

The foreign banks will lend about 5.4 billion Swedish kronors to the Swedish Electrolux Corp. with a simple bookkeeping credit to its checking account. Electrolux, in turn, will issue a check for these 5.4 billion kronors and exchange that check at an international bank for a \$730 million check to be deposited to its American subsidiary's (DMT Holdings Inc.) checking account.

White shareholders will trade their asset-backed stockownership certificates for checks issued by DMT. Then, presto, future American-produced profits get exported to Sweden ... all through the magic of international banking (more appropriately called larceny-by-trick).

That is what so-called foreign investment in America is all about. Foreign bankers create checkbook money for lending to people in their countries who then use this checkbook money to buy American assets, including U.S. government bonds. And, thanks to the recent generosity of Congress, foreign citizens buying U.S. bonds (our national debt) do not have to pay U.S. income tax on the interest earned. Yet, American citizens owning U.S. bonds must pay tax!

This failure of Glenn and Kindness to intervene in the foreign theft of American industry disqualifies them from further service as representatives of American citizens.

Both are seeking their respective political party's nomination for U.S. senator in the May primary. It will be up to loyal American Republicans and loyal American Democrats to come to the aid of our country by

**Letters**

Letters published in The Journal are done so as a public service. Opinions expressed are those of the letter writers and do not necessarily reflect the official viewpoint of The Journal. Letters should be brief and must include the author's name, address and telephone number. Names will be withheld only at the request of the letter writer. All letters are subject to editing.

nominating their opponents ... Democrat Don Scott and Republican Edgar Bradley.

It's time to give a signal to all senators and congressmen that America comes first!  
Robert P. Woodman, Lakewood

4 The Journal/Thursday, April 3, 1986

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June 5, 1985

Honorable Anthony Celebrezze  
Attorney General - Ohio  
Columbus, OH 43215

Exhibit (25)

Dear Sir:

As an elector of Ohio, I ask that you take public notice of the illegal actions being taken by the Ohio Superintendent of Banks.

Specifically, the Superintendent of Banks is approving the organization and acquisition by a bank holding company located outside of Ohio (Chase Manhattan Corporation) of a de novo bank in Ohio (Chase Bank of Ohio) that results from the conversion of, or the assumption of all or a significant portion of the deposit liabilities of, six Ohio savings and loan associations.

The Superintendent is acting under assumed authority of House Bill 492, passed by the Ohio Legislature and signed into law by the Governor on May 21, 1985. House Bill 492 authorizes specific "associations with banking powers" and, as such, the Superintendent is precluded from taking any actions in accordance with said Bill, until the Act is favorably approved by the electors of Ohio. (See Section 7, Article 13 of the Ohio Constitution).

TIME IS OF THE ESSENCE, MR. ATTORNEY GENERAL! Chase Manhattan Corporation has received approval of the Federal Reserve Board of Governors and has announced its intention to open the de novo Chase Bank of Ohio on June 11, 1985, after "expected" approvals of the U. S. Justice Department, the Ohio Superintendent of Banks, and the Ohio Superintendent of Savings & Loans.

THE ANTI-TRUST ASPECT of this premature and illegal action by the Superintendent also represents a clear and present threat to the continued existence of the present Ohio banking industry. The assets of The Chase Manhattan Corporation total \$86.9 BILLION. With the TOTAL ASSETS of ALL member banks in the Cleveland Federal Reserve District being \$66.6 BILLION, as of May 22, 1985, it is clear that many of these banks face the likelihood of being wiped out or bought out by this foreign bank holding company.

I APPEAL TO YOU, Mr. Attorney General, to take public notice of the illegal actions of the Ohio Superintendent of Banks and initiate the immediate and appropriate legal action to restrain him.

By copy of this letter to the Governor and to all members of the General Assembly, I ask each of them to urge and support your immediate action in the interest of constitutional government.

ANY POWER RESERVED TO THE PEOPLE BY CONSTITUTIONAL PROVISION IS A SACRED TRUST THAT MUST BE KEPT BY ANY AND ALL ELECTED OFFICIALS SWORN TO UPHOLD THAT CONSTITUTION!

In matters such as this, political expediency is abhorrent!

Sincerely yours,

*Robert P. Woodman*

Robert P. Woodman - 1700 E. 13th - Cleveland, OH 44114 - 216-241-0298

enclosures

cc: Governor; Members of the General Assembly

*perlm*



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

July 29, 1986

Huntington National Bank  
17 South High Street  
Columbus, OH 43215

Re: MUR 2206

Gentlemen:

This letter is to notify you that the Federal Election Commission received a complaint which alleges that you may have violated certain sections of the Federal Election Campaign Act of 1971, as amended (the "Act"). A copy of the complaint is enclosed. We have numbered this matter MUR 2206. Please refer to this number in all future correspondence.

Under the Act, you have the opportunity to demonstrate in writing that no action should be taken against you in this matter. Your response must be submitted within 15 days of receipt of this letter. If no response is received within 15 days, the Commission may take further action based on the available information.

Please submit any factual or legal materials which you believe are relevant to the Commission's analysis of this matter. Where appropriate, statements should be submitted under oath.

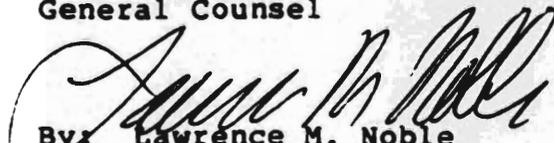
This matter will remain confidential in accordance with 2 U.S.C. § 437g(a)(4)(B) and § 437g(a)(12)(A) unless you notify the Commission in writing that you wish the matter to be made public. If you intend to be represented by counsel in this matter please advise the Commission by completing the enclosed form stating the name, address and telephone number of such counsel, and a statement authorizing such counsel to receive any notifications and other communications from the Commission.

89040683281

If you have any questions, please contact Chris Petersen, the attorney assigned to this matter, at (202) 376-8200. For your information, we have attached a brief description of the Commission's procedure for handling complaints.

Sincerely,

Charles N. Steele  
General Counsel



By: Lawrence M. Noble  
Deputy General Counsel

Enclosures  
Complaint  
Procedures  
Designation of Counsel Statement

88040583282

PLM



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

July 29, 1986

Bank One of Columbus, N.A.  
100 East Broad Street  
Columbus, OH 43215

Re: MUR 2206

Gentlemen:

This letter is to notify you that the Federal Election Commission received a complaint which alleges that you may have violated certain sections of the Federal Election Campaign Act of 1971, as amended (the "Act"). A copy of the complaint is enclosed. We have numbered this matter MUR 2206. Please refer to this number in all future correspondence.

Under the Act, you have the opportunity to demonstrate in writing that no action should be taken against you in this matter. Your response must be submitted within 15 days of receipt of this letter. If no response is received within 15 days, the Commission may take further action based on the available information.

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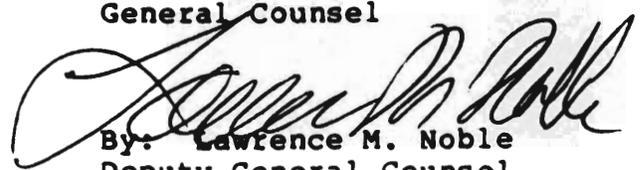
This matter will remain confidential in accordance with 2 U.S.C. §437g(a)(4)(B) and § 437g(a)(12)(A) unless you notify the Commission in writing that you wish the matter to be made public. If you intend to be represented by counsel in this matter please advise the Commission by completing the enclosed form stating the name, address and telephone number of such counsel, and a statement authorizing such counsel to receive any notifications and other communications from the Commission.

83040583283

If you have any questions, please contact Chris Petersen, the attorney assigned to this matter, at (202) 376-8200. For your information, we have attached a brief description of the Commission's procedure for handling complaints.

Sincerely,

Charles N. Steele  
General Counsel



By: Lawrence M. Noble  
Deputy General Counsel

- Enclosures
- Complaint
- Procedures
- Designation of Counsel Statement

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*plm*



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

July 29, 1986

BancOhio  
155 East Broad Street  
Columbus, OH 43215

Re: MUR 2206

Gentlemen:

This letter is to notify you that the Federal Election Commission received a complaint which alleges that you may have violated certain sections of the Federal Election Campaign Act of 1971, as amended (the "Act"). A copy of the complaint is enclosed. We have numbered this matter MUR 2206. Please refer to this number in all future correspondence.

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Please submit any factual or legal materials which you believe are relevant to the Commission's analysis of this matter. Where appropriate, statements should be submitted under oath.

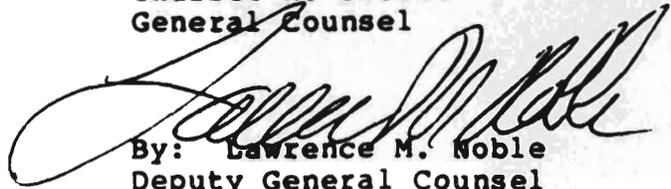
This matter will remain confidential in accordance with 2 U.S.C. § 437g(a)(4)(B) and § 437g(a)(12)(A) unless you notify the Commission in writing that you wish the matter to be made public. If you intend to be represented by counsel in this matter please advise the Commission by completing the enclosed form stating the name, address and telephone number of such counsel, and a statement authorizing such counsel to receive any notifications and other communications from the Commission.

88040583285

If you have any questions, please contact Chris Petersen, the attorney assigned to this matter, at (202) 376-8200. For your information, we have attached a brief description of the Commission's procedure for handling complaints.

Sincerely,

Charles N. Steele  
General Counsel



By: Lawrence M. Noble  
Deputy General Counsel

Enclosures  
Complaint  
Procedures  
Designation of Counsel Statement

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plm



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

July 29, 1986

Ameritrust Company  
900 Euclid Avenue  
Cleveland, OH 44114

Re: MUR 2206

Gentlemen:

This letter is to notify you that the Federal Election Commission received a complaint which alleges that you may have violated certain sections of the Federal Election Campaign Act of 1971, as amended (the "Act"). A copy of the complaint is enclosed. We have numbered this matter MUR 2206. Please refer to this number in all future correspondence.

Under the Act, you have the opportunity to demonstrate in writing that no action should be taken against you in this matter. Your response must be submitted within 15 days of receipt of this letter. If no response is received within 15 days, the Commission may take further action based on the available information.

Please submit any factual or legal materials which you believe are relevant to the Commission's analysis of this matter. Where appropriate, statements should be submitted under oath.

This matter will remain confidential in accordance with 2 U.S.C. § 437g(a)(4)(B) and § 437g(a)(12)(A) unless you notify the Commission in writing that you wish the matter to be made public. If you intend to be represented by counsel in this matter please advise the Commission by completing the enclosed form stating the name, address and telephone number of such counsel, and a statement authorizing such counsel to receive any notifications and other communications from the Commission.

88040503287

If you have any questions, please contact Chris Petersen, the attorney assigned to this matter, at (202) 376-8200. For your information, we have attached a brief description of the Commission's procedure for handling complaints.

Sincerely,

Charles N. Steele  
General Counsel



By: Lawrence M. Noble  
Deputy General Counsel

Enclosures  
Complaint  
Procedures  
Designation of Counsel Statement

88040583288

*plm*



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

July 29, 1986

Mr. Robert P. Woodman  
Castlewood 102  
17600 Detroit Avenue  
Lakewood, OH 44107

Dear Mr. Woodman:

This letter will acknowledge receipt of a complaint filed by you which we received on July 22, 1986, which alleges possible violations of the Federal Election Campaign Act of 1971, as amended (the "Act"), by Bank One of Columbus, N.A., Banc Ohio, Huntington National Bank, and AmeriTrust Company. The respondents will be notified of this complaint within five days.

You will be notified as soon as the Commission takes final action on your complaint. Should you receive any additional information in this matter, please forward it to this office. We suggest that this information be sworn to in the same manner as your original complaint. For your information, we have attached a brief description of the Commission's procedures for handling complaints. We have numbered this matter under review MUR 2206. Please refer to this number in all future correspondence. If you have any questions, please contact Lorraine F. Ramos at (202) 376-3110.

Sincerely,

Charles N. Steele  
General Counsel

*Lawrence M. Noble*  
By: Lawrence M. Noble  
Deputy General Counsel

Enclosure

3 3 0 4 0 5 3 5 2 8 9

RECEIVED BY THE FEC  
GCC#1213  
86 AUG 14 A 8:21

# Vorys, Sater, Seymour and Pease

52 East Gay Street-Post Office Box 1008-Columbus, Ohio 43260-1008-Telephone (614) 464-6400-Telecopier (614) 464-6350-Telex 241348-Cable vorysater

Arthur J. Vorys  
1856-10.33  
Lowry F. Sater  
1867-10.35  
Augustus T. Seymour  
1873-10.20  
Edward L. Pease  
1873-10.24

In Washington  
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Writer's Direct Dial Number

(614) 464-6237

August 11, 1986

Chris Petersen, Esq.  
Federal Election Commission  
999 E Street, N.W.  
Washington, D.C. 20463

Re: MUR 2206

Dear Mr. Petersen:

I write to confirm our telephone conference of today concerning MUR 2206. The Vorys firm has been designated as counsel by AmeriTrust Company National Association, BancOhio National Bank, and Bank One, Columbus, N.A. Enclosed are attorney designation forms of AmeriTrust and Bank One. A form from BancOhio will be forthcoming shortly. Although the subject matter of MUR 2206 has something in common with MUR 1689 and MUR 2194 and at least some of the counsel involved in those proceedings will be involved in this matter, I feel that, to protect the confidentiality, the three MUR's must be viewed as entirely separate.

In our telephone conversation, we requested an extension to August 29, 1986, in which to make an initial demonstration with respect to the MUR 2206 Complaint. AmeriTrust and Bank One received your correspondence on August 1, 1986. BancOhio received its copy on August 4, 1986. The request is based upon the desire to have a common response date for the three entities and because of prior work and vacation commitments on the part of the parties necessary to review these matters. We appreciate your consideration of the request to extend the Banks' time to respond to August 29, 1986. Kindly confirm this extension in writing to us at your earliest convenience.

Very truly yours,

*John Timothy Young*  
John Timothy Young

Enclosures

86 AUG 14 11:24  
GENERAL COUNSEL

0 2 2 3 0 5 0 4 1 3 6

**STATEMENT OF DESIGNATION OF COUNSEL**

**MUR** 2206

Co-Counsel

<b>NAME OF COUNSEL:</b>	<u>David S. Cupps</u>	<u>Ellen A. Efros</u>	<u>John C. Pollock</u>
<b>ADDRESS:</b>	<u>Leon M. McCorkle, Jr.</u>	<u>Vorys, Sater,</u>	<u>Lewis Perelman</u>
	<u>John Timothy Young</u>	<u>Seymour &amp; Pease</u>	<u>Ameritrust Company</u>
	<u>Vorys, Sater, Seymour</u>	<u>Suite 1111</u>	<u>National Associatio</u>
	<u>and Pease</u>	<u>1828 L St., N.W.</u>	<u>900 Euclid Avenue</u>
	<u>P.O. Box 1008, 52 E. Gay St.</u>	<u>Washington, D.C.</u>	<u>Cleveland, OH 44115</u>
	<u>Columbus, Ohio 43216-1008</u>	<u>20036-5104</u>	<u>(216) 687-5513</u>
<b>TELEPHONE:</b>	<u>(614) 464-6400</u>	<u>(202) 822-8200</u>	

The above-named individuals <sup>are</sup> ~~is~~ hereby designated as ~~my~~ <sup>are</sup> counsel/and ~~is~~ authorized to receive any notifications and other communications from the Commission and to act on ~~my~~ <sup>our</sup> behalf before the Commission.

Ameritrust Company National Association

8/7/86  
Date

By: [Signature]  
Signature  
Title: Asst Sec.

**RESPONDENT'S NAME:** Ameritrust Company National Association

**ADDRESS:** 900 Euclid Avenue  
Cleveland, Ohio 44115  
Attn: John C. Pollock

**HOME PHONE:** \_\_\_\_\_

**BUSINESS PHONE:** (216) 687-5513

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**STATEMENT OF DESIGNATION OF COUNSEL**

**NUR** 2206

**Co-Counsel**

<b>NAME OF COUNSEL:</b>	<u>David S. Cupps</u>	<u>Ellen A. Efros</u>	<u>Richard G. Terapak</u>
	<u>Leon P. McOrkle, Jr.</u>	<u>Vorys, Sater,</u>	<u>V.P. &amp; Gen. Counsel</u>
<b>ADDRESS:</b>	<u>John Timothy Young</u>	<u>Seymour &amp; Pease</u>	<u>Bank One, Columbus,</u>
	<u>Vorys, Sater, Seymour</u>	<u>Suite 1111</u>	<u>N.A.</u>
	<u>and Pease</u>	<u>1828 L St., N.W.</u>	<u>100 East Broad St.</u>
	<u>F.O. Box 1008, 52 E. Gay St.</u>	<u>Washington, D.C.</u>	<u>Columbus, OH 43215</u>
	<u>Columbus, Ohio 43216-1008</u>	<u>20036-5104</u>	
<b>TELEPHONE:</b>	<u>(614) 464-6400</u>	<u>(202) 822-8200</u>	<u>(614) 463-5940</u>

The above-named individuals <sup>are</sup> ~~is~~ hereby designated as ~~my~~ <sup>our</sup> counsel/ <sup>are</sup> and ~~is~~ authorized to receive any notifications and other communications from the Commission and to act on ~~my~~ <sup>our</sup> behalf before the Commission.

3 9 7 4 0 5 8 3 2 9 2

8/6/86  
Date

Bank One, Columbus, N.A.  
 By: Richard G. Terapak  
 Signature  
 Title: V.P. / Senior Counsel

**RESPONDENT'S NAME:** Bank One, Columbus, N.S.

**ADDRESS:** 100 East Broad Street  
Columbus, Ohio 43215  
Attn: Richard G. Terapak

**HOME PHONE:** \_\_\_\_\_

**BUSINESS PHONE:** (614) 463-5940

RECEIVED AT THE FEC  
800#1229  
86 AUG 15 AM: 06

**PORTER, WRIGHT,  
MORRIS & ARTHUR**  
ATTORNEYS AT LAW

41 SOUTH HIGH STREET, COLUMBUS, OHIO 43215  
TELECOPIER: (614) 227-2100  
TWX: (810) 482-1702  
DIRECT DIAL: (614) 227-2149

ROBERT W. TRAFFORD

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TELEPHONE: (216) 443-9000  
TELECOPIER: (216) 443-9011

2100 FIRST NATIONAL BANK BUILDING  
P.O. BOX 1805  
DAYTON, OHIO 45401  
TELEPHONE: (513) 228-2411  
TELECOPIER: (513) 228-0600

August 12, 1986

Chris Peterson, Esq.  
Federal Election Commission  
999 E Street, N.W.  
Washington, D. C. 20463

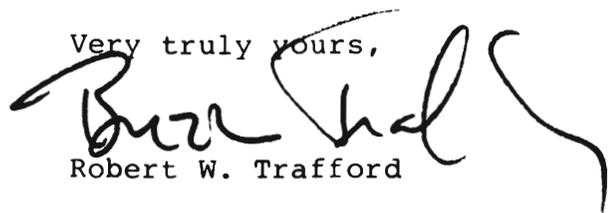
Re: MUR 2206

Dear Chris:

Enclosed is a designation of counsel form in the above referenced MUR. By this letter I would also like to request a brief extension, to August 29, 1986, of the time within which Huntington is required to respond. I believe that this request is less than 20 days from the date on which we are otherwise required to respond. This extension is sought in order allow us sufficient time to review and respond the Woodman complaint. As you are aware, we are also in the process of responding to MUR 2194, the Kindness complaint.

I appreciate your consideration of this request.

Very truly yours,



Robert W. Trafford

RWT:am  
enclosure

33040583293

16 AUG 15 P 2: 59

GENERAL COUNSEL

**STATEMENT OF DESIGNATION OF COUNSEL**

**NR** 2206

**NAME OF COUNSEL:** Robert W. Trafford

**ADDRESS:** Porter, Wright, Morris & Arthur

41 S. High Street

Columbus, Ohio 43215

**TELEPHONE:** (614) 227-2149

The above-named individual is hereby designated as my counsel and is authorized to receive any notifications and other communications from the Commission and to act on my behalf before the Commission.

August 11, 1986  
Date

John W. Liebersbach  
Signature Vice President, The  
Huntington National Bank

**RESPONDENT'S NAME:** The Huntington National Bank

**ADDRESS:** c/o John W. Liebersbach

41 S. High Street

Columbus, Ohio 43215

**HOME PHONE:** \_\_\_\_\_

**BUSINESS PHONE:** (614) 463-4434

93040565294

CCC#1227  
FEC

# Vorys, Sater, Seymour and Pease

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52 East Gay Street - Post Office Box 1008 - Columbus, Ohio 43216-1008 - Telephone (614) 464-6400 - Telecopier (614) 464-6350 - Telex 241348 - Cable VORYSATG

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1873-1924

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Telecopier (513) 421-0107

Writer's Direct Dial Number  
**(614) 464-6237**

August 13, 1986

Chris Peterson, Esq.  
Federal Election Commission  
999 E Street, N.W.  
Washington, D.C. 20463

Re: MUR 2206

Dear Mr. Peterson:

In accordance with my correspondence of August 11, 1986, enclosed is a Counsel Designation executed by BancOhio National Bank.

Very truly yours,

*John Timothy Young*  
John Timothy Young

JTY/pp

Enclosure

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06 AUG 15 P 2: 59  
RECEIVED  
GENERAL COUNSEL

**STATEMENT OF DESIGNATION OF COUNSEL**

**MUR** 2206

Co-Counsel

<b>NAME OF COUNSEL:</b>	David S. Cupps	Ellen A. Efros	Joseph R. Cook
	Leon M. McCorkle	Vorys, Sater,	Senior Counsel
<b>ADDRESS:</b>	John Timothy Young	Seymour & Pease	BancOhio National Bank
	Vorys, Sater, Seymour	Suite 1111	155 East Broad Street
	and Pease	1828 L St., N.W.	Columbus, OH 43265
	P.O. Box 1008, 52 E. Gay St.	Washington, D.C.	(614) 463-7043
	Columbus, Ohio 43216-1008	20036-5104	
<b>TELEPHONE:</b>	(614) 464-6400	(202) 822-8200	

The above-named individuals <sup>are</sup> hereby designated as ~~my~~ <sup>our</sup> counsel and ~~is~~ <sup>are</sup> authorized to receive any notifications and other communications from the Commission and to act on ~~my~~ <sup>our</sup> behalf before the Commission.

38040583296

Aug 7<sup>th</sup> 1986  
Date

BancOhio National Bank  
By: [Signature]  
Signature  
Title: [Signature]

**RESPONDENT'S NAME:** BancOhio National Bank  
**ADDRESS:** 155 East Broad Street  
Columbus, Ohio 43265  
Attn: Joseph R. Cook, Esq.  
**HOME PHONE:** \_\_\_\_\_  
**BUSINESS PHONE:** (614) 463-2043



**FEDERAL ELECTION COMMISSION**

WASHINGTON, D.C. 20463

*John*

**August 15, 1986**

**John Timothy Young, Esquire  
Vorys, Sater, Seymour & Pease  
P.O. Box 1008  
52 East Gay Street  
Columbus, Ohio 43216-1008**

**Re: MUR 2206  
AmeriTrust Company, N.A.  
BancOhio National Bank  
Bank One, Columbus, N.A.**

**Dear Mr. Young:**

This is in reference to your letter dated August 11, 1986, requesting an extension until August 29, 1986, to respond to the complaint filed in MUR 2206. Your requested extension has been granted. Accordingly, your response will be due on August 29, 1986.

If you have any questions, please contact Chris Petersen, the attorney assigned to this matter at (202) 376-8200.

Sincerely,

**Charles N. Steele  
General Counsel**

**By: Lawrence M. Noble  
Deputy General Counsel**

83040683297

*plm*



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

August 18, 1986

Robert W. Trafford, Esquire  
Porter, Wright, Morris & Arthur  
41 South High Street  
Columbus, Ohio 43215

Re: MUR 2206  
Huntington National Bank

Dear Mr. Trafford:

This is in reference to your letter dated August 12, 1986, requesting an extension until August 29, 1986, to respond to the complaint filed in MUR 2206. Your requested extension has been granted. Accordingly, your response will be due on August 29, 1986.

If you have any questions, please contact Chris Petersen, the attorney assigned to this matter at (202) 376-8200.

Sincerely,

Charles N. Steele  
General Counsel

*Lawrence M. Noble*  
By: Lawrence M. Noble  
Deputy General Counsel

88040683298

# Vorys, Sater, Seymour and Pease

06 SEP 2 11:26

52 East Gay Street-Post Office Box 1008-Columbus, Ohio 43216-1008-Telephone (614) 464-6400-Telecopier (614) 464-6350-Telex 241348-Cable VORYSATSR

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1873-1924

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Writer's Direct Dial Number

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August 26, 1986

Chris Peterson, Esq.  
Office of the General Counsel  
Federal Election Commission  
999 E Street, N.W.  
Washington, D.C. 20463

Re: MUR 2206  
BancOhio National Bank ("Bank")

Dear Mr. Peterson:

We have been designated counsel to the Bank in connection with MUR 2206. The period in which the Bank may demonstrate that no action should be taken against it was previously extended by agreement of the parties until August 29, 1986.

MUR 1689 involves the loans which are sought to be put at issue in MUR 2206. The proceedings in MUR 1689 have now resulted in litigation in the United States District Court for the Southern District of Ohio. It appears that the issues sought to be raised in the MUR 2206 Complaint will be resolved as a result of the Ohio litigation. Accordingly, the Commission should dismiss or, in the alternative, stay the proceedings in respect of the MUR 2206 Complaint. There rarely is good reason for duplicative litigation and -- putting aside the fact that an individual may want to posture in borrowed limelight -- certainly no such reason appears here.

Very truly yours,

*John Timothy Young*  
John Timothy Young

JTY/pp

68:38 2 NOV 1986

GENERAL COUNSEL

93740663299

# Vorys, Sater, Seymour and Pease

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1873-1924

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Telecopier (513) 421-0107

Writer's Direct Dial Number

(614) 464-6237

August 26, 1986

Chris Peterson, Esq.  
Office of the General Counsel  
Federal Election Commission  
999 E Street, N.W.  
Washington, D.C. 20463

Re: MUR 2206  
Bank One, Columbus, N.A.

Dear Mr. Peterson:

We have been designated counsel to the Bank in connection with MUR 2206. The period in which the Bank may demonstrate that no action should be taken against it was previously extended by agreement of the parties until August 29, 1986.

MUR 1689 involves the loans which are sought to be put at issue in MUR 2206. The proceedings in MUR 1689 have now resulted in litigation in the United States District Court for the Southern District of Ohio. It appears that the issues sought to be raised in the MUR 2206 Complaint will be resolved as a result of the Ohio litigation. Accordingly, the Commission should dismiss or, in the alternative, stay the proceedings in respect of the MUR 2206 Complaint. Any other course of action would be duplicative.

Very truly yours,

  
John Timothy Young

JTY/pp

# Vorys, Sater, Seymour and Pease

52 East Gay Street-Post Office Box 1008-Columbus, Ohio 43216-1008-Telephone (614) 464-6400-Telecopier (614) 464-6350-Telex 241348-Cable VORYSAT

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Writer's Direct Dial Number

(614) 464-6237

August 26, 1986

Chris Peterson, Esq.  
Office of the General Counsel  
Federal Election Commission  
999 E Street, N.W.  
Washington, D.C. 20463

Re: MUR 2206  
AmeriTrust Company National Association ("Bank")

Dear Mr. Peterson:

We have been designated counsel to the Bank in connection with MUR 2206. The period in which the Bank may demonstrate that no action should be taken against it was previously extended by agreement of the parties until August 29, 1986.

MUR 1689 involves the loans which are sought to be put at issue in MUR 2206. The proceedings in MUR 1689 have now resulted in litigation in the United States District Court for the Southern District of Ohio. It appears that the issues sought to be raised in the MUR 2206 Complaint will be resolved as a result of the Ohio litigation. Accordingly, the Commission should dismiss or, in the alternative, stay the proceedings in respect of the MUR 2206 Complaint. There rarely is good reason for duplicative litigation and -- putting aside the fact that an individual may want to posture in borrowed limelight -- certainly no such reason appears here.

Very truly yours,

  
John Timothy Young

JTY/pp

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06 SEP 9 9:55

**PORTER, WRIGHT,  
MORRIS & ARTHUR**  
ATTORNEYS AT LAW

41 SOUTH HIGH STREET, COLUMBUS, OHIO 43215  
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ROBERT W. TRAFFORD

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TELECOPIER: (216) 443-9011

2100 FIRST NATIONAL BANK BUILDING  
P.O. BOX 1805  
DAYTON, OHIO 45401  
TELEPHONE: (513) 228-2411  
TELECOPIER: (513) 228-0600

September 8, 1986

FEDERAL EXPRESS

Chris Peterson, Esq.  
Federal Election Commission  
999 E Street, N.W.  
Washington, D.C. 20463

Re: MUR 2206

Dear Mr. Peterson:

This letter constitutes the response of The Huntington National Bank ("Huntington") to Matter Under Review 2206.

The basic issue raised by MUR 2206 -- whether Huntington's loan to the John Glenn Presidential Committee, Inc. ("Glenn Loan") was made in violation of 2 U.S.C. §431(8)(B)(vii)(II) -- is the same as the issue raised in Matter Under Review 1689 ("MUR 1689"). Huntington has already filed an extensive brief and supporting affidavits on this issue with the Federal Election Commission in connection with MUR 1689 and hereby incorporates the previously submitted brief and affidavits as its response to MUR 2206.

In addition, as you are aware, the question whether the Glenn Loan was made in accordance with 2 U.S.C. §431(8)(B)(vii)(II) is presently the subject of litigation between Huntington and the Commission in Ameritrust Company National Association v. Federal Election Commission in the United States District Court for the Southern District of Ohio. Accordingly, Huntington respectfully submits that the Commission should take no further action with respect to MUR 2206 both because the claims asserted by Mr. Woodman are without merit and because of

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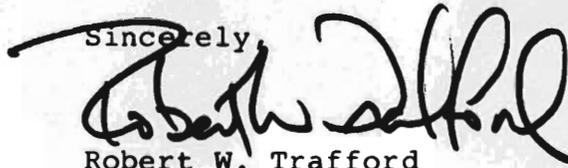
16 SEP 9 9:41 17  
GENERAL COUNSEL

Chris Peterson, Esq.  
September 8, 1986  
Page 2.

the already pending MUR 1689 and existing judicial consideration of those issues. Alternatively, Huntington submits that it should stay any further proceedings in connection with MUR 2206 until the litigation has been finally resolved.

Thank you for your consideration of these views.

Sincerely,



Robert W. Trafford

RWT:am

83040683303

PORTER, WRIGHT,  
MORRIS & ARTHUR

9

**SENSITIVE**

FEDERAL ELECTION COMMISSION  
999 E STREET, N.W.  
Washington, D.C. 20463

RECEIVED  
OFFICE OF THE FEC  
COMMISSION SECRETARY

FIRST GENERAL COUNSEL'S REPORT

86 SEP 16 P 3:24

DATE AND TIME OF TRANSMITTAL  
BY OGC TO THE COMMISSION \_\_\_\_\_

MUR: 2206  
Date Complaint  
Received by OGC: 7/22/86  
Date of Notification  
to Respondent: 7/29/86  
Staff Member: Petersen

COMPLAINANT: Robert P. Woodman

RESPONDENTS' NAMES: Bank One of Columbus, N.A.  
BancOhio National Bank  
Ameritrust Company, N.A.  
Huntington National Bank

RELEVANT STATUTES: 2 U.S.C. § 441(b)  
2 U.S.C. § 431(8)(B)(vii)

INTERNAL REPORTS CHECKED: MUR 1689  
MUR 2194

FEDERAL AGENCIES CHECKED: None

SUMMARY OF ALLEGATIONS

The Office of General Counsel received a complaint on July 22, 1986 from Robert P. Woodman. The complaint alleges that a \$2 million loan made by the respondent banks to the John Glenn Presidential Committee, Inc., was not made in the "ordinary course of business" and was, therefore, a prohibited contribution.

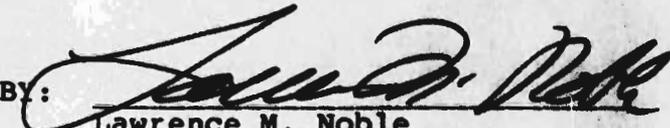
Respondents were notified of the complaint on July 29, 1986. All respondents requested twenty-day extensions of time to respond to the complaint. This Office granted the requests and on September 8, 1986 we received the last of the responses.

83040683304

This Office is in the process of reviewing the responses,  
and a report will be forthcoming to the Commission with  
appropriate recommendations.

Charles N. Steele  
General Counsel

9/16/86  
Date

BY:   
Lawrence M. Noble  
Deputy General Counsel

88040583305



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

MEMORANDUM TO: CHARLES N. STEELE  
GENERAL COUNSEL

FROM: *MWE* MARJORIE W. EMMONS/CHERYL A. FLEMING *CAF*

DATE: SEPTEMBER 18, 1986

SUBJECT: MUR 2206 - FIRST GENERAL COUNSEL'S REPORT  
SIGNED SEPTEMBER 16, 1986

The above-captioned matter was received in the Commission Secretary's Office Tuesday, September 16, 1986 at 3:42 P.M. and circulated to the Commission on a 24-hour no-objection basis Wednesday, September 17, 1986 at 11:00 A.M.

There were no objections received in the Office of the Secretary of the Commission to the First General Counsel's Report at the time of the deadline.

83040583300

**SENSITIVE**

FEDERAL ELECTION COMMISSION

In the Matter of )  
 )  
 Bank One of Columbus, N.A. ) MUR 2206  
 BancOhio National Bank )  
 AmeriTrust Company, N.A. )  
 Huntington National Bank )

GENERAL COUNSEL'S REPORT

I. BACKGROUND

The Office of General Counsel received a complaint on July 22, 1986 from Mr. Robert P. Woodman alleging that a \$2 million loan made by the respondent banks to the John Glenn Presidential Committee, Inc., was not made in the "ordinary course of business" and was therefore, a prohibited contribution. The complainant does not allege that the Glenn Committee violated the Act by receiving the proceeds of the loan.

Respondents were notified of the complaint on July 29, 1986. All respondents requested twenty-day extensions of time to respond to the complaint. This Office granted the requests and on September 8, 1986, we received the last of the responses.

II. FACTUAL AND LEGAL ANALYSIS

On February 9, 1984, Bank One of Columbus, BancOhio National Bank, AmeriTrust, and Huntington National Bank entered into a participation arrangement whereby each of the banks agreed to lend the John Glenn Presidential Committee \$500,000 to help finance Senator Glenn's presidential campaign.<sup>1/</sup> It is unlawful for any national bank to make a contribution in connection with

<sup>1/</sup> See MUR 1689, General Counsel's Brief for a thorough discussion of the factual background to the Glenn loan.

SEP 15 1986  
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 FEDERAL ELECTION COMMISSION  
 SECRETARY

88040583307

any election to any political office, or in connection with any primary election or political convention or caucus held to select candidates for any political office. 2 U.S.C. § 441b(a). The term contribution includes a loan made to a campaign committee in connection with any election for Federal office. 2 U.S.C. § 441b(b)(2). Excluded from the definition of a contribution, however, are loans of money by a national or state bank made in accordance with the applicable banking laws and made in the ordinary course of business. Id.

To be considered in the ordinary course of business a loan must be made on a basis which assures repayment, evidenced by a written instrument, and subject to a due date or amortization schedule. 2 U.S.C. § 431(8)(B)(vii)(II). The loan must also bear the usual and customary interest rate of the lending institution. 2 U.S.C. § 431(8)(B)(vii)(III). The complainant argues that the loans to the Glenn Presidential Committee were prohibited contributions because, according to the complainant, the loans were not made on a basis which assures repayment and were, therefore, not made in the ordinary course of business.

In its response to the complaint, Huntington National Bank stated that the issue raised by MUR 2206 is the same as the issue raised in MUR 1689.<sup>2/</sup> Huntington also notes that the bank loan

<sup>2/</sup> Huntington's response to MUR 2206 also incorporates the brief and supporting affidavits that Huntington filed in MUR 1689.

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in question is the subject of litigation in MUR 1689 and "respectfully submits that the Commission should take no further action with respect to MUR 2206 both because the claims asserted by Mr. Woodman are without merit and because of the already pending MUR 1689 and existing judicial consideration of those issues." See Attachment 1. In the alternative, Huntington asks that the Commission stay further proceedings in connection with MUR 2206 until the MUR 1689 litigation has been resolved.

Counsel for respondents Bank One, BancOhio, and AmeriTrust submitted responses similar to that of Huntington National Bank.<sup>3/</sup> Counsel states that MUR 1689 involves the loans which are sought to be put at issue in MUR 2206 and that it appears the issues sought to be raised in the MUR 2206 complaint will be resolved as a result of the MUR 1689 litigation. See Attachment 2. Counsel asks that the Commission dismiss or, in the alternative, stay the proceedings in respect to the MUR 2206 complaint arguing that "there is rarely good reason for duplicative litigation and ... certainly no such reason appears here."

The Woodman complaint involves the same bank loans that are the subject matter of MUR 1689, alleging identical violations by the banks as those at issue in MUR 1689. This Office conducted

<sup>3/</sup> Counsel submitted identical responses for Bank One, BancOhio, and AmeriTrust.

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a thorough investigation in 1989, and on June 10, 1986, the Commission found probable cause to believe that Bank One, BancOhio, AmeriTrust, and Huntington made prohibited contributions to the John Glenn Presidential Committee, Inc. After unsuccessful conciliation efforts, the Commission authorized suit, and on September 9, 1986, a civil suit was filed in MUR 1689 in the Southern District of Ohio.

This Office notes that the violations alleged in MUR 2206 were thoroughly considered by the Commission in MUR 1689, and we concur with respondents that it would be duplicative to proceed further in this matter given the previous Commission investigation and current litigation. Accordingly, this Office recommends that the Commission find reason to believe that the bank loans were prohibited contributions, but further recommends that the Commission take no further action.

### III. RECOMMENDATIONS

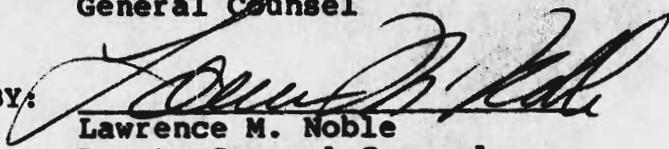
1. Find reason to believe that Bank One of Columbus, N.A., BancOhio National Bank, AmeriTrust Company, N.A., and Huntington National Bank violated 2 U.S.C. § 441b(a) and take no further action.

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2. Approve and send the attached letters.

Charles N. Steele  
General Counsel

10/14/86  
Date

BY:   
Lawrence M. Noble  
Deputy General Counsel

**Attachments**

1. Response submitted by Robert Trafford on behalf of Huntington National Bank
2. Responses submitted by John Timothy Young on behalf of Bank One of Columbus, N.A., BankOhio National Bank, and AmeriTrust Company, N.A.
- 3-5. Letters (3)

98040583311



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

MEMORANDUM TO: CHARLES N. STEELE  
GENERAL COUNSEL

FROM: MARJORIE W. EMMONS / CHERYL A. FLEMING *CAF*

DATE: OCTOBER 20, 1986

SUBJECT: OBJECTION TO MUR 2206 - GENERAL COUNSEL'S REPORT  
SIGNED OCTOBER 14, 1986

The above-captioned document was circulated to the Commission on Thursday, October 16, 1986 at 11:00 A.M.

Objections have been received from the Commissioners as indicated by the name(s) checked:

Commissioner Aikens \_\_\_\_\_ X \_\_\_\_\_  
Commissioner Elliott \_\_\_\_\_  
Commissioner Josefiak \_\_\_\_\_ X \_\_\_\_\_  
Commissioner McDonald \_\_\_\_\_  
Commissioner McGarry \_\_\_\_\_ X \_\_\_\_\_  
Commissioner Thomas \_\_\_\_\_

This matter will be placed on the Executive Session agenda for Tuesday, October 21, 1986.

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BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of	)	
	)	
Bank One of Columbus, N.A.	)	
BancOhio National Bank	)	MUR 2206
AmeriTrust Company, N.A.	)	
Huntington National Bank	)	

CERTIFICATION

I, Marjorie W. Emmons, recording secretary for the Federal Election Commission executive session of October 21, 1986, do hereby certify that the Commission decided by a vote of 5-0 to take the following actions in MUR 2206:

1. Reject the recommendations contained in the General Counsel's report dated October 14, 1986.
2. Direct the Office of General Counsel to write a letter to Mr. Robert P. Woodman referring him to the name and number of the litigation matter instituted by the FEC as a result of MUR 1689.

Commissioners Aikens, Elliott, Josefiak, McDonald, and McGarry voted affirmatively for the decision; Commissioner Thomas recused in this matter and was not present during its consideration.

Attest:

10-22-86  
Date

Marjorie W. Emmons  
Marjorie W. Emmons  
Secretary of the Commission

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FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

RECEIVED  
OFFICE OF THE FEC  
COMMISSION SECRETARY

**SENSITIVE**

86 OCT 29 P 1:48

October 29, 1986

**TO:** The Commission  
**FROM:** Charles N. Steel *CW*  
General Counsel  
**SUBJECT:** MUR 2206-Revised Letters

Attached are the revised letters that the Commission directed this Office to prepare at the Commission meeting of October 21, 1986.

Attachments  
Letters (3)

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FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

MEMORANDUM TO: CHARLES N. STEELE  
GENERAL COUNSEL

FROM: *MWE* MARJORIE W. EMMONS/CHERYL A. FLEMING *CAF*

DATE: OCTOBER 31, 1986

SUBJECT: MUR 2206 - Letters (Memorandum to the Commission)  
Dated October 29, 1986

The above-captioned matter was received in the Office Of the Secretary of the Commission Wednesday, October 29, 1986 at 1:48 P.M. and circulated to the Commission on a 24-hour no-objection basis Thursday, October 30, 1986 at 11:00 A.M.

There were no objections received in the Office of the Secretary of the Commission to the Letters (Memorandum to the Commission) at the time of the deadline.

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FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

November 3, 1986

7/2/86

John Timothy Young, Esquire  
Vorys, Sater, Seymour & Pease  
52 East Gay Street  
Columbus, OH 43216-1008

RE: MUR 2206  
Bank One of Columbus, N.A.  
BancOhio National Bank  
AmeriTrust Company, N.A.

Dear Mr. Young:

On October 21, 1986, the Commission determined to take no action in connection with the above referenced MUR. The Commission previously considered a matter involving your clients' bank loans to the John Glenn Presidential Committee, Inc. That matter is now in litigation in the United States District Court for the Southern District of Ohio. See FEC v. Bank One, Columbus, N.A. et. al., Civil Action Number C2-86-1082(S.D. Ohio). Since the subject matter of the pending litigation and that of MUR 2206 are substantially identical, the Commission has decided to take no action at this time.

If you have any questions, please direct them to Chris Petersen, the attorney assigned to this matter, at (202) 376-8200.

Sincerely,

Charles N. Steele  
General Counsel

*Lawrence M. Noble*  
BY: Lawrence M. Noble  
Deputy General Counsel

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Alum



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

November 3, 1986

Robert W. Trafford, Esquire  
Porter, Wright, Morris & Arthur  
41 South High Street  
Columbus, Ohio 43215

RE: MUR 2206  
Huntington National Bank

Dear Mr. Trafford:

On October 21, 1986, the Commission determined to take no action in connection with the above referenced MUR. The Commission previously considered a matter involving your client's bank loan to the John Glenn Presidential Committee, Inc. That matter is now in litigation in the United States District Court for the Southern District of Ohio. See FEC v. Bank One, Columbus, N.A. et. al., Civil Action Number C2-86-1082 (S.D. Ohio). Since the subject matter of the pending litigation and that of MUR 2206 are substantially identical, the Commission has decided to take no action at this time.

If you have any questions, please direct them to Chris Petersen, the attorney assigned to this matter, at (202) 376-8200.

Sincerely,

Charles N. Steele  
General Counsel

BY: Lawrence M. Noble  
Deputy General Counsel

88040583317

*Alum*



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

November 3, 1986

Robert P. Woodman  
Castlewood 102  
17600 Detroit Avenue  
Lakewood, Ohio 44107

Re: MUR 2206

Dear Mr. Woodman:

This is in reference to the complaint you filed with the Commission on July 22, 1986, concerning a \$2 million bank loan that Bank One of Columbus, BancOhio National Bank, AmeriTrust Company, and Huntington National Bank made to the John Glenn Presidential Committee.

On October 21, 1986, the Commission determined to take no action in connection with your complaint. The Commission previously considered a matter involving Bank One's, BancOhio's, AmeriTrust's, and Huntington's \$2 million bank loan to the Glenn Presidential Committee. That matter is now in litigation in the United States District Court for the Southern District of Ohio. See FEC v. Bank One, Columbus, N.A. et. al., Civil Action Number C2-86-1082 (S.D. Ohio). Since the subject matter of your complaint and the pending litigation are substantially identical, the Commission has decided to take no action on your complaint at this time.

If you have any questions, please contact Chris Petersen, the attorney assigned to this matter, at (202) 376-8200.

Sincerely,

Charles N. Steele  
General Counsel

*Lawrence M. Noble*  
BY: Lawrence M. Noble  
Deputy General Counsel

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Gcc 3350

# Vorys, Sater, Seymour and Pease

Suite 1111 • 1828 L Street, NW • Washington, D.C. 20036-5104 • Telephone (202) 632-8200 • Telecopier (202) 635-0699 • Telex 440693

Arthur I. Vorys  
1850-1933  
Lowry F. Sater  
1897-1935  
Augustus T. Seymour  
1873-1926  
Edward L. Pease  
1873-1924

In Columbus  
52 East Gay Street  
Post Office Box 1008  
Columbus, Ohio 43216-1008  
  
Telephone (614) 464-6400  
Telecopier (614) 464-6350  
Rapidfax (614) 464-6453  
Telex 241348  
Cable VORYSATER

In Cleveland  
2100 One Cleveland Center  
1375 East Ninth Street  
Cleveland, Ohio 44114-1724  
  
Telephone (216) 621-7091  
Telecopier (216) 621-8366

In Cincinnati  
Suite 2100 - Atrium Two  
221 East Fourth Street  
Post Office Box 0236  
Cincinnati, Ohio 45201-0236  
  
Telephone (513) 421-8777  
Telecopier (513) 421-0107

(614) 464-6237

May 12, 1987

RECEIVED  
MAY 12 1987  
F 2:48

Mr. Robert E. Pease  
Federal Election Commission  
999 E Street, N.W.  
Washington, D.C. 20463

Re: MUR's 1689, 2194 and 2206

Dear Bob:

Enclosed are the following documents as executed by the Defendants and Respondents:

1. the Consent Order in the Columbus litigation; and
2. the Conciliation Agreement in MUR 2194.

The documents are being forwarded to you for signature by the Commission's representative and for holding in escrow as part of the concurrent resolution of all the matters relating to the Columbus litigation, MUR 2194 and MUR 2206. Our understanding is that the various elements of the settlement are as follows:

1. the filing of the Consent Order;
2. the delivery of the MUR 2194 Conciliation Agreement;
3. the closing on a no-action basis of all the issues in MUR 2194 not resolved in the Conciliation Agreement, including but not limited to:
  - a. the Senate Committee allegations; and
  - b. the original loan allegations;

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Mr. Robert E. Pease  
Page 2  
May 12, 1987

4. the closing on a no-action basis of MUR 2206 (Woodman); and
5. the delivery of the agreement by the FEC with respect to receipt of payments from the Glenn Committee in substance similar to the drafts enclosed herewith.

We understand that the FEC intends to adopt each of the foregoing items in connection with the concurrent resolution and settlement of these matters. Such adoption will be binding on the FEC subject only to the filing of the Consent Order with the Court in Columbus.

The Consent Order and Conciliation Agreement are being delivered herewith to be held by you in escrow. The documents are to be released upon the completion of the FEC adoption action and the subsequent filing of the Consent Order with the Court.

In the event the foregoing actions are not accomplished by noon, May 22, 1987, the documents enclosed herewith are to be returned to the undersigned.

Please telephone me with any questions you may have.

Very truly yours,

*Timothy Young*

John Timothy Young

JTY/pp

cc: Robert B. McAlister  
Robert W. Trafford

Enclosures

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BEFORE THE FEDERAL ELECTION COMMISSION

Ameritrust Company National Association )  
BancOhio National Bank )  
Bank One, Columbus, N.A., )  
The Huntington National Bank )

MUR 2206

87 MAY 12 PM 12:21  
COMMUNICATIONS SECTION  
SENSITIVE  
EXECUTIVE SESSION  
MAY 19 1987

GENERAL COUNSEL'S REPORT

On July 22, 1986, the Commission received a complaint from Mr. Robert P. Woodman alleging that \$2 million in loans from AmeriTrust Company National Association, BancOhio National Bank, Bank One, Columbus, N.A., and The Huntington National Bank were not made in the ordinary course of business and therefore a political contribution. On October 21, 1986, the Commission determined to take no action on this matter because the subject matter of this complaint was substantially identical to the pending litigation in FEC v. Bank One, Columbus, N.A., et al., Civil Action No. C2-86-1082 (S.D. Ohio). Under separate cover, this Office has submitted a proposed Consent Order for resolution of the litigation. Because the issue regarding the original making of the loans is being resolved in the context of the litigation, this Office recommends that the Commission, contingent upon approval by the court of the proposed Consent Order, take no further action with respect to this complaint.

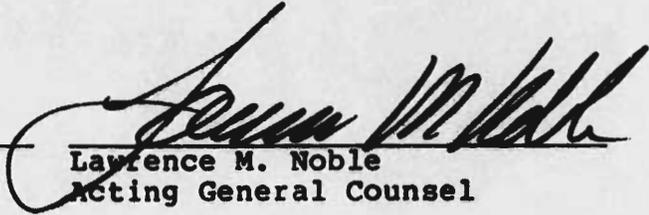
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**RECOMMENDATION**

Take no further action, contingent upon approval by the Court of the Consent Order in FEC v. Bank One, Columbus, N.A., et al., Civil Action No. C2-86-1082 (S.D. Ohio), regarding this matter.

Date

5/12/87



Lawrence M. Noble  
Acting General Counsel

88040583322

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of	)	
	)	
AmeriTrust Company National Association	)	
BancOhio National Bank	)	MUR 2206
Bank One, Columbus, N.A.	)	
The Huntington National Bank	)	

CERTIFICATION

I, Marjorie W. Emmons, recording secretary for the Federal Election Commission executive session of May 19, 1987, do hereby certify that the Commission decided by a vote of 5-0 to take no further action regarding the above-captioned matter, contingent upon approval by the Court of the Consent Order in FEC v. Bank One, Columbus, N.A., et al., Civil Action No. C2-86-1082 (S.D. Ohio).

Commissioners Aikens, Elliott, Josefiak, McDonald, and McGarry voted affirmatively for the decision. Commissioner Thomas recused and was not present during the consideration of this matter.

Attest:

5-20-87

Date

*Marjorie W. Emmons*

Marjorie W. Emmons  
Secretary of the Commission

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BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of	)	
	)	
Ameritrust Company National Association	)	MUR 2206
BancOhio National Bank	)	
Bank One, Columbus, N.A.	)	
The Huntington National Bank	)	

97 MAY 28  
 ALL: 2  
 FEDERAL ELECTION COMMISSION

GENERAL COUNSEL'S REPORT

BACKGROUND

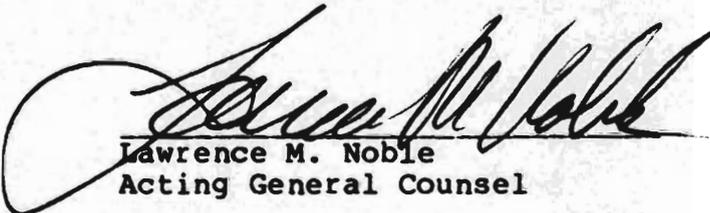
On May 19, 1987, the Commission decided to take no further action in this matter contingent upon approval by the court of a proposed Court Order in FEC v. Bank One, Columbus, N.A., et al., Civil Action No. C2-86-1082 (S.D. Ohio). On May 20, 1987, the court approved the consent order in the litigation. The consent order is attached for the Commission's convenience. This Office, therefore, recommends that the Commission close the file in this matter.

RECOMMENDATION

1. Close the file.
2. Approve the attached letters.

Date

5/28/87

  
 Lawrence M. Noble  
 Acting General Counsel

Attachments

1. Consent Order
2. Letters

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FILED  
KENNETH J. MILLER  
CLERK  
MAY 20 3 05 PM '87  
U.S. DISTRICT COURT  
SOUTHERN DISTRICT OF OHIO  
EASTERN DIVISION

Judge \_\_\_\_\_  
Mag \_\_\_\_\_  
Doc. Clk. \_\_\_\_\_  
N/S \_\_\_\_\_

UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF OHIO  
EASTERN DIVISION

FEDERAL ELECTION COMMISSION,  
  
Plaintiff,  
  
v.  
  
BANK ONE, COLUMBUS, N.A., et al.,  
  
Defendants.

Civil Action No. C2-86-1082  
CONSENT ORDER

CONSENT ORDER

This action for declaratory, injunctive and other appropriate relief was instituted by the plaintiff Federal Election Commission (the "Commission") pursuant to the express authority granted the Commission by sections 307(a)(6) and 309(a)(6)(A) of the Federal Election Campaign Act of 1971, as amended (the "Act"), codified at 2 U.S.C. §§ 437d(a)(6) and 437g(a)(6)(A) against the defendants John Glenn Presidential Committee, Inc., William R. White, treasurer, Senator John Glenn (hereinafter collectively referred to as "Glenn Committee"), and Bank One, Columbus, N.A., Ameritrust Company National Association, BancOhio National Bank, and the Huntington National Bank (hereinafter collectively referred to as the "Banks").

This court has original jurisdiction over this suit pursuant to 28 U.S.C. § 1345 as an action brought by an agency of the United States expressly authorized to sue by an Act of Congress. Venue is properly found in the Southern District of Ohio, Eastern Division, in accord with 2 U.S.C. § 437g(a)(6)(A), as all

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GENERAL COUNSEL

87 MAY 26 9:27

Attachment 1-1075

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defendants can be found, reside or transact business in this district.

The parties now agree to entry of this court's judgment and consent to the issuance of this Order, as evidenced by the signatures of their respective counsel affixed hereto.

Therefore, it is ORDERED, ADJUDGED AND DECREED as follows:

I. On February 9, and February 15, 1984, the Glenn Committee received from the Banks loans totalling \$2 million.

II. 2 U.S.C. § 441b(a) prohibits national banks from making contributions in connection with any election, and candidates and political committees from accepting any such contributions.

III. 2 U.S.C. § 441b(b)(2) defines the term "contribution" to include any loan by a national bank that is not made in the ordinary course of business to any candidate or campaign committee in connection with any federal election.

IV. Section 431(8)(B)(vii)(II) of Title 2 of the United States Code states, among other requirements, that a loan by a national bank is in the ordinary course of business, and not a contribution, if the loan is made on a basis which assures repayment.

V. On May 1, 1984, the Commission found reason to believe that defendants have violated the Act with respect to the \$2 million loans.

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VI. On June 10, 1986, after conducting an investigation, the Commission found probable cause to believe that the defendants have violated the Act. The parties thereafter entered conciliation pursuant to 2 U.S.C. § 437g(a)(4)(A).

VII. On September 9, 1986, after failing to resolve the matter through conciliation, the Commission filed this action against the defendants alleging that the \$2 million loans made by the Banks to the Glenn Committee were not made on a basis that assured repayment and therefore in violation of 2 U.S.C. § 441b(a).

VIII. The Commission found that the loan made by the Banks to the Glenn Committee was not made on a basis that assured repayment because of the declining financial condition of the Glenn Committee at the time of the loan and that the sources of repayment for the loan were not adequate to assure repayment because the sources were speculative in nature.

IX. Defendants Glenn Committee and Banks contend, however, because of Senator John Glenn's personal commitment to raise the funds necessary to repay the loans, the undertakings of comfort letter signers, the insurance policy on the life of John Glenn in favor of the Banks, and other security given that the loans were made on a basis which assures repayment within the meaning of 2 U.S.C. § 431(8)(B)(vii)(II).

X. Substantial time, effort, and expense have been expended by all of the parties in the preparation of this case for trial and even more time, effort, and expense would be required to litigate these actions to a conclusion.

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**IX.** For purposes of settlement of this litigation only, defendants do not further contest the Commission's allegations that the making and acceptance of the loan was in violation of 2 U.S.C. § 441b(a). By agreeing not to further contest the Commission's allegations defendants do not concede that such allegations are proven by the record or could have been proven at trial.

**XII.** In settlement of the litigation, the defendant John Glenn Presidential Committee, Inc. will pay four thousand dollars (\$4,000) to the plaintiff Federal Election Commission.

**XIII.** Nothing in this Order may be used in any other judicial or administrative proceeding against or as an admission by any of the parties.

**XIV.** Accordingly, (1) this action; (2) all claims which were or could have been asserted herein by the Commission against any defendant or defendants; (3) all claims which were or could have been asserted herein by any defendant or defendants against the Commission; and (4) civil action no. C-2-86-0841 and civil action no. C-2-86-0848 (and those actions and those claims only) are hereby dismissed with prejudice. The parties shall bear their own costs and fees in this matter.

MAY 20 1987

Date

*James H. Hennery*  
United States District Judge

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So stipulated:

**Robert B. McAlister, Trial Attorney**  
Daniel Kobil  
BAKER & HOSTETLER  
65 East State Street  
Columbus, OH 43215  
(614) 228-1521

**Lawrence M. Noble**  
Acting General Counsel

**Harlan Pomeroy**  
BAKER & HOSTETLER  
1050 Connecticut Avenue, N.W.  
Washington, D.C. 20036  
(202) 861-1543  
FOR DEFENDANTS JOHN GLENN PRESIDENTIAL  
COMMITTEE, INC., WILLIAM R. WHITE,  
AS TREASURER, AND JOHN GLENN.

**Ivan Rivers**  
Assistant General Counsel

**Robert E. Pease**  
Trial Attorney

and

**David S. Cuppe, Trial Attorney**  
Ellen Efros  
VORYS, SATER, SEYMOUR AND PEASE  
52 East Gay Street  
P.O. Box 1008  
Columbus, OH 43216-1008  
(614) 464-6400

FOR THE PLAINTIFF  
FEDERAL ELECTION COMMISSION  
999 E Street, N.W.  
Washington, D.C. 20463  
(202) 376-8200

and

**James E. Pohlman, Trial Attorney**  
Robert W. Trafford  
PORTER, WRIGHT, MORRIS & ARTHUR  
41 South High Street  
Columbus, OH 43215  
(614) 227-2141

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BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of

AmeriTrust Company National Association  
BancOhio National Bank  
Bank One, Columbus, N.A.  
The Huntington National Bank

MUR 2206

CERTIFICATION

I, Marjorie W. Emmons, Secretary of the Federal Election Commission, do hereby certify that on June 1, 1987, the Commission decided by a vote of 5-0 to take the following actions in MUR 2206:

1. Close the file.
2. Approve the letters, as recommended in the General Counsel's Report signed May 28, 1987.

Commissioners Aikens, Elliott, Josefiak, McDonald, and McGarry voted affirmatively for the decision; Commissioner Thomas did not cast a vote.

Attest:

6/2/87

Date

*Marjorie W. Emmons*

Marjorie W. Emmons  
Secretary of the Commission

Received in the Office of Commission Secretary:	Thurs., 5-28-87, 11:29
Circulated on 48 hour tally basis:	Thurs., 5-28-87, 4:00
Deadline for vote:	Mon., 6-01-87, 4:00

88040683330



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

June 3, 1987

Robert W. Trafford, Esquire  
Porter, Wright, Morris & Arthur  
41 South High Street  
Columbus, Ohio 43215

RE: MUR 2206  
The Huntington National Bank

Dear Mr. Trafford:

This is to advise you that on June 1, 1987, the Federal Election Commission, determined to take no further action with respect to this complaint. Accordingly, the file in this matter has been closed as it pertains to your client.

This matter will become part of the public record within 30 days. Should you wish to submit any factual or legal materials to appear on the public record, please do so within ten days. Such materials should be sent to the Office of the General Counsel.

If you have any questions, contact Robert Pease, the attorney assigned to handle this matter, at (202) 376-8200.

Sincerely,

Lawrence M. Noble  
Acting General Counsel

83040665331



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

*plm*

June 3, 1987

John Timothy Young, Esquire  
Vorys, Sater, Seymour & Pease  
52 East Gay Street  
Columbus, OH 43216-1008

RE: MUR 2206  
Bank One, Columbus, N.A.  
BancOhio National Bank  
AmeriTrust Company, N.A.

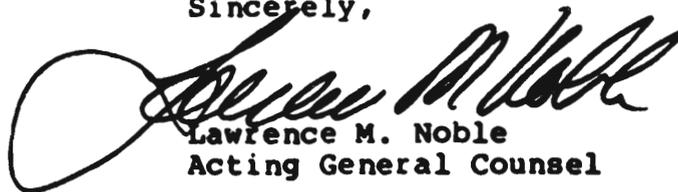
Dear Mr. Young:

This is to advise you that on June 1, 1987, the Federal Election Commission, determined to take no further action with respect to this complaint. Accordingly, the file in this matter has been closed as it pertains to your clients.

This matter will become part of the public record within 30 days. Should you wish to submit any factual or legal materials to appear on the public record, please do so within ten days. Such materials should be sent to the Office of the General Counsel.

If you have any questions, contact Robert Pease, the attorney assigned to handle this matter, at (202) 376-8200.

Sincerely,

  
Lawrence M. Noble  
Acting General Counsel

9304058332



FEDERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

June 3, 1987

Mr. Robert P. Woodman  
Castlewood 102  
17600 Detroit Avenue  
Lakewood, Ohio 44107

RE: MUR 2206

Dear Mr. Woodman:

This is in reference to the complaint you filed with the Commission on July 22, 1986, concerning a \$2 million bank loan that Bank One, Columbus, N.A., BancOhio National Bank, AmeriTrust Company, and The Huntington National Bank made to the John Glenn Presidential Committee.

On October 21, 1986, the Commission determined to take no action in connection with your complaint since the subject matter was substantially identical to a litigation matter in which the Commission was involved. See FEC v. Bank One, Columbus, N.A. et. al., Civil Action Number C2-86-1082 (S.D. Ohio). The Commission resolved this litigation through a consent order entered May 20, 1987. Because the issue regarding the original making of the loans has been resolved in the context of the litigation, the Commission has determined to take no further action with respect to this complaint. Accordingly, the file in this matter was closed on June 1, 1987.

This matter will become part of the public record within 30 days. The Federal Election Campaign Act of 1971, as amended, allows a complainant to seek judicial review of the Commissions dismissal of this action. See 2 U.S.C. § 437g(a)(B).

If you have any questions, please contact Robert Pease, the attorney assigned to this matter, at (202) 376-8200.

Sincerely,

  
Lawrence M. Noble  
Acting General Counsel

83040683333

rlm



**LOAN AGREEMENT DATED AS OF FEBRUARY 8, 1984  
EXTENDING CREDIT TO JOHN GLENN  
PRESIDENTIAL COMMITTEE INC.**

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**INDEX OF CLOSING DOCUMENTS**

1. Loan Agreement dated as of February 8, 1984
2. Promissory Note dated February 9, 1984 (conformed copy of Ameritrust Company National Association)
3. Promissory Note dated February 9, 1984 (conformed copy of BancOhio National Bank)
4. Promissory Note dated February 9, 1984 (conformed copy of Bank One, Columbus, N.A.)
5. Promissory Note dated February 9, 1984 (conformed copy of The Huntington National Bank)
6. Security Agreement dated as of February 8, 1984
7. Candidate's Assignment
8. Borrower's Assignment
9. Letter of Senator Glenn and William White dated February 8, 1984
10. Candidate's Statement
11. Advance Request Form dated February 9, 1984
12. Opinion of Messrs. Baker & Hostetler dated February 9, 1984
13. Letter of Messrs. Baker & Hostetler dated February 9, 1984 with respect to Opinion
14. Certificate of Borrower's Comptroller dated February 8, 1984
15. Opinion of Robert B. Lubic dated November 1, 1983 and Letter of Mr. Lubic dated February 8, 1984 with respect to prior opinion
16. Letter of Senator Glenn to FEC dated February 8, 1984
17. Letter of Senator Glenn to Secretary of Treasury dated February 8, 1984
18. Form UCC-1, filed February 9, 1984 in District of Columbia

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19. Form UCC-1 filed February 8, 1984 with Ohio Secretary of State
20. Form UCC-1 filed February 15, 1984 with Franklin County, Ohio Recorder's Office and Form UCC-11 with respect thereto
21. Letter of Borrower's Comptroller dated February 8, 1984 as to certain representations and warranties
22. Borrower's Incumbency Certificates
23. Certificate as to Borrower's Resolutions
24. Life Insurance material
25. Letters of Messrs. Baker & Hostetler dated February 2, 1984 and February 8, 1984, as to transaction

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LOAN AGREEMENT

<u>Section</u>	<u>Contents</u>	<u>Page</u>
1.	Definitions.....	1
2.	Recitals.....	4
3.	Terms of Borrowing.....	5
4.	Participation of the Banks.....	7
5.	Conditions of Borrowing.....	10
6.	Warranties.....	13
7.	Affirmative Covenants.....	17
8.	Negative Covenants.....	18
9.	Events of Default; Enforcement of Remedies.....	19
10.	The Banks and the Agent.....	21
11.	Miscellaneous.....	25
Exhibits		
A.....	Promissory Notes	
B.....	Security Agreement	
C.....	Advance Request Form	
Schedule		
1.....	Previous Loan Agreement	

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## LOAN AGREEMENT

Dated as of February 8, 1984

JOHN GLENN PRESIDENTIAL COMMITTEE INC. ("Borrower"), a corporation organized and existing under the laws of the District of Columbia, with its principal place of business and chief executive office at 444 North Capitol Street, N.W., Washington, D.C. 20001, BANK ONE, COLUMBUS, N.A. ("BANK ONE"), a national banking association organized and existing under the laws of the United States, located at and with a mailing address of 100 East Broad Street, Columbus, Ohio 43271, BANCOHIO NATIONAL BANK ("BNB"), a national banking association organized and existing under the laws of the United States, located at and with a mailing address of 155 East Broad Street, Columbus, Ohio 43265, THE HUNTINGTON NATIONAL BANK ("HNB"), a national banking association organized and existing under the laws of the United States, located at and with a mailing address of 17 South High Street, Columbus, Ohio 43260, AMERITRUST COMPANY NATIONAL ASSOCIATION ("AMERITRUST"), a national banking association organized and existing under the laws of the United States, located at and with a mailing address of 900 Euclid Avenue, Cleveland, Ohio 44115, (BANK ONE, BNB, HNB and AMERITRUST hereinafter collectively, "Bank[s]") and BANK ONE, not in its individual capacity but as agent for the Banks hereunder (the "Agent"), in consideration of the mutual covenants and agreements contained herein and of other good and valuable consideration the receipt and sufficiency of which is acknowledged hereby, and intending to be legally bound, hereby recite, represent, warrant and agree as follows:

### Section 1. Definitions

As used herein,

1.1 "Advance" has the meaning assigned to that term in paragraph 3.1 hereof;

1.2 "Advance Date" means the date on which an Advance is made;

1.3 "Advance Request Form" means a fully executed and completed document in form as contained in Exhibit "C" hereto;

1.4 The "Agreements" means all instruments and documents issued, entered or delivered by or on behalf of Banks, Borrower and/or Senator Glenn in connection with the Indebtedness and/or the Collateral, including without limitation this Agreement, the Security Agreement and the Notes, all of which are incorporated into and made a part hereof;

1.5 "Assignments" means the Candidate's Assignment and the Borrower's Assignment;

1.6 "Borrower's Assignment" has the meaning assigned to that term in paragraph 5.1(d) hereof;

1.7 "Business Day" has the meaning assigned to that term in paragraph 11.3 hereof;

1.8 "Candidate's Assignment" has the meaning assigned to that term in paragraph 5.1(d) hereof;

1.9 "Candidate's Statement" means the statement of Senator Glenn in form as contained in Schedule 4 to the Security Agreement;

1.10 "Collateral" means all collateral of whatever kind and whenever created, arising or acquired, securing the Indebtedness including, without limitation, the Separate Collateral;

1.11 "Collateral Account" means a non-interest bearing checking account in name of Bank One, Columbus, N.A., Collateral Account for John Glenn Presidential Committee Inc., account no. 10-0811-9, maintained by Borrower with Agent at its offices at 100 East Broad Street, Columbus, Ohio 43271, that is under such control and dominion of Agent as is appropriate to the purposes hereof, including the purpose of receiving Senator Glenn's Primary Funding;

1.12 "Commitment Amount" means two million dollars (\$2,000,000);

1.13 "Depositary Collateral" means all collateral and interests therein, to the extent of those interests, arising by operation of law in connection with the Depositary Indebtedness, including the security interest of a collecting bank in items, accompanying documents and proceeds;

1.14 "Depositary Indebtedness" means the indebtedness of Borrower to BANK ONE (or, if BANK ONE should not be the primary depositary and principal bank of account of Borrower, that one of the Banks, if any, acting in such capacity) arising in connection with the processing, deposit, collection and other activities of BANK ONE with respect to money and items in the ordinary course on behalf of Borrower as customer of BANK ONE;

1.15 "Federal Campaign Act" means the Federal Election Campaign Act of 1971, as amended, 2 U.S.C. §§ 431 et seq;

1.16 "Federal Election Commission" and "FEC" mean the federal commission authorized by, and operating pursuant to, the Federal Election Campaign Act;

1.17 "Indebtedness" means all liabilities, obligations and indebtedness (including, without limitation, any overdrafts on accounts of Borrower maintained with Banks) of Borrower to Banks, of whatever kind and whenever created, whether or not given pursuant to commitment, direct or indirect, absolute or contingent, due or to become due, now existing or hereafter arising, including without limitation indebtedness evidenced by the Notes and all liabilities, obligations and indebtedness arising under or in connection with any one or more of the Agreements; however, Indebtedness does not include the Separate Indebtedness;

1.18 "Note(s)" means the Promissory Notes substantially in the form attached hereto as Exhibit "A" to be issued by Borrower to Banks and any replacement(s) thereof;

1.19 "Person" mean any individual or an organization, including a corporation, government or governmental subdivision or agency, business trust, estate, trust, partnership or association, two or more Persons having a joint or common interest, or any other legal or commercial entity;

1.20 "Previous Debt" means the indebtedness of Borrower to BANK ONE pursuant to the Previous Loan Agreement, in amount as of the date hereof of approximately \$180,000;

1.21 "Previous Loan Agreement" means the Loan Agreement between Borrower and BANK ONE dated as of October 24, 1983, a copy of which is attached hereto as Schedule 1;

1.22 "Primary Payment Act" means the Presidential Primary Matching Payment Account Act, 26 U.S.C. §§ 9031 et seq.;

1.23 "Primary Funding" means the payment of funds by the Secretary of the Treasury of the United States with respect to an individual seeking the nomination for election to be President of the United States upon receipt of appropriate certification from the Federal Election Commission in accordance with the Primary Payment Act;

1.24 "Prime Rate" means the rate of interest announced by BANK ONE from time to time as its prime rate, with any change thereto effective as of the opening of business on the day of the change without notice;

1.25 "Security Agreement" means all security agreements between Borrower, any Bank and/or the Agent, including

without limitation the Security Agreement substantially in the form attached hereto as Exhibit "B";

1.26 "Senator Glenn" means John Glenn, a candidate at the date hereof for the Democratic Party nomination for President of the United States in the 1984 primary elections;

1.27 "Separate Collateral" mean the present and future collateral securing the Separate Indebtedness, including certificates of deposit and other assets possessed by, and guarantees in favor of, BANK ONE at the date thereof;

1.28 "Separate Indebtedness" means the indebtedness or any part thereof now or hereafter existing or arising of Borrower to BANK ONE in connection with (a) a \$35,000 credit card line and (b) letters of credit issued to certain utilities and creditors in present aggregate amount of \$196,565;

1.29 All accounting terms not specifically defined herein shall be construed in accordance with generally accepted accounting principles consistently applied, except as otherwise stated herein;

1.30 The definition of any document or instrument in this Section 1 includes all exhibits, schedules and amendments thereto and replacements thereof under the terms hereof; and

1.31 As used herein, terms defined in the introductory and other paragraphs hereof have such respective defined meanings throughout.

## Section 2. Recitals

2.1 Borrower currently is indebted to BANK ONE pursuant to the Previous Loan Agreement and the Previous Debt is secured as set forth therein.

2.2 In order to consolidate and increase the Previous Debt and to provide funds for the purpose of pursuing the Democratic Party nomination for President of the United States, Borrower has applied to Banks for credit in the original maximum principal amount of the Commitment Amount.

2.3 To secure its borrowing hereunder, Borrower has offered all of its interests in tangible and intangible property as Collateral.

2.4 Subject to the terms and conditions hereof, Banks have agreed to make the requested extensions of credit.

2.5 It is the intention of the parties hereto that (a) the Agreements shall not constitute a contribution by any Bank under the Federal Campaign Act and the rules and regulations thereunder (including 11 C.F.R. Section 100.7(b)(11)), (b) the extension(s) of credit be made in accordance with applicable banking laws and regulations and in the ordinary course of business, (c) nothing herein shall constitute an expenditure as that term is used in 26 U.S.C. § 9035, and (d) Senator Glenn is a party only to those of the Agreements that he has personally executed.

### Section 3. Terms of Borrowing

3.1 On the terms and conditions hereof, Banks agree to make advances to Borrower from time to time ("Advances"). Advances shall be preceded by Agent's receipt of an Advance Request Form and may be made during the period from the date hereof until the earlier of (a) the date on which Senator Glenn/Borrower ceases to be eligible for Primary Funding (without regard to 26 U.S.C. § 9033(c)(2)) or (b) March 12, 1984. However, no Advance shall (a) be made in an amount of less than \$200,000; or (b) cause the aggregate principal amount of the Notes outstanding at any one time to exceed the Commitment Amount. Each Advance shall be disbursed directly into one or more accounts (other than the Collateral Account) in the name of Borrower maintained with Agent according to instructions to be furnished by Borrower to Agent. All Advances shall be evidenced by the Notes.

3.2 The amount of the Previous Debt shall be paid as set forth in the Previous Loan Agreement to Agent for the account of BANK ONE not later than February 13, 1984. Otherwise, the Indebtedness evidenced by the Notes, including interest, shall be payable on demand and otherwise as set forth in the Notes. Interest shall accrue on the unpaid principal balance evidenced by the Notes, shall be calculated daily on the basis of actual days elapsed, shall be computed on the basis of a 360-day year and shall be paid monthly in arrears commencing on March 15, 1984, and continuing on the 15th day of each succeeding calendar month.

3.3 The interest rate shall fluctuate and at any time shall be equal to the sum of one percent (1%) per annum and the Prime Rate.

3.4 Borrower shall cause all Primary Funding to which Borrower is entitled to be paid immediately and directly by wire transfer into the Collateral Account. All amounts so received shall be applied by Agent in compliance herewith not later than the close of the Business Day next following the day after any such receipt (as set forth in paragraph 3.5(c)) in the Collateral

Account. Agent shall transfer all funds, if any, in excess of amounts applied to the Indebtedness in compliance herewith to Borrower's account number 10-0801-2 maintained with Agent or such other account of Borrower with Agent as Borrower shall direct in writing.

3.5 The Indebtedness or any part thereof may be paid in whole or in part at any time without penalty. In any event, subject to application in compliance herewith of payment of the amount of the Previous Debt or application to the Depository Indebtedness, all payments received by Agent (a) shall be applied, first, to interest and Indebtedness, if any, other than principal due and payable, and second, to principal indebtedness (including additional payments hereunder, if any) to be deemed applied against such indebtedness in the order incurred; (b) shall be in lawful money of the United States; and (c) shall be credited (or available) as of the time received by Agent in cash or equivalent or, if tendered in other than cash or equivalent, when finally collected.

3.6 All payments of principal of, and interest on, the Notes shall be made in Federal or other immediately available funds at the main office of Agent in Columbus, Ohio, no later than eleven o'clock A.M. Columbus time. All borrowings shall be made in Federal or other immediately available funds at the main office of Agent in Columbus, Ohio, no later than two o'clock P.M. Columbus time. Agent shall give each Bank telephonic or telegraphic notice of each such payment or borrowing or request for Advance on the date of its receipt thereof or of notice of the same.

3.7 All payments (including prepayments) of principal of, and interest on, the Notes shall be made to Agent and such payment shall be for the accounts of the Banks in proportion to the principal amount of their Advances and the amount of such payment shall be ratably distributed by Agent to the Banks. Distributions under this paragraph shall be set in motion by Agent by twelve o'clock noon Columbus time on the date credited (or available).

3.8 The Indebtedness is and will be secured pursuant to the terms and conditions set forth in the Agreements.

3.9 Provided that the Indebtedness has been satisfied in full, Borrower may terminate the Loan Agreement by delivering a written notice to Agent as set forth herein. In connection with any such termination, Borrower and Banks agree to execute and deliver such documents as are appropriate to evidence the termination.

Section 4. Participation of the Banks

4.1 Each of the Banks severally agrees, subject to the terms and conditions hereof, to make Advances hereunder from time to time in aggregate amount as follows while this Agreement is in effect, except that (a) the aggregate amount of the Advances outstanding shall not exceed the Commitment Amount and (b) no Advance shall be made after March 12, 1984. During the term hereof, Borrower may borrow, repay (subject to the terms of the Notes) and reborrow hereunder.

<u>Bank</u>	<u>Commitment</u>
BANK ONE	The lesser of \$500,000 or 25.0 percent of the Commitment Amount (without regard to the Previous Debt)
BNB	The lesser of \$500,000 or 25.0 percent of the Commitment Amount
HNB	The lesser of \$500,000 or 25.0 percent of the Commitment Amount
AMERITRUST	The lesser of \$500,000 or 25.0 percent of the Commitment Amount

Each Advance under this Section 4 shall be from the Banks ratably in proportion to their respective commitments set forth above.

4.2 The initial Advance of the Banks shall be in an aggregate principal amount of \$500,000. Each Bank shall forward its portion of the amount of the initial Advance to Agent at the main office of Agent in immediately available funds in Columbus, Ohio, no later than twelve o'clock noon, Columbus time on the date of the initial Advance. With respect to subsequent Advances, following the notice of borrowing from Agent provided for in paragraph 3.6, which will include advice to each Bank of its proportionate share of the borrowing, each Bank shall forward the amount of its share of such borrowing hereunder to Agent at the main office of Agent in immediately available funds in Columbus, Ohio, to be received by Agent by twelve o'clock noon Columbus time on the Business Day following Agent's notice to the Banks of the request for Advance preceding that borrowing. Agent shall not be obligated to make any Advance hereunder until it has received from each Bank that Bank's proportionate amount of such Advance.

4.3 Each Bank shall have the right to setoff against all obligations of Borrower to such Bank hereunder and under the Notes, whether matured or unmatured, all amounts owing to Borrower by such Bank, whether or not then due and payable and

all other funds or property of Borrower on deposit with or otherwise held or in the custody of such Bank for the beneficial account of Borrower. Subject to paragraph 4.4, each Bank agrees that all amounts realized by setoff under this paragraph shall be applied first to any Indebtedness outstanding under this Agreement and, second, to indebtedness or other obligations under any agreement(s) then in effect to which the Banks (or Substitute Banks) are parties. The provisions of the sentence immediately preceding shall not limit any right of all the Banks to agree to apply any amount realized by setoff under this paragraph in any order which they deem desirable or appropriate. Each Bank agrees that if it shall, through the exercise of a right of banker's lien, setoff or counterclaim against Borrower, obtain payment in respect of one or more of the Notes as a result of which the unpaid portion of the outstanding Advances made by it is proportionately less than the unpaid portion of the outstanding Advances made by any other Bank or Banks, (a) it shall be deemed to have simultaneously purchased from such other Bank or Banks a participation in the Notes so that the aggregate unpaid principal amount of all Notes and participations in Notes by each Bank shall be the same proportion of the aggregate unpaid principal amount of all Notes then outstanding as the principal amount of such Notes held by it prior to such exercise of banker's lien, setoff or counterclaim was to the principal amount of all Notes outstanding prior to such exercise of banker's lien, setoff or counterclaim and (b) such other adjustments shall be made from time to time as shall be equitable to insure that all the Banks share such payments in proportion to their respective Advances. Borrower expressly consents to the arrangements contained in this Section 4 and, moreover, agrees that any Bank holding a participation in a Note deemed to have been so purchased may exercise any and all rights of banker's lien, setoff or counterclaim with respect to any and all moneys owing by Borrower to such Bank as fully as if such Bank held a Note in the amount of such participation.

4.4 Anything herein to the contrary notwithstanding, (a) the amount of the Previous Debt shall be paid and satisfied to BANK ONE prior to the satisfaction of any Indebtedness to any Bank arising out of any Advance; (b) the interests of the Banks in and to the Separate Collateral are subject and subordinate to the interests therein of BANK ONE for the prior satisfaction of the Separate Indebtedness; and (c) Depository Indebtedness shall be first satisfied and Depository Collateral shall be applied against Depository Indebtedness.

4.5 Borrower, with respect to any Bank (the "Terminated Bank"), may, upon ten business days prior notice, terminate the entire commitment of the Terminated Bank and prepay all Notes payable to the Terminated Bank, provided that (a) Borrower, prior to the time of termination and prepayment, has arranged for the commitment of the Terminated Bank to be taken

over by a bank (the "Substitute Bank") acceptable to the Banks; (b) at the time of termination and prepayment, the Substitute Bank must become a party to this Agreement by consenting in writing thereto, in form acceptable to Agent; and (c) at the time of termination and prepayment, Borrower must prepay the unpaid principal amount of, and any accrued interest on, the Notes accrued to the Terminated Bank and must execute and deliver to the Substitute Bank such Notes and other instruments as Agent may request setting out the same terms, conditions and principal amounts as set forth herein.

Any Substitute Bank must be acceptable to each of the Banks (except the Bank to become the Terminated Bank). Each such Bank may affirmatively accept a proposed Substitute Bank but such acceptance will be deemed to have occurred as to any such Bank which fails to object in writing to any proposed Substitute Bank within ten days after written notice thereof is given to all the Banks by Borrower in compliance herewith. Subsequent to such acceptance, all of the Banks hereby consent and agree to any such Substitute Bank becoming a party to this Agreement and hereby agree to the release of any such Terminated Bank from all obligations under this Agreement, provided such Substitute Bank agrees in writing in a form satisfactory to Agent to assume all the undertakings and covenants of the Terminated Bank pursuant to this Agreement.

Upon becoming a party of this Agreement and upon the termination of the Commitment of the Terminated Bank, the Substitute Bank shall become and the Terminated Bank shall cease to be a Bank (as defined herein). Simultaneously therewith, or subsequent thereto, the Terminated Bank shall execute such documents of assignment of its interest hereunder and in the Collateral as Agent and the Substituted Bank may request.

4.6 The Notes hereunder are issued in part as an extension of the credit arrangements set forth in the Previous Loan Agreement. Simultaneously with the first Advance hereunder, BANK ONE hereby assigns to Agent, for the benefit of the Banks as their interests appear hereunder, the Previous Loan Agreement and all security interests in Collateral thereunder then held by BANK ONE.

4.7 As further inducement to Banks and Agent to make the Advances to Borrower and to perform the transactions contemplated in the Agreements, Borrower hereby agrees to forever discharge, release, indemnify and hold the Agent, each of the Banks, and each of their present and future officers, directors, employees, agents, successors, assigns and shareholders harmless from and against any and all losses, damages, actions, causes of action, claims, demands, suits, liabilities, judgments, disbursements, attorneys' fees and expenses and all other costs of any nature whatsoever arising out of or in connection with the

making of the Advances to Borrower under the Agreement or the performance of the transactions contemplated on the part of the Agent and of the Banks to be performed under the Agreements, including but not limited to, all losses, claims, damages, liabilities: (a) arising out of or based upon an alleged untrue statement of a material fact contained in Section 6 of this Agreement or upon an alleged omission to state a material fact or a fact necessary to make the statements made therein, in light of the circumstances under which they were made, not misleading; (b) arising out of or based upon an alleged breach of the Federal Campaign Act or of any regulation, resolution, administrative order or rule issued thereunder, or of any determination, regulation, order or rule of the Federal Election Commission, now or hereafter in effect; or (c) arising out of or based upon an alleged breach or the performance of the obligations and representations made to the Agent and the Banks by or on behalf of Senator Glenn in connection with or under any of the Agreements. This release and indemnification of all of the foregoing shall be effective regardless of whether the Agent or the Banks may now have or hereafter incur liability, and whether or not such liability is known, unknown, foreseen or unforeseen. It is expressly agreed that the provisions of this Section 4.7 shall survive the termination of this Agreement and the transactions contemplated herein.

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Section 5. Conditions of Borrowing

5.1. Prior to the Banks making their initial Advance, Agent shall have received the following, each dated no later than the date of that Advance, in form and substance satisfactory to Agent:

(a) The Note, the Security Agreement, and this Agreement;

(b) All Collateral, assignments and documents related to perfection thereof specified, and in the form specified, in the Security Agreement;

(c) Signed copies of certificates of the Secretary of Borrower dated as of the date of the initial Advance, which shall certify the names of the officers of Borrower authorized to execute the Agreements on behalf of Borrower, together with the true signatures of such officers;

(d) An Assignment ("Candidate's Assignment"), duly executed by Senator Glenn in favor of Borrower, assigning (irrevocably so long as this Agreement remains in effect)

to Borrower Senator Glenn's rights to the Primary Funding, together with an Assignment ("Borrower's Assignment") by Borrower in favor of Banks, in the form of Schedules 1 and 2, respectively, to the Security Agreement, assigning to Agent all such rights as security for the payment of the Indebtedness and Borrower's obligations under the Agreements, all in form and substance satisfactory to Banks, together with:

(i) certified copies of proper financing statements and certificates of record priority thereof (Forms UCC-1 and UCC-11) duly filed under the Uniform Commercial Code of all jurisdictions as may be necessary or, in the opinion of Banks, desirable to perfect the security interests created by, or with respect to, the Agreements and evidence such perfection, and

(ii) a copy of a letter of instructions from Senator Glenn and Borrower to the Federal Election Commission and the Secretary of the Treasury that is irrevocable without written consent of each Bank (the "Instructions"), instructing said Commission and Secretary to forward all Primary Funding directly to Agent for deposit in the Collateral Account and evidence of delivery thereof, and

(iii) evidence that all other actions necessary or, in the opinion of Banks, desirable to perfect and protect the security interests created by the Agreements have been taken;

(e) Certified copies of the resolutions of the Board of Directors of Borrower approving the Agreements and of all documents evidencing other necessary corporate action and governmental approvals, if any, with respect to the Agreements;

(f) Undertakings of Senator Glenn and William R. White ("Undertakings") in the form of Schedule 3 to the Security Agreement;

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(g) A statement of Senator Glenn, ("Candidate's Statement") in the form of Schedule 4 to the Security Agreement;

(h) The letters evidencing the personal undertakings of certain of the supporters of Senator Glenn to raise contributions to retire the Indebtedness in the event that Borrower is unable to do so through ongoing operations, together with (i) Senator Glenn's assignment thereof to Borrower and (ii) bank references of those supporters, all in form and substance satisfactory to Banks;

(i) Evidence of a policy of insurance (paid in full for one year and renewable for an additional year at no increase in premium at the sole option of Banks) insuring the life of Senator Glenn in amount not less than the initial Advance, naming Agent as beneficiary, or irrevocably assigned to Agent, and otherwise in form and on terms acceptable to Banks;

(j) A favorable opinion of Messrs. Baker and Eostetler, counsel for the Borrower, as to matters referred to in Section 6 and as to such other matters as Banks may reasonably request, in form and substance acceptable to each Bank and its counsel;

(k) Such certificates, documents, instruments and writings as Banks may reasonably request in the exercise of reasonable discretion to effect the purposes and objectives hereof.

5.2 As of the date of each Advance (including the initial Advance), the following statements shall be true and correct (and the acceptance by Borrower of the proceeds of such Advance shall be deemed to constitute a representation and warranty by Borrower that such statements are true and correct):

(a) The representations, warranties, and covenants contained in Sections 6, 7 and 8 hereof, in the Previous Loan Agreement and in Candidate's Statement (as if made by Borrower) are true and correct on and as of the date of such Advance as though made on and as of such date;

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(b) Evidence shall have been delivered to the Banks, in the manner of paragraph 5.1(i), of additional or supplemental insurance in the aggregate amount of the outstanding Indebtedness plus the requested Advance; and

(c) No event has occurred and is continuing, or would result from such Advance, which constitutes or, with the lapse of time or notice or both, could constitute a default or would constitute a default but for the requirement that notice be given or lapse of time or both.

### Section 6. Warranties

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Borrower represents and warrants to Banks, which representations and warranties will be true and correct at the date(s) hereof and on each Advance Date and until the satisfaction in full of the Indebtedness, and will survive (a) the execution and delivery of the Agreements and (b) until the satisfaction in full of the Indebtedness and the termination of this Loan Agreement, that

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6.1 Borrower is a not-for-profit corporation duly organized, validly existing, and in good standing under the laws of the District of Columbia and has all requisite corporate power and authority to own and operate its properties, to carry on its business as now conducted and to enter into and perform this Agreement, including without limitation the execution, delivery, and performance of the Agreements;

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6.2 Borrower is duly qualified or licensed and in good standing as a foreign corporation or is otherwise duly authorized to conduct its business in each jurisdiction in which the character of the properties owned or leased or the nature of the activities conducted makes such qualification or licensing necessary;

6.3 Borrower is duly established under, and is in compliance with, the Federal Campaign Act. Borrower is the sole "principal campaign committee" of Senator Glenn, within the meaning of the Federal Campaign Act and the Primary Payment Act; Borrower is eligible to receive Primary Funding, which status has been confirmed in writing by the Federal Election Commission;

6.4 The execution, delivery and performance by Borrower of the Agreements, including the Notes and Borrower's Assignment, are within Borrower's corporate powers, have been duly authorized by all necessary corporate action, and do not

contravene (i) Borrower's charter, certificate or articles and by-laws or regulations or (ii) any law or contractual restriction binding on or affecting Borrower;

6.5 No authorization or approval or other action by, and no notice to or filing with, any governmental body is required for the due execution, delivery and performance by Borrower of the Agreements;

6.6 The Agreements and all related documents executed and/or delivered by Borrower pursuant to this Agreement will constitute valid and binding obligations of the parties thereto, fully enforceable in accordance with their provisions against each thereof, except as such enforceability may be limited by applicable bankruptcy, insolvency, reorganization, moratorium, liquidation or similar laws affecting the rights of creditors generally and by the laws of specific performance, none of which will interfere materially with each Bank's and Agent's realization of its rights and benefits thereunder;

6.7 The Agreements, when delivered hereunder, will create or continue in Banks a valid and perfected first priority security interest in Borrower's rights to Senator Glenn's Primary Funding, securing the payment and performance of the Indebtedness and of Borrower's obligations under the Agreements, and all filings and other actions necessary to perfect such security interest will have been duly taken; Candidate's Assignment, when delivered hereunder, will constitute a legal, valid and binding assignment to Borrower of Senator Glenn's rights to Primary Funding;

6.8 The execution and delivery by Borrower and Senator Glenn of the Agreements and the performance by it and him of all its and his respective obligations thereunder will not violate or result in the breach of any term or provision of, constitute a default under, or permit the acceleration of maturity under, any governmental or judicial order, judgment or decree, or any loan agreement, note, debenture, indenture, mortgage, deed of trust or other agreement or instrument, to which Borrower or Senator Glenn is a party or by which either is bound;

6.9 There is no threatened or pending legal proceeding or governmental proceeding or action to which Borrower or Senator Glenn is a party or to which any of its or his property is subject which, either in any case or in the aggregate, could affect the ability of either to enter into the Agreements and/or to perform all their obligations fully in accordance therewith or which purports to challenge Senator Glenn's eligibility as a candidate entitled to receive Primary Funding; Borrower has complied with and is not in default in any material respect under any laws, ordinances, requirements, regulations, orders or

decrees of any court, commission, board or other administrative body or governmental agency having jurisdiction in respect of the conduct of its business which, either in any case or in the aggregate, could affect its ability to enter into the Agreements and to perform all its obligations fully in accordance therewith;

6.10 All governmental or third party approvals, authorizations, licenses or consents required to be obtained in connection with the execution and delivery of the Agreements and the full performance of all its obligations in accordance therewith by Borrower have been duly obtained;

6.11 Borrower has timely and correctly filed all federal, state and local tax returns required to be filed by it; has paid when due all taxes of any kind or nature; has made adequate provision on its books and records for the payment of all taxes and governmental charges of any kind or nature; and has withheld from, and/or paid on behalf of services of, employees proper and accurate amounts in compliance with all applicable federal, state and local laws and regulations;

6.12 All proceeds of the Advances will be used for payment of "qualified campaign expenses" within the meaning of the Primary Payment Act;

6.13 Senator Glenn has authorized in writing those committees which may incur expenses to further his election, a copy of which authorization has been sent to the FEC;

6.14 Senator Glenn has complied with the requirements of 26 U.S.C. § 9033(a) that he agree in writing to: (a) obtain and furnish to the FEC any evidence it may request of qualified campaign expenses, (b) keep and furnish to the FEC any records, books, and other information it may request, and (c) an audit and examination by the FEC under 26 U.S.C. § 9038 and to pay any amounts required to be paid under such section;

6.15 Senator Glenn has certified to the FEC that: (a) Senator Glenn and his authorized committees will not incur qualified campaign expenses in excess of the limitations on such expenses under 26 U.S.C. § 9035, (b) Senator Glenn is seeking nomination by a political party for election to the office of President of the United States, (c) Senator Glenn has received matching contributions which, in the aggregate, exceed \$5,000 in contributions from residents of at least 20 states, and (d) the aggregate of contributions certified with respect to any person under (c) does not exceed \$250;

6.16 Senator Glenn is currently actively conducting campaigns in more than one state in connection with seeking nomination for election to be President of the United States, and has not received less than ten percent of the number of votes

cast for all candidates of the same party for the same office in two consecutive primary elections;

6.17 Senator Glenn has not incurred qualified campaign expenses in excess of the expenditure limitation applicable under 2 U.S.C. § 441a;

6.18 Senator Glenn has not made expenditures (as that term is used in 26 U.S.C. § 9035) from his personal funds, or the personal funds of his immediate family, in connection with his campaign for nomination for election to the office of President in excess of, in the aggregate, \$50,000;

6.19 Senator Glenn has complied with the requirements of 11 C.F.R. § 9033.1;

6.20 Senator Glenn has certified to the FEC that he is seeking nomination by a political party to the office of President in more than one state;

6.21 Senator Glenn and his authorized committee(s) have certified that they have not incurred and will not incur expenses in connection with the candidate's campaign for nomination which are in excess of the limitations under 26 U.S.C. § 9035 or 11 C.F.R. Part 9035;

6.22 Senator Glenn and his authorized committee(s) have certified that they have met the threshold contribution requirements outlined in 11 C.F.R. § 9033.2(b)(3);

6.23 Senator Glenn and his authorized committee(s) have filed with the FEC reports of receipts and expenditures as required in 2 U.S.C. § 434;

6.24 Senator Glenn has designated one or more national or state banks as a campaign depository;

6.25 Senator Glenn and his authorized committee(s) have not violated the limitations on contributions and expenditures outlined in 2 U.S.C. § 441a and 11 C.F.R. Part 110;

6.26 Senator Glenn and his authorized committee(s) have filed all other reports, documents, and schedules required or requested by the FEC;

6.27 Senator Glenn and his authorized committee(s) have met all requirements for eligibility to receive Presidential Primary Matching Funds;

6.28 The John Glenn Presidential Committee Inc. is Senator Glenn's sole "principal campaign committee" as that phrase is used in 11 C.F.R. § 9037.3 and is Senator Glenn's sole

"authorized committee" as that phrase is used in 2 U.S.C. § 431(6);

6.29 Bank One, Columbus, N.A. (as agent) is "the depository designated" by Senator Glenn, as that phrase is used in 11 C.F.R. § 9037.3;

6.30 All statements, representations and warranties contained in the Undertakings and the Candidate's Statement are and remain true, correct and complete; and

6.31 None of the statements, representations or warranties made by Borrower or Senator Glenn in any of the Agreements, or in any document or writing delivered hereunder or in connection herewith by it or him or on its or his behalf, contains any untrue statement of any material fact or omits to state any material fact necessary to be stated in order to make the statements, representations or warranties contained herein or therein not misleading; and, at the date hereof and of each Advance, Borrower is not aware of any fact or condition which does, or with the lapse of time or notice or both could, constitute or result in any default hereunder.

#### Section 7. Affirmative Covenants.

Until the indebtedness has been paid, performed and satisfied in full and the Loan Agreement is terminated:

7.1 Borrower shall comply in all material respects with all applicable laws, rules, regulations and orders;

7.2 Borrower shall furnish to Banks: (a) promptly after the filing or receiving thereof, copies of all reports and notices which Borrower files with the Federal Election Commission or which Borrower receives from such Commission; and (b) such other information respecting the condition or operations, financial or otherwise, of the Borrower as Banks may from time to time reasonably request;

7.3 Borrower shall (a) maintain public liability and other insurance consistent with the activities of its agents, its ownership of properties and as may be required by applicable law on terms and in amounts generally available and prudently commensurate with the risks attendant to and value of those activities and properties, (b) to the extent that such insurance includes policies insuring against loss of or damage to any Collateral, cause Agent to be indorsed and maintained on such policies as a named insured, (c) maintain in full force and effect the insurance described in paragraphs 5.1(i) and 5.2(b), and (d) furnish to Banks from time to time such evidence of such

8.1 Borrower shall neither create nor suffer to exist any assignment, lien, security interest or other charge or encumbrance, or any type of security or preferential arrangement, upon or with respect to the Collateral Account or Borrower's rights to Senator Glenn's Primary Funding, or any other of the Collateral, other than those created hereunder and under the Agreements; and

8.2 Borrower shall neither make any expenditure nor do any act that will cause, directly or indirectly, a violation of 26 U.S.C. § 9035.

Section 9. Events of Default; Enforcement of Remedies

9.1 Borrower shall be deemed to be in default hereunder in the event that

(a) Borrower or Senator Glenn should default in the payment or performance of any of the Indebtedness or in the payment or performance of any of the terms, conditions, covenants, representations or warranties herein or of any of the Agreements; or

(b) Any warranty, representation or statement made or furnished to Banks by or on behalf of Borrower or Senator Glenn in connection with the Agreements or to induce Banks to make an advancement or extend credit of any kind to Borrower should prove to have been false in any material respect when made or furnished or be or become false through passage of time or occurrence of events, or either of them; or

(c) If a petition under any chapter of Title 11 U.S.C., as amended (the "Bankruptcy Code"), or for the appointment of a receiver or a custodian (as that term is defined in the Bankruptcy Code) for all or any part of the property of Borrower should be filed or initiated by or against Borrower; or

(d) Any proceeding or judgment should be initiated or entered affecting the Collateral by which is sought to establish, attach or foreclose any lien thereon or on any part thereof, or which is deemed by Banks to affect their interests therein; or

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insurance as Banks may request (the receipt of which evidence shall not be deemed to constitute Banks' approval or consent);

7.4 Borrower and Senator Glenn shall comply with all requirements of the Primary Funding Act and perform all acts necessary to obtain Primary Funding with respect to the contributions received by it and him that qualify for Primary Funding;

7.5 Borrower shall expend all proceeds of the Indebtedness on "qualified campaign expenses," within the meaning of the Primary Payment Act;

7.6 Borrower shall remain Senator Glenn's sole "principal campaign committee" as that term is used in the Federal Campaign Act and the Primary Payment Act;

7.7 William R. White shall continue as an officer of Borrower and both William R. White and Geoffrey L. Hockman shall continue in active managerial participation in Borrower's financial affairs, including those affairs as relate to the Agreements;

7.8. Borrower shall submit to Agent, by the 20th of each month, a statement of financial condition as of the end of the preceding month, in form as reasonably requested by Banks;

7.9 Borrower shall be Senator Glenn's sole "principal campaign committee" as that phrase is used in 11 C.F.R. § 9037.3 and shall be Senator Glenn's sole "authorized committee" as that phrase is used in 2 U.S.C. § 431(6);

7.10 Agent shall be "the depository designated" by Senator Glenn, as that phrase is used in 11 C.F.R. § 9037.3;

7.11 Senator Glenn and his authorized committee(s), if Senator Glenn is ever declared ineligible for Presidential Primary Matching Funds, will properly value property in the net outstanding campaign obligation calculation made by the candidate pursuant to 11 C.F.R. § 9034.5; and

7.12 Senator Glenn and his authorized committee(s) will comply with the FEC Guidelines for Presentation in Good Order.

#### Section 8. Negative Covenants.

Until the Indebtedness has been paid, performed and satisfied in full and the Loan Agreement is terminated:





10.2 Neither the Agent nor any of its directors, officers or employees shall be liable for any action taken or omitted in the absence of gross negligence or willful misconduct. Borrower shall certify to Agent the names and signatures of its directors authorized to sign Notes, execute certificates and otherwise act in respect hereof, and the Agent may conclusively rely thereon until receipt by it of notice to the contrary. Subject to its duty to satisfy itself as to the adequacy and scope of the documents to be delivered pursuant to Section 5 hereof, the Agent shall not be under a duty to examine or pass upon the validity, effectiveness, genuineness or value of the Agreements or any other instrument or document furnished pursuant thereto or in connection therewith, and Agent shall be entitled to assume that the same are valid, effective and genuine and what they purport to be. Agent may rely upon the opinion(s) of counsel in relation to this Agreement. The Agent may treat the payee of any Note as the holder thereof until written notice of transfer shall have been filed with it. With respect to its loans hereunder, BANK ONE shall have the same rights and powers hereunder as any Bank and may exercise the same as though it were not Agent and it and its affiliates may accept deposits from, lend money to and generally engage in any kind of business with Borrower or any Subsidiary as if it were not the Agent. However, BANK ONE represents to each Bank that (a) it will make no additional Advances under the Previous Loan Agreement (as defined therein) and (b) in its present judgment the Separate Collateral adequately secures the Separate Indebtedness.

10.3 The Banks agree to indemnify Agent (to the extent not reimbursed by Borrower) ratably according to the respective principal amounts of their commitments hereunder from and against any and all liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses or disbursements of any kind or nature whatsoever which may be imposed upon, incurred by or asserted against Agent in any way relating to or arising out of this Agreement or any action taken or omitted by Agent under this Agreement provided that no Bank shall be liable for any portion of such liabilities, obligations, losses, damages, penalties, actions, judgments, suits, costs, expenses or disbursements resulting from Agent's gross negligence or willful misconduct.

10.4 If Agent acquires actual knowledge or is advised by any Bank of the existence of any default hereunder or of an event which, with the giving of notice or the lapse of time, or both, would constitute default hereunder, Agent shall promptly give notice thereof to the Banks and will take such action and assert such rights under the Agreements or the Notes as Banks shall direct. However, if the Banks entitled to so direct the Agent shall fail, for ten days after the giving of any such notice, to so direct the Agent, the Agent may take such action and assert such rights as it deems to be advisable in its

discretion for the protection of the interests of the holders of the Notes.

10.5 Notwithstanding that Agent is acting by and for all the Banks hereunder, the following shall apply to actions taken by the Banks collectively.

(a) The following shall require written action of each and all of the Banks and no waiver of any term hereof or hereunder shall be effective against any Bank in the absence of such writing:

(i) Any increase in or extension of the time of the commitment to lend of any Bank hereunder;

(ii) Any extension of times of payment of principal or interest evidenced by the Notes, any change of the rate of interest stated therein or the ratable application to the Notes of amounts received by Agent hereunder, or any subordination of any principal or interest evidenced by the Notes;

(iii) Any change in the percentages of the Banks required to authorize the taking of any action hereunder;

(iv) Material release, subordination of the Banks' interest in, or substitution (as between major classifications) of the Collateral (however, nothing contained herein shall prevent the Agent from accepting additional collateral hereunder); and

(v) Any action specifically required herein to be taken by "all of the Banks" or by "each Bank," unless the context clearly requires otherwise.

(b) All actions herein required to be taken by "the Banks" will be taken or directed by those Banks whose commitment percentages under this Agreement aggregate at least 70 percent of the total aggregate commitment to

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make Advances hereunder. Excepting the items specified in paragraph 10.5(a), the Banks, or Agent when authorized by the Banks, may take all other collective actions of the Banks hereunder and may in writing waive the observance or performance of any covenant, condition or obligation imposed on Borrower hereby or hereunder. In the absence of written notice of a particular Bank to the contrary, for the purpose of taking actions contemplated by this paragraph 10.5(b), a Bank may give and the Agent may receive such instructions by written, telegraphic or telephonic means.

(c) All actions contemplated hereby and not within paragraphs 10.5(a) and (b) hereof, including matters of loan administration and of a technical nature, may be taken by the Agent on its own initiative, in the absence of instructions of the Banks to the contrary in any specific instance.

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10.6 Each Bank represents and warrants to Borrower, Agent and the other Banks that such Bank:

(a) is receiving the Notes to be held by it for its own account for the purpose of investment and has no present intention of selling, transferring or otherwise distributing or disposing of said Notes; and

(b) is aware that the Notes have not been registered under the Securities Act of 1933 (the "Act") and cannot be sold, transferred, pledged or otherwise distributed by said Bank unless a registration statement registering the Notes under the Act has been filed with the Securities and Exchange Commission and has become effective or unless the Notes are sold or otherwise distributed in a transaction in respect of which Agent has previously received an opinion of counsel, satisfactory to Agent, stating that such registration is not required.

10.7 Each Bank hereby represents to Borrower, the Agent and the other Banks that it has entered into this Agreement as a result of its own independent assessment of Borrower's credit worthiness, including a review of such financial statements, reports and documents and an investigation of such facts and circumstances as such Bank has deemed appropriate, and that

such Bank has not relied upon the opinions or representations of the Agent or any other Bank in making this assessment of Borrowers' credit worthiness.

10.8 No agreement herein, and specifically in this Section 10, is intended or shall be deemed to create in any Person except the Banks and Agent any claim or right, whether based on a third party beneficiary theory or otherwise.

Section 11. Miscellaneous.

11.1 This Agreement is a contract by Banks to extend financial accommodations to or for the benefit of Borrower and, without Banks' written consent which Banks may withhold under any circumstances, Borrower may not assign or in any way transfer, by operation of law or otherwise, any of this Agreement or any of Borrower's rights or obligations hereunder. Subject to the provisions hereof, Banks may assign this Agreement or any of their rights or obligations hereunder, whether for security or otherwise, without consent of or notice to Borrower. Notwithstanding the first sentence of this paragraph, however, all covenants and agreements contained in the Agreements by or on behalf of any of the parties hereto shall bind and inure to the benefit of the respective successors and assigns of the parties hereto whether so expressed or not.

11.2 All notices which any party shall be required or permitted to give to any other party hereunder shall be deemed to be sufficiently given on the date when sent by telegram or other electronic facsimile device which creates a record of the transmission, or on the date when delivered if by messenger, or when mailed to the other party, registered or certified mail, return receipt requested, postage prepaid, at the address listed below or to such other address as shall be furnished in writing by any party to any other party from time to time in compliance herewith.

If to Banks  
or Agent:

BANK ONE, COLUMBUS, N.A., Agent  
100 East Broad Street  
Columbus, Ohio 43271

Attn: Mr. Richard D. Headley  
Vice President

If (and only if)  
to Banks by Agent:

To their respective addresses  
first set forth herein



11.8 Any provision hereof which becomes unenforceable by reason of the commencement of a case under the Bankruptcy Code or other proceeding for the relief of debtors shall again be valid and enforceable no later than the termination of such case or other proceeding.

11.9 All rights and obligations under this Agreement shall be construed and enforced in accordance with the local laws of the State of Ohio, except only to the extent replaced or precluded by other law of mandatory application. In any instance that any provision of this Agreement should be invalid, illegal or unenforceable under applicable law, the validity, legality or enforceability of that provision in other situations and of the remaining provisions and conditions hereof shall not be in any way affected thereby.

11.10 This written Agreement is exclusive as to its subject matter and no inconsistent oral agreement shall be binding.

11.11 Banks recognize that much of the information which is the subject matter of or which is furnished hereunder and the information which any Bank obtains from or by association with Borrower and its borrowing belongs and shall belong to Borrower and is and will be confidential. During the term of this Agreement and any extensions of it and thereafter, so long as such information remains confidential, Banks shall preserve and protect the confidentiality of such information and shall neither use (except in the performance of this Agreement) nor disclose to others such information without the express written consent of Borrower unless required to do so by appropriate order of any court, commission or administrative or legislative body or Federal or local authority having jurisdiction over such matter. No information made available or disclosed to Banks or developed by them under this Agreement shall be duplicated or furnished to another Person not party, or considering becoming a party, to this Agreement without prior written consent of Borrower. Banks will provide reasonable security for, and will exercise reasonable care consistent with the purposes hereof, to protect Borrower's information. Anything herein apparently to the contrary notwithstanding, nothing in this paragraph either shall or shall be deemed to limit Bank's (a) rights and remedies with respect to information or Collateral as set forth herein or (b) actions or inactions based upon its commercial judgment exercised to effect the objectives hereof.

11.12 AS A SPECIFICALLY BARGAINED INDUCEMENT FOR BANKS TO EXTEND CREDIT GIVING RISE TO THE INDEBTEDNESS, BORROWER HAS AGREED THAT ANY ACTION, SUIT OR PROCEEDING IN RESPECT OF OR ARISING FROM OR OUT OF THE AGREEMENTS, THEIR VALIDITY OR PERFORMANCE, AT THE SOLE OPTION OF EACH BANK, ITS SUCCESSORS AND ASSIGNS, SHALL BE INITIATED AND PROSECUTED AS TO ALL PARTIES AND

THEIR SUCCESSORS AND ASSIGNS AT COLUMBUS, OHIO. BORROWER  
CONSENTS TO AND SUBMITS TO THE EXERCISE OF JURISDICTION OVER ITS  
PERSON BY ANY COURT SITUATED AT COLUMBUS, OHIO, AND HAVING  
JURISDICTION OVER THE SUBJECT MATTER AND HEREBY IRREVOCABLY  
APPOINTS AND DESIGNATES LOUIS A. NOBILE, JR., WHOSE ADDRESS IS  
100 EAST BROAD STREET, COLUMBUS, OHIO 43271 (OR ANY OTHER PERSON  
WHOM A BANK OR ITS SUCCESSORS OR ASSIGNS, AFTER GIVING BORROWER  
FIVE DAYS WRITTEN NOTICE THEREOF, MAY APPOINT), AS ITS TRUE AND  
LAWFUL ATTORNEY IN FACT AND DULY AUTHORIZED AGENT FOR SERVICE OF  
LEGAL PROCESS AND AGREES THAT SERVICE OF SUCH PROCESS UPON SUCH  
PARTY SHALL CONSTITUTE PERSONAL SERVICE OF SUCH PROCESS UPON BOR-  
ROWER. SUCH ATTORNEY IN FACT, WITHIN FIVE DAYS AFTER RECEIPT OF  
ANY SUCH PROCESS, SHALL FORWARD THE SAME, BY PERSONAL OR MES-  
SENGER DELIVERY OR BY REGISTERED OR CERTIFIED MAIL, TOGETHER WITH  
ALL PAPERS AFFIXED THERETO, TO BORROWER AT BORROWER'S ADDRESS AS  
SET FORTH HEREIN.

11.13. Nothing herein shall obligate Borrower to  
borrow or effect any other financing through Bank or preclude  
Borrower from obtaining financing or credit from some other  
source, provided, that the Indebtedness has been satisfied in  
full and the Loan Agreement has been terminated.

IN WITNESS WHEREOF, the parties hereto have caused this  
Agreement to be executed by their respective duly authorized  
officers as of the 8th day of February, 1984.

JOEN GLENN PRESIDENTIAL  
COMMITTEE INC.

BANK ONE, COLUMBUS, N.A.

By: [Signature]

By: [Signature]

Title: Vice President

Title: Vice President

BANCONEIC NATIONAL BANK

By: [Signature]

Title: Vice President

THE HUNTINGTON NATIONAL BANK

By: Jonathan Richardson  
Title: Vice President

AMERITRUST COMPANY NATIONAL  
ASSOCIATION

By: \_\_\_\_\_  
Title: \_\_\_\_\_

BANK ONE, COLUMBUS, N.A., AGENT

By: Richard D. Smith  
Title: Vice President

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EXHIBIT A TO LOAN AGREEMENT

PROMISSORY NOTE

\$500,000

Columbus, Ohio  
February \_\_, 1984

FOR VALUE RECEIVED, the undersigned ("Borrower") promises to pay to the order of BANK ONE, COLUMBUS, N.A. ("Bank"), on demand, c/o Bank One, Columbus, N.A., Agent, at the office of said Agent at 100 East Broad Street, Columbus, Ohio 43271, or at such other place as the holder hereof may, from time to time, in writing designate, the principal sum of FIVE HUNDRED THOUSAND DOLLARS (\$500,000), or so much thereof as may be disbursed to, or for the benefit of, Borrower and remain unpaid pursuant to the terms and conditions of the Loan Agreement identified herein, with interest and payable as stated herein.

This Note is a Note identified in a Loan Agreement dated as of February 8, 1984 (the "Loan Agreement"), between Borrower, Bank One, Columbus, N.A., Agent, Bank and other banks, as the same has been and may hereafter be amended, modified, or supplemented from time to time, and said Loan Agreement and all other Agreements (as defined therein) are hereby incorporated into this Note and made a part hereof. Capitalized terms used but not defined herein shall have the meanings set forth in the Loan Agreement.

Principal indebtedness evidenced hereby shall be payable on demand, but until demand is made, in compliance with the terms of the Loan Agreement.

Interest shall accrue on the unpaid principal balance evidenced hereby, shall be calculated daily on the basis of actual days elapsed, shall be computed on the basis of a 360-day year and shall be paid monthly in arrears commencing on March 15, 1984, and continuing on the 15th day of each succeeding calendar month.

Except only as otherwise specifically stated herein, the interest rate shall fluctuate and at any time shall be equal to the sum of one percent (1%) per annum and the Prime Rate (the rate of interest announced by Bank One, Columbus, N.A., from time to time as its prime rate, with any change thereto



or otherwise affecting their liability hereon, or the lien of any deed of trust, mortgage, assignment or security agreement, if any, then or hereafter securing this Note.

The payee or other holder hereof shall be deemed to have exercised reasonable care in the custody and preservation of the property ("Collateral") which is the subject of the Loan Agreement and said Agreements herein identified if said holder takes such action for that purpose as shall be requested in writing by Borrower, but failure of said holder to comply with any such request shall not of itself be deemed a failure to exercise reasonable care, and no failure of said holder to preserve or protect any rights in such Collateral as against prior or subsequent parties, or to do any act not so required by Borrower, shall be deemed a failure to exercise reasonable care in the custody or preservation of such Collateral.

Borrower agrees that the local laws of the State of Ohio shall govern its rights and duties hereunder and the construction and effect hereof. However, if any provision hereof is or becomes invalid or unenforceable under any law of mandatory application, it is the intent of Borrower, the Bank and all parties primarily or secondarily liable hereunder, that such provision will be deemed severed and omitted herefrom, the remaining portions hereof to remain in full force and effect as written.

The undersigned, and each of the undersigned if more than one, authorize any Attorney at Law to appear in any court of record in the State of Ohio or any other State or Territory of the United States, after the indebtedness evidenced hereby, or any part thereof, becomes due and waive the issuance and service of process and confess judgment against any one or more than one of the undersigned in favor of the holder of this Note, for the amount then appearing due, together with costs of suit and, thereupon, to release all errors and waive all rights of appeal and stay of execution, but no such judgment or judgments against only one of the undersigned shall be a bar to a subsequent judgment or judgments against any one or more than one of such persons against whom judgment has not been obtained hereon. This warrant of attorney to confess judgment is a joint and several warrant of attorney. The foregoing warrant of attorney shall survive any judgment; and if any judgment be vacated for any reasons, the holder hereof nevertheless may thereafter use the foregoing warrant of attorney to obtain an additional judgment or judgments against the undersigned or any one or more of them.

IN WITNESS WHEREOF, the undersigned has executed this Note the day and year first above written at Columbus, Franklin County, Ohio.

WARNING: BY SIGNING THIS PAPER, YOU GIVE UP YOUR RIGHT TO NOTICE AND COURT TRIAL. IF YOU DO NOT PAY ON TIME, A COURT JUDGMENT MAY BE TAKEN AGAINST YOU WITHOUT YOUR PRIOR KNOWLEDGE, AND THE POWERS OF A COURT CAN BE USED TO COLLECT FROM YOU REGARDLESS OF ANY CLAIMS YOU MAY HAVE AGAINST THE CREDITOR WHETHER FOR RETURNED GOODS, FAULTY GOODS, FAILURE ON HIS PART TO COMPLY WITH THE AGREEMENT OR ANY OTHER CAUSE.

JOHN GLENN PRESIDENTIAL COMMITTEE INC.

By \_\_\_\_\_

Title: \_\_\_\_\_

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PROMISSORY NOTE

\$500,000

Columbus, Ohio  
February \_\_, 1984

FOR VALUE RECEIVED, the undersigned ("Borrower") promises to pay to the order of BANCOHIO NATIONAL BANK ("Bank"), on demand, c/o Bank One, Columbus, N.A., Agent, at the office of said Agent at 100 East Broad Street, Columbus, Ohio 43271, or at such other place as the holder hereof may, from time to time, in writing designate, the principal sum of FIVE HUNDRED THOUSAND DOLLARS (\$500,000), or so much thereof as may be disbursed to, or for the benefit of, Borrower and remain unpaid pursuant to the terms and conditions of the Loan Agreement identified herein, with interest and payable as stated herein.

This Note is a Note identified in a Loan Agreement dated as of February 8, 1984 (the "Loan Agreement"), between Borrower, Bank One, Columbus, N.A., Agent, Bank and other banks, as the same has been and may hereafter be amended, modified, or supplemented from time to time, and said Loan Agreement and all other Agreements (as defined therein) are hereby incorporated into this Note and made a part hereof. Capitalized terms used but not defined herein shall have the meanings set forth in the Loan Agreement.

Principal indebtedness evidenced hereby shall be payable on demand, but until demand is made, in compliance with the terms of the Loan Agreement.

Interest shall accrue on the unpaid principal balance evidenced hereby, shall be calculated daily on the basis of actual days elapsed, shall be computed on the basis of a 360-day year and shall be paid monthly in arrears commencing on March 15, 1984, and continuing on the 15th day of each succeeding calendar month.

Except only as otherwise specifically stated herein, the interest rate shall fluctuate and at any time shall be equal to the sum of one percent (1%) per annum and the Prime Rate (the rate of interest announced by Bank One, Columbus, N.A., from time to time as its prime rate, with any change thereto

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effective as of the opening of business on the day of the change, without notice).

Any other provision hereof to the contrary notwithstanding, all principal, interest and other indebtedness evidenced thereby shall be paid in full on or before March 31, 1985.

The Indebtedness or any portion thereof may be paid in whole or in part at any time without penalty. In any event, all payments received by Bank (a) shall be applied, first, to interest and Indebtedness, if any, other than principal due and payable and second, to principal indebtedness (including additional payments hereunder, if any) to be deemed applied against such indebtedness in the order incurred; (b) shall be in lawful money of the United States; and (c) shall be credited as of the time received by Bank in cash or equivalent or when finally collected.

This Note is secured pursuant to the terms and conditions set forth in the Loan Agreement and by Agreements as described therein. Any default in payment or performance under the Loan Agreement or said Agreements shall be a default hereunder.

A failure of the holder hereof to insist upon strict compliance with the terms hereof or to assert any right hereunder shall not be a waiver of any default and shall not be deemed to constitute a modification of the terms hereof or to establish any claim or defense. Nothing in this paragraph shall be deemed to alter or amend the demand character hereof.

Any and all moneys, properties or obligations now or at any time hereafter owing to the undersigned from the holder hereof are hereby, (a) if possessed or held by the holder hereof, pledged for the security of and (b) if not so possessed, committed and may be set off against this and all other Indebtedness from the undersigned to the legal holder hereof and may be paid and applied thereon at any time such Indebtedness becomes due or is declared due and payable.

No delay or omission on the part of the holder in exercising any right hereunder shall operate as a waiver of such right or of any other right under this Note. A waiver on any one occasion shall not be construed as a bar to or waiver of any such right and/or remedy on any future occasion.

All persons now or hereafter liable, primarily or secondarily, for the payment of the indebtedness evidenced hereby or any part thereof, do hereby expressly waive presentment for payment, notice of dishonor, protest and notice of protest, and agree that the time for payment or payments of any part of the indebtedness evidenced hereby may be extended without releasing

or otherwise affecting their liability hereon, or the lien of any deed of trust, mortgage, assignment or security agreement, if any, then or hereafter securing this Note.

The payee or other holder hereof shall be deemed to have exercised reasonable care in the custody and preservation of the property ("Collateral") which is the subject of the Loan Agreement and said Agreements herein identified if said holder takes such action for that purpose as shall be requested in writing by Borrower, but failure of said holder to comply with any such request shall not of itself be deemed a failure to exercise reasonable care, and no failure of said holder to preserve or protect any rights in such Collateral as against prior or subsequent parties, or to do any act not so required by Borrower, shall be deemed a failure to exercise reasonable care in the custody or preservation of such Collateral.

Borrower agrees that the local laws of the State of Ohio shall govern its rights and duties hereunder and the construction and effect hereof. However, if any provision hereof is or becomes invalid or unenforceable under any law of mandatory application, it is the intent of Borrower, the Bank and all parties primarily or secondarily liable hereunder, that such provision will be deemed severed and omitted herefrom, the remaining portions hereof to remain in full force and effect as written.

The undersigned, and each of the undersigned if more than one, authorize any Attorney at Law to appear in any court of record in the State of Ohio or any other State or Territory of the United States, after the indebtedness evidenced hereby, or any part thereof, becomes due and waive the issuance and service of process and confess judgment against any one or more than one of the undersigned in favor of the holder of this Note, for the amount then appearing due, together with costs of suit and, thereupon, to release all errors and waive all rights of appeal and stay of execution, but no such judgment or judgments against only one of the undersigned shall be a bar to a subsequent judgment or judgments against any one or more than one of such persons against whom judgment has not been obtained hereon. This warrant of attorney to confess judgment is a joint and several warrant of attorney. The foregoing warrant of attorney shall survive any judgment; and if any judgment be vacated for any reasons, the holder hereof nevertheless may thereafter use the foregoing warrant of attorney to obtain an additional judgment or judgments against the undersigned or any one or more of them.

IN WITNESS WHEREOF, the undersigned has executed this Note the day and year first above written at Columbus, Franklin County, Ohio.

WARNING: BY SIGNING THIS PAPER, YOU GIVE UP YOUR RIGHT TO NOTICE AND COURT TRIAL. IF YOU DO NOT PAY ON TIME, A COURT JUDGMENT MAY BE TAKEN AGAINST YOU WITHOUT YOUR PRIOR KNOWLEDGE, AND THE POWERS OF A COURT CAN BE USED TO COLLECT FROM YOU REGARDLESS OF ANY CLAIMS YOU MAY HAVE AGAINST THE CREDITOR WHETHER FOR RETURNED GOODS, FAULTY GOODS, FAILURE ON HIS PART TO COMPLY WITH THE AGREEMENT OR ANY OTHER CAUSE.

JOHN GLENN PRESIDENTIAL COMMITTEE INC.

By \_\_\_\_\_

Title: \_\_\_\_\_

88040583375

PROMISSORY NOTE

\$500,000

Columbus, Ohio  
February \_\_, 1984

FOR VALUE RECEIVED, the undersigned ("Borrower") promises to pay to the order of THE HUNTINGTON NATIONAL BANK ("Bank"), on demand, c/o Bank One, Columbus, N.A., Agent, at the office of said Agent at 100 East Broad Street, Columbus, Ohio 43271, or at such other place as the holder hereof may, from time to time, in writing designate, the principal sum of FIVE HUNDRED THOUSAND DOLLARS (\$500,000), or so much thereof as may be disbursed to, or for the benefit of, Borrower and remain unpaid pursuant to the terms and conditions of the Loan Agreement identified herein, with interest and payable as stated herein.

This Note is a Note identified in a Loan Agreement dated as of February 8, 1984 (the "Loan Agreement"), between Borrower, Bank One, Columbus, N.A., Agent, Bank and other banks, as the same has been and may hereafter be amended, modified, or supplemented from time to time, and said Loan Agreement and all other Agreements (as defined therein) are hereby incorporated into this Note and made a part hereof. Capitalized terms used but not defined herein shall have the meanings set forth in the Loan Agreement.

Principal indebtedness evidenced hereby shall be payable on demand, but until demand is made, in compliance with the terms of the Loan Agreement.

Interest shall accrue on the unpaid principal balance evidenced hereby, shall be calculated daily on the basis of actual days elapsed, shall be computed on the basis of a 360-day year and shall be paid monthly in arrears commencing on March 15, 1984, and continuing on the 15th day of each succeeding calendar month.

Except only as otherwise specifically stated herein, the interest rate shall fluctuate and at any time shall be equal to the sum of one percent (1%) per annum and the Prime Rate (the rate of interest announced by Bank One, Columbus, N.A., from time to time as its prime rate, with any change thereto

effective as of the opening of business on the day of the change, without notice).

Any other provision hereof to the contrary notwithstanding, all principal, interest and other indebtedness evidenced thereby shall be paid in full on or before March 31, 1985.

The Indebtedness or any portion thereof may be paid in whole or in part at any time without penalty. In any event, all payments received by Bank (a) shall be applied, first, to interest and Indebtedness, if any, other than principal due and payable and second, to principal indebtedness (including additional payments hereunder, if any) to be deemed applied against such indebtedness in the order incurred; (b) shall be in lawful money of the United States; and (c) shall be credited as of the time received by Bank in cash or equivalent or when finally collected.

This Note is secured pursuant to the terms and conditions set forth in the Loan Agreement and by Agreements as described therein. Any default in payment or performance under the Loan Agreement or said Agreements shall be a default hereunder.

A failure of the holder hereof to insist upon strict compliance with the terms hereof or to assert any right hereunder shall not be a waiver of any default and shall not be deemed to constitute a modification of the terms hereof or to establish any claim or defense. Nothing in this paragraph shall be deemed to alter or amend the demand character hereof.

Any and all moneys, properties or obligations now or at any time hereafter owing to the undersigned from the holder hereof are hereby, (a) if possessed or held by the holder hereof, pledged for the security of and (b) if not so possessed, committed and may be set off against this and all other indebtedness from the undersigned to the legal holder hereof and may be paid and applied thereon at any time such Indebtedness becomes due or is declared due and payable.

No delay or omission on the part of the holder in exercising any right hereunder shall operate as a waiver of such right or of any other right under this Note. A waiver on any one occasion shall not be construed as a bar to or waiver of any such right and/or remedy on any future occasion.

All persons now or hereafter liable, primarily or secondarily, for the payment of the indebtedness evidenced hereby or any part thereof, do hereby expressly waive presentment for payment, notice of dishonor, protest and notice of protest, and agree that the time for payment or payments of any part of the indebtedness evidenced hereby may be extended without releasing

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or otherwise affecting their liability hereon, or the lien of any deed of trust, mortgage, assignment or security agreement, if any, then or hereafter securing this Note.

The payee or other holder hereof shall be deemed to have exercised reasonable care in the custody and preservation of the property ("Collateral") which is the subject of the Loan Agreement and said Agreements herein identified if said holder takes such action for that purpose as shall be requested in writing by Borrower, but failure of said holder to comply with any such request shall not of itself be deemed a failure to exercise reasonable care, and no failure of said holder to preserve or protect any rights in such Collateral as against prior or subsequent parties, or to do any act not so required by Borrower, shall be deemed a failure to exercise reasonable care in the custody or preservation of such Collateral.

Borrower agrees that the local laws of the State of Ohio shall govern its rights and duties hereunder and the construction and effect hereof. However, if any provision hereof is or becomes invalid or unenforceable under any law of mandatory application, it is the intent of Borrower, the Bank and all parties primarily or secondarily liable hereunder, that such provision will be deemed severed and omitted herefrom, the remaining portions hereof to remain in full force and effect as written.

The undersigned, and each of the undersigned if more than one, authorize any Attorney at Law to appear in any court of record in the State of Ohio or any other State or Territory of the United States, after the indebtedness evidenced hereby, or any part thereof, becomes due and waive the issuance and service of process and confess judgment against any one or more than one of the undersigned in favor of the holder of this Note, for the amount then appearing due, together with costs of suit and, thereupon, to release all errors and waive all rights of appeal and stay of execution, but no such judgment or judgments against only one of the undersigned shall be a bar to a subsequent judgment or judgments against any one or more than one of such persons against whom judgment has not been obtained hereon. This warrant of attorney to confess judgment is a joint and several warrant of attorney. The foregoing warrant of attorney shall survive any judgment; and if any judgment be vacated for any reasons, the holder hereof nevertheless may thereafter use the foregoing warrant of attorney to obtain an additional judgment or judgments against the undersigned or any one or more of them.

IN WITNESS WHEREOF, the undersigned has executed this Note the day and year first above written at Columbus, Franklin County, Ohio.

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JOHN GLENN PRESIDENTIAL COMMITTEE INC.

By \_\_\_\_\_

Title: \_\_\_\_\_

88040683379

NBI# 10264  
02/09/84

PROMISSORY NOTE

\$500,000

Columbus, Ohio  
February \_\_, 1984

FOR VALUE RECEIVED, the undersigned ("Borrower") promises to pay to the order of AMERITRUST COMPANY NATIONAL ASSOCIATION ("Bank"), on demand, c/o Bank One, Columbus, N.A., Agent, at the office of said Agent at 100 East Broad Street, Columbus, Ohio 43271, or at such other place as the holder hereof may, from time to time, in writing designate, the principal sum of FIVE HUNDRED THOUSAND DOLLARS (\$500,000), or so much thereof as may be disbursed to, or for the benefit of, Borrower and remain unpaid pursuant to the terms and conditions of the Loan Agreement identified herein, with interest and payable as stated herein.

This Note is a Note identified in a Loan Agreement dated as of February 8, 1984 (the "Loan Agreement"), between Borrower, Bank One, Columbus, N.A., Agent, Bank and other banks, as the same has been and may hereafter be amended, modified, or supplemented from time to time, and said Loan Agreement and all other Agreements (as defined therein) are hereby incorporated into this Note and made a part hereof. Capitalized terms used but not defined herein shall have the meanings set forth in the Loan Agreement.

Principal indebtedness evidenced hereby shall be payable on demand, but until demand is made, in compliance with the terms of the Loan Agreement.

Interest shall accrue on the unpaid principal balance evidenced hereby, shall be calculated daily on the basis of actual days elapsed, shall be computed on the basis of a 360-day year and shall be paid monthly in arrears commencing on March 15, 1984, and continuing on the 15th day of each succeeding calendar month.

Except only as otherwise specifically stated herein, the interest rate shall fluctuate and at any time shall be equal to the sum of one percent (1%) per annum and the Prime Rate (the rate of interest announced by Bank One, Columbus, N.A., from time to time as its prime rate, with any change thereto

effective as of the opening of business on the day of the change, without notice).

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The Indebtedness or any portion thereof may be paid in whole or in part at any time without penalty. In any event, all payments received by Bank (a) shall be applied, first, to interest and Indebtedness, if any, other than principal due and payable and second, to principal indebtedness (including additional payments hereunder, if any) to be deemed applied against such indebtedness in the order incurred; (b) shall be in lawful money of the United States; and (c) shall be credited as of the time received by Bank in cash or equivalent or when finally collected.

This Note is secured pursuant to the terms and conditions set forth in the Loan Agreement and by Agreements as described therein. Any default in payment or performance under the Loan Agreement or said Agreements shall be a default hereunder.

A failure of the holder hereof to insist upon strict compliance with the terms hereof or to assert any right hereunder shall not be a waiver of any default and shall not be deemed to constitute a modification of the terms hereof or to establish any claim or defense. Nothing in this paragraph shall be deemed to alter or amend the demand character hereof.

Any and all moneys, properties or obligations now or at any time hereafter owing to the undersigned from the holder hereof are hereby, (a) if possessed or held by the holder hereof, pledged for the security of and (b) if not so possessed, committed and may be set off against this and all other Indebtedness from the undersigned to the legal holder hereof and may be paid and applied thereon at any time such Indebtedness becomes due or is declared due and payable.

No delay or omission on the part of the holder in exercising any right hereunder shall operate as a waiver of such right or of any other right under this Note. A waiver on any one occasion shall not be construed as a bar to or waiver of any such right and/or remedy on any future occasion.

All persons now or hereafter liable, primarily or secondarily, for the payment of the indebtedness evidenced hereby or any part thereof, do hereby expressly waive presentment for payment, notice of dishonor, protest and notice of protest, and agree that the time for payment or payments of any part of the indebtedness evidenced hereby may be extended without releasing

deed of trust, mortgage, assignment or security agreement, if any, then or hereafter securing this Note.

The payee or other holder hereof shall be deemed to have exercised reasonable care in the custody and preservation of the property ("Collateral") which is the subject of the Loan Agreement and said Agreements herein identified if said holder takes such action for that purpose as shall be requested in writing by Borrower, but failure of said holder to comply with any such request shall not of itself be deemed a failure to exercise reasonable care, and no failure of said holder to preserve or protect any rights in such Collateral as against prior or subsequent parties, or to do any act not so required by Borrower, shall be deemed a failure to exercise reasonable care in the custody or preservation of such Collateral.

Borrower agrees that the local laws of the State of Ohio shall govern its rights and duties hereunder and the construction and effect hereof. However, if any provision hereof is or becomes invalid or unenforceable under any law of mandatory application, it is the intent of Borrower, the Bank and all parties primarily or secondarily liable hereunder, that such provision will be deemed severed and omitted herefrom, the remaining portions hereof to remain in full force and effect as written.

The undersigned, and each of the undersigned if more than one, authorize any Attorney at Law to appear in any court of record in the State of Ohio or any other State or Territory of the United States, after the indebtedness evidenced hereby, or any part thereof, becomes due and waive the issuance and service of process and confess judgment against any one or more than one of the undersigned in favor of the holder of this Note, for the amount then appearing due, together with costs of suit and, thereupon, to release all errors and waive all rights of appeal and stay of execution, but no such judgment or judgments against only one of the undersigned shall be a bar to a subsequent judgment or judgments against any one or more than one of such persons against whom judgment has not been obtained hereon. This warrant of attorney to confess judgment is a joint and several warrant of attorney. The foregoing warrant of attorney shall survive any judgment; and if any judgment be vacated for any reasons, the holder hereof nevertheless may thereafter use the foregoing warrant of attorney to obtain an additional judgment or judgments against the undersigned or any one or more of them.

IN WITNESS WHEREOF, the undersigned has executed this Note the day and year first above written at Columbus, Franklin County, Ohio.

WARNING: BY SIGNING THIS PAPER, YOU GIVE UP YOUR RIGHT TO NOTICE AND COURT TRIAL. IF YOU DO NOT PAY ON TIME, A COURT JUDGMENT MAY BE TAKEN AGAINST YOU WITHOUT YOUR PRIOR KNOWLEDGE, AND THE POWERS OF A COURT CAN BE USED TO COLLECT FROM YOU REGARDLESS OF ANY CLAIMS YOU MAY HAVE AGAINST THE CREDITOR WHETHER FOR RETURNED GOODS, FAULTY GOODS, FAILURE ON HIS PART TO COMPLY WITH THE AGREEMENT OR ANY OTHER CAUSE.

JOHN GLENN PRESIDENTIAL COMMITTEE INC.

By \_\_\_\_\_

Title: \_\_\_\_\_

88040683385

88040683384

EXHIBIT B TO LOAN AGREEMENT

SECURITY AGREEMENT

<u>Section</u>	<u>Contents</u>	<u>Page</u>
1.	Definitions, Incorporation, Scope.....	1
2.	Recitals.....	2
3.	Security Interest.....	2
4.	Borrower's Obligations.....	3
5.	Events of Default.....	4
6.	Enforcement of Security and Remedies—General.....	5
7.	Miscellaneous.....	7

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Schedule

1. ....Candidate's Assignment
2. ....Borrower's Assignment
3. ....Undertaking of Senator Glenn  
and William R. White
4. ....Senator Glenn's Statement

SECURITY AGREEMENT

Dated as of February 8, 1984

(Assignment)

JOHN GLENN PRESIDENTIAL COMMITTEE INC., a corporation organized and existing under the laws of the District of Columbia with its principal place of business at 444 North Capital Street, N.W., Washington, D.C. 20001 ("Borrower"), debtor hereunder, BANK ONE, COLUMBUS, N.A. ("BANK ONE"), a national banking association organized and existing under the laws of the United States, located at and with a mailing address of 100 East Broad Street, Columbus, Ohio 43271, BANCOHIO NATIONAL BANK ("BNB"), a national banking association organized and existing under the laws of the United States, located at and with a mailing address of 155 East Broad Street, Columbus, Ohio 43265, THE HUNTINGTON NATIONAL BANK ("HNB"), a national banking association organized and existing under the laws of the United States, located at and with a mailing address of 17 South High Street, Columbus, Ohio 43260, AMERITRUST COMPANY NATIONAL ASSOCIATION ("AMERITRUST"), a national banking association organized and existing under the laws of the United States, located at and with a mailing address of 900 Euclid Avenue, Cleveland, Ohio 44115 (BANK ONE, BNB, HNB and AMERITRUST hereinafter collectively "Bank[s]") and BANK ONE, not in its individual capacity but as agent for the Banks hereunder (the "Agent"), secured party hereunder, in consideration of the mutual covenants and agreements contained herein and intending to be legally bound, hereby recite and agree as follows:

Section 1. Definitions, Incorporation, Scope

1.1 This Agreement is the Security Agreement and one of the Agreement(s) defined in the Loan Agreement of even date herewith between and among Banks, Borrower and Agent to which this Agreement is attached as Exhibit "B" (the "Loan Agreement").

1.2 All terms used and not otherwise specifically defined herein shall have the meanings set forth in the Loan Agreement.

1.3 Each and every other one of the Agreements is incorporated herein and hereby made a part hereof.

## Section 2. Recitals

2.1 Borrower is borrowing from Banks under the terms of the Loan Agreement.

2.2 The security interests provided for hereby are taken and retained to secure to Banks Borrower's payment and performance of the Indebtedness.

## Section 3. Security Interest

To secure payment and performance of all the Indebtedness, including performance of all obligations, covenants and warranties of Borrower, Borrower does hereby:

3.1 Grant to Agent, as agent for Banks, a continuing security interest in all of Borrower's interest in all of its property (including without limitation instruments, documents, chattel paper, contract rights, accounts, general intangibles, deposit accounts, money and goods of all description) whether or not such property is now or hereafter in the actual or legal or constructive possession of Agent, including but not limited to:

(a) all records of Borrower wherever located, whenever existing or arising; and

(b) the Primary Funding and all rights attendant thereto or in connection therewith with respect to the candidacy of Senator Glenn, including all of Borrower's rights therein arising out of Candidate's Assignment or otherwise; and

(c) all of Borrower's right, title and interest in and to the direct mail solicitation/contributor lists used by Borrower, containing, among other things, the names and addresses of possible and actual contributors to Borrower as they exist as of the date hereof and are revised from time to time; and

(d) present and future contributions and other property and money received by Borrower from any source, including without limitation the deposit account(s) maintained by Borrower at NS&T Bank, N.A.;

and if sold, exchanged, collected or otherwise disposed of, the proceeds thereof, and all insurance or insurance proceeds of or related to the foregoing and other insurance, if and to the extent pursuant to the Loan Agreement (all, collectively, the "Collateral"). To the extent appropriate to the perfection of

security interests hereunder, all parties acknowledge that Agent is possessing Collateral and Separate Collateral as bailee for itself and the Banks.

3.2 Simultaneously herewith, deliver to Agent Candidate's Assignment, Borrower's Assignment, the Undertakings and the Candidate's Statement, in form incorporated herein as Schedules 1 through 4, inclusive.

#### Section 4. Borrower's Obligations

In addition to all obligations of Borrower undertaken in the Loan Agreement, the other Agreements, and now or hereafter in any way attendant hereto, with respect to all of the Collateral, Borrower warrants and covenants to Banks, which warranties and covenants shall survive (a) each Advance and (b) until the satisfaction in full of the Indebtedness and the Loan Agreement is terminated:

4.1 That, except for (a) BANK ONE's prior interest in the Separate Collateral, (b) the security interest granted hereby, (c) a certain written agreement dated July 11, 1983 between Borrower and the Democratic National Committee pertaining to the exchange of lists of direct mail contributor names (a copy of which has been furnished to Banks), and (d) the Previous Loan Agreement, Borrower is, and as to the Collateral acquired after the date hereof shall be, the owner of the Collateral described in paragraphs 3.1(a) through 3.1(d), free and clear of any prior assignment, lien, security interest or encumbrance; that Borrower will defend all the Collateral against the claims and demands of all persons at any time claiming the same or any interest therein; and that no mortgage, financing statement or agreement, or assignment is on file in any public office pertaining to any of the Collateral; and

4.2 That without the prior written consent of Banks, Borrower shall not part with the possession or control (except at Banks' direction hereunder for perfection of its interests) of the Collateral (other than the direct mail lists identified in Section 4.1 and then only to the extent provided therein) or sell, pledge, mortgage, encumber or otherwise transfer or dispose of, or attempt to sell, assign, pledge, mortgage, encumber or otherwise transfer or dispose of any interest in all or any part of the Collateral; and

4.3 That Borrower will keep the Collateral free from all claims, liens and legal process of creditors of Borrower, will pay all costs, expenses, fees, taxes and charges of any kind whatsoever arising by virtue of its ownership, possession or use of the Collateral; and

4.4 That Borrower will keep and maintain its principal and chief executive office(s), and all records of the Collateral not possessed by Banks, at its address first set forth herein and will not change the location of the same except upon 15 days prior notice to Banks; and

4.5 That at Banks' request, Borrower will join with Banks in executing such documents as Banks in their discretion may from time to time deem necessary or desirable in order to comply with applicable law or to preserve and protect the security interests provided for hereby; that Borrower will pay all costs and expenses of preparation, recording or filing of all instruments and documents required and requested by Banks hereunder; and

4.6 That all covenants, representations, warranties and promises of Borrower, Senator Glenn and William R. White in the Agreements will be kept, paid and performed.

#### Section 5. Events of Default

5.1 Borrower shall be deemed to be in default hereunder in the event that:

- a. Borrower or Senator Glenn should default in the payment of any of the Indebtedness or in the payment of performance of any of the terms, conditions, covenants or warranties herein or of any of the Agreements; or
- b. Any warranty, representation or statement made or furnished to Banks by or on behalf of Borrower or Senator Glenn in connection with the Agreements or to induce Banks to make an advancement or extend credit of any kind to Borrower should prove to have been false in any material respect when made or furnished or should be or become false with passage of time or occurrence of events or both of them; or
- c. Any substantial (i) reduction in value of or (ii) loss, theft or destruction of or damage to any property upon which the value of any Collateral is based should occur; or
- d. Borrower or Senator Glenn should make a general assignment for the benefit of creditors, should suspend or terminate activities or existence or commit any act amounting to business failure, or should make a voluntary assignment or transfer of any interest in any of the property which is the subject hereof or the Loan Agreement (except as expressly authorized therein) or in all or substantially all of its property; or

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- e. If a petition under any chapter of Title 11 U.S.C., as amended (the "Bankruptcy Code"), or for the appointment of a receiver or conservator or a custodian (as that term is defined in the Bankruptcy Code) for all or any part of the property of Borrower or Senator Glenn or under any other proceeding for the relief of debtors or protection of policyholders or any delinquency proceeding should be filed or initiated by or against Borrower or Senator Glenn; or
  - f. Any proceeding or judgment should be initiated or entered affecting the Collateral by which is sought to establish, attach or foreclose any lien thereon or on any part thereof, or which is deemed by Banks to affect their interest therein.

5.2 In the event of default or demand, Borrower hereby irrevocably appoints Banks and/or Agent its true and lawful attorney, with power of substitution, for it and in its name; or in the name of Banks or otherwise, for the use and benefit of Banks but at the cost and expenses of Borrower, generally to sell, assign, transfer, pledge, compromise, institute suit on, make any agreement with respect to or otherwise deal with any of the Collateral, as fully and completely as though Banks were the absolute owner thereof for all purposes. The powers conferred upon Banks by this paragraph (a) are coupled with an interest and are not revocable; (b) are solely to protect its own interest and (c) shall not impose upon Banks (i) any duties to exercise any such power(s) or (ii) any liability for any action or inaction in the absence of gross negligence or willful misconduct.

#### Section 6. Enforcement of Security and Remedies--General

6.1 In addition to the rights of Banks under other Sections hereof and under the Uniform Commercial Code of Ohio, or the laws of any other jurisdiction in which the Collateral or any part thereof may be located, or under any other applicable law, Borrower hereby fully authorizes and empowers Banks and/or Agent, upon the happening of any default (or demand in the case of Primary Funding and proceeds thereof) hereunder, to sell, assign, and deliver all the Collateral, or any part thereof or any substitute therefor or any addition thereto, at any public or private sale, at the option of Banks or any officer or agent or other person acting on behalf of Banks, and Banks, its officers, agents and representatives, may bid and become purchasers at any such sale or disposition.

6.2 Immediately in the event of default in the case of any payment, and in every other case (such default continuing uncorrected or without demonstration of implemented corrective

measures acceptable to Banks in their sole discretion for ten days subsequent to written notice given to Borrower by or on behalf of Banks in compliance herewith) or at any time Banks in good faith believe that the prospect of payment or performance of or in respect of the Indebtedness is impaired (the facts or circumstances underlying such belief continuing uncorrected or without demonstration of implemented corrective measures acceptable to Banks in their sole discretion for 10 days subsequent to written notice given to Borrower by Banks in compliance herewith), then, or at any time thereafter, Banks may declare all the Indebtedness to be immediately due and payable, without notice or demand therefor, and shall then have all its remedies under the Agreements and all remedies of a secured party under the laws of the State of Ohio, or any other jurisdiction in which any of the Collateral may be located, or any other applicable laws. Nothing herein shall be deemed to alter or amend the demand nature of any evidence of the Indebtedness.

6.3 To the extent permitted by applicable law, Borrower hereby waives all rights now or hereafter conferred by statute or otherwise which may require Banks to sell, lease or otherwise use any Collateral in mitigation of Banks' damages or which may otherwise limit or modify any of Banks' remedies or rights under this Section.

6.4 No right or remedy of Banks hereunder shall be exclusive of any other remedies herein, or in any of the Agreements or by law provided; each right or remedy shall be cumulative in addition to every other right or remedy, and, in addition, the exercise of any remedy by Banks hereunder shall not of itself constitute a recognition of a default of all provisions hereof. Moreover, a failure of Banks to insist upon a strict compliance with the terms hereof or to assert any right or remedy hereunder shall not be a waiver of any default and shall not be determined to constitute a modification of the agreements of the parties hereto or the terms hereof or to establish any claim or defense.

6.5 In the event that Borrower should fail duly and promptly to perform any of the things required to be performed hereunder, Banks may, at their sole option, but without obligation to do so, immediately or at any time thereafter, perform the same for the account of Borrower without thereby waiving any default, and any amount paid or expenses or liability incurred by Banks in such performance, together with interest thereon until paid at the rate specified in the Loan Agreement, shall be payable to Bank by Borrower on demand and shall be and become part of the Indebtedness.

Section 7. Miscellaneous

7.1 This Agreement is a contract by Banks to extend financial accommodations to or for the benefit of Borrower and, without Banks' written consent which Banks may withhold under any circumstances, Borrower may not assign or in any way transfer, by operation of law or otherwise, any of this Agreement or any of Borrower's rights or obligations hereunder. Banks may assign this Agreement or any of its rights or obligations hereunder, whether for security or otherwise, without consent of or notice to Borrower. Notwithstanding the first sentence of this paragraph, however, all covenants and agreements contained in this Agreement by or on behalf of any of the parties hereto shall bind and inure to the benefit of the respective successors and assigns of the parties hereto whether so expressed or not.

7.2 Any notice, request or demand given or required to be given hereunder shall, except as otherwise expressly provided herein, be in writing and shall be deemed to have been given when mailed in compliance with the provisions of the Loan Agreement.

7.3 No amendment, modification, termination, or waiver of any provision of the Agreements, and no consent to any departure by Borrower therefrom, shall in any event be effective unless the same shall be in writing and signed by Banks, and then such waiver or consent shall be effective only in the specific instance and for the specific purpose for which given. No notice to or demand on Borrower in any event, case or occurrence, shall of itself entitle Borrower to any other or further notice or demand in any similar or other circumstances.

7.4. All legal fees, costs or expenses incurred in connection with the preparation, negotiation, revision and enforcement of the Agreements, or any other instruments, documents or agreements to be delivered to Banks in connection with the Collateral, shall be paid by Borrower to Banks upon demand. In addition, all costs and expenses of Banks in retaking, holding, evaluation, preparing for sale, selling or otherwise disposing of the Collateral, in accounting therefor, and in seeking or complying with professional advice concerning any law or regulation related to or affecting such disposal, including (if legally collectible hereunder) all court costs and reasonable attorneys' fees and legal expenses, shall be payable by Borrower to Banks upon demand, shall accrue interest at the rate specified in the Loan Agreement, and shall be and become part of the secured Indebtedness hereunder.

7.5 The titles of the various sections of this Agreement are solely for convenience and are not part of the Agreement for purposes of interpreting the provisions hereof.

7.6 Unless otherwise specified, the terms "herein," "hereunder," "hereto," "herewith," and words of similar import refer to this entire agreement; the singular includes the plural, and conversely.

7.7 Any provision hereof which becomes unenforceable by reason of the commencement of a case under the Bankruptcy Code or other proceeding for the relief of debtors shall again be valid and enforceable no later than the termination of such case or other proceeding.

7.8 All rights and obligations under this Agreement shall be construed and enforced in accordance with the local laws of the State of Ohio, except only to the extent replaced or precluded by other law or mandatory application. In any instance that any provision of this Agreement should be invalid, illegal or unenforceable under applicable law, the validity, legality or enforceability of that provision in other situations and of the remaining provisions and conditions hereof shall not be in any way affected thereby.

7.9 This written Agreement is exclusive as to its subject matter and no inconsistent oral agreement shall be binding.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by their respective duly authorized officers as of the 8th day of February, 1984.

JOHN GLENN PRESIDENTIAL  
COMMITTEE INC.

BANK ONE, COLUMBUS, N.A.

By \_\_\_\_\_

By: \_\_\_\_\_

Title: \_\_\_\_\_

Title: \_\_\_\_\_

BANCHEIO NATIONAL BANK

By: \_\_\_\_\_

Title: \_\_\_\_\_

THE HUNTINGTON NATIONAL BANK

By: \_\_\_\_\_

Title: \_\_\_\_\_

AMERITRUST COMPANY NATIONAL  
ASSOCIATION

By: \_\_\_\_\_

Title: \_\_\_\_\_

BANK ONE, COLUMBUS, N.A., AGENT

By: \_\_\_\_\_

Title: \_\_\_\_\_

88040683394

CANDIDATE'S ASSIGNMENT

I, John Glenn, in connection with the Loan Agreement dated as of February 8, 1984, among John Glenn Presidential Committee Inc., Bank One, Columbus, N.A., as agent, and certain banks and the other Agreements (as that term is defined in said Loan Agreement) hereby irrevocably assign to John Glenn Presidential Committee Inc. all my right, title and interest in and to the following:

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- (a) all the payment of funds by the Secretary of the Treasury of the United States with respect to an individual seeking the nomination for election to be President of the United States upon receipt of appropriate certification from the Federal Election Commission in accordance with the Presidential Primary Matching Payment Account Act, 26 U.S.C. §§ 9031 et seq.; and
  - (b) commitments or undertakings of others to solicit or raise contributions or funds on behalf of my presidential primary campaign.

Dated as of the 8th day of February, 1984, and delivered at Columbus, Ohio.

\_\_\_\_\_  
John Glenn

Ameritrust Company National Association

BancOhio National Bank

Bank One, Columbus, N.A.

The Huntington National Bank

All care of:

Bank One, Columbus, N.A., Agent  
100 East Broad Street  
Columbus, Ohio 43271  
Attn: Richard D. Headley

88040583396

BORROWER'S ASSIGNMENT

In consideration of Bank One, Columbus, N.A., as agent, and the banks listed on Exhibit A hereto (hereinafter referred to as "Banks") extending credit to John Glenn Presidential Committee Inc. (hereinafter referred to as "Borrower"), pursuant to a Loan Agreement (except as otherwise provided herein capitalized terms used in this statement having the meaning defined in the Loan Agreement) dated as of February 8, 1984 between Borrower and Banks and the other Agreements, Borrower hereby assigns to Banks and grants a security interest in the following as security for payment of the Indebtedness and Borrower's obligations under the Agreements:

all of Borrower's interest in all of its property (including without limitation instruments, documents, chattel paper, contract rights, accounts, general intangibles, deposit accounts, money and goods of all description) whether or not such property is now or hereafter in the actual or legal or constructive possession of Agent, including but not limited to:

- (a) all records of Borrower wherever located, whenever existing or arising; and
- (b) the Primary Funding and all rights attendant thereto or in connection therewith with respect to the candidacy of Senator Glenn, including all of Borrower's rights therein arising out of Candidate's Assignment or otherwise (the "Funding"); and
- (c) all of Borrower's right, title and interest in and to the direct mail solicitation/contributor lists used by Borrower, containing, among other things, the names and addresses of possible and actual contributors to Borrower as they exist as of the date hereof and are revised from time to time;
- (d) present and future contributions and other property and money received by Borrower from any source, including without limitation the deposit account(s) maintained by Borrower at the NS&T Bank, N.A.; and

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(e) commitments or undertakings of others to solicit or raise contributions or funds.

Borrower agrees that the Funding may be held, used and disposed of by Banks in accordance with the terms and provisions of the Agreements.

IN WITNESS WHEREOF, the parties hereto have caused this Assignment to be executed by their respective duly authorized officers as of the 8th day of February, 1984.

JOHN GLENN PRESIDENTIAL COMMITTEE INC.

BANK ONE, COLUMBUS, N.A., Agent

By: \_\_\_\_\_

By: \_\_\_\_\_

Title: \_\_\_\_\_

Title: \_\_\_\_\_

BANK ONE, COLUMBUS, N.A.

By: \_\_\_\_\_

Title: \_\_\_\_\_

BANCOHIO NATIONAL BANK  
By Bank One, Columbus, N.A.,  
Agent

By: \_\_\_\_\_

Title: \_\_\_\_\_

THE HUNTINGTON NATIONAL BANK  
By Bank One, Columbus, N.A.,  
Agent

By: \_\_\_\_\_

Title: \_\_\_\_\_

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AMERITRUST COMPANY NATIONAL  
ASSOCIATION  
By Bank One, Columbus, N.A.,  
Agent

By: \_\_\_\_\_

Title: \_\_\_\_\_

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Ameritrust Company National Association

BancOhio National Bank

Bank One, Columbus, N.A.

The Huntington National Bank

All care of:

Bank One, Columbus, N.A., Agent  
100 East Broad Street  
Columbus, Ohio 43271  
Attn: Richard D. Headley

88040683400

February , 1984

Bank One, Columbus, N.A., as Agent  
and the Banks listed on Exhibit A hereto

All care of:

Bank One, Columbus, N.A., Agent  
100 East Broad Street  
Columbus, Ohio 43271

Gentlemen:

As you know, no individual can guarantee, endorse or otherwise be personally liable for the obligations of a Presidential candidate's principal campaign committee to a national or state bank in excess of the contribution limits prescribed by the Federal Election Campaign Act, as amended (the "Act") and the Presidential Primary Matching Payments Account Act. None of the undersigned are guaranteeing, endorsing, or otherwise assuming personal liability for the obligations of the John Glenn Presidential Committee Inc. (the "Committee") to your banks.

However, we are advised that the Act specifically provides that there is no limit on the value of services provided without compensation by an individual who volunteers his time to a political campaign. Therefore, the undersigned individuals hereby promise and confirm that if (a) Senator John Glenn ceases for any reason to be an active Presidential candidate, (b) Senator John Glenn receives or fails to receive the nomination of the 1984 Democratic National Convention, or (c) the Committee defaults upon its obligations to you under the credit agreement between you and the Committee dated as of February 8, 1984, and if on such date or dates the Committee's obligations to you have not been repaid, the undersigned will exert their collective and individual best efforts to raise sufficient contributions for the Committee to enable the Committee to retire the Committee's debt to you then outstanding.

Yours very truly,

---

John Glenn

---

William R. White

Ameritrust Company National Association

BancOhio National Bank

Bank One, Columbus, N.A.

The Huntington National Bank

All care of:

Bank One, Columbus, N.A., Agent  
100 East Broad Street  
Columbus, Ohio 43271  
Attn: Richard D. Headley

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## CANDIDATE'S STATEMENT

The undersigned, John Glenn, with respect to the Loan Agreement dated as of February 8, 1984 (the "Loan Agreement") pursuant to which Bank One, Columbus, N.A., as agent and the banks listed in Exhibit A hereto (the "Banks") are extending credit to the John Glenn Presidential Committee Inc. (except as otherwise provided herein capitalized terms used in this statement having the meanings defined in the Loan Agreement), understanding that the contents of this statement are material and essential to Banks' undertaking in the Agreements, hereby represents and warrants to and covenants with Banks, which representations, and warranties and covenants will be true and correct at the date(s) hereof, on each Advance Date, and until the satisfaction in full of the Indebtedness and termination of the Agreements, and will survive (a) the execution and delivery of the Agreements and (b) until the satisfaction in full of the Indebtedness and termination of the Loan Agreement, that

1. Senator Glenn has not knowingly made expenditures from his personal funds, or the personal funds of his immediate family, in connection with his campaign for nomination for election to the office of President in excess of in the aggregate, \$50,000;

2. The John Glenn Presidential Committee Inc. is, and will remain, Senator Glenn's sole "principal campaign committee," as that phrase is used in 11 C.F.R. § 9037.3.

3. Bank One, Columbus, N.A. is, and will remain, "the depository designated" by Senator Glenn, as that phrase is used in 11 C.F.R. § 9037.3; and

4. If Senator Glenn should fail to promptly take all steps necessary to effect any of the statements contained herein or shall attempt in any manner to take any action that will adversely affect any of the statements contained herein, then Banks may petition an appropriate court to order Senator Glenn to perform such acts as may be necessary to implement the statements contained herein and/or enjoin such action as would adversely affect any such statement. Senator Glenn shall not contest Banks' right to bring such action and Senator Glenn hereby acknowledges and agrees that the breach of the statements contained herein will result in immediate, irreparable injury to Banks which cannot be completely compensated in or measured by money damages. Senator Glenn shall indemnify and hold Banks

harmless against and from any and all expenses whatsoever, including but not limited to court costs and reasonable attorneys' fees in connection with any action brought by Banks hereunder. Furthermore, resort to such action by Banks shall not preclude or in any way affect Banks' rights to bring other actions of any sort whatever for damages or otherwise relating to a breach of the statements herein.

5. SENATOR GLENN HAS READ, AND HAS BEEN ADVISED CONCERNING, THE AGREEMENTS AND IS FAMILIAR WITH THE TERMS AND THE CIRCUMSTANCES SURROUNDING THE EXTENSIONS OF CREDIT REFERRED TO THEREIN. SENATOR GLENN UNDERSTANDS AND AGREES THAT THE REPRESENTATIONS, WARRANTIES AND COVENANTS MADE BY HIM AND CONTAINED HEREIN ARE BOTH MATERIAL AND ESSENTIAL CONSIDERATION IN INDUCING BANKS TO ENTER INTO THE AGREEMENTS AND TO THE EXTENT THAT ANY OF SUCH REPRESENTATIONS, WARRANTIES AND COVENANTS SHALL PROVE TO HAVE BEEN OR BECOME FALSE OR INCORRECT IN ANY MATERIAL RESPECT WHEN MADE OR FURNISHED OR AT ANY TIME FROM THE DATE HEREOF UNTIL THE INDEBTEDNESS IS SATISFIED IN FULL AND THE LOAN AGREEMENT IS TERMINATED, SENATOR GLENN SHALL BE PERSONALLY LIABLE TO BANKS FOR THE FULL AMOUNT OF ITS DAMAGES SUFFERED THEREBY OR RESULTING THEREFROM. NOTHING IN THIS STATEMENT IS INTENDED OR SHALL BE DEEMED TO BE AN EXPENDITURE, AS THAT TERM IS DEFINED IN 26 U.S.C. § 9035(a). IT IS THE POSITION OF SENATOR GLENN, AND HE UNDERSTANDS IT TO BE THE POSITION OF THE BANKS AND BORROWER, THAT SENATOR GLENN'S LIABILITY FOR DAMAGES HEREUNDER, IF THERE ARE ANY SUCH DAMAGES, DOES NOT CONSTITUTE SUCH AN EXPENDITURE. HOWEVER, IF ANY SUCH DAMAGES ARE DETERMINED TO BE SUCH AN EXPENDITURE IN A FINAL, NONAPPEALABLE ORDER OF A COURT OR ADMINISTRATIVE BODY OF COMPETENT JURISDICTION, SUCH DAMAGES SO DETERMINED SHALL BE VALID AND ENFORCEABLE ONLY IN SUCH AN AMOUNT AS TO NOT CAUSE SENATOR GLENN TO BE IN VIOLATION OF 26 U.S.C. § 9035(A).

Dated as of the 8th day of February, 1984, and delivered at Columbus, Ohio.

---

John Glenn

Ameritrust Company National Association

BancOhio National Bank

Bank One, Columbus, N.A.

The Huntington National Bank

All care of:

Bank One, Columbus, N.A., Agent  
100 East Broad Street  
Columbus, Ohio 43271  
Attn: Richard D. Headley

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EXHIBIT C TO LOAN AGREEMENT

ADVANCE REQUEST FORM

To: Bank One, Columbus, N.A.  
as Agent  
100 East Broad Street  
Columbus, Ohio 43271  
Attn: Richard D. Headley  
Vice President

From: John Glenn Presidential  
Committee Inc.  
444 North Capital Street, N.W.  
Washington, D.C. 20001

Gentlemen:

In accordance with our Loan Agreement dated as of February 8, 1984, the undersigned hereby requests that Banks make the following Advance on the date indicated:

Amount of Advance: \$ \_\_\_\_\_

Advance Date: \_\_\_\_\_

Capitalized terms used herein shall have the same meaning as in the Loan Agreement.

The undersigned hereby certifies as follows:

1. The statements contained in paragraph 5.2 of the Loan Agreement are true and correct as of the date hereof.

2. No event has occurred and is continuing, or would result from such requested Advance being made, which constitutes a default or would constitute a default under the Agreements but for the requirement that notice be given or time elapse or both.

Dated: \_\_\_\_\_, 1984 JOEN GLENN PRESIDENTIAL COMMITTEE INC.

By: \_\_\_\_\_

Title: \_\_\_\_\_

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SCHEDULE 1 TO LOAN AGREEMENT

LOAN AGREEMENT

<u>Section</u>	<u>Contents</u>	<u>Page</u>
1.	Definitions.....	1
2.	Recitals.....	5
3.	Terms of Borrowing.....	5
4.	Conditions of Borrowing.....	6
5.	Warranties.....	9
6.	Affirmative Covenants.....	13
7.	Negative Covenants.....	14
8.	Events of Default; Enforcement of Remedies.....	14
9.	Miscellaneous.....	15
 <u>Exhibits</u>		
A.....	Promissory Note	
B.....	Security Agreement	
C.....	Advance Request Form	
D.....	Borrower's Advance Certificate	
E.....	Advance Limit Computation	

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## LOAN AGREEMENT

Dated as of October 24, 1983

JOHN GLENN PRESIDENTIAL COMMITTEE INC. ("Borrower"), a corporation organized and existing under the laws of the District of Columbia, with its principal place of business and chief executive office at 444 North Capitol Street, N.W., Washington, D.C. 20001, and Bank One, Columbus, N.A. ("Bank"), a national banking association organized and existing under the laws of the United States, with its principal office at 100 East Broad Street, Columbus, Ohio 43271, in consideration of the mutual covenants and agreements contained herein and of other good and valuable consideration the receipt and sufficiency of which is acknowledged hereby, and intending to be legally bound, hereby recite, represent, warrant and agree as follows:

### Section 1. Definitions

As used herein,

1.1 "Acceptance Percentage" means the lesser of (a) 90 percent or (b) as of a particular date, the percentage determined by dividing (i) the aggregate total amount of all submissions for Primary Funding made by Borrower as of that date accepted by the FEC as qualifying for Primary Funding by (ii) the aggregate total amount of all submissions for Primary Funding made by Borrower as of that date;

1.2 "Advance" has the meaning assigned to that term in paragraph 3.1 hereof;

1.3 "Advance Date" means the date on which an Advance is made;

1.4 "Advance Limit" means the total of the following:

- (a) 100 percent of the total certifiable amounts contained in any Unpaid FEC Advice(s), plus
- (b) the product of the Acceptance Percentage and the total of the "Amount Submitted for Matching this Submission" column(s) in Outstanding Borrower's Advance Certificates, minus
- (c) the Holdback Amount, minus

(d) the outstanding principal balance of the Note;

1.5 "Advance Limit Computation" means a report computing the Advance Limit as of a date, in form as contained in Exhibit "E" hereto;

1.6 "Advance Request Form" means a fully executed and completed document in form as contained in Exhibit "C" hereto;

1.7 The "Agreements" means all instruments and documents issued, entered or delivered by or on behalf of Bank, Borrower and/or Senator Glenn in connection with the Indebtedness and/or the Collateral, including without limitation this Agreement, the Security Agreement and the Note, all of which are incorporated into and made a part hereof;

1.8 "Assignments" means the Candidate's Assignment and the Borrower's Assignment;

1.9 "Borrower's Advance Certificate" means a certificate of Borrower delivered to Bank in form as contained in Exhibit "D" as to certain contributions received by Borrower;

1.10 "Borrower's Assignment" has the meaning assigned to that term in paragraph 4.1 hereof;

1.11 "Business Day" has the meaning assigned to that term in paragraph 9.3 hereof;

1.12 "Candidate's Assignment" has the meaning assigned to that term in paragraph 4.1 hereof;

1.13 "Candidate's Statement" means the statement of Senator Glenn in form as contained in Schedule 4 to the Security Agreement;

1.14 "Collateral" means all collateral of whatever kind and whenever created, arising or acquired, securing the Indebtedness;

1.15 "Collateral Account" means a non-interest bearing checking account in name of Bank One, Columbus, N.A., Collateral Account for John Glenn Presidential Committee Inc., account no. 10-0811-9, maintained by Borrower with Bank at its offices at 100 East Broad Street, Columbus, Ohio 43271, that is at such control and dominion of Bank as is appropriate to the purposes hereof, including the purpose of receiving Senator Glenn's Primary Funding;

1.16 "Commitment Amount" means five hundred thousand dollars (\$500,000.00).

1.17 "FEC Advice" means the notice issued by the FEC to Senator Glenn/Borrower containing the certifiable amount with respect to a Matching Fund Submission or a Letter Request. (The FEC Advice for the Threshold Matching Fund Submission in which Senator Glenn's eligibility with respect to Primary Funding is established shall be deemed to have a certifiable amount of \$100,000, unless a different amount is stated therein);

1.18 "Federal Campaign Act" means the Federal Election Campaign Act of 1971, as amended, 2 U.S.C. §§431 et seq;

1.19 "Federal Election Commission" and "FEC" mean the federal commission authorized by, and operating pursuant to, the Federal Election Campaign Act;

1.20 "Holdback Amount" means the aggregate amount of Primary Funding paid with respect to Senator Glenn (a) as to which the FEC has asserted that repayment is in order for any reason, or (b) is the subject of specific pending FEC question or audit;

1.21 "Indebtedness" means all liabilities, obligations and indebtedness (including, without limitation, any overdrafts on accounts of Borrower maintained with Bank) of Borrower to Bank, of whatever kind and whenever created, whether or not given pursuant to commitment, direct or indirect, absolute or contingent, due or to become due, now existing or hereafter arising, including without limitation indebtedness evidenced by the Note and all liabilities, obligations and indebtedness arising under or in connection with any one or more of the Agreements;

1.22 "Letter Request" means a letter request by Borrower to FEC for Primary Funding made pursuant to FEC's Guidelines for Presentation in Good Order;

1.23 "Matching Fund Submission" means a submission made by Senator Glenn/Borrower to FEC requesting Primary Funding;

1.24 "Note" means the Promissory Note substantially in the form attached hereto as Exhibit "A" to be issued by Borrower to Bank and any replacement(s) thereof;

1.25 "Outstanding Borrower's Advance Certificates" means, as of a date, those Borrower's Advance Certificates in which none of the contributions contained therein are counted in connection with any certifiable amount in an FEC Advice;

1.26 "Person" mean any individual or an organization, including a corporation, government or governmental subdivision or agency, business trust, estate, trust, partnership or association, two or more persons having a joint or common interest, or any other legal or commercial entity;



## Section 2. Recitals

2.1 In order to provide funds for the purpose of pursuing the Democratic Party nomination for President of the United States, Borrower has applied to Bank for a credit facility in the original maximum principal amount of the Commitment Amount.

2.2 To secure its borrowing hereunder, Borrower has offered certain of its interests as Collateral.

2.3 Subject to the terms and conditions hereof, Bank has agreed to make the requested extensions of credit.

2.4 It is the intention of the parties that (a) the Agreements shall not constitute a contribution by Bank under the Federal Campaign Act and the rules and regulations thereunder (including 11 C.F.R. Section 100.7(b)(11)), (b) the extension(s) of credit be made in accordance with applicable banking laws and regulations and in the ordinary course of business, (c) nothing herein shall constitute an expenditure as that term is used in 26 U.S.C. § 9035, and (d) Senator Glenn is a party only to those of the Agreements that he has personally executed.

## Section 3. Terms of Borrowing

3.1 On the terms and conditions hereof, Bank agrees to make advances to Borrower from time to time ("Advances"). Advances may be made during the period from the date hereof until the earlier of (a) the date on which Senator Glenn/Borrower ceases to be eligible for Primary Funding (without regard to 26 U.S.C. § 9033 c)(2)) or (b) July 15, 1984. However, no Advance shall (a) be made in an amount of less than \$25,000; (b) be made in an amount in excess of the applicable Advance Limit on such Advance Date; or (c) cause the aggregate principal amount of the Note outstanding at any one time to exceed the Commitment Amount. Each Advance shall be disbursed directly into one or more accounts (other than the Collateral Account) in the name of Borrower maintained with Bank according to instructions to be furnished by Borrower to Bank. All Advances shall be evidenced by the Note.

3.2 The indebtedness evidenced by the Note, including interest, shall be payable on demand and otherwise as set forth in the Note. Interest shall accrue on the unpaid principal balance evidenced by the Note, shall be calculated daily on the basis of actual days elapsed, shall be computed on the basis of a 360-day year and shall be paid monthly in arrears commencing on December 15, 1983, and continuing on the 15th day of each succeeding calendar month.

3.3 The interest rate shall fluctuate and at any time shall be equal to the sum of one percent (1%) per annum and the Prime Rate.

3.4 Borrower shall cause all Primary Funding to be paid immediately and directly, by wire transfer into the Collateral Account and all amounts so received shall be applied by Bank immediately against the Indebtedness. Not later than the close of the Business Day next following the day after any such receipt (as set forth in paragraph 3.5) is made in the Collateral Account, Bank shall transfer all funds, if any, in excess of the amounts necessary to satisfy in full the Indebtedness to Borrower's account number 10-0801-2 maintained at Bank or such other Bank account of Borrower as Borrower shall direct in writing.

3.5 The Indebtedness or any part thereof may be paid in whole or in part at any time without penalty. In any event, all payments received by Bank (a) shall be applied, first, to interest and Indebtedness, if any, other than principal due and payable, and second, to principal indebtedness (including additional payments hereunder, if any) to be deemed applied against such indebtedness in the order incurred; (b) shall be in lawful money of the United States; and (c) shall be credited (or available) as of the time received by Bank in cash or equivalent or, if tendered in other than cash or equivalent, when finally collected.

3.6 Borrower shall attach an Advance Limit Computation to each Advance Request Form submitted to Bank. In addition, Borrower shall submit an Advance Limit Computation on November 1, 1983, and the first day of each calendar month thereafter until the Indebtedness is satisfied in full and this Agreement has been terminated. In the event any Advance Limit Computation reflects an Advance Limit of less than zero, Borrower shall within five Business Days take such action as necessary, including payment of all or a portion of the Indebtedness, to bring such Advance Limit to at least zero and submit an Advance Limit Computation reflecting that action.

3.7 The Indebtedness is and will be secured pursuant to the terms and conditions set forth in the Agreements.

3.8 Provided that the Indebtedness has been satisfied in full, Borrower may terminate the Loan Agreement by delivering a written notice to Bank as set forth herein. In connection with any such termination, Borrower and Bank agree to execute and deliver such documents as appropriate.

#### Section 4. Conditions of Borrowing

4.1 Prior to making its initial Advance, Bank shall have received the following, each dated no later than the date of that Advance, in form and substance satisfactory to Bank:

(a) The Note, the Security Agreement, and this Agreement;

(b) All Collateral, assignments and documents related to perfection thereof specified, and in the form specified, in the Security Agreement;

(c) Signed copies of certificates of the Secretary of Borrower dated as of the date of the initial Advance, which shall certify the names of the officers of Borrower authorized to execute the Agreements on behalf of Borrower, together with the true signatures of such officers;

(d) An Assignment ("Candidate's Assignment"), duly executed by Senator Glenn in favor of the Borrower, assigning (irrevocably so long as this Agreement remains in effect) to the Borrower Senator Glenn's rights to the Primary Funding, together with an Assignment ("Borrower's Assignment") by Borrower in favor of Bank, in the form of Schedules 1 and 2, respectively, to the Security Agreement, assigning to Bank all such rights as security for the payment of the Indebtedness and Borrower's obligations under the Agreements, all in form and substance satisfactory to Bank, together with:

(i) certified copies of proper Financing Statements and certificates of record priority thereof (Forms UCC-1 and UCC-11) duly filed under the Uniform Commercial Code of all jurisdictions as may be necessary or, in the opinion of Bank, desirable to perfect the security interests created by, or with respect to, the Agreements and evidence such perfection, and

(ii) a copy of a letter of instructions from Senator Glenn and Borrower to the Federal Election Commission and the Secretary of the Treasury that is irrevocable without written consent of Bank (the "Instructions"), instructing said Commission and Secretary to forward all Primary Funding directly to Bank for

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deposit in the Collateral Account and evidence of delivery thereof, and

(iii) evidence that all other actions necessary or, in the opinion of Bank, desirable to perfect and protect the security interests created by the Agreements have been taken;

(e) Certified copies of the resolutions of the Board of Directors of the Borrower approving the Agreements and of all documents evidencing other necessary corporate action and governmental approvals, if any, with respect to the Agreements;

(f) Undertakings of Senator Glenn and William R. White ("Undertakings") in the form of Schedule 4 to the Security Agreement;

(g) A statement of Senator Glenn ("Candidate's Statement") in the form of Schedule 4 to the Security Agreement;

(h) A favorable opinion of Messrs. Baker and Ecstetter, counsel for the Borrower, as to such matters as Bank may reasonably request, in form and substance acceptable to Bank and its counsel;

(i) Such certificates, documents, instruments and writings as Bank may reasonably request in the exercise of reasonable discretion to effect the purposes and objectives hereof.

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4.2 As of the date of each Advance (including the initial Advance), the following statements shall be true and correct (and the acceptance by the Borrower of the proceeds of such Advance shall be deemed to constitute a representation and warranty by the Borrower that such statements are true and correct):

(a) The representations, warranties, and covenants contained in Sections 5, 6 and 7 and in Candidate's Statement (as if made by Borrower) are true and correct on and as of the date of such Advance as though made on and as of such date, and

(b) No event has occurred and is continuing, or would result from such Advance, which constitutes or, with the lapse of time or notice or both, could constitute an Event of Default or would constitute an Event of Default but for the requirement that notice be given or time elapse or both.

### Section 5. Warranties

Borrower represents and warrants to Bank, which representations and warranties will be true and correct at the date(s) hereof and on each Advance Date and until the satisfaction in full of the Indebtedness, and will survive (a) the execution and delivery of the Agreements and (b) until the satisfaction in full of the Indebtedness and the termination of the Loan Agreement, that

5.1 Borrower is a not-for-profit corporation duly organized, validly existing, and in good standing under the laws of the District of Columbia and has all requisite corporate power and authority to own and operate its properties, to carry on its business as now conducted and to enter into and perform this Agreement, including without limitation the execution, delivery, and performance of the Agreements;

5.2 Borrower is duly qualified or licensed and in good standing as a foreign corporation or is otherwise duly authorized to conduct its business in each jurisdiction in which the character of the properties owned or leased or the nature of the activities conducted makes such qualification or licensing necessary;

5.3 Borrower is duly established under, and is in compliance with, the Federal Campaign Act. Borrower is the sole "principal campaign committee" of Senator Glenn, within the meaning of the Federal Campaign Act and the Primary Payment Act. Borrower is eligible to receive Primary Funding, which status has been confirmed in writing by the Federal Election Commission;

5.4 The execution, delivery and performance by Borrower of the Agreements, including the Note and Borrower's Assignment, are within Borrower's corporate powers, have been duly authorized by all necessary corporate action, and do not contravene (i) Borrower's charter or by-laws or (ii) any law or contractual restriction binding on or affecting Borrower;

5.5 No authorization or approval or other action by, and no notice to or filing with, any governmental body is

required for the due execution, delivery and performance by Borrower of the Agreements;

5.6 The Agreements and all related documents executed and/or delivered by Borrower pursuant to this Agreement will constitute valid and binding obligations of the parties thereto, fully enforceable in accordance with their provisions against each thereof, except as such enforceability may be limited by applicable bankruptcy, insolvency, reorganization, moratorium, liquidation or similar laws affecting the rights of creditors generally and by the laws of specific performance, none of which will interfere materially with Bank's realization of its rights and benefits thereunder;

5.7 The Agreements, when delivered hereunder, will create a valid and perfected first priority security interest in Borrower's rights to Senator Glenn's Primary Funding, securing the payment and performance of the Indebtedness and of Borrower's obligations under the Agreements, and all filings and other actions necessary to perfect such security interest will have been duly taken; Candidate's Assignment, when delivered hereunder, will constitute a legal, valid and binding assignment to Borrower of Senator Glenn's rights to Primary Funding;

5.8 The execution and delivery by Borrower and Senator Glenn of the Agreements and the performance by it and him of all its and his respective obligations thereunder will not violate or result in the breach of any term or provision of, constitute a default under, or permit the acceleration of maturity under, any governmental or judicial order, judgment or decree, or any loan agreement, note, debenture, indenture, mortgage, deed of trust or other agreement or instrument, to which Borrower or Senator Glenn is a party or by which either is bound;

5.9 There is no threatened or pending legal proceeding or governmental proceeding or action to which Borrower or Senator Glenn is a party or to which any of its or his property is subject which, either in any case or in the aggregate, could affect the ability of either to enter into the Agreements and/or to perform all their obligations fully in accordance therewith or which purports to challenge Senator Glenn's eligibility as a candidate entitled to receive Primary Funding; Borrower has complied with and is not in default in any material respect under any laws, ordinances, requirements, regulations, orders or decrees of any court, commission, board or other administrative body or governmental agency having jurisdiction in respect of the conduct of its business which, either in any case or in the aggregate, could affect its ability to enter into the Agreements and to perform all its obligations fully in accordance therewith;

5.10 All governmental or third party approvals, authorizations, licenses or consents required to be obtained in connection with the execution and delivery of the Agreements and the full performance of all its obligations in accordance therewith by Borrower have been duly obtained;

5.11 Borrower has timely and correctly filed all federal, state and local tax returns required to be filed by it; has paid when due all taxes of any kind or nature; has made adequate provision on its books and records for the payment of all taxes and governmental charges of any kind or nature; and has withheld from, and/or paid on behalf of services of, employees proper and accurate amounts in compliance with all applicable federal, state and local laws and regulations;

5.12 All proceeds of the Advances will be used for payment of "qualified campaign expenses" within the meaning of the Primary Payment Act;

5.13 Senator Glenn has authorized in writing those committees which may incur expenses to further his election, a copy of which authorization has been sent to the FEC;

5.14 Senator Glenn has complied with the requirements of 26 U.S.C. § 9033(a) that he agree in writing to: (1) obtain and furnish to the FEC any evidence it may request of qualified campaign expenses, (2) keep and furnish to the FEC any records, books, and other information it may request, and (3) an audit and examination by the FEC under 26 U.S.C. § 9038 and to pay any amounts required to be paid under such section;

5.15 Senator Glenn has certified to the FEC that: (1) Senator Glenn and his authorized committees will not incur qualified campaign expenses in excess of the limitations on such expenses under 26 U.S.C. § 9035, (2) Senator Glenn is seeking nomination by a political party for election to the office of President of the United States, (3) Senator Glenn has received matching contributions which, in the aggregate, exceed \$5,000 in contributions from residents of at least 20 states, and (4) the aggregate of contributions certified with respect to any person under (3) does not exceed \$250;

5.16 Senator Glenn is currently actively conducting campaigns in more than one state in connection with seeking nomination for election to be President of the United States, and has not received less than ten percent of the number of votes cast for all candidates of the same party for the same office in two consecutive primary elections;

5.17 Senator Glenn has not incurred qualified campaign

5.18 Senator Glenn has not made expenditures (as that term is used in 26 U.S.C. § 9035) from his personal funds, or the personal funds of his immediate family, in connection with his campaign for nomination for election to the office of President in excess of, in the aggregate, \$50,000;

5.19 Senator Glenn has complied with the requirements of 11 C.F.R. § 9033.1;

5.20 Senator Glenn has certified to the FEC that he is seeking nomination by a political party to the office of President in more than one state;

5.21 Senator Glenn and his authorized committee(s) have certified that they have not incurred and will not incur expenses in connection with the candidate's campaign for nomination which are in excess of the limitations under 26 U.S.C. § 9035 or 11 C.F.R. Part 9035;

5.22 Senator Glenn and his authorized committee(s) have certified that they have met the threshold contribution requirements outlined in 11 C.F.R. § 9033.2(b)(3);

5.23 Senator Glenn and his authorized committee(s) have filed with the FEC reports of receipts and expenditures as required in 2 U.S.C. § 434;

5.24 Senator Glenn has designated one or more national or state banks as a campaign depository;

5.25 Senator Glenn and his authorized committee(s) have not violated the limitations on contributions and expenditures outlined in 2 U.S.C. § 441a and 11 C.F.R. Part 110;

5.26 Senator Glenn and his authorized committee(s) have filed all other reports, documents, and schedules required or requested by the FEC;

5.27 Senator Glenn and his authorized committee(s) have met all requirements for eligibility to receive Presidential Primary Matching Funds;

5.28 The John Glenn Presidential Committee Inc. is Senator Glenn's sole "principal campaign committee" as that phrase is used in 11 C.F.R. § 9037.3 and is Senator Glenn's sole "authorized committee" as that phrase is used in 2 U.S.C. § 431(6);

5.29 Bank One, Columbus, N.A. is "the depository designated" by Senator Glenn, as that phrase is used in 11 C.F.R. § 9037.3;



6.5 Borrower shall expend all proceeds of the Indebtedness on "qualified campaign expenses," within the meaning of the Primary Payment Act;

6.6 Borrower shall remain Senator Glenn's sole "principal campaign committee" as that term is used in the Federal Campaign Act and the Primary Payment Act;

6.7 Borrower covenants that the contributions referenced in any Borrower's Advance Certificate shall be included in Matching Fund Submission made no later than 45 days after the date of the Certificate;

6.8. Borrower shall submit to Bank by the 20th of each month, a statement of financial condition as of the end of the preceding month, in form as reasonably requested by Bank;

6.9 Borrower shall be Senator Glenn's sole "principal campaign committee" as that phrase is used in 11 C.F.R. § 9037.3 and shall be Senator Glenn's sole "authorized committee" as that phrase is used in 2 U.S.C. § 431(6);

6.10 Bank shall be "the depository designated" by Senator Glenn, as that phrase is used in 11 C.F.R. § 9037.3;

6.11 Senator Glenn and his authorized committee(s), if Senator Glenn is ever declared ineligible for Presidential Primary Matching Funds, will properly value property in the net Outstanding campaign obligation calculation made by the candidate pursuant to 11 C.F.R. § 9034.5; and

6.12 Senator Glenn and his authorized committee(s) will comply with the FEC Guidelines for Presentation in Good Order.

#### Section 7. Negative Covenants.

Until the Indebtedness has been paid, performed and satisfied in full and the Loan Agreement is terminated:

7.1 Borrower shall neither create nor suffer to exist any assignment, lien, security interest or other charge or encumbrance, or any type of security or preferential arrangement, upon or with respect to the Collateral Account or Borrower's rights to Senator Glenn's Primary Funding, or any other of the Collateral, other than those created hereunder and under the Agreements.

7.2 Borrower shall neither make any expenditure nor do any act that will cause, directly or indirectly, a violation

Section 8. Events of Default; Enforcement of Remedies

8.1 Borrower shall be deemed to be in default hereunder in the event that

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- (a) Borrower or Senator Glenn should default in the payment or performance of any of the Indebtedness or in the payment or performance of any of the terms, conditions, covenants, representations or warranties herein or of any of the Agreements; or
  - (b) Any warranty, representation or statement made or furnished to Bank by or on behalf of Borrower or Senator Glenn in connection with the Agreements or to induce Bank to make an advancement or extend credit of any kind to Borrower should prove to have been false in any material respect when made or furnished; or
  - (c) If a petition under any chapter of Title 11 U.S.C., as amended (the "Bankruptcy Code"), or for the appointment of a receiver or a custodian (as that term is defined in the Bankruptcy Code) for all or any part of the property of Borrower; or
  - (d) Any proceeding or judgment should be initiated or entered affecting the Collateral by which is sought to establish, attach or foreclose any lien thereon or on any part thereof, or which is deemed by Bank to affect its interest therein; or
  - (e) Senator Glenn and/or Borrower should cease to be eligible for Primary Funding prior to July 15, 1984.

8.2 In the event of default, Borrower hereby irrevocably appoints Bank its true and lawful attorney, with power of substitution, for it and in its name, or in the name of Bank or otherwise, for the use and benefit of Bank but at the cost and expense of Borrower, generally to sell, assign, transfer, pledge, compromise, institute suit on, make any agreement with respect to

completely as though Bank were the absolute owner thereof for all purposes. The powers conferred upon Bank by this paragraph (a) are coupled with an interest and are not revocable; (b) are solely to protect its own interest and (c) shall not impose upon Bank (i) any duties to exercise any such power(s) or (ii) any liability for any action or inaction in the absence of gross negligence or willful misconduct.

8.3 In the event of default or demand, any obligation of Bank to make any further Advances shall cease.

8.4 Immediately in the event of default in the case of any payment, and in every other case (such default continuing uncorrected or without demonstration of implemented corrective measures acceptable to Bank in its sole discretion for ten days subsequent to written notice given to Borrower by Bank in compliance herewith) or at any time Bank in good faith believes that the prospect of payment or performance of or in respect of the Indebtedness is impaired (the facts or circumstances underlying such belief continuing uncorrected or without demonstration of implemented corrective measures acceptable to Bank in its sole discretion for ten days subsequent to written notice given to Borrower by Bank in compliance herewith), then, or at any time thereafter, Bank may declare all the Indebtedness to be immediately due and payable, without notice or demand therefor, and shall then have all its remedies under the Agreements and all remedies of a secured party under the laws of the State of Ohio, or any other jurisdiction in which any of the Collateral may be located, or any other applicable laws. Nothing herein shall in any event be deemed to alter or amend the demand character of the Notes.

8.5 No right or remedy of Bank hereunder shall be exclusive of any other remedies herein, or in any of the Agreements or by law provided; each right or remedy shall be cumulative in addition to every other right or remedy, and, in addition, the exercise of any remedy by Bank hereunder shall not of itself constitute a recognition of a default of all provisions hereof. Moreover, a failure of Bank to insist upon a strict compliance with the terms hereof or to assert any right or remedy hereunder shall not be a waiver of any default and shall not be deemed to constitute a modification of the agreements of the parties hereto or the terms hereof or to establish any claim or defense.

8.6 In the event that Borrower should fail duly and promptly to perform any of the things required to be performed hereunder, Bank may, at its sole option, but without obligation to do so, immediately or at any time thereafter, perform the same for the account of Borrower without thereby waiving any default, and any amount paid or expenses or liability incurred by Bank in such performance, together with interest thereon, shall be

the rate(s) specified herein, shall be payable to Bank by Borrower on demand and shall be and become part of the Indebtedness

Section 9. Miscellaneous.

9.1 This Agreement is a contract by Bank to extend financial accommodations to or for the benefit of Borrower and, without Bank's written consent which Bank may withhold under any circumstances, Borrower may not assign or in any way transfer, by operation of law or otherwise, any of this Agreement or any of Borrower's rights or obligations hereunder. Bank may assign this Agreement or any of its rights or obligations hereunder, whether for security or otherwise, without consent of or notice to Borrower. Notwithstanding the first sentence of this paragraph, however, all covenants and agreements contained in the Agreements by or on behalf of any of the parties hereto shall bind and inure to the benefit of the respective successors and assigns of the parties hereto whether so expressed or not.

9.2 All notices which any party shall be required or permitted to give to any other party hereunder shall be deemed to be sufficiently given on the date when sent by telegram or other electronic facsimile device which creates a record of the transmission, or on the date when delivered if by messenger, or when mailed to the other party, registered or certified mail, return receipt requested, postage prepaid, at the address listed below or to such other address as shall be furnished in writing by any party to any other party from time to time in compliance herewith.

If to Bank: BANK ONE, COLUMBUS, N.A.  
100 East Broad Street  
Columbus, Ohio 43271

Attn: Mr. Richard D. Eadley  
Vice President

If to Borrower: JOHN GLENN PRESIDENTIAL  
COMMITTEE INC.  
444 North Capitol Street, N.W.  
Washington, D.C. 20001

Attn: Treasurer

with copy to: Caroline Hines, Controller  
John Glenn Presidential Committee Inc.  
444 North Capitol Street, N.W.  
Washington, D.C. 20001

and

Earlan Pomeroy, Esq.  
818 Connecticut Avenue, N.W.  
Washington, D.C. 20006

9.3 Any payment or performance hereunder or under the Note stated to be due on a Saturday, Sunday or a public or bank holiday or the equivalent for banks generally under the laws of the State of Ohio (any other day being a "Business Day"), such payment may be made or performance completed on the next succeeding Business Day, and such extension of time shall in such case be included in the computation of payment of interest.

9.4 No amendment, modification, termination, or waiver of any provision of the Agreements, and no consent to any departure by Borrower therefrom, shall in any event be effective unless the same shall be in writing and signed by the Bank, and then such waiver or consent shall be effective only in the specific instance and for the specific purpose for which given. No notice to or demand on Borrower in any event, case or occurrence, shall of itself entitle Borrower to any other or further notice or demand in any similar or other circumstances.

9.5 All legal fees, costs or expenses including attorneys' fees incurred in connection with preparation, administration or enforcement of the Agreements, or any other instruments, documents or agreements to be delivered to Bank hereunder or in connection herewith shall be paid by Borrower to Bank upon demand.

9.6 The titles of the various sections of this Agreement are solely for convenience and are not part of the Agreement for purposes of interpreting the provisions hereof.

9.7 Unless otherwise specified, the terms "herein," "hereunder," "hereto," "herewith," and words of similar import refer to this entire agreement; the singular includes the plural, and conversely.

9.8 Any provision hereof which becomes unenforceable by reason of the commencement of a case under the Bankruptcy Code or other proceeding for the relief of debtors shall again be valid and enforceable no later than the termination of such case or other proceeding.

9.9 All rights and obligations under this Agreement shall be construed and enforced in accordance with the local laws of the State of Ohio, except only to the extent replaced or precluded by other law of mandatory application. In any instance that any provision of this Agreement should be invalid, illegal or unenforceable under applicable law, the validity, legality or

remaining provisions and conditions hereof shall not be in any way affected thereby.

9.10 This written Agreement is exclusive as to its subject matter and no inconsistent oral agreement shall be binding.

9.11 Bank recognizes that much of the information which is the subject matter of or which is furnished hereunder and the information which Bank obtains from or by association with Borrower and its borrowing belongs and shall belong to the Borrower and is and will be confidential. During the term of this Agreement and any extensions of it and thereafter, so long as such information remains confidential, Bank shall preserve and protect the confidentiality of such information and shall neither use (except in the performance of this Agreement) nor disclose to others such information without the express written consent of Borrower unless required to do so by appropriate order of any court, commission or administrative or legislative body or Federal or local authority having jurisdiction over such matter. No information made available or disclosed to Bank or developed by it under this Agreement shall be duplicated or furnished to another party without prior written consent of Borrower. Bank will provide reasonable security for, and will exercise reasonable care consistent with the purposes hereof, to protect Borrower's information. Anything herein apparently to the contrary notwithstanding, nothing in this paragraph either shall or shall be deemed to limit Bank's (a) rights and remedies with respect to information or Collateral as set forth herein or (b) actions or inactions based upon its commercial judgment exercised to effect the objectives hereof.

9.12 AS A SPECIFICALLY BARGAINED INDUCEMENT FOR BANK TO EXTEND CREDIT GIVING RISE TO THE INDEBTEDNESS, BORROWER HAS AGREED THAT ANY ACTION, SUIT OR PROCEEDING IN RESPECT OF OR ARISING FROM OR OUT OF THE AGREEMENTS, THEIR VALIDITY OR PERFORMANCE, AT THE SOLE OPTION OF BANK, ITS SUCCESSORS AND ASSIGNS, SHALL BE INITIATED AND PROSECUTED AS TO ALL PARTIES AND THEIR SUCCESSORS AND ASSIGNS AT COLUMBUS, OHIO. BORROWER CONSENTS TO AND SUBMITS TO THE EXERCISE OF JURISDICTION OVER ITS PERSON BY ANY COURT SITUATED AT COLUMBUS, OHIO, AND HAVING JURISDICTION OVER THE SUBJECT MATTER AND HEREBY IRREVOCABLY APPOINTS AND DESIGNATES LOUIS A. NOBILE, JR., WHOSE ADDRESS IS 100 EAST BROAD STREET, COLUMBUS, OHIO 43271 (OR ANY OTHER PERSON NAMED BANK OR ITS SUCCESSORS OR ASSIGNS, AFTER GIVING BORROWER FIVE DAYS WRITTEN NOTICE THEREOF, MAY APPOINT), AS ITS TRUE AND LAWFUL ATTORNEY IN FACT AND DULY AUTHORIZED AGENT FOR SERVICE OF LEGAL PROCESS AND AGREES THAT SERVICE OF SUCH PROCESS UPON SUCH PARTY SHALL CONSTITUTE PERSONAL SERVICE OF SUCH PROCESS UPON BORROWER. SUCH ATTORNEY IN FACT, WITHIN FIVE DAYS AFTER RECEIPT OF ANY SUCH PROCESS, SHALL FORWARD THE SAME BY PERSONAL OR MAIL

9.13. Nothing herein shall obligate Borrower to borrow or effect any other financing through Bank or preclude Borrower from obtaining financing or credit from some other source, provided, that the Indebtedness has been satisfied in full and the Loan Agreement has been terminated.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by their respective duly authorized officers as of the 24th day of October, 1983.

JOHN GLENN PRESIDENTIAL  
COMMITTEE, INC.

BANK ONE, COLUMBUS, N.A.

By: *William J. Gilbert*

By: *Paul J. Kelly, Jr.*

Title: President

Title: Vice President

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PROMISSORY NOTE

\$500,000

Columbus, Ohio  
November \_\_, 1983

FOR VALUE RECEIVED, the undersigned ("Borrower") promises to pay to the order of BANK ONE, COLUMBUS, N.A. ("Bank"), on demand, at its office at 100 East Broad Street, Columbus, Ohio 43271, or at such other place as the holder hereof may, from time to time, in writing designate, the principal sum of FIVE HUNDRED THOUSAND DOLLARS (\$500,000), or so much thereof as may be disbursed to, or for the benefit of, Borrower and remain unpaid, with interest and payable as stated herein.

This Note is a Note identified in a Loan Agreement dated as of October 24, 1983 (the "Loan Agreement"), between Borrower and Bank, as the same has been and may hereafter be amended, modified, or supplemented from time to time, and said Loan Agreement and all other Agreements (as defined therein) are hereby incorporated into this Note and made a part hereof. Capitalized terms used but not defined herein shall have the meanings set forth in the Loan Agreement.

Principal indebtedness evidenced hereby shall be payable on demand, but until demand is made, in compliance with the terms of the Loan Agreement.

Interest shall accrue on the unpaid principal balance evidenced hereby, shall be calculated daily on the basis of actual days elapsed, shall be computed on the basis of a 360-day year and shall be paid monthly in arrears commencing on December 15, 1983, and continuing on the 15th day of each succeeding calendar month.

Except only as otherwise specifically stated herein, the interest rate shall fluctuate and at any time shall be equal to the sum of one percent (1%) per annum and the Prime Rate (the rate of interest announced by Bank from time to time as its prime rate, with any change thereto effective as of the opening of business on the day of the change).

Any other provision hereof to the contrary notwithstanding, all principal,

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interest and other indebtedness shall be paid in full on or before the Termination Date, but in any event no later than August 31, 1984.

The Indebtedness or any portion thereof may be paid in whole or in part at any time without penalty. In any event, all payments received by Bank (a) shall be applied, first, to interest and Indebtedness, if any, other than principal due and payable and second, to principal indebtedness (including additional payments hereunder, if any) to be deemed applied against such indebtedness in the order incurred; (b) shall be in lawful money of the United States; and (c) shall be credited as of the time received by Bank in cash or equivalent or when finally collected.

This Note is secured pursuant to the terms and conditions set forth in the Loan Agreement and by Agreements as described therein. Any default in payment or performance under the Loan Agreement or said Agreements shall be a default hereunder.

Immediately in the event of default in the case of any payment, and in every other case such default continuing uncorrected or without demonstration of implemented corrective measures acceptable to Bank in its sole discretion for ten days subsequent to written notice give to Borrower by Bank in compliance with the Loan Agreement, then the whole or any part of the unpaid Indebtedness shall, at once or at any time thereafter, at the option of the holder or holders hereof, become due and payable without notice or demand therefor, the same being expressly waived. A failure of the holder hereof to insist upon strict compliance with the terms hereof or to assert any right hereunder shall not be a waiver of any default and shall not be deemed to constitute a modification of the terms hereof or to establish any claim or defense. Nothing in this paragraph shall be deemed to alter or amend the demand character hereof.

Any and all moneys, properties or obligations now or at any time hereafter owing to the undersigned from the holder hereof are hereby, (a) if possessed or held by the holder hereof, pledged for the security of and (b) if not so possessed, committed and may be set off against this and all other indebtedness from the undersigned to the legal holder hereof and may be paid and applied thereon at any time such Indebtedness becomes due or is declared due and payable.

No delay or omission on the part of the holder in exercising any right hereunder shall operate as a waiver of such right or of any other right under this Note. A waiver on any one occasion shall not be construed as a bar to or waiver of any such right and/or remedy on any future occasion.

All persons now or hereafter liable, primarily or secondarily, for the payment of the indebtedness evidenced hereby or any part thereof, do hereby expressly waive presentment for payment, notice of dishonor, protest and notice of protest, and agree that the time for payment or payments of any part of the indebtedness evidenced hereby may be extended without releasing or otherwise affecting their liability hereon, or the lien of any deed of trust, mortgage, assignment or security agreement, if any, then or hereafter securing this Note.

The payee or other holder hereof shall be deemed to have exercised reasonable care in the custody and preservation of the property ("Collateral") which is the subject of the Loan Agreement and said Agreements herein identified if said holder takes such action for that purpose as shall be requested in writing by Borrower, but failure of said holder to comply with any such request shall not of itself be deemed a failure to exercise reasonable care, and no failure of said holder to preserve or protect any rights in such Collateral as against prior or subsequent parties, or to do any act not so required by Borrower, shall be deemed a failure to exercise reasonable care in the custody or preservation of such Collateral.

Borrower agrees that the local laws of the State of Ohio shall govern its rights and duties hereunder and the construction and effect hereof. However, if any provision hereof is or becomes invalid or unenforceable under any law of mandatory application, it is the intent of Borrower, the Bank and all parties primarily or secondarily liable hereunder, that such provision will be deemed severed and omitted herefrom, the remaining portions hereof to remain in full force and effect as written.

The undersigned, and each of the undersigned if more than one, authorize any Attorney at Law to appear in any court of record in the State of Ohio or any other State or Territory of the United States, after the indebtedness evidenced hereby, or any part thereof, becomes due and waive the issuance and service of process and confess judgment against any one or more than one of the undersigned in favor of the holder of this Note, for the amount then appearing due, together with costs of suit and, thereupon, to release all errors and waive all rights of appeal and stay of execution, but no such judgment or judgments against only one of the undersigned shall be a bar to a subsequent judgment or judgments against any one or more than one of such persons against whom judgment has not been obtained hereon. This warrant of attorney to confess judgment is a joint and several warrant of attorney. The foregoing warrant of attorney shall survive any judgment; and if any judgment be vacated for any reasons, the holder hereof nevertheless may thereafter use the foregoing warrant of attorney to obtain an additional judgment or judgments against the undersigned or any one or more of them.

In witness whereof, the undersigned has executed this  
Note the day and year first above written at Columbus, Franklin  
County, Ohio.

WARNING: BY SIGNING THIS PAPER, YOU GIVE UP YOUR RIGHT TO NOTICE  
AND COURT TRIAL. IF YOU DO NOT PAY ON TIME, A COURT JUDGMENT MAY  
BE TAKEN AGAINST YOU WITEOUT YOUR PRIOR KNOWLEDGE, AND THE POWERS  
OF A COURT CAN BE USED TO COLLECT FROM YOU REGARDLESS OF ANY  
CLAIMS YOU MAY HAVE AGAINST THE CREDITOR WEEETHER FOR RETURNED  
GOODS, FAULTY GOODS, FAILURE ON HIS PART TO COMPLY WITE THE  
AGREEMENT OR ANY OTEER CAUSE.

JOEN GLENN PRESIDENTIAL COMMITTEE INC

By \_\_\_\_\_

Title: \_\_\_\_\_

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EXHIBIT 3

SECURITY AGREEMENT

<u>Section</u>	<u>Contents</u>	<u>Page</u>
1.	Definitions, Incorporation, Scope.....	1
2.	Recitals.....	1
3.	Security Interest.....	1
4.	Borrower's Obligations.....	2
5.	Events of Default.....	3
6.	Enforcement of Security and Remedies--General.....	5
7.	Miscellaneous.....	6
<u>Schedule</u>		
1.	.....Senator Glenn's Assignment	
2.	.....Borrower's Assignment	
3.	.....Undertaking of Senator Glenn and William R. White	
4.	.....Senator Glenn's Statement	

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## SECURITY AGREEMENT

Dated as of October 24, 1983

### (Assignment)

JOHN GLENN PRESIDENTIAL COMMITTEE INC., a corporation organized and existing under the laws of the District of Columbia with its principal place of business at 444 North Capital Street, N.W., Washington, D.C. 20001 ("Borrower"), debtor hereunder, and BANK ONE, COLUMBUS, N.A., a national banking association organized and existing under the laws of the United States, with its principal office at 100 East Broad Street, Columbus, Ohio 43271 ("Bank"), secured party hereunder, in consideration of the mutual covenants and agreements contained herein and intending to be legally bound hereby recite and agree as follows:

### Section 1. Definitions, Incorporation, Scope

1.1 This Agreement is the Security Agreement and one of the Agreement(s) defined in the Loan Agreement of even date herewith between and among Bank, Borrower and others to which this Agreement is attached as Exhibit "B" (the "Loan Agreement").

1.2 All terms used and not otherwise specifically defined herein shall have the meanings set forth in the Loan Agreement.

1.3 Each and every other one of the Agreements is incorporated herein and hereby made a part hereof.

### Section 2. Recitals

2.1 Borrower is borrowing from Bank under the terms of the Loan Agreement.

2.2 The security interests provided for hereby are taken and retained to secure to Bank Borrower's payment and performance of the Indebtedness.

### Section 3. Security Interest

To secure payment and performance of all the indebtedness, including performance of all obligations, covenants and warranties of Borrower, Borrower does hereby:

3.1 Grant to Bank a continuing security interest in all of Borrower's interest in the following described property

and any property (including without limitation instruments, documents, chattel paper, contract rights, accounts, general intangibles, deposit accounts, and money) now or hereafter in the actual or legal or constructive possession of Bank, all records thereof wherever located, whenever existing or arising, and, if sold, exchanged, collected or otherwise disposed of, the proceeds thereof (all, collectively, the "Collateral"):

(a) the Primary Funding and all rights attendant thereto or in connection therewith with respect to the candidacy of Senator Glenn, including all of Borrower's rights therein arising out of Candidate's Assignment or otherwise; and

(b) all of Borrower's right, title and interest in and to the direct mail solicitation/contributor lists used by Borrower, containing, among other things, the names and addresses of possible and actual contributors to Borrower as it exists as of the date hereof and is revised from time to time in the future; and

(c) present and future contributions received by Borrower in response to direct mail solicitations; and

3.2 Simultaneously herewith, delivers to Bank Senator Glenn's Assignment, Borrower's Assignment, the Undertakings and the Candidate's Statement, in forms incorporated herein as Schedules 1 through 4, inclusive.

#### Section 4. Borrower's Obligations

In addition to all obligations of Borrower undertaken in the Loan Agreement, the other Agreements, and now or hereafter in any way attendant hereto, with respect to all of the Collateral, Borrower warrants and covenants, which warranties and covenants shall survive (a) each Advance and (b) until the satisfaction in full of the Indebtedness and the Loan Agreement is terminated:

4.1 That, except for the security interest granted hereby and except for a certain written agreement dated July 11, 1983 between Borrower and the Democratic National Committee pertaining to the exchange of lists of direct mail contributor names (a copy of which has been furnished to Bank), Borrower is, and as to the Collateral acquired after the date hereof shall be, the owner of the Collateral, free and clear of any prior assignment, lien, security interest or encumbrance; that Borrower will defend the Collateral against the claims and demands of all

persons at any time claiming the same or any interest therein; and that no mortgage, financing statement or agreement, or assignment is on file in any public office pertaining to the Collateral; and

4.2 That without the prior written consent of Bank, Borrower shall not part with the possession or control (except at Bank's direction hereunder for perfection of its interests) of the Collateral (other than the direct mail lists identified in Section 4.1 and then only to the extent provided therein) or sell, pledge, mortgage, encumber or otherwise transfer or dispose of, or attempt to sell, assign, pledge, mortgage, encumber or otherwise transfer or dispose of any interest in all or any part of the Collateral; and

4.3 That Borrower will keep the Collateral free from all claims, liens and legal process of creditors of Borrower, will pay all costs, expenses, fees, taxes and charges of any kind whatsoever arising by virtue of its ownership, possession or use of the Collateral; and

4.4 That Borrower will keep and maintain its principal and chief executive office(s), and all records of the Collateral not possessed by Bank, at its address first set forth herein and will not change the location of the same except upon 15 days prior notice to Bank; and

4.5 That at Bank's request, Borrower will join with Bank in executing such documents as Bank in its discretion may from time to time deem necessary or desirable in order to comply with applicable law or to preserve and protect the security interests provided for hereby; that Borrower will pay all costs and expenses of preparation, recording or filing of all instruments and documents required and requested by Bank hereunder; and

4.6 That all covenants, representations, warranties and promises of Borrower, Senator Glenn and William R. White in the Agreements will be kept, paid and performed.

### Section 5. Events of Default

5.1 Borrower shall be deemed to be in default hereunder in the event that:

- a. Borrower or Senator Glenn should default in the payment of any of the indebtedness or in the payment or performance of any of the terms, conditions, covenants or warranties herein or of any of the Agreements; or

- b. Any warranty, representation or statement made or furnished to Bank by or on behalf of Borrower or Senator Glenn in connection with the Agreements or to induce Bank to make an advancement or extend credit of any kind to Borrower should prove to have been false in any material respect when made or furnished; or
- c. Any substantial (i) reduction in value of or (ii) loss, theft or destruction of or damage to any property upon which the value of any Collateral is based should occur; or
- d. Borrower or Senator Glenn should make a general assignment for the benefit of creditors, should suspend or terminate activities or existence or commit any act amounting to business failure, or should make a voluntary assignment or transfer of any interest in any of the property which is the subject hereof or the Loan Agreement (except as expressly authorized therein) or in all or substantially all of its property; or
- e. If a petition under any chapter of Title 11 U.S.C., as amended (the "Bankruptcy Code"), or for the appointment of a receiver or conservator or a custodian (as that term is defined in the Bankruptcy Code) for all or any part of the property of Borrower or Senator Glenn or under any other proceeding for the relief of debtors or protection of policyholders or any delinquency proceeding should be filed or initiated by or against Borrower or Senator Glenn; or
- f. Any proceeding or judgment should be initiated or entered affecting the Collateral by which is sought to establish, attach or foreclose any lien thereon or on any part thereof, or which is deemed by Bank to affect its interest therein.

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5.2 In the event of default or demand, Borrower hereby irrevocably appoints Bank its true and lawful attorney, with power of substitution, for it and in its name; or in the name of Bank or otherwise, for the use and benefit of Bank but at the cost and expenses of Borrower, generally to sell, assign, transfer, pledge, compromise, institute suit on, make any agreement with respect to or otherwise deal with any of the Collateral, as fully and completely as though Bank were the absolute owner thereof for all purposes. The powers conferred upon Bank by this paragraph (a) are coupled with an interest and are not revocable; (b) are solely to protect its own interest and (c) shall not impose upon Bank (i) any duties to exercise any

such power(s) or (ii) any liability for any action or inaction in the absence of gross negligence or willful misconduct.

## Section 6. Enforcement of Security and Remedies—General

6.1 In addition to the rights of Bank under other Sections hereof and under the Uniform Commercial Code of Ohio, or the laws of any other jurisdiction in which the Collateral or any part thereof may be located, or under any other applicable law, Borrower hereby fully authorizes and empowers Bank, upon the happening of any default (or demand in the case of Primary Funding and proceeds thereof) hereunder, to sell, assign, and deliver all the Collateral, or any part thereof or any substitute therefor or any addition thereto, at any public or private sale, at the option of Bank or any officer or agent or other person acting on behalf of Bank, and Bank, its officers, agents and representatives, may bid and become purchasers at any such sale or disposition.

6.2 Immediately in the event of default in the case of any payment, and in every other case (such default continuing uncorrected or without demonstration of implemented corrective measures acceptable to Bank in its sole discretion for ten days subsequent to written notice given to Borrower by Bank in compliance herewith) or at any time Bank in good faith believes that the prospect of payment or performance of or in respect of the Indebtedness is impaired (the facts or circumstances underlying such belief continuing uncorrected or without demonstration of implemented corrective measures acceptable to Bank in its sole discretion for 10 days subsequent to written notice given to Borrower by Bank in compliance herewith), then, or at any time thereafter, Bank may declare all the Indebtedness to be immediately due and payable, without notice or demand therefor, and shall then have all its remedies under the Agreements and all remedies of a secured party under the laws of the State of Ohio, or any other jurisdiction in which any of the Collateral may be located, or any other applicable laws. Nothing herein shall be deemed to alter or amend the demand nature of any evidence of the Indebtedness.

6.3 To the extent permitted by applicable law, Borrower hereby waives all rights now or hereafter conferred by statute or otherwise which may require Bank to sell, lease or otherwise use any Collateral in mitigation of Bank's damages or which may otherwise limit or modify any of Bank's remedies or rights under this Section.

6.4 No right or remedy of Bank hereunder shall be exclusive of any other remedies herein, or in any of the Agreements or by law provided; each right or remedy shall be cumulative in addition to every other right or remedy, and, in

addition, the exercise of any remedy by Bank hereunder shall not of itself constitute a recognition of a default of all provisions hereof. Moreover, a failure of Bank to insist upon a strict compliance with the terms hereof or to assert any right or remedy hereunder shall not be a waiver of any default and shall not be determined to constitute a modification of the agreements of the parties hereto or the terms hereof or to establish any claim or defense.

6.5 In the event that Borrower should fail duly and promptly to perform any of the things required to be performed hereunder, Bank may, at its sole option, but without obligation to do so, immediately or at any time thereafter, perform the same for the account of Borrower without thereby waiving any default, and any amount paid or expenses or liability incurred by Bank in such performance, together with interest thereon until paid at the rate specified in the Loan Agreement, shall be payable to Bank by Borrower on demand and shall be and become part of the indebtedness.

#### Section 7. Miscellaneous

7.1 This Agreement is a contract by Bank to extend financial accommodations to or for the benefit of Borrower and, without Bank's written consent which Bank may withhold under any circumstances, Borrower may not assign or in any way transfer, by operation of law or otherwise, any of this Agreement or any of Borrower's rights or obligations hereunder. Bank may assign this Agreement or any of its rights or obligations hereunder, whether for security or otherwise, without consent of or notice to Borrower. Notwithstanding the first sentence of this paragraph, however, all covenants and agreements contained in this Agreement by or on behalf of any of the parties hereto shall bind and inure to the benefit of the respective successors and assigns of the parties hereto whether so expressed or not.

7.2 Any notice, request or demand given or required to be given hereunder shall, except as otherwise expressly provided herein, be in writing and shall be deemed to have been given when mailed in compliance with the provisions of the Loan Agreement.

7.3 No amendment, modification, termination, or waiver of any provision of the Agreements, and no consent to any departure by Borrower therefrom, shall in any event be effective unless the same shall be in writing and signed by Bank, and then such waiver or consent shall be effective only in the specific instance and for the specific purpose for which given. No notice to or demand on Borrower in any event, case or occurrence, shall of itself entitle Borrower to any other or further notice or demand in any similar or other circumstances.

7.4. All legal fees, costs or expenses incurred in connection with the preparation, negotiation, revision and enforcement of the Agreements, or any other instruments, documents or agreements to be delivered to Bank in connection with the Collateral, shall be paid by Borrower to Bank upon demand. In addition, all costs and expenses of Bank in retaking, holding, evaluation, preparing for sale, selling or otherwise disposing of the Collateral, in accounting therefor, and in seeking or complying with professional advice concerning any law or regulation related to or affecting such disposal, including (if legally collectible hereunder) all court costs and reasonable attorneys' fees and legal expenses, shall be payable by Borrower to Bank upon demand, shall accrue interest at the rate specified in the Loan Agreement, and shall be and become part of the secured Indebtedness hereunder.

7.5 The titles of the various sections of this Agreement are solely for convenience and are not part of the Agreement for purposes of interpreting the provisions hereof.

7.6 Unless otherwise specified, the terms "herein," "hereunder," "hereto," "herewith," and words of similar import refer to this entire agreement; the singular includes the plural, and conversely.

7.7 Any provision hereof which becomes unenforceable by reason of the commencement of a case under the Bankruptcy Code or other proceeding for the relief of debtors shall again be valid and enforceable no later than the termination of such case or other proceeding.

7.8 All rights and obligations under this Agreement shall be construed and enforced in accordance with the local laws of the State of Ohio, except only to the extent replaced or precluded by other law or mandatory application. In any instance that any provision of this Agreement should be invalid, illegal or unenforceable under applicable law, the validity, legality or enforceability of that provision in other situations and of the remaining provisions and conditions hereof shall not be in any way affected thereby.

7.9 This written Agreement is exclusive as to its subject matter and no inconsistent oral agreement shall be binding.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by their respective duly authorized officers as of the 24th day of October, 1981.

BANK ONE, COLUMBUS, N.A.

JOHN GLENN PRESIDENTIAL  
COMMITTEE INC.

By \_\_\_\_\_  
\_\_\_\_\_, Vice President

By \_\_\_\_\_  
\_\_\_\_\_

Title: \_\_\_\_\_

BANK

BORROWER

89040563444

CANDIDATE'S ASSIGNMENT

I, John Glenn, in connection with the Loan Agreement dated as of October 24, 1983, between John Glenn Presidential Committee Inc. and Bank One, Columbus, N.A., and the other Agreements (as that term is defined in said Loan Agreement) hereby irrevocably assign to John Glenn Presidential Committee Inc. all my right, title and interest in and to all the payment of funds by the Secretary of the Treasury of the United States with respect to an individual seeking the nomination for election to be President of the United States upon receipt of appropriate certification from the Federal Election Commission in accordance with the Presidential Primary Matching Payment Account Act, 26 U.S.C. §§. 9031 et seq.

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Dated as of the 24th day of October, 1983, and delivered at Columbus, Ohio.

\_\_\_\_\_  
John Glenn

BORROWER'S ASSIGNMENT

In consideration of Bank One, Columbus, N.A. (hereinafter referred to as "Bank") extending credit to John Glenn Presidential Committee Inc. (hereinafter referred to as "Borrower"), pursuant to a Loan Agreement (except as otherwise provided herein capitalized terms used in this statement having the meaning defined in the Loan Agreement) dated as of October 24, 1983 between Borrower and Bank and the other Agreements, Borrower hereby assigns to Bank and grants a security interest in the following as security for payment of the indebtedness and Borrower's obligations under the Agreements:

the Primary Funding and all rights attendant thereto or in connection therewith with respect to the candidacy of Senator Glenn, including all of Borrower's rights therein arising out of Candidate's Assignment or otherwise (the "Funding").

Borrower agrees that the Funding may be held, used and disposed of by Bank in accordance with the terms and provisions of the Agreements.

IN WITNESS WHEREOF, the parties hereto have caused this Assignment to be executed by their respective duly authorized officers as of the 24th day of October, 1983.

JOHN GLENN PRESIDENTIAL  
COMMITTEE INC.

BANK ONE, COLUMBUS, N.A.

By: \_\_\_\_\_

By: \_\_\_\_\_

Title: \_\_\_\_\_

Title: \_\_\_\_\_

November \_\_, 1983

Bank One, Columbus, N.A.  
100 East Broad Street  
Columbus, Ohio 43271

Gentlemen:

As you know, no individual can guarantee, endorse or otherwise be personally liable for the obligations of a Presidential candidate's principal campaign committee to a national or state bank in excess of the contribution limits prescribed by the Federal Election Campaign Act, as amended (the "Act") and the Presidential Primary Matching Payments Account Act. None of the undersigned are guaranteeing, endorsing, or otherwise assuming personal liability for the obligations of the John Glenn Presidential Committee Inc. (the "Committee") to your bank.

However, we are advised that the Act specifically provides that there is no limit on the value of services provided without compensation by an individual who volunteers his time to a political campaign. Therefore, the undersigned individuals hereby promise and confirm that if (a) Senator John Glenn ceases for any reason to be an active Presidential candidate, (b) Senator John Glenn receives or fails to receive the nomination of the 1984 Democratic National Convention, or (c) the Committee defaults upon its obligations to you under the credit agreement between you and the Committee of even date, and if on such date or dates the Committee's obligations to you have not been repaid, the undersigned will exert their collective and individual best efforts to raise sufficient contributions for the Committee to enable the Committee to retire the Committee's debt to you then outstanding.

Yours very truly,

---

John Glenn

---

William R. White

## SCHEDULE 4

### CANDIDATE'S STATEMENT

The undersigned, John Glenn, with respect to the Loan Agreement dated as of October 24, 1983 (the "Loan Agreement") (except as otherwise provided herein capitalized terms used in this statement having the meanings defined in the Loan Agreement), understanding that the contents of this statement are material and essential to Bank's undertaking in the Agreements, hereby represents and warrants to and covenants with Bank, which representations, and warranties and covenants will be true and correct at the date(s) hereof, on each Advance Date, and until the satisfaction in full of the Indebtedness and termination of the Agreements, and will survive (a) the execution and delivery of the Agreements and (b) until the satisfaction in full of the Indebtedness and termination of the Loan Agreement, that

1. Senator Glenn has not knowingly made expenditures from his personal funds, or the personal funds of his immediate family, in connection with his campaign for nomination for election to the office of President in excess of in the aggregate, \$50,000;
2. The John Glenn Presidential Committee Inc. is, and will remain, Senator Glenn's sole "principal campaign committee," as that phrase is used in 11 C.F.R. § 9037.3.
3. Bank One, Columbus, N.A. is, and will remain, "the depository designated" by Senator Glenn, as that phrase is used in 11 C.F.R. § 9037.3; and
4. If Senator Glenn should fail to promptly take all steps necessary to effect any of the statements contained herein or shall attempt in any manner to take any action that will adversely affect any of the statements contained herein, then Bank may petition an appropriate court to order Senator Glenn to perform such acts as may be necessary to implement the statements contained herein and/or enjoin such action as would adversely affect any such statement. Senator Glenn shall not contest Bank's right to bring such action and Senator Glenn hereby acknowledges and agrees that the breach of the statements contained herein will result in immediate, irreparable injury to Bank which cannot be completely compensated in or measured by money damages. Senator Glenn shall indemnify and hold Bank harmless against and from any and all expenses whatsoever, including but not limited to court costs and reasonable attorneys' fees in connection with any action brought by Bank

hereunder. Furthermore, resort to such action by Bank shall not preclude or in any way affect Bank's rights to bring other actions of any sort whatever for damages or otherwise relating to a breach of the statements herein.

5. SENATOR GLENN HAS READ, AND HAS BEEN ADVISED CONCERNING, THE AGREEMENTS AND IS FAMILIAR WITH THE TERMS AND THE CIRCUMSTANCES SURROUNDING THE EXTENSIONS OF CREDIT REFERRED TO THEREIN. SENATOR GLENN UNDERSTANDS AND AGREES THAT THE REPRESENTATIONS, WARRANTIES AND COVENANTS MADE BY HIM AND CONTAINED HEREIN ARE BOTH MATERIAL AND ESSENTIAL CONSIDERATION IN INDUCING BANK TO ENTER INTO THE AGREEMENTS AND TO THE EXTENT THAT ANY OF SUCH REPRESENTATIONS, WARRANTIES AND COVENANTS SHALL PROVE TO HAVE BEEN OR BECOME FALSE OR INCORRECT IN ANY MATERIAL RESPECT WHEN MADE OR FURNISHED OR AT ANY TIME FROM THE DATE HEREOF UNTIL THE INDEBTEDNESS IS SATISFIED IN FULL AND THE LOAN AGREEMENT IS TERMINATED, SENATOR GLENN SHALL BE PERSONALLY LIABLE TO BANK FOR THE FULL AMOUNT OF ITS DAMAGES SUFFERED THEREBY OR RESULTING THEREFROM. NOTHING IN THIS STATEMENT IS INTENDED OR SHALL BE DEEMED TO BE AN EXPENDITURE, AS THAT TERM IS DEFINED IN 26 U.S.C. § 9035(a). IT IS THE POSITION OF SENATOR GLENN, AND HE UNDERSTANDS IT TO BE THE POSITION OF THE BANK AND BORROWER, THAT SENATOR GLENN'S LIABILITY FOR DAMAGES HEREUNDER, IF THERE ARE ANY SUCH DAMAGES, DOES NOT CONSTITUTE SUCH AN EXPENDITURE. HOWEVER, IF ANY SUCH DAMAGES ARE DETERMINED TO BE SUCH AN EXPENDITURE IN A FINAL, NONAPPEALABLE ORDER OF A COURT OR ADMINISTRATIVE BODY OF COMPETENT JURISDICTION, SUCH DAMAGES SO DETERMINED SHALL BE VALID AND ENFORCEABLE ONLY IN SUCH AN AMOUNT AS TO NOT CAUSE SENATOR GLENN TO BE IN VIOLATION OF 26 U.S.C. § 9035(A).

Dated as of the 24th day of October, 1983, and delivered at Columbus, Ohio.

---

John Glenn

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EXHIBIT C

ADVANCE REQUEST FORM

To: Bank One, Columbus, N.A.  
100 East Broad Street  
Columbus, Ohio 43271  
Attn: Richard D. Headley  
Vice President

From: John Glenn Presidential  
Committee Inc.  
444 North Capital Street, N.W.  
Washington, D.C. 20001

Gentlemen:

In accordance with our Loan Agreement dated as of October 24, 1983, the undersigned hereby requests that Bank make the following Advance to the Collateral Account of Borrower on the date indicated:

Amount of Advance: \$ \_\_\_\_\_

Advance Date: \_\_\_\_\_

Capitalized terms used herein shall have the same meaning as in the Loan Agreement.

As a condition precedent to Bank's consideration of this request, Borrower has attached an Advance Limit Computation of even date herewith showing an Advance Limit equal to, or greater than, the amount of Advance requested herein and has attached at least one of the following (check appropriate box(es)):

- a. is/are \_\_\_\_\_ Unpaid FEC Advice(s)
- b. is/are \_\_\_\_\_ Outstanding Borrower's Advance Certificate(s)

The undersigned hereby certifies as follows:

1. The documents, if any, attached hereto as comprising part of a. above are the complete originals of said documents or true and complete copies of said documents.

2. The documents, if any, attached hereto as comprising part of b. above are the complete originals of said documents.

3. No Primary Funds have been disbursed by the Secretary of the Treasury with respect to the contributions evidenced by, or relating to, the attachments to this Advance Request Form.

4. No event has occurred and is continuing, or would result from such requested Advance being made, which constitutes an Event of Default or would constitute an Event of Default but for the requirement that notice be given or time elapse or both.

Dated: \_\_\_\_\_, 198\_ JOHN GLENN PRESIDENTIAL COMMITTEE INC.

By: \_\_\_\_\_

Title: \_\_\_\_\_

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EXHIBIT D

BORROWER'S ADVANCE CERTIFICATE

The undersigned hereby certifies and agrees as follows:

1. The following is a true and accurate listing of contributions and their respective contributors received by John Glenn Presidential Committee Inc:

<u>Contributor Sequence Number</u>	<u>Surname, First Name, Address, Zip Code</u>	<u>Amount Submitted for Matching this Submission</u>	<u>Aggregate Submitted for Matching</u>
------------------------------------	---	--	---

Summary information:

9  
0  
5  
6  
3  
4  
5  
4

- Total amount of contributions submitted for matching herein: \_\_\_\_\_
- Total count of contributors herein: \_\_\_\_\_
- Period covered hereby: \_\_\_\_\_

2. The undersigned agrees to submit the foregoing listed contributions to the Federal Election Commission no later than 45 days after the date of this Certificate.

Dated: \_\_\_\_\_, 1983

JOHN GLENN PRESIDENTIAL COMMITTEE INC.

By: \_\_\_\_\_

Title: \_\_\_\_\_

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Advance Limit Computation

for \_\_\_\_\_, 19\_\_

The following is issued and certified under and pursuant to conditions of Loan Agreement dated as of October 24, 1983, between the undersigned and Bank One, Columbus, N.A.

1. Unpaid FEC Advice(s) \$ \_\_\_\_\_ x 100% = \$ \_\_\_\_\_

Plus 2. Outstanding Borrower's Advance Certificates \$ \_\_\_\_\_ x \_\_\_\_\_ % = \$ \_\_\_\_\_

Gross Amount \$ \_\_\_\_\_

Minus 3. Holdback Amount \$ \_\_\_\_\_

Available for Lending \$ \_\_\_\_\_

Minus 4. Note Outstanding Principal Balance \$ \_\_\_\_\_

Advance Limit \$ \_\_\_\_\_

\*Acceptance Percentage as of date hereof.

I certify that the foregoing is true and accurate on the date hereof.

JOEN GLENN PRESIDENTIAL COMMITTEE INC.

Dated: \_\_\_\_\_, 1983

By: \_\_\_\_\_

Title: \_\_\_\_\_

PROMISSORY NOTE

\$500,000

Columbus, Ohio  
February 9, 1984

FOR VALUE RECEIVED, the undersigned ("Borrower") promises to pay to the order of AMERITRUST COMPANY NATIONAL ASSOCIATION ("Bank"), on demand, c/o Bank One, Columbus, N.A., Agent, at the office of said Agent at 100 East Broad Street, Columbus, Ohio 43271, or at such other place as the holder hereof may, from time to time, in writing designate, the principal sum of FIVE HUNDRED THOUSAND DOLLARS (\$500,000), or so much thereof as may be disbursed to, or for the benefit of, Borrower and remain unpaid pursuant to the terms and conditions of the Loan Agreement identified herein, with interest and payable as stated herein.

This Note is a Note identified in a Loan Agreement dated as of February 8, 1984 (the "Loan Agreement"), between Borrower, Bank One, Columbus, N.A., Agent, Bank and other banks, as the same has been and may hereafter be amended, modified, or supplemented from time to time, and said Loan Agreement and all other Agreements (as defined therein) are hereby incorporated into this Note and made a part hereof. Capitalized terms used but not defined herein shall have the meanings set forth in the Loan Agreement.

Principal indebtedness evidenced hereby shall be payable on demand, but until demand is made, in compliance with the terms of the Loan Agreement.

Interest shall accrue on the unpaid principal balance evidenced hereby, shall be calculated daily on the basis of actual days elapsed, shall be computed on the basis of a 360-day year and shall be paid monthly in arrears commencing on March 15, 1984, and continuing on the 15th day of each succeeding calendar month.

Except only as otherwise specifically stated herein, the interest rate shall fluctuate and at any time shall be equal to the sum of one percent (1%) per annum and the Prime Rate (the rate of interest announced by Bank One, Columbus, N.A., from time to time as its prime rate, with any change thereto

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effective as of the opening of business on the day of the change, without notice).

Any other provision hereof to the contrary notwithstanding, all principal, interest and other indebtedness evidenced thereby shall be paid in full on or before March 31, 1985.

The Indebtedness or any portion thereof may be paid in whole or in part at any time without penalty. In any event, all payments received by Bank (a) shall be applied, first, to interest and Indebtedness, if any, other than principal due and payable and second, to principal indebtedness (including additional payments hereunder, if any) to be deemed applied against such indebtedness in the order incurred; (b) shall be in lawful money of the United States; and (c) shall be credited as of the time received by Bank in cash or equivalent or when finally collected.

This Note is secured pursuant to the terms and conditions set forth in the Loan Agreement and by Agreements as described therein. Any default in payment or performance under the Loan Agreement or said Agreements shall be a default hereunder.

A failure of the holder hereof to insist upon strict compliance with the terms hereof or to assert any right hereunder shall not be a waiver of any default and shall not be deemed to constitute a modification of the terms hereof or to establish any claim or defense. Nothing in this paragraph shall be deemed to alter or amend the demand character hereof.

Any and all moneys, properties or obligations now or at any time hereafter owing to the undersigned from the holder hereof are hereby, (a) if possessed or held by the holder hereof, pledged for the security of and (b) if not so possessed, committed and may be set off against this and all other Indebtedness from the undersigned to the legal holder hereof and may be paid and applied thereon at any time such Indebtedness becomes due or is declared due and payable.

No delay or omission on the part of the holder in exercising any right hereunder shall operate as a waiver of such right or of any other right under this Note. A waiver on any one occasion shall not be construed as a bar to or waiver of any such right and/or remedy on any future occasion.

All persons now or hereafter liable, primarily or secondarily, for the payment of the indebtedness evidenced hereby or any part thereof, do hereby expressly waive presentment for payment, notice of dishonor, protest and notice of protest, and agree that the time for payment or payments of any part of the indebtedness evidenced hereby may be extended without releasing

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deed of trust, mortgage, assignment or security agreement, if any, then or hereafter securing this Note.

The payee or other holder hereof shall be deemed to have exercised reasonable care in the custody and preservation of the property ("Collateral") which is the subject of the Loan Agreement and said Agreements herein identified if said holder takes such action for that purpose as shall be requested in writing by Borrower, but failure of said holder to comply with any such request shall not of itself be deemed a failure to exercise reasonable care, and no failure of said holder to preserve or protect any rights in such Collateral as against prior or subsequent parties, or to do any act not so required by Borrower, shall be deemed a failure to exercise reasonable care in the custody or preservation of such Collateral.

Borrower agrees that the local laws of the State of Ohio shall govern its rights and duties hereunder and the construction and effect hereof. However, if any provision hereof is or becomes invalid or unenforceable under any law of mandatory application, it is the intent of Borrower, the Bank and all parties primarily or secondarily liable hereunder, that such provision will be deemed severed and omitted herefrom, the remaining portions hereof to remain in full force and effect as written.

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The undersigned, and each of the undersigned if more than one, authorize any Attorney at Law to appear in any court of record in the State of Ohio or any other State or Territory of the United States, after the indebtedness evidenced hereby, or any part thereof, becomes due and waive the issuance and service of process and confess judgment against any one or more than one of the undersigned in favor of the holder of this Note, for the amount then appearing due, together with costs of suit and, thereupon, to release all errors and waive all rights of appeal and stay of execution, but no such judgment or judgments against only one of the undersigned shall be a bar to a subsequent judgment or judgments against any one or more than one of such persons against whom judgment has not been obtained hereon. This warrant of attorney to confess judgment is a joint and several warrant of attorney. The foregoing warrant of attorney shall survive any judgment; and if any judgment be vacated for any reasons, the holder hereof nevertheless may thereafter use the foregoing warrant of attorney to obtain an additional judgment or judgments against the undersigned or any one or more of them.

IN WITNESS WHEREOF, the undersigned has executed this Note the day and year first above written at Columbus, Franklin County, Ohio.

WARNING: BY SIGNING THIS PAPER, YOU GIVE UP YOUR RIGHT TO NOTICE AND COURT TRIAL. IF YOU DO NOT PAY ON TIME, A COURT JUDGMENT MAY BE TAKEN AGAINST YOU WITHOUT YOUR PRIOR KNOWLEDGE, AND THE POWERS OF A COURT CAN BE USED TO COLLECT FROM YOU REGARDLESS OF ANY CLAIMS YOU MAY HAVE AGAINST THE CREDITOR WHETHER FOR RETURNED GOODS, FAULTY GOODS, FAILURE ON HIS PART TO COMPLY WITH THE AGREEMENT OR ANY OTHER CAUSE.

JOHN GLENN PRESIDENTIAL COMMITTEE INC.

By /s/ Geoffrey L. Hockman

Title: Vice President

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PROMISSORY NOTE

\$500,000

Columbus, Ohio  
February 9, 1984

FOR VALUE RECEIVED, the undersigned ("Borrower") promises to pay to the order of BANCOHIO NATIONAL BANK ("Bank"), on demand, c/o Bank One, Columbus, N.A., Agent, at the office of said Agent at 100 East Broad Street, Columbus, Ohio 43271, or at such other place as the holder hereof may, from time to time, in writing designate, the principal sum of FIVE HUNDRED THOUSAND DOLLARS (\$500,000), or so much thereof as may be disbursed to, or for the benefit of, Borrower and remain unpaid pursuant to the terms and conditions of the Loan Agreement identified herein, with interest and payable as stated herein.

This Note is a Note identified in a Loan Agreement dated as of February 8, 1984 (the "Loan Agreement"), between Borrower, Bank One, Columbus, N.A., Agent, Bank and other banks, as the same has been and may hereafter be amended, modified, or supplemented from time to time, and said Loan Agreement and all other Agreements (as defined therein) are hereby incorporated into this Note and made a part hereof. Capitalized terms used but not defined herein shall have the meanings set forth in the Loan Agreement.

Principal indebtedness evidenced hereby shall be payable on demand, but until demand is made, in compliance with the terms of the Loan Agreement.

Interest shall accrue on the unpaid principal balance evidenced hereby, shall be calculated daily on the basis of actual days elapsed, shall be computed on the basis of a 360-day year and shall be paid monthly in arrears commencing on March 15, 1984, and continuing on the 15th day of each succeeding calendar month.

Except only as otherwise specifically stated herein, the interest rate shall fluctuate and at any time shall be equal to the sum of one percent (1%) per annum and the Prime Rate (the rate of interest announced by Bank One, Columbus, N.A., from time to time as its prime rate, with any change thereto

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effective as of the opening of business on the day of the change, without notice).

Any other provision hereof to the contrary notwithstanding, all principal, interest and other indebtedness evidenced thereby shall be paid in full on or before March 31, 1985.

The Indebtedness or any portion thereof may be paid in whole or in part at any time without penalty. In any event, all payments received by Bank (a) shall be applied, first, to interest and Indebtedness, if any, other than principal due and payable and second, to principal indebtedness (including additional payments hereunder, if any) to be deemed applied against such indebtedness in the order incurred; (b) shall be in lawful money of the United States; and (c) shall be credited as of the time received by Bank in cash or equivalent or when finally collected.

This Note is secured pursuant to the terms and conditions set forth in the Loan Agreement and by Agreements as described therein. Any default in payment or performance under the Loan Agreement or said Agreements shall be a default hereunder.

A failure of the holder hereof to insist upon strict compliance with the terms hereof or to assert any right hereunder shall not be a waiver of any default and shall not be deemed to constitute a modification of the terms hereof or to establish any claim or defense. Nothing in this paragraph shall be deemed to alter or amend the demand character hereof.

Any and all moneys, properties or obligations now or at any time hereafter owing to the undersigned from the holder hereof are hereby, (a) if possessed or held by the holder hereof, pledged for the security of and (b) if not so possessed, committed and may be set off against this and all other Indebtedness from the undersigned to the legal holder hereof and may be paid and applied thereon at any time such Indebtedness becomes due or is declared due and payable.

No delay or omission on the part of the holder in exercising any right hereunder shall operate as a waiver of such right or of any other right under this Note. A waiver on any one occasion shall not be construed as a bar to or waiver of any such right and/or remedy on any future occasion.

All persons now or hereafter liable, primarily or secondarily, for the payment of the indebtedness evidenced hereby or any part thereof, do hereby expressly waive presentment for payment, notice of dishonor, protest and notice of protest, and agree that the time for payment or payments of any part of the indebtedness evidenced hereby may be extended without releasing

or otherwise affecting their liability hereon, or the lien of any deed of trust, mortgage, assignment or security agreement, if any, then or hereafter securing this Note.

The payee or other holder hereof shall be deemed to have exercised reasonable care in the custody and preservation of the property ("Collateral") which is the subject of the Loan Agreement and said Agreements herein identified if said holder takes such action for that purpose as shall be requested in writing by Borrower, but failure of said holder to comply with any such request shall not of itself be deemed a failure to exercise reasonable care, and no failure of said holder to preserve or protect any rights in such Collateral as against prior or subsequent parties, or to do any act not so required by Borrower, shall be deemed a failure to exercise reasonable care in the custody or preservation of such Collateral.

Borrower agrees that the local laws of the State of Ohio shall govern its rights and duties hereunder and the construction and effect hereof. However, if any provision hereof is or becomes invalid or unenforceable under any law of mandatory application, it is the intent of Borrower, the Bank and all parties primarily or secondarily liable hereunder, that such provision will be deemed severed and omitted herefrom, the remaining portions hereof to remain in full force and effect as written.

The undersigned, and each of the undersigned if more than one, authorize any Attorney at Law to appear in any court of record in the State of Ohio or any other State or Territory of the United States, after the indebtedness evidenced hereby, or any part thereof, becomes due and waive the issuance and service of process and confess judgment against any one or more than one of the undersigned in favor of the holder of this Note, for the amount then appearing due, together with costs of suit and, thereupon, to release all errors and waive all rights of appeal and stay of execution, but no such judgment or judgments against only one of the undersigned shall be a bar to a subsequent judgment or judgments against any one or more than one of such persons against whom judgment has not been obtained hereon. This warrant of attorney to confess judgment is a joint and several warrant of attorney. The foregoing warrant of attorney shall survive any judgment; and if any judgment be vacated for any reasons, the holder hereof nevertheless may thereafter use the foregoing warrant of attorney to obtain an additional judgment or judgments against the undersigned or any one or more of them.

IN WITNESS WHEREOF, the undersigned has executed this Note the day and year first above written at Columbus, Franklin County, Ohio.

WARNING: BY SIGNING THIS PAPER, YOU GIVE UP YOUR RIGHT TO NOTICE AND COURT TRIAL. IF YOU DO NOT PAY ON TIME, A COURT JUDGMENT MAY BE TAKEN AGAINST YOU WITHOUT YOUR PRIOR KNOWLEDGE, AND THE POWERS OF A COURT CAN BE USED TO COLLECT FROM YOU REGARDLESS OF ANY CLAIMS YOU MAY HAVE AGAINST THE CREDITOR WHETHER FOR RETURNED GOODS, FAULTY GOODS, FAILURE ON HIS PART TO COMPLY WITH THE AGREEMENT OR ANY OTHER CAUSE.

JOHN GLENN PRESIDENTIAL COMMITTEE INC.

By /s/ Geoffrey L. Hockman

Title: Vice President

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PROMISSORY NOTE

\$500,000

Columbus, Ohio  
February 9, 1984

FOR VALUE RECEIVED, the undersigned ("Borrower") promises to pay to the order of BANK ONE, COLUMBUS, N.A. ("Bank"), on demand, c/o Bank One, Columbus, N.A., Agent, at the office of said Agent at 100 East Broad Street, Columbus, Ohio 43271, or at such other place as the holder hereof may, from time to time, in writing designate, the principal sum of FIVE HUNDRED THOUSAND DOLLARS (\$500,000), or so much thereof as may be disbursed to, or for the benefit of, Borrower and remain unpaid pursuant to the terms and conditions of the Loan Agreement identified herein, with interest and payable as stated herein.

This Note is a Note identified in a Loan Agreement dated as of February 8, 1984 (the "Loan Agreement"), between Borrower, Bank One, Columbus, N.A., Agent, Bank and other banks, as the same has been and may hereafter be amended, modified, or supplemented from time to time, and said Loan Agreement and all other Agreements (as defined therein) are hereby incorporated into this Note and made a part hereof. Capitalized terms used but not defined herein shall have the meanings set forth in the Loan Agreement.

Principal indebtedness evidenced hereby shall be payable on demand, but until demand is made, in compliance with the terms of the Loan Agreement.

Interest shall accrue on the unpaid principal balance evidenced hereby, shall be calculated daily on the basis of actual days elapsed, shall be computed on the basis of a 360-day year and shall be paid monthly in arrears commencing on March 15, 1984, and continuing on the 15th day of each succeeding calendar month.

Except only as otherwise specifically stated herein, the interest rate shall fluctuate and at any time shall be equal to the sum of one percent (1%) per annum and the Prime Rate (the rate of interest announced by Bank One, Columbus, N.A., from time to time as its prime rate, with any change thereto

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effective as of the opening of business on the day of the change, without notice).

Any other provision hereof to the contrary notwithstanding, all principal, interest and other indebtedness evidenced thereby shall be paid in full on or before March 31, 1985.

The Indebtedness or any portion thereof may be paid in whole or in part at any time without penalty. In any event, all payments received by Bank (a) shall be applied, first, to interest and Indebtedness, if any, other than principal due and payable and second, to principal indebtedness (including additional payments hereunder, if any) to be deemed applied against such indebtedness in the order incurred; (b) shall be in lawful money of the United States; and (c) shall be credited as of the time received by Bank in cash or equivalent or when finally collected.

This Note is secured pursuant to the terms and conditions set forth in the Loan Agreement and by Agreements as described therein. Any default in payment or performance under the Loan Agreement or said Agreements shall be a default hereunder.

A failure of the holder hereof to insist upon strict compliance with the terms hereof or to assert any right hereunder shall not be a waiver of any default and shall not be deemed to constitute a modification of the terms hereof or to establish any claim or defense. Nothing in this paragraph shall be deemed to alter or amend the demand character hereof.

Any and all moneys, properties or obligations now or at any time hereafter owing to the undersigned from the holder hereof are hereby, (a) if possessed or held by the holder hereof, pledged for the security of and (b) if not so possessed, committed and may be set off against this and all other Indebtedness from the undersigned to the legal holder hereof and may be paid and applied thereon at any time such Indebtedness becomes due or is declared due and payable.

No delay or omission on the part of the holder in exercising any right hereunder shall operate as a waiver of such right or of any other right under this Note. A waiver on any one occasion shall not be construed as a bar to or waiver of any such right and/or remedy on any future occasion.

All persons now or hereafter liable, primarily or secondarily, for the payment of the indebtedness evidenced hereby or any part thereof, do hereby expressly waive presentment for payment, notice of dishonor, protest and notice of protest, and agree that the time for payment or payments of any part of the indebtedness evidenced hereby may be extended without releasing

or otherwise affecting their liability hereon, or the lien of any deed of trust, mortgage, assignment or security agreement, if any, then or hereafter securing this Note.

The payee or other holder hereof shall be deemed to have exercised reasonable care in the custody and preservation of the property ("Collateral") which is the subject of the Loan Agreement and said Agreements herein identified if said holder takes such action for that purpose as shall be requested in writing by Borrower, but failure of said holder to comply with any such request shall not of itself be deemed a failure to exercise reasonable care, and no failure of said holder to preserve or protect any rights in such Collateral as against prior or subsequent parties, or to do any act not so required by Borrower, shall be deemed a failure to exercise reasonable care in the custody or preservation of such Collateral.

Borrower agrees that the local laws of the State of Ohio shall govern its rights and duties hereunder and the construction and effect hereof. However, if any provision hereof is or becomes invalid or unenforceable under any law of mandatory application, it is the intent of Borrower, the Bank and all parties primarily or secondarily liable hereunder, that such provision will be deemed severed and omitted herefrom, the remaining portions hereof to remain in full force and effect as written.

The undersigned, and each of the undersigned if more than one, authorize any Attorney at Law to appear in any court of record in the State of Ohio or any other State or Territory of the United States, after the indebtedness evidenced hereby, or any part thereof, becomes due and waive the issuance and service of process and confess judgment against any one or more than one of the undersigned in favor of the holder of this Note, for the amount then appearing due, together with costs of suit and, thereupon, to release all errors and waive all rights of appeal and stay of execution, but no such judgment or judgments against only one of the undersigned shall be a bar to a subsequent judgment or judgments against any one or more than one of such persons against whom judgment has not been obtained hereon. This warrant of attorney to confess judgment is a joint and several warrant of attorney. The foregoing warrant of attorney shall survive any judgment; and if any judgment be vacated for any reasons, the holder hereof nevertheless may thereafter use the foregoing warrant of attorney to obtain an additional judgment or judgments against the undersigned or any one or more of them.

IN WITNESS WHEREOF, the undersigned has executed this Note the day and year first above written at Columbus, Franklin County, Ohio.

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JOHN GLENN PRESIDENTIAL COMMITTEE INC.

By /s/ Geoffrey L. Hockman

Title: Vice President

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PROMISSORY NOTE

\$500,000

Columbus, Ohio  
February 9, 1984

FOR VALUE RECEIVED, the undersigned ("Borrower") promises to pay to the order of THE HUNTINGTON NATIONAL BANK ("Bank"), on demand, c/o Bank One, Columbus, N.A., Agent, at the office of said Agent at 100 East Broad Street, Columbus, Ohio 43271, or at such other place as the holder hereof may, from time to time, in writing designate, the principal sum of FIVE HUNDRED THOUSAND DOLLARS (\$500,000), or so much thereof as may be disbursed to, or for the benefit of, Borrower and remain unpaid pursuant to the terms and conditions of the Loan Agreement identified herein, with interest and payable as stated herein.

This Note is a Note identified in a Loan Agreement dated as of February 8, 1984 (the "Loan Agreement"), between Borrower, Bank One, Columbus, N.A., Agent, Bank and other banks; as the same has been and may hereafter be amended, modified, or supplemented from time to time, and said Loan Agreement and all other Agreements (as defined therein) are hereby incorporated into this Note and made a part hereof. Capitalized terms used but not defined herein shall have the meanings set forth in the Loan Agreement.

Principal indebtedness evidenced hereby shall be payable on demand, but until demand is made, in compliance with the terms of the Loan Agreement.

Interest shall accrue on the unpaid principal balance evidenced hereby, shall be calculated daily on the basis of actual days elapsed, shall be computed on the basis of a 360-day year and shall be paid monthly in arrears commencing on March 15, 1984, and continuing on the 15th day of each succeeding calendar month.

Except only as otherwise specifically stated herein, the interest rate shall fluctuate and at any time shall be equal to the sum of one percent (1%) per annum and the Prime Rate (the rate of interest announced by Bank One, Columbus, N.A., from time to time as its prime rate, with any change thereto

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This Note is secured pursuant to the terms and conditions set forth in the Loan Agreement and by Agreements as described therein. Any default in payment or performance under the Loan Agreement or said Agreements shall be a default hereunder.

A failure of the holder hereof to insist upon strict compliance with the terms hereof or to assert any right hereunder shall not be a waiver of any default and shall not be deemed to constitute a modification of the terms hereof or to establish any claim or defense. Nothing in this paragraph shall be deemed to alter or amend the demand character hereof.

Any and all moneys, properties or obligations now or at any time hereafter owing to the undersigned from the holder hereof are hereby, (a) if possessed or held by the holder hereof, pledged for the security of and (b) if not so possessed, committed and may be set off against this and all other Indebtedness from the undersigned to the legal holder hereof and may be paid and applied thereon at any time such Indebtedness becomes due or is declared due and payable.

No delay or omission on the part of the holder in exercising any right hereunder shall operate as a waiver of such right or of any other right under this Note. A waiver on any one occasion shall not be construed as a bar to or waiver of any such right and/or remedy on any future occasion.

All persons now or hereafter liable, primarily or secondarily, for the payment of the indebtedness evidenced hereby or any part thereof, do hereby expressly waive presentment for payment, notice of dishonor, protest and notice of protest, and agree that the time for payment or payments of any part of the indebtedness evidenced hereby may be extended without releasing

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or otherwise affecting their liability hereon, or the lien of any deed of trust, mortgage, assignment or security agreement, if any, then or hereafter securing this Note.

The payee or other holder hereof shall be deemed to have exercised reasonable care in the custody and preservation of the property ("Collateral") which is the subject of the Loan Agreement and said Agreements herein identified if said holder takes such action for that purpose as shall be requested in writing by Borrower, but failure of said holder to comply with any such request shall not of itself be deemed a failure to exercise reasonable care, and no failure of said holder to preserve or protect any rights in such Collateral as against prior or subsequent parties, or to do any act not so required by Borrower, shall be deemed a failure to exercise reasonable care in the custody or preservation of such Collateral.

Borrower agrees that the local laws of the State of Ohio shall govern its rights and duties hereunder and the construction and effect hereof. However, if any provision hereof is or becomes invalid or unenforceable under any law of mandatory application, it is the intent of Borrower, the Bank and all parties primarily or secondarily liable hereunder, that such provision will be deemed severed and omitted herefrom, the remaining portions hereof to remain in full force and effect as written.

The undersigned, and each of the undersigned if more than one, authorize any Attorney at Law to appear in any court of record in the State of Ohio or any other State or Territory of the United States, after the indebtedness evidenced hereby, or any part thereof, becomes due and waive the issuance and service of process and confess judgment against any one or more than one of the undersigned in favor of the holder of this Note, for the amount then appearing due, together with costs of suit and, thereupon, to release all errors and waive all rights of appeal and stay of execution, but no such judgment or judgments against only one of the undersigned shall be a bar to a subsequent judgment or judgments against any one or more than one of such persons against whom judgment has not been obtained hereon. This warrant of attorney to confess judgment is a joint and several warrant of attorney. The foregoing warrant of attorney shall survive any judgment; and if any judgment be vacated for any reasons, the holder hereof nevertheless may thereafter use the foregoing warrant of attorney to obtain an additional judgment or judgments against the undersigned or any one or more of them.

IN WITNESS WHEREOF, the undersigned has executed this Note the day and year first above written at Columbus, Franklin County, Ohio.

WARNING: BY SIGNING THIS PAPER, YOU GIVE UP YOUR RIGHT TO NOTICE AND COURT TRIAL. IF YOU DO NOT PAY ON TIME, A COURT JUDGMENT MAY BE TAKEN AGAINST YOU WITHOUT YOUR PRIOR KNOWLEDGE, AND THE POWERS OF A COURT CAN BE USED TO COLLECT FROM YOU REGARDLESS OF ANY CLAIMS YOU MAY HAVE AGAINST THE CREDITOR WHETHER FOR RETURNED GOODS, FAULTY GOODS, FAILURE ON HIS PART TO COMPLY WITH THE AGREEMENT OR ANY OTHER CAUSE.

JOHN GLENN PRESIDENTIAL COMMITTEE INC.

By /s/ Geoffrey L. Hockman

Title: Vice President

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SECURITY AGREEMENT

<u>Section</u>	<u>Contents</u>	<u>Page</u>
1.	Definitions, Incorporation, Scope.....	1
2.	Recitals.....	2
3.	Security Interest.....	2
4.	Borrower's Obligations.....	3
5.	Events of Default.....	4
6.	Enforcement of Security and Remedies--General.....	5
7.	Miscellaneous.....	7
Schedule		
1.	.....Candidate's Assignment	
2.	.....Borrower's Assignment	
3.	.....Undertaking of Senator Glenn and William R. White	
4.	.....Senator Glenn's Statement	

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SECURITY AGREEMENT

Dated as of February 8, 1984

(Assignment)

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JOHN GLENN PRESIDENTIAL COMMITTEE INC., a corporation organized and existing under the laws of the District of Columbia with its principal place of business at 444 North Capital Street, N.W., Washington, D.C. 20001 ("Borrower"), debtor hereunder, BANK ONE, COLUMBUS, N.A. ("BANK ONE"), a national banking association organized and existing under the laws of the United States, located at and with a mailing address of 100 East Broad Street, Columbus, Ohio 43271, BANCOHIO NATIONAL BANK ("BNB"), a national banking association organized and existing under the laws of the United States, located at and with a mailing address of 155 East Broad Street, Columbus, Ohio 43265, THE HUNTINGTON NATIONAL BANK ("HNB"), a national banking association organized and existing under the laws of the United States, located at and with a mailing address of 17 South High Street, Columbus, Ohio 43260, AMERITRUST COMPANY NATIONAL ASSOCIATION ("AMERITRUST"), a national banking association organized and existing under the laws of the United States, located at and with a mailing address of 900 Euclid Avenue, Cleveland, Ohio 44115 (BANK ONE, BNB, HNB and AMERITRUST hereinafter collectively "Bank[s]") and BANK ONE, not in its individual capacity but as agent for the Banks hereunder (the "Agent"), secured party hereunder, in consideration of the mutual covenants and agreements contained herein and intending to be legally bound, hereby recite and agree as follows:

Section 1. Definitions, Incorporation, Scope

1.1 This Agreement is the Security Agreement and one of the Agreement(s) defined in the Loan Agreement of even date herewith between and among Banks, Borrower and Agent to which this Agreement is attached as Exhibit "B" (the "Loan Agreement").

1.2 All terms used and not otherwise specifically defined herein shall have the meanings set forth in the Loan Agreement.

1.3 Each and every other one of the Agreements is incorporated herein and hereby made a part hereof.

## Section 2. Recitals

2.1 Borrower is borrowing from Banks under the terms of the Loan Agreement.

2.2 The security interests provided for hereby are taken and retained to secure to Banks Borrower's payment and performance of the Indebtedness.

## Section 3. Security Interest

To secure payment and performance of all the Indebtedness, including performance of all obligations, covenants and warranties of Borrower, Borrower does hereby:

3.1 Grant to Agent, as agent for Banks, a continuing security interest in all of Borrower's interest in all of its property (including without limitation instruments, documents, chattel paper, contract rights, accounts, general intangibles, deposit accounts, money and goods of all description) whether or not such property is now or hereafter in the actual or legal or constructive possession of Agent, including but not limited to:

- (a) all records of Borrower wherever located, whenever existing or arising; and
- (b) the Primary Funding and all rights attendant thereto or in connection therewith with respect to the candidacy of Senator Glenn, including all of Borrower's rights therein arising out of Candidate's Assignment or otherwise; and
- (c) all of Borrower's right, title and interest in and to the direct mail solicitation/contributor lists used by Borrower, containing, among other things, the names and addresses of possible and actual contributors to Borrower as they exist as of the date hereof and are revised from time to time; and
- (d) present and future contributions and other property and money received by Borrower from any source, including without limitation the deposit account(s) maintained by Borrower at NS&T Bank, N.A.;

and if sold, exchanged, collected or otherwise disposed of, the proceeds thereof, and all insurance or insurance proceeds of or related to the foregoing and other insurance, if and to the extent pursuant to the Loan Agreement (all, collectively, the "Collateral"). To the extent appropriate to the perfection of

security interests hereunder, all parties acknowledge that Agent is possessing Collateral and Separate Collateral as bailee for itself and the Banks.

3.2 Simultaneously herewith, deliver to Agent Candidate's Assignment, Borrower's Assignment, the Undertakings and the Candidate's Statement, in forms incorporated herein as Schedules 1 through 4, inclusive.

#### Section 4. Borrower's Obligations

In addition to all obligations of Borrower undertaken in the Loan Agreement, the other Agreements, and now or hereafter in any way attendant hereto, with respect to all of the Collateral, Borrower warrants and covenants to Banks, which warranties and covenants shall survive (a) each Advance and (b) until the satisfaction in full of the Indebtedness and the Loan Agreement is terminated:

4.1 That, except for (a) BANK ONE's prior interest in the Separate Collateral, (b) the security interest granted hereby, (c) a certain written agreement dated July 11, 1983 between Borrower and the Democratic National Committee pertaining to the exchange of lists of direct mail contributor names (a copy of which has been furnished to Banks), and (d) the Previous Loan Agreement, Borrower is, and as to the Collateral acquired after the date hereof shall be, the owner of the Collateral described in paragraphs 3.1(a) through 3.1(d), free and clear of any prior assignment, lien, security interest or encumbrance; that Borrower will defend all the Collateral against the claims and demands of all persons at any time claiming the same or any interest therein; and that no mortgage, financing statement or agreement, or assignment is on file in any public office pertaining to any of the Collateral; and

4.2 That without the prior written consent of Banks, Borrower shall not part with the possession or control (except at Banks' direction hereunder for perfection of its interests) of the Collateral (other than the direct mail lists identified in Section 4.1 and then only to the extent provided therein) or sell, pledge, mortgage, encumber or otherwise transfer or dispose of, or attempt to sell, assign, pledge, mortgage, encumber or otherwise transfer or dispose of any interest in all or any part of the Collateral; and

4.3 That Borrower will keep the Collateral free from all claims, liens and legal process of creditors of Borrower, will pay all costs, expenses, fees, taxes and charges of any kind whatsoever arising by virtue of its ownership, possession or use of the Collateral; and

4.4 That Borrower will keep and maintain its principal and chief executive office(s), and all records of the Collateral not possessed by Banks, at its address first set forth herein and will not change the location of the same except upon 15 days prior notice to Banks; and

4.5 That at Banks' request, Borrower will join with Banks in executing such documents as Banks in their discretion may from time to time deem necessary or desirable in order to comply with applicable law or to preserve and protect the security interests provided for hereby; that Borrower will pay all costs and expenses of preparation, recording or filing of all instruments and documents required and requested by Banks hereunder; and

4.6 That all covenants, representations, warranties and promises of Borrower, Senator Glenn and William R. White in the Agreements will be kept, paid and performed.

Section 5. Events of Default

5.1 Borrower shall be deemed to be in default hereunder in the event that:

- a. Borrower or Senator Glenn should default in the payment of any of the Indebtedness or in the payment of performance of any of the terms, conditions, covenants or warranties herein or of any of the Agreements; or
- b. Any warranty, representation or statement made or furnished to Banks by or on behalf of Borrower or Senator Glenn in connection with the Agreements or to induce Banks to make an advancement or extend credit of any kind to Borrower should prove to have been false in any material respect when made or furnished or should be or become false with passage of time or occurrence of events or both of them; or
- c. Any substantial (i) reduction in value of or (ii) loss, theft or destruction of or damage to any property upon which the value of any Collateral is based should occur; or
- d. Borrower or Senator Glenn should make a general assignment for the benefit of creditors, should suspend or terminate activities or existence or commit any act amounting to business failure, or should make a voluntary assignment or transfer of any interest in any of the property which is the subject hereof or the Loan Agreement (except as expressly authorized therein) or in all or substantially all of its property; or

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- e. If a petition under any chapter of Title 11 U.S.C., as amended (the "Bankruptcy Code"), or for the appointment of a receiver or conservator or a custodian (as that term is defined in the Bankruptcy Code) for all or any part of the property of Borrower or Senator Glenn or under any other proceeding for the relief of debtors or protection of policyholders or any delinquency proceeding should be filed or initiated by or against Borrower or Senator Glenn; or
- f. Any proceeding or judgment should be initiated or entered affecting the Collateral by which is sought to establish, attach or foreclose any lien thereon or on any part thereof, or which is deemed by Banks to affect their interest therein.

5.2 In the event of default or demand, Borrower hereby irrevocably appoints Banks and/or Agent its true and lawful attorney, with power of substitution, for it and in its name; or in the name of Banks or otherwise, for the use and benefit of Banks but at the cost and expenses of Borrower, generally to sell, assign, transfer, pledge, compromise, institute suit on, make any agreement with respect to or otherwise deal with any of the Collateral, as fully and completely as though Banks were the absolute owner thereof for all purposes. The powers conferred upon Banks by this paragraph (a) are coupled with an interest and are not revocable; (b) are solely to protect its own interest and (c) shall not impose upon Banks (i) any duties to exercise any such power(s) or (ii) any liability for any action or inaction in the absence of gross negligence or willful misconduct.

Section 6. Enforcement of Security and Remedies--General

6.1 In addition to the rights of Banks under other Sections hereof and under the Uniform Commercial Code of Ohio, or the laws of any other jurisdiction in which the Collateral or any part thereof may be located, or under any other applicable law, Borrower hereby fully authorizes and empowers Banks and/or Agent, upon the happening of any default (or demand in the case of Primary Funding and proceeds thereof) hereunder, to sell, assign, and deliver all the Collateral, or any part thereof or any substitute therefor or any addition thereto, at any public or private sale, at the option of Banks or any officer or agent or other person acting on behalf of Banks, and Banks, its officers, agents and representatives, may bid and become purchasers at any such sale or disposition.

6.2 Immediately in the event of default in the case of any payment, and in every other case (such default continuing uncorrected or without demonstration of implemented corrective

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measures acceptable to Banks in their sole discretion for ten days subsequent to written notice given to Borrower by or on behalf of Banks in compliance herewith) or at any time Banks in good faith believe that the prospect of payment or performance of or in respect of the Indebtedness is impaired (the facts or circumstances underlying such belief continuing uncorrected or without demonstration of implemented corrective measures acceptable to Banks in their sole discretion for 10 days subsequent to written notice given to Borrower by Banks in compliance herewith), then, or at any time thereafter, Banks may declare all the Indebtedness to be immediately due and payable, without notice or demand therefor, and shall then have all its remedies under the Agreements and all remedies of a secured party under the laws of the State of Ohio, or any other jurisdiction in which any of the Collateral may be located, or any other applicable laws. Nothing herein shall be deemed to alter or amend the demand nature of any evidence of the Indebtedness.

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6.3 To the extent permitted by applicable law, Borrower hereby waives all rights now or hereafter conferred by statute or otherwise which may require Banks to sell, lease or otherwise use any Collateral in mitigation of Banks' damages or which may otherwise limit or modify any of Banks' remedies or rights under this Section.

6.4 No right or remedy of Banks hereunder shall be exclusive of any other remedies herein, or in any of the Agreements or by law provided; each right or remedy shall be cumulative in addition to every other right or remedy, and, in addition, the exercise of any remedy by Banks hereunder shall not of itself constitute a recognition of a default of all provisions hereof. Moreover, a failure of Banks to insist upon a strict compliance with the terms hereof or to assert any right or remedy hereunder shall not be a waiver of any default and shall not be determined to constitute a modification of the agreements of the parties hereto or the terms hereof or to establish any claim or defense.

6.5 In the event that Borrower should fail duly and promptly to perform any of the things required to be performed hereunder, Banks may, at their sole option, but without obligation to do so, immediately or at any time thereafter, perform the same for the account of Borrower without thereby waiving any default, and any amount paid or expenses or liability incurred by Banks in such performance, together with interest thereon until paid at the rate specified in the Loan Agreement, shall be payable to Bank by Borrower on demand and shall be and become part of the Indebtedness.

Section 7. Miscellaneous

7.1 This Agreement is a contract by Banks to extend financial accommodations to or for the benefit of Borrower and, without Banks' written consent which Banks may withhold under any circumstances, Borrower may not assign or in any way transfer, by operation of law or otherwise, any of this Agreement or any of Borrower's rights or obligations hereunder. Banks may assign this Agreement or any of its rights or obligations hereunder, whether for security or otherwise, without consent of or notice to Borrower. Notwithstanding the first sentence of this paragraph, however, all covenants and agreements contained in this Agreement by or on behalf of any of the parties hereto shall bind and inure to the benefit of the respective successors and assigns of the parties hereto whether so expressed or not.

7.2 Any notice, request or demand given or required to be given hereunder shall, except as otherwise expressly provided herein, be in writing and shall be deemed to have been given when mailed in compliance with the provisions of the Loan Agreement.

7.3 No amendment, modification, termination, or waiver of any provision of the Agreements, and no consent to any departure by Borrower therefrom, shall in any event be effective unless the same shall be in writing and signed by Banks, and then such waiver or consent shall be effective only in the specific instance and for the specific purpose for which given. No notice to or demand on Borrower in any event, case or occurrence, shall of itself entitle Borrower to any other or further notice or demand in any similar or other circumstances.

7.4. All legal fees, costs or expenses incurred in connection with the preparation, negotiation, revision and enforcement of the Agreements, or any other instruments, documents or agreements to be delivered to Banks in connection with the Collateral, shall be paid by Borrower to Banks upon demand. In addition, all costs and expenses of Banks in retaking, holding, evaluation, preparing for sale, selling or otherwise disposing of the Collateral, in accounting therefor, and in seeking or complying with professional advice concerning any law or regulation related to or affecting such disposal, including (if legally collectible hereunder) all court costs and reasonable attorneys' fees and legal expenses, shall be payable by Borrower to Banks upon demand, shall accrue interest at the rate specified in the Loan Agreement, and shall be and become part of the secured Indebtedness hereunder.

7.5 The titles of the various sections of this Agreement are solely for convenience and are not part of the Agreement for purposes of interpreting the provisions hereof.

7.6 Unless otherwise specified, the terms "herein," "hereunder," "hereto," "herewith," and words of similar import refer to this entire agreement; the singular includes the plural, and conversely.

7.7 Any provision hereof which becomes unenforceable by reason of the commencement of a case under the Bankruptcy Code or other proceeding for the relief of debtors shall again be valid and enforceable no later than the termination of such case or other proceeding.

7.8 All rights and obligations under this Agreement shall be construed and enforced in accordance with the local laws of the State of Ohio, except only to the extent replaced or precluded by other law or mandatory application. In any instance that any provision of this Agreement should be invalid, illegal or unenforceable under applicable law, the validity, legality or enforceability of that provision in other situations and of the remaining provisions and conditions hereof shall not be in any way affected thereby.

7.9 This written Agreement is exclusive as to its subject matter and no inconsistent oral agreement shall be binding.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by their respective duly authorized officers as of the 8th day of February, 1984.

JOHN GLENN PRESIDENTIAL  
COMMITTEE INC.

BANK ONE, COLUMBUS, N.A.

By: *J. A. L. Nelson*  
Title: *Vice President*

By: *Paul W. Smith*  
Title: *Vice President*

BANCCHIO NATIONAL BANK

By: *[Signature]*  
Title: *Vice President*

THE HUNTINGTON NATIONAL BANK

By: Jonathan Halperin  
Title: Vice President

AMERITRUST COMPANY NATIONAL  
ASSOCIATION

By: \_\_\_\_\_  
Title: \_\_\_\_\_

BANK ONE, COLUMBUS, N.A., AGENT

By: Richard W. Kelly  
Title: Vice President

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Ameritrust Company National Association

BancOhio National Bank

Bank One, Columbus, N.A.

The Huntington National Bank

All care of:

Bank One, Columbus, N.A., Agent  
100 East Broad Street  
Columbus, Ohio 43271  
Attn: Richard D. Headley

88040583484

BORROWER'S ASSIGNMENT

In consideration of Bank One, Columbus, N.A., as agent, and the banks listed on Exhibit A hereto (hereinafter referred to as "Banks") extending credit to John Glenn Presidential Committee Inc. (hereinafter referred to as "Borrower"), pursuant to a Loan Agreement (except as otherwise provided herein capitalized terms used in this statement having the meaning defined in the Loan Agreement) dated as of February 8, 1984 between Borrower and Banks and the other Agreements, Borrower hereby assigns to Banks and grants a security interest in the following as security for payment of the Indebtedness and Borrower's obligations under the Agreements:

all of Borrower's interest in all of its property (including without limitation instruments, documents, chattel paper, contract rights, accounts, general intangibles, deposit accounts, money and goods of all description) whether or not such property is now or hereafter in the actual or legal or constructive possession of Agent, including but not limited to:

- (a) all records of Borrower wherever located, whenever existing or arising; and
- (b) the Primary Funding and all rights attendant thereto or in connection therewith with respect to the candidacy of Senator Glenn, including all of Borrower's rights therein arising out of Candidate's Assignment or otherwise (the "Funding"); and
- (c) all of Borrower's right, title and interest in and to the direct mail solicitation/contributor lists used by Borrower, containing, among other things, the names and addresses of possible and actual contributors to Borrower as they exist as of the date hereof and are revised from time to time;
- (d) present and future contributions and other property and money received by Borrower from any source, including without limitation the deposit account(s) maintained by Borrower at the NS&T Bank, N.A.; and

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(e) commitments or undertakings of others to solicit or raise contributions or funds.

Borrower agrees that the Funding may be held, used and disposed of by Banks in accordance with the terms and provisions of the Agreements.

IN WITNESS WHEREOF, the parties hereto have caused this Assignment to be executed by their respective duly authorized officers as of the 8th day of February, 1984.

JOHN GLENN PRESIDENTIAL  
COMMITTEE INC.

BANK ONE, COLUMBUS, N.A., Agent

By: \_\_\_\_\_

By: \_\_\_\_\_

Title: \_\_\_\_\_

Title: \_\_\_\_\_

BANK ONE, COLUMBUS, N.A.

By: \_\_\_\_\_

Title: \_\_\_\_\_

BANCOHIO NATIONAL BANK  
By Bank One, Columbus, N.A.,  
Agent

By: \_\_\_\_\_

Title: \_\_\_\_\_

THE HUNTINGTON NATIONAL BANK  
By Bank One, Columbus, N.A.,  
Agent

By: \_\_\_\_\_

Title: \_\_\_\_\_

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AMERITRUST COMPANY NATIONAL  
ASSOCIATION  
By Bank One, Columbus, N.A.,  
Agent

By: \_\_\_\_\_

Title: \_\_\_\_\_

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Ameritrust Company National Association

BancOhio National Bank

Bank One, Columbus, N.A.

The Huntington National Bank

All care of:

Bank One, Columbus, N.A., Agent  
100 East Broad Street  
Columbus, Ohio 43271  
Attn: Richard D. Headley

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February , 1984

Bank One, Columbus, N.A., as Agent  
and the Banks listed on Exhibit A hereto

All care of:

Bank One, Columbus, N.A., Agent  
100 East Broad Street  
Columbus, Ohio 43271

Gentlemen:

As you know, no individual can guarantee, endorse or otherwise be personally liable for the obligations of a Presidential candidate's principal campaign committee to a national or state bank in excess of the contribution limits prescribed by the Federal Election Campaign Act, as amended (the "Act") and the Presidential Primary Matching Payments Account Act. None of the undersigned are guaranteeing, endorsing, or otherwise assuming personal liability for the obligations of the John Glenn Presidential Committee Inc. (the "Committee") to your banks.

However, we are advised that the Act specifically provides that there is no limit on the value of services provided without compensation by an individual who volunteers his time to a political campaign. Therefore, the undersigned individuals hereby promise and confirm that if (a) Senator John Glenn ceases for any reason to be an active Presidential candidate, (b) Senator John Glenn receives or fails to receive the nomination of the 1984 Democratic National Convention, or (c) the Committee defaults upon its obligations to you under the credit agreement between you and the Committee dated as of February 8, 1984, and if on such date or dates the Committee's obligations to you have not been repaid, the undersigned will exert their collective and individual best efforts to raise sufficient contributions for the Committee to enable the Committee to retire the Committee's debt to you then outstanding.

Yours very truly,

---

John Glenn

---

William R. White

Ameritrust Company National Association

BancOhio National Bank

Bank One, Columbus, N.A.

The Huntington National Bank

All care of:

Bank One, Columbus, N.A., Agent  
100 East Broad Street  
Columbus, Ohio 43271  
Attn: Richard D. Headley

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## CANDIDATE'S STATEMENT

The undersigned, John Glenn, with respect to the Loan Agreement dated as of February 8, 1984 (the "Loan Agreement") pursuant to which Bank One, Columbus, N.A., as agent and the banks listed in Exhibit A hereto (the "Banks") are extending credit to the John Glenn Presidential Committee Inc. (except as otherwise provided herein capitalized terms used in this statement having the meanings defined in the Loan Agreement), understanding that the contents of this statement are material and essential to Banks' undertaking in the Agreements, hereby represents and warrants to and covenants with Banks, which representations, and warranties and covenants will be true and correct at the date(s) hereof, on each Advance Date, and until the satisfaction in full of the Indebtedness and termination of the Agreements, and will survive (a) the execution and delivery of the Agreements and (b) until the satisfaction in full of the Indebtedness and termination of the Loan Agreement, that

1. Senator Glenn has not knowingly made expenditures from his personal funds, or the personal funds of his immediate family, in connection with his campaign for nomination for Selection to the office of President in excess of in the aggregate, \$50,000;
2. The John Glenn Presidential Committee Inc. is, and will remain, Senator Glenn's sole "principal campaign committee," as that phrase is used in 11 C.F.R. § 9037.3.
3. Bank One, Columbus, N.A. is, and will remain, "the depository designated" by Senator Glenn, as that phrase is used in 11 C.F.R. § 9037.3; and
4. If Senator Glenn should fail to promptly take all steps necessary to effect any of the statements contained herein or shall attempt in any manner to take any action that will adversely affect any of the statements contained herein, then Banks may petition an appropriate court to order Senator Glenn to perform such acts as may be necessary to implement the statements contained herein and/or enjoin such action as would adversely affect any such statement. Senator Glenn shall not contest Banks' right to bring such action and Senator Glenn hereby acknowledges and agrees that the breach of the statements contained herein will result in immediate, irreparable injury to Banks which cannot be completely compensated in or measured by money damages. Senator Glenn shall indemnify and hold Banks

harmless against and from any and all expenses whatsoever, including but not limited to court costs and reasonable attorneys' fees in connection with any action brought by Banks hereunder. Furthermore, resort to such action by Banks shall not preclude or in any way affect Banks' rights to bring other actions of any sort whatever for damages or otherwise relating to a breach of the statements herein.

5. SENATOR GLENN HAS READ, AND HAS BEEN ADVISED CONCERNING, THE AGREEMENTS AND IS FAMILIAR WITH THE TERMS AND THE CIRCUMSTANCES SURROUNDING THE EXTENSIONS OF CREDIT REFERRED TO THEREIN. SENATOR GLENN UNDERSTANDS AND AGREES THAT THE REPRESENTATIONS, WARRANTIES AND COVENANTS MADE BY HIM AND CONTAINED HEREIN ARE BOTH MATERIAL AND ESSENTIAL CONSIDERATION IN INDUCING BANKS TO ENTER INTO THE AGREEMENTS AND TO THE EXTENT THAT ANY OF SUCH REPRESENTATIONS, WARRANTIES AND COVENANTS SHALL PROVE TO HAVE BEEN OR BECOME FALSE OR INCORRECT IN ANY MATERIAL RESPECT WHEN MADE OR FURNISHED OR AT ANY TIME FROM THE DATE HEREOF UNTIL THE INDEBTEDNESS IS SATISFIED IN FULL AND THE LOAN AGREEMENT IS TERMINATED, SENATOR GLENN SHALL BE PERSONALLY LIABLE TO BANKS FOR THE FULL AMOUNT OF ITS DAMAGES SUFFERED THEREBY OR RESULTING THEREFROM. NOTHING IN THIS STATEMENT IS INTENDED OR SHALL BE DEEMED TO BE AN EXPENDITURE, AS THAT TERM IS DEFINED IN 26 U.S.C. § 9035(a). IT IS THE POSITION OF SENATOR GLENN, AND HE UNDERSTANDS IT TO BE THE POSITION OF THE BANKS AND BORROWER, THAT SENATOR GLENN'S LIABILITY FOR DAMAGES HEREUNDER, IF THERE ARE ANY SUCH DAMAGES, DOES NOT CONSTITUTE SUCH AN EXPENDITURE. HOWEVER, IF ANY SUCH DAMAGES ARE DETERMINED TO BE SUCH AN EXPENDITURE IN A FINAL, NONAPPEALABLE ORDER OF A COURT OR ADMINISTRATIVE BODY OF COMPETENT JURISDICTION, SUCH DAMAGES SO DETERMINED SHALL BE VALID AND ENFORCEABLE ONLY IN SUCH AN AMOUNT AS TO NOT CAUSE SENATOR GLENN TO BE IN VIOLATION OF 26 U.S.C. § 9035(A).

Dated as of the 8th day of February, 1984, and delivered at Columbus, Ohio.

---

John Glenn

Ameritrust Company National Association

BancOhio National Bank

Bank One, Columbus, N.A.

The Huntington National Bank

All care of:

Bank One, Columbus, N.A., Agent  
100 East Broad Street  
Columbus, Ohio 43271  
Attn: Richard D. Headley

98040683493

CANDIDATE'S ASSIGNMENT

I, John Glenn, in connection with the Loan Agreement dated as of February 8, 1984, among John Glenn Presidential Committee Inc., Bank One, Columbus, N.A., as agent, and certain banks and the other Agreements (as that term is defined in said Loan Agreement) hereby irrevocably assign to John Glenn Presidential Committee Inc. all my right, title and interest in and to the following:

- 3 3 7 4 0 5 0 5 4 9-4
- (a) all the payment of funds by the Secretary of the Treasury of the United States with respect to an individual seeking the nomination for election to be President of the United States upon receipt of appropriate certification from the Federal Election Commission in accordance with the Presidential Primary Matching Payment Account Act, 26 U.S.C. §§ 9031 et seq.; and
  - (b) commitments or undertakings of others to solicit or raise contributions or funds on behalf of my presidential primary campaign.

Dated as of the 8th day of February, 1984, and delivered at Columbus, Ohio.

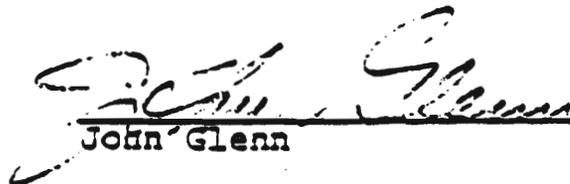
  
\_\_\_\_\_  
John Glenn

EXHIBIT A

Ameritrust Company National Association

BancOhio National Bank

Bank One, Columbus, N.A.

The Huntington National Bank

All care of:

Bank One, Columbus, N.A., Agent  
100 East Broad Street  
Columbus, Ohio 43271-0121  
Attn: Richard D. Headley

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BORROWER'S ASSIGNMENT

In consideration of Bank One, Columbus, N.A., as agent, and the banks listed on Exhibit A hereto (hereinafter referred to as "Banks") extending credit to John Glenn Presidential Committee Inc. (hereinafter referred to as "Borrower"), pursuant to a Loan Agreement (except as otherwise provided herein capitalized terms used in this statement having the meaning defined in the Loan Agreement) dated as of February 8, 1984 between Borrower and Banks and the other Agreements, Borrower hereby assigns to Banks and grants a security interest in the following as security for payment of the Indebtedness and Borrower's obligations under the Agreements:

all of Borrower's interest in all of its property (including without limitation instruments, documents, chattel paper, contract rights, accounts, general intangibles, deposit accounts, money and goods of all description) whether or not such property is now or hereafter in the actual or legal or constructive possession of Agent, including but not limited to:

- (a) all records of Borrower wherever located, whenever existing or arising; and
- (b) the Primary Funding and all rights attendant thereto or in connection therewith with respect to the candidacy of Senator Glenn, including all of Borrower's rights therein arising out of Candidate's Assignment or otherwise (the "Funding"); and
- (c) all of Borrower's right, title and interest in and to the direct mail solicitation/contributor lists used by Borrower, containing, among other things, the names and addresses of possible and actual contributors to Borrower as they exist as of the date hereof and are revised from time to time;
- (d) present and future contributions and other property and money received by Borrower from any source, including without limitation the deposit account(s) maintained by Borrower at the NS&T Bank, N.A.; and

(e) commitments or undertakings of others to solicit or raise contributions or funds.

Borrower agrees that the Funding may be held, used and disposed of by Banks in accordance with the terms and provisions of the Agreements.

IN WITNESS WHEREOF, the parties hereto have caused this Assignment to be executed by their respective duly authorized officers as of the 8th day of February, 1984.

JOHN GLENN PRESIDENTIAL  
COMMITTEE INC.

By: *[Signature]*

Title: Office President

BANK ONE, COLUMBUS, N.A., Agent

By: *[Signature]*

Title: Vice President

BANK ONE, COLUMBUS, N.A.

By: *[Signature]*

Title: Vice President

BANCORIO NATIONAL BANK  
By Bank One, Columbus, N.A.,  
Agent

By: *[Signature]*

Title: Vice President

THE HUNTINGTON NATIONAL BANK  
By Bank One, Columbus, N.A.,  
Agent

By: *[Signature]*

Title: Vice President

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AMERITRUST COMPANY NATIONAL  
ASSOCIATION  
By Bank One, Columbus, N.A.,  
Agent

By: *Richard H. Hendricks*  
Title: *Vice President*

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Ameritrust Company National Association

BancOhio National Bank

Bank One, Columbus, N.A.

The Huntington National Bank

All care of:

Bank One, Columbus, N.A., Agent  
100 East Broad Street  
Columbus, Ohio 43271  
Attn: Richard D. Headley

88040583499

EXHIBIT A

Ameritrust Company National Association

BancOhio National Bank

Bank One, Columbus, N.A.

The Huntington National Bank

All care of:

Bank One, Columbus, N.A., Agent  
100 East Broad Street  
Columbus, Ohio 43271-0121  
Attn: Richard D. Headley

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Bank One, Columbus, N.A., Agent  
February 9, 1984  
Page Three

2. The Committee is duly established under, and, to the best of our knowledge, is in compliance with, the Federal Campaign Act in all material respects. The Committee is the sole "principal campaign committee" of Senator Glenn within the meaning of the Federal Campaign Act and the Primary Payment Act. The Federal Election Commission has determined in writing that Senator Glenn's eligibility to receive matching funds from the Primary Payment Act has been established and we know of no reason why such determination is incorrect.

3. The execution, delivery and performance by the Committee of the Loan Agreement, the Notes, the Security Agreement, and the Borrower's Assignment, are within the Committee's corporate powers, have been duly authorized by all necessary corporate action and do not contravene (i) the Committee's articles of incorporation or by-laws, (ii) any law of the United States or the District of Columbia or (iii) as to which we have knowledge, any law of another jurisdiction or contractual restriction binding on or affecting the Committee.

4. No authorization or approval or other action by, and no notice to or filing with, any governmental body is required for the due execution, delivery and performance by the Committee of the Loan Agreement, the Security Agreement, the Notes and the Borrower's Assignment.

5. The Loan Agreement, the Security Agreement, the Notes and the Borrower's Assignment executed and/or delivered by the Committee pursuant to the Loan Agreement will constitute valid and binding obligations of the Committee, fully enforceable in accordance with their provisions against the Committee.

6. (a) The Loan Agreement, Notes, Security Agreement and Financing Statements when delivered hereunder and assuming that the items contained in Senator Glenn's Statement remain true, will create in favor of the Banks a valid and perfected first priority security interest in the Committee's rights in Senator Glenn's Primary Funding, securing the payment and performance of the Notes under the Loan Agreement and of the Committee's obligations under the Loan Agreement, the Security Agreement and the Notes, and all filings and other actions necessary to be taken by the Committee to perfect such security interest will have been duly taken; Senator Glenn's Assignment in the form attached to the Loan Agreement, when delivered under the Loan Agreement, will constitute a legal, valid and binding assignment to the Committee of Senator Glenn's rights in Primary Funding.

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Bank One, Columbus, N.A., Agent  
February 9, 1984  
Page Four

(b) The Loan Agreement, Notes and Security Agreement, together with the filings and other actions referred to above, when delivered hereunder, will create in favor of the Banks a valid and perfected first priority security interest in such of the Collateral as is not described in paragraph 6.(a) hereof and is described in paragraph 3.1(a) through (d) of the Security Agreement, subject, in the case of perfection of interests in instruments and the proceeds thereof (as those terms are described in the Uniform Commercial Code in effect in the jurisdictions applicable to the subjects of this opinion ("UCC")) (i) to the security interest of NS&T Bank, N.A., as a collecting bank, in items and documents and the proceeds of either in accordance with § 4-208 of the UCC, (ii) to temporary perfection rights of a prior secured party under subsections (4) and (5) of § 9-304 of the UCC, and (iii) to the provisions of § 9-306 of the UCC.

(c) With respect to such of the Collateral as is not described in paragraphs 6.(a) and (b) above, the Loan Agreement, Notes and Security Agreement, together with the filings and other actions referred to above, create in favor of the Banks a valid and perfected first priority security interest, perfected by filing or possession under the UCC, subject, in the case of possession and proceeds, to the provisions of §§ 9-304, 9-305 and 9-306 of the UCC, and in the case of tangible Collateral, to subsection (4) of § 9-312 of the UCC. With respect to such of the Collateral as is described in this subparagraph 6.(c), we express no opinion with respect to (i) any Collateral excluded from the UCC under § 9-104 thereof, or (ii) perfection of any security interest falling within subsection (3) of § 9-302 of the UCC, or (iii) perfection of security interests in ordinary goods, documents and instruments located outside the District of Columbia or Ohio and to goods covered by certificates of title of other jurisdictions to the extent that subsections (1) and (2) of § 9-103 of the UCC provide that the law of the jurisdiction(s) of such location govern perfection.

(d) The Banks' interest in the life insurance referred to above is superior to the interest of the Committee.

7. The execution and delivery by the Committee of the Loan Agreement, the Security Agreement, the Notes and the Borrower's Assignment and by Senator Glenn of Senator Glenn's Assignment and Senator Glenn's Statement and the performance by it and him of all of its and his respective obligations thereunder will not violate or result in the breach of any term or provision of, constitute a default under, or permit the acceleration of maturity under, any governmental or judicial order, judgment or decree, or any loan agreement, note, debenture, indenture, mortgage, deed of trust or other agreement or instrument to which the Committee or Senator Glenn is a party or by which either is bound.

Bank One, Columbus, N.A., Agent  
February 9, 1984  
Page Five

8. To the best of our knowledge, there is no threatened or pending legal proceeding or governmental proceeding or action to which the Committee or Senator Glenn is party or to which its or his property is subject, which, either in any case or in the aggregate, could affect the ability of the Committee to enter into the Loan Agreement, the Security Agreement, the Notes and Borrower's Assignment or Senator Glenn to execute Senator Glenn's Assignment and/or to perform all their obligations fully in accordance therewith or which purports to challenge Senator Glenn's eligibility as a candidate entitled to receive Primary Funding. The Committee has complied with and is not in default in any material respect under any laws, ordinances, requirements, regulations, orders or decrees of any court, commission, board or other administrative body or governmental agency having jurisdiction in respect to the conduct of its business which, in either case or in the aggregate, could affect its ability to enter into the Loan Agreement, the Security Agreement, the Notes and the Borrower's Assignment or to perform all of its obligations fully in accordance therewith.

9. All governmental or third-party approvals, authorizations, licenses or consents required to be obtained in connection with the execution and delivery of the Loan Agreement, the Security Agreement, the Notes and the Borrower's Assignment and the full performance of all its obligations in accordance therewith by the Committee have been duly obtained.

The foregoing opinions are limited to matters of Federal and District of Columbia law and we express no opinion as to the law of any other jurisdiction. The opinions are addressed to you solely with respect to the Agreements and the transactions contemplated thereby and may not be relied upon by any other person or for any other purpose whatsoever.

In addition, we do not express any opinion with respect to (i) the power or authority of the Banks to make the loan evidenced by the Notes, (ii) compliance by the Banks with any federal or state banking law, rule, regulation or restriction, or (iii) compliance by the Banks with any federal or state law, rule, regulation or restriction (except for the Primary Funding Act, the Federal Election Act and the regulations under each) which is or was required to be complied with by the Banks (as opposed to compliance therewith by the Committee) in order to enforce any rights of the Banks under the Loan Agreement, the Security Agreement, the Notes, the Borrower's Assignment and Senator Glenn's Assignment. Accordingly, all of the foregoing opinions are qualified to the extent set forth in the preceding sentence. To the extent that the foregoing opinions are stated to be to our knowledge, or refer to matters of which we have knowledge, we have, with your consent, relied on certificates of the Comptroller of the Committee (copy attached) as to factual

Bank One, Columbus, N.A., Agent  
February 9, 1984  
Page Six

matters and the absence of any contrary knowledge of those attorneys of our firm familiar with the affairs of the Committee, and we have neither independently investigated nor attempted to verify such matters.

No opinion is expressed as to the enforceability of the commitments or undertakings referred to in subparagraph (e) of Borrower's Assignment as against the persons making such commitments or undertakings.

We have assumed the due execution and delivery by the parties thereto (except for Committee and Senator Glenn) of pertinent documents. We have assumed, but have not independently verified, the genuineness of all signatures on all corporate records, proceedings and documents examined by us in connection with the foregoing opinions and the conformity to original documents of all documents submitted to us as certified or photostatic copies and the authenticity of such documents. We have further assumed that the Banks will deal with the Collateral in accordance with the terms of the Agreements.

The foregoing opinions are also qualified to the extent that (i) the enforceability of the Agreements and Assignments and any related documents may be limited by any applicable bankruptcy, insolvency, reorganization, moratorium, liquidation or other similar laws or enactments, both state and federal, now or hereafter in effect, and equitable principles, relating to or affecting enforcement of creditor's rights or remedies generally, (ii) we do not express any opinion as to the availability of the remedy of specific performance since such remedy is subject to the discretion of the court before which any proceeding therefor may be brought, (iii) no opinion is expressed with respect to the applicability, if any, of 31 U.S.C. Section 3727, and (iv) any such opinions are inconsistent with any matters set forth in a letter (copy attached) from the Comptroller of the Committee dated February 8, 1984 to Harlan Pomeroy. Finally, we have made no independent verification of the factual information and factual representations contained in documents filed by the Committee or Senator Glenn with the Federal Election Commission.

Very truly yours,

*Baker & Hostetler*  
Baker & Hostetler

HP:md  
Encs.

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# BAKER & HOSTETLER

ATTORNEYS AT LAW

616 CONNECTICUT AVE., N.W.

WASHINGTON, D. C. 20006

(202) 661-1500

TELECOPIER (202) 667-0010

February 9, 1984

IN CLEVELAND, OHIO  
3200 NATIONAL CITY CENTER  
CLEVELAND, OHIO 44114  
(216) 661-0200  
TWX 610 481 8275

IN COLUMBUS, OHIO  
100 EAST BROAD STREET  
COLUMBUS, OHIO 43215  
(614) 226-1541

IN DENVER, COLORADO  
SUITE 100, 303 EAST 17TH AVENUE  
DENVER, COLORADO 80203  
(303) 661-0600

IN ORLANDO, FLORIDA  
880 CNA TOWER  
ORLANDO, FLORIDA 32802  
(305) 941-1111

WRITER'S DIRECT DIAL NO.:

(202) 661-1543

Bank One, Columbus, N.A., Agent  
and to each Bank (as defined in the  
Loan Agreement identified herein)  
100 East Broad Street  
Columbus, Ohio 43271-0121

Re: Loan by Bank One, Columbus, N.A., et al.  
to John Glenn Presidential Committee Inc.

Gentlemen:

Reference is made to the opinion letter (the "Opinion Letter") of Baker & Hostetler of even date in the above matter and in that regard you have asked for further assurances regarding certain matters which are covered by warranties of the Borrower in the Loan Agreement. All terms defined herein shall have the same meaning as in the Opinion Letter. We have made such reviews and examined such filings and records, including those of the Committee and the FEC, as we deem appropriate and therefore are able to confirm to you as follows:

1. Senator Glenn has authorized in writing those committees which may incur expenses to further his election, a copy of which authorization has been sent to the FEC.
2. Senator Glenn has complied with the requirements of 26 U.S.C. § 9033(a) that he agree in writing to: (1) obtain and furnish to the Federal Election Commission ("FEC") any evidence it may request of qualified campaign expenses, (2) keep and furnish to the FEC any records, books, and other information it may request, and (3) an audit and examination by the FEC under 26 U.S.C. § 9038 and to pay any amounts required to be paid under such section.
3. Senator Glenn has certified to the FEC that: (1) Senator Glenn and his authorized committees will not incur qualified campaign expenses in excess of the limitations on such expenses under 26 U.S.C. § 9035, (2) Senator Glenn is seeking nomination by a political party for election to the office of President of the United States, (3) Senator Glenn has received matching contributions which, in the aggregate, exceed \$5,000 in contributions from residents of at least 20 states, and (4) the aggregate of contributions certified with respect to any person under (3) does not exceed \$250.

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Bank One, Columbus, N.A.  
February 9, 1984  
Page Two

4. Senator Glenn is currently actively conducting campaigns in more than one state in connection with seeking nomination for election to be President of the United States, and has not received less than ten percent of the number of votes cast for all candidates of the same party for the same office in two consecutive primary elections.

5. To the best of our knowledge, Senator Glenn has not incurred qualified campaign expenses in excess of the expenditure limitation applicable under 2 U.S.C. § 441a.

6. To the best of our knowledge, Senator Glenn has not knowingly made expenditures (as that term is used in 26 U.S.C. § 9035) from his personal funds, or the personal funds of his immediate family, in connection with his campaign for nomination for election to the office of President in excess of, in the aggregate, \$50,000.

7. Senator Glenn has complied with the requirements of 11 C.F.R. § 9033.1.

8. Senator Glenn has certified to the FEC that he is seeking nomination by a political party to the office of President in more than one state.

9. Senator Glenn has certified that he and his authorized committee(s) have not incurred and will not incur expenses in connection with the candidate's campaign for nomination which are in excess of the limitations under 26 U.S.C. § 9035 or 11 C.F.R. Part 9035.

10. Senator Glenn has certified that he and his authorized committee(s) have met the threshold contribution requirements outlined in 11 C.F.R. § 9033.2(b)(3).

11. To the best of our knowledge, Senator Glenn and his authorized committee(s) have filed with the FEC reports of receipts and expenditures as required in 2 U.S.C. § 434.

12. Senator Glenn has designated one or more national or state banks as a campaign depository.

13. To the best of our knowledge, Senator Glenn and his authorized committee(s) have not violated the limitations on contributions and expenditures outlined in 2 U.S.C. § 441a and 11 C.F.R. Part 110.

14. To the best of our knowledge, Senator Glenn and his authorized committee(s) have filed all other reports, documents, and schedules required or requested by the FEC.

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Bank One, Columbus, N.A.  
February 9, 1984  
Page Three

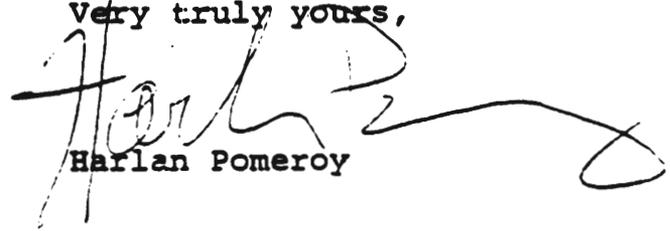
15. To the best of our knowledge, Senator Glenn and his authorized committee(s) have met all requirements for eligibility to receive Presidential Primary Matching Funds.

16. The John Glenn Presidential Committee Inc. is Senator Glenn's sole "principal campaign committee" as that phrase is used in 11 C.F.R. § 9037.3 and is Senator Glenn's sole "authorized committee" as that phrase is used in 2 U.S.C. § 431(6).

17. Bank One, Columbus, NA.A. is "the depository designated" by Senator Glenn, as that phrase is used in 11 C.F.R. § 9037.3.

This letter is subject to the limitations, reservations, qualifications and assumptions which follow paragraph 10 in our Opinion Letter of even date. Except as set forth herein and in the Opinion Letter, we have neither reviewed nor requested an examination of the indices or records of any court, governmental or other agency, authority, instrumentality or entity for purposes of this letter.

Very truly yours,



Harlan Pomeroy

HP:md

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CERTIFICATE

I am the Comptroller of the John Glenn Presidential Committee Inc. ("Committee") and as such have reviewed and have custody of the records of the Committee. This will certify that in connection with a loan from Bank One, Columbus, N.A. ("Bank") and certain other banks named in a Loan Agreement dated as of February 8, 1984 between the Committee and Bank and such other banks to the Committee the following statements are correct to the best of my knowledge:

8 3 0 4 0 5 0 8  
1. The Committee is a not-for-profit corporation, duly organized, validly existing and in good standing under the laws of the District of Columbia and has the corporate power and authority to own and operate its properties, to carry on its business as now conducted and to enter into and perform the Loan Agreement including, without limitation, the execution, delivery and performance of the Loan Agreement, the Security Agreement, the Notes and the Borrower's Assignment.

2. The Committee is duly established under, and is in compliance with, the Federal Campaign Act in all material respects. The Committee is the sole "principal campaign committee" of Senator Glenn within the meaning of the Federal Campaign Act and the Primary Payment Act. The Federal Election Commission has determined in writing that Senator Glenn's eligibility to receive matching funds from the Primary Payment Act has been established and I know of no reason why such determination is incorrect.

3. The execution, delivery and performance by the Committee of the Loan Agreement, the Notes, the Security Agreement, and the Borrower's Assignment, are within the Committee's corporate powers, have been duly authorized by all necessary corporate action and do not contravene (i) the Committee's articles of incorporation or by-laws, (ii) any law of the United States or the District of Columbia or (iii) any law of another jurisdiction or contractual restriction binding on or affecting the Committee.

4. No authorization or approval or other action by, and no notice to or filing with, any governmental body is required for the due execution, delivery and performance by the Committee of the Loan Agreement, the Security Agreement, the Notes and the Borrower's Assignment.

5. The Loan Agreement, the Security Agreement, the Notes and the Borrower's Assignment executed and/or delivered by the Committee pursuant to the Loan Agreement will constitute valid and binding obligations of the Committee, fully enforceable in accordance with their provisions against the Committee.

6. The Loan Agreement, Notes, Security Agreement and Financing Statement when delivered hereunder and filed, upon the advance of funds by Banks to Borrower and assuming that the items contained in Senator Glenn's statement remain true and that Senator Glenn's letter to the FEC changing the campaign depository for receipt of Primary Funding from NS&T Bank, N.A. to Bank One, Columbus, N.A. remains in effect, will create a valid and perfected first priority security interest in the Committee's rights

in Senator Glenn's Primary Funding, securing the payment and performance of the Notes under the Loan Agreement and of the Committee's obligations under the Loan Agreement, the Security Agreement and the Notes, and all filings and other actions necessary to be taken by the Committee to perfect such security interest (other than the advance of funds by Bank and the other banks to the Committee) will have been duly taken; Senator Glenn's Assignment in the form attached to the Loan Agreement, when delivered under the Loan Agreement, will constitute a legal, valid and binding assignment to the Committee of Senator Glenn's rights in Primary Funding.

7. The execution and delivery by the Committee of the Loan Agreement, the Security Agreement, the Notes and the Borrower's Assignment and by Senator Glenn of Senator Glenn's Assignment and the performance by it and him of all of its and his respective obligations thereunder will not violate or result in the breach of any term or provision of, constitute a default under, or permit the acceleration of maturity under, any governmental or judicial order, judgment or decree, or any loan agreement, note, debenture, indenture, mortgage, deed of trust or other agreement or instrument to which the Committee or Senator Glenn is a party or by which either is bound.

8. There is no threatened or pending legal proceeding or governmental proceeding or action to which the Committee or Senator Glenn is party or to which its or his property is subject, which, either in any case or in the aggregate, could affect the ability of the Committee to enter into the Loan Agreement, the

Security Agreement, the Notes and Borrower's Assignment or Senator Glenn to execute Senator Glenn's Assignment and/or to perform all their obligations fully in accordance therewith or which purports to challenge Senator Glenn's eligibility as a candidate entitled to receive Primary Funding. The Committee has complied with and is not in default in any material respect under any laws, ordinances, requirements, regulations, orders or decrees of any court, commission, board or other administrative body or governmental agency having jurisdiction in respect to the conduct of its business which, in either case or in the aggregate, could affect its ability to enter into the Loan Agreement, the Security Agreement, the Notes and the Borrower's Assignment or to perform all of its obligations fully in accordance therewith.

9. All governmental or third-party approvals, authorizations, licenses or consents required to be obtained in connection with the execution and delivery of the Loan Agreement, the Security Agreement, the Notes and the Borrower's Assignment and the full performance of all its obligations in accordance therewith by the Committee have been duly obtained.

10. Senator Glenn has authorized in writing those committees which may incur expenses to further his election, a copy of which authorization has been sent to the FEC.

11. Senator Glenn has complied with the requirements of 26 U.S.C. § 9033(a) that he agree in writing to: (1) obtain and furnish to the Federal Election Commission ("FEC") any evidence it may request of qualified campaign expenses, (2) keep and furnish to the FEC any records, books, and other information it may

request, and (3) an audit and examination by the FEC under 26 U.S.C. § 9038 and to pay any amounts required to be paid under such section.

12. Senator Glenn has certified to the FEC that:

(1) Senator Glenn and his authorized committees will not incur qualified campaign expenses in excess of the limitations on such expenses under 26 U.S.C. § 9035, (2) Senator Glenn is seeking nomination by a political party for election to the office of President of the United States, (3) Senator Glenn has received matching contributions which, in the aggregate, exceed \$5,000 in contributions from residents of at least 20 states, and (4) the aggregate of contributions certified with respect to any person under (3) does not exceed \$250.

13. Senator Glenn is currently actively conducting campaigns in more than one state in connection with seeking nomination for election to be President of the United States, and has not received less than ten percent of the number of votes cast for all candidates of the same party for the same office in two consecutive primary elections.

14. To the best of our knowledge, Senator Glenn has not incurred qualified campaign expenses in excess of the expenditure limitation applicable under 2 U.S.C. § 441a.

15. To the best of our knowledge, Senator Glenn has not knowingly made expenditures (as that term is used in 26 U.S.C. § 9035) from his personal funds, or the personal funds of his immediate family, in connection with his campaign for nomination

for election to the office of President in excess of, in the aggregate, \$50,000.

16. Senator Glenn has complied with the requirements of 11 C.F.R. § 9033.1.

17. Senator Glenn has certified to the FEC that he is seeking nomination by a political party to the office of President in more than one state.

18. Senator Glenn has certified that he and his authorized committee(s) have not incurred and will not incur expenses in connection with the candidate's campaign for nomination which are in excess of the limitations under 26 U.S.C. § 9035 or 11 C.F.R. Part 9035.

19. Senator Glenn has certified that he and his authorized committee(s) have met the threshold contribution requirements outlined in 11 C.F.R. § 9033.2(b)(3).

20. To the best of our knowledge, Senator Glenn and his authorized committee(s) have filed with the FEC reports of receipts and expenditures as required in 2 U.S.C. § 434.

21. Senator Glenn has designated one or more national or state banks as a campaign depository.

22. To the best of our knowledge, Senator Glenn and his authorized committee(s) have not violated the limitations on contributions and expenditures outlined in 2 U.S.C. § 441a and 11 C.F.R. Part 110.

23. To the best of our knowledge, Senator Glenn and his authorized committee(s) have filed all other reports, documents, and schedules required or requested by the FEC.

24. To the best of our knowledge, Senator Glenn and his authorized committee(s) have met all requirements for eligibility to receive Presidential Primary Matching Funds.

25. The John Glenn Presidential Committee Inc. is Senator Glenn's sole "principal campaign committee" as that phrase is used in 11 C.F.R. § 9037.3 and is Senator Glenn's sole "authorized committee" as that phrase is used in 2 U.S.C. § 431(6).

26. Bank Ore, Columbus, N.A. is "the depository designated" by Senator Glenn, as that phrase is used in 11 C.F.R. § 9037.3.

  
Caroline Himes

February 8, 1984

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AMERICAN UNIVERSITY SCHOOL OF LAW  
4400 Massachusetts Avenue N.W.  
Washington, D. C. 20016

February 8, 1984

Harlan Pomeroy, Esq.  
818 Connecticut Avenue, N. W.  
Washington, D. C. 20006

Dear Mr. Pomeroy:

This will refer to my letter of November 1, 1983 concerning the collateralization of presidential candidate matching funds by the John Glenn Presidential Committee Inc. As you know, at the time of that letter I reviewed the documents in connection with the proposed Loan Agreement in respect thereto, and advised you as to various particulars concerning the commercial aspects of that loan.

As you requested, I have now reviewed various documents in respect to a second Loan Agreement dated February 8, 1984. In my opinion, the statements contained in my letter to you of November 1, 1983 concerning the earlier Loan Agreement have equal validity with respect to the present Loan Agreement and related papers as well as to the loan to be consummated thereunder, especially in respect to the collateralization of the following:

(a) all records of Borrower wherever located, whenever existing or arising; and

(b) the Primary Funding and all rights attendant thereto or in connection therewith with respect to the candidacy of Senator Glenn, including all of Borrower's rights therein arising out of candidate's Assignment or otherwise; and

(c) all of Borrower's right, title and interest in and to the direct mail solicitation/contributor lists used by Borrower, containing, among other things, the names and addresses of possible and actual contributors to Borrower as they exist as of the date hereof and are revised from time to time; and

(d) present and future contributions and other money received by Borrower from any source including the deposit account maintained by Borrower at National Savings and Trust Bank of Washington, D. C.

Yours very truly,

  
Robert Bennett Lubic  
Professor of Law

RBL:md

November 1, 1983

Harlan Pomeroy, Esquire  
818 Connecticut Ave., NW.  
Washington, D.C. 20006

Re: Collateralization of Presidential  
Candidate Matching Funds

Dear Mr. Pomeroy:

8 3 0 4 0 5 8 3 5 1 6  
You requested that I deliver to you an opinion relative to three specific questions concerning the feasibility of a loan utilizing the above-referenced funds as security, from the creditor's point of view. Below please find my brief response to each of said questions.

I. What is the effect of the anti-assignment provisions of Section 28.2303 of the D.C. Code in respect to a security interest in a deposit account created by such matching funds, as they relate to claims against the United States?

1. Section 28.2303 applies to assignments of non-negotiable contracts and the first clause of that provision, which modifies all of the subsequent language, reads as follows:

"An owner of a non-negotiable written agreement for . . ."

Thus even though a subsequent phrase makes an exception as to a claim against the United States in respect to the validity of such an assignment, the exception only applies when such claim is based upon a written agreement. Any claim of a presidential candidate for matching funds is based upon a statutory right rather than a contractual right and therefore, in my opinion, the anti-assignment provisions of the aforesaid section of the D.C. Code is inapplicable to the present matter.

2. Further, as we discussed, the U.C.C. permits the creation of a security interest in any personal property including general intangibles in which the debtor has a right (9-102(1) and 9-203).

Harland Pomeroy, Esquire

Page 2

November 1, 1983

11 C.F.R. 9037.3 provides for the deposit of matching funds into a checking account maintained by a candidate "principal campaign committee". Black's legal dictionary defines the word maintained as meaning, among other things, "to hold possession of". Therefore, the right of a debtor to hold possession of a checking account constitutes a right in such collateral sufficient to create a security interest under the U.C.C.

3. Section 1-102(1) of the U.C.C. provides that the Act shall be liberally construed, and Section 1-104 of that statute specifically provides that no part thereof shall be repealed by subsequent legislation if such construction can be avoided. Although I did not determine when Section 28.2303 of the D.C. Code was adopted, even if adopted subsequent to adoption of the U.C.C., the terms thereof do not specifically repeal any provision of the latter statute. Thus, the subject anti-assignment provision should have no effect on the use of said matching funds as collateral under a security agreement created under the requirements of the U.C.C.

II. Is the act consisting of the designation by Senator Glenn of his present "principal campaign committee", irrevocable?

1. Under 11 C.F.R. 101.1, a candidate (other than a nominee for Vice President) must designate in writing a "principal campaign committee" within 15 days after becoming a candidate. By implication from a reading of this section, together with 102.12 of the same title, only one "principal campaign committee" may be designated at a time by a candidate. As a result thereof, before a "principal campaign committee" can be replaced by another such committee, the first committee must be terminated.

2. 11 C.F.R. 102.3(b) provides that, except as set forth in Section 102.4 of that Title, no "principal campaign committee" may be terminated until it has met the requirements of 102.3(a). Subparagraph 102.3(a) provides that no political committee may be terminated until it has, among other things, filed with the F.E.C. a written statement that it has satisfied all of its debts. Irrespective of 102.3(a), 11 C.F.R. 102.4 permits termination by the F.E.C., provided that the "principal campaign committee" of a candidate meets all of the stringent requirements set forth therein. Since most of these requirements apply to satisfaction of obligations or, in lieu thereof, forgiveness of loans, it is unlikely that the F.E.C. will permit the termination of the present "principal campaign committee" of Senator Glenn and replacement thereof by a new "principal campaign committee" without satisfaction of the subject loan in this matter.

83040583517

November 1, 1983

III. What is to prevent Senator Glenn from directing his principal campaign committee to change the location of deposit account where his matching funds must be maintained?

1. In this respect, it is my understanding that you have made provisions for a commitment by Senator Glenn not to make such a change and subjecting him to an injunction in the event of his violation of said commitment. In addition, you ask whether the proposed creditor would not be better protected by a grant by Senator Glenn of a security interest as to his rights in the matching funds to said creditor.

2. Assuming that there is no preclusion by the Federal Code of the creation of a security interest in his entitlement to such matching funds as collateral for a loan to defray qualified campaign expenses (and I have not found any such preclusion to date), there appears to be nothing invalid in the Senator doing so under a separate Security Agreement. The creation of such a security interest could thus act as further collateralization of the creditor's loan to the Senator's principal campaign committee, provided that the remedy for any violation thereof is restricted in the Security Agreement to an injunctory action. The only provision that I have found in the Federal Code that only slightly touches upon this question is 26 U.S.C. 9041(b). That provision makes it unlawful for a candidate to receive payments under 26 U.S.C. 9037 other than to repay loans, the proceeds of which have been used to defray qualified campaign expenses. By implication, it would appear that said funds then may also be used as collateral not only to repay the aforesaid loans, but also to secure repayment thereof by creating a collateralized deposit account in respect thereto.

3. Thus it would appear that Senator Glenn could collateralize his rights in the matching funds and, provided that the Security Agreement is applicable to both present and after acquired funds as received, a creditor may trace its priority rights therein wherever these funds may be maintained as long as they are not co-mingled with any other funds. The latter seems highly unlikely in that 11 C.F.R. 9037.3 strongly implies that the matching funds must be deposited into a separate checking account maintained by the principal campaign committee. Therefore, although the Senator could change the location of the deposit account, in my opinion a priority creditor would still be protected as to the funds contained therein.

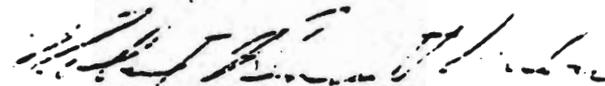
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Harland Pomeroy, Esquire  
Page 4  
November 1, 1983

4. There is one caution, however, that must be observed relative to the foregoing. Should the candidate direct his principal campaign committee to open and maintain a checking account in another state for deposit of said matching funds, and a financing statement is not on file in the latter state, under the U.C.C. the creditor must record a copy of the original financing statement in the state where the new account is located, within six months of its creation. During the six month period, however, the creditor has temporary perfection in the new deposit account. This provision applies generally to all collateral and merely echoes an age-old requirement that a creditor must police its loans.

I trust that this satisfies your request relative to the three subject question regarding the above-referenced matter. If there is anything in addition that you require, or should you have any comments or questions with respect to the same, please do not hesitate to contact me today at my law office (452-8200) or tomorrow at American University Law School (686-2613).

Very truly yours,



Robert Bennett Lubic  
Professor of Law

RBL/pf

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**John  
Glenn**

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February<sup>8</sup>, 1984

Federal Election Commission  
1325 K Street, N.W.  
Washington, D.C. 20463

Gentlemen:

83040583520

By instruction to you dated November 8, 1983 (copy attached hereto) and in accordance with Section 9033.1(b)(7) of Title 11 of the Code of Federal Regulations, the name of the designated campaign depository to which matching funds shall be sent under Section 9037.3 of the Regulations is Bank One, Columbus, N.A., 100 East Broad Street, Columbus, Ohio 43271, account number 10-0811-9 maintained by John Glenn Presidential Committee Inc.

Be advised that Bank One, Columbus, N.A., has assigned certain interests in property to Bank One, Columbus, N.A., as agent on behalf of the banks listed in Exhibit A to this letter. Therefore, the designation of the designated campaign depository set forth in my November 8, 1983 letter and confirmed herein is irrevocable without the written consent of each of Bank One, Columbus, N.A., as agent and the banks listed in Exhibit A.

To the extent necessary or appropriate, the consent of Bank One, Columbus, N.A. appears below.

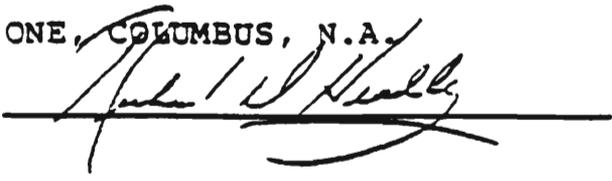
By stamp or other execution of the enclosed copy of this letter at the place indicated, kindly acknowledge receipt of this letter and return the copy to counsel for the Committee, Harlan Pomeroy, 818 Connecticut Avenue, N.W., Washington, D.C. 20006.

Very truly yours,

  
John Glenn

Bank One, Columbus, N.A. consents to the filing of this letter with the Federal Election Commission.

BANK ONE, COLUMBUS, N.A.

By: 

84 FEB 9 11:41

Receipt acknowledged this \_\_\_\_\_ day of  
February, 1984  
Federal Election Commission

By: \_\_\_\_\_

88040683521

EXHIBIT A

Ameritrust Company National Association

BancOhio National Bank

Bank One, Columbus, N.A.

The Huntington National Bank

All care of:

Bank One, Columbus, N.A., Agent  
100 East Broad Street  
Columbus, Ohio 43271-0121  
Attn: Richard D. Headley

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JOHN GLENN

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November 8, 1983

Federal Election Commission  
1325 K Street, N.W.  
Washington, D.C. 20463

This will refer to my Candidate and Committee Agreement and Certification dated August 10, 1983 and filed with the Commission on September 6, 1983, under Sections 9033.1 and 9033.2 of Title 11 of the Code of Federal Regulations and the Guideline for Presentation in Good Order.

In Accordance with Section 9033.1(b)(7) of the Regulations, the name of the designated campaign depository to which matching funds shall be sent under Section 9037.3 of the Regulations is changed to Bank One, Columbus, N.A., 100 East Broad Street, Columbus, Ohio 43271, account number 10-0811-9 maintained by John Glenn Presidential Committee Inc. This designation is irrevocable without the written consent of such Bank.

By stamp or other execution of the enclosed copy of this letter at the place indicated in the lower left-hand corner, kindly acknowledge receipt of this letter and return the copy to counsel for the Committee, Harlan Pomeroy, 818 Connecticut Avenue, Washington, D.C. 20006.

Very truly yours,



John Glenn

Receipt acknowledged this  
11th day of November, 1983  
Federal Election Commission

By \_\_\_\_\_



Receipt acknowledged this \_\_\_\_\_  
day of February, 1984

Secretary of the Treasury

By: \_\_\_\_\_

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EXHIBIT A

Ameritrust Company National Association

BancOhio National Bank

Bank One, Columbus, N.A.

The Huntington National Bank

All care of:

Bank One, Columbus, N.A., Agent  
100 East Broad Street  
Columbus, Ohio 43271-0121  
Attn: Richard D. Headley

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# JOHN GLENN

November 8, 1983

The Honorable Donald T. Regan  
Secretary of the Treasury  
Room 3300  
1500 Pennsylvania Avenue, N.W.  
Washington, D.C. 20220

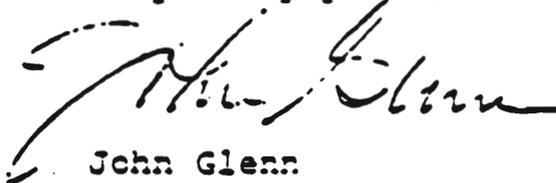
Attention: Primary Funding

Dear Sir:

8 8 0 4 0 5 8 3 5 2 7  
This letter will constitute my letter of instructions to you or those persons acting on your behalf to forward all Primary Funding to which I and the John Glenn Presidential Committee Inc., my principal campaign committee, are entitled to receive directly to Bank One, Columbus, N.A., 100 East Broad Street, Columbus, Ohio 43271, the designated campaign depository, for deposit in account number 10-0811-9 maintained by the Committee. This instruction is irrevocable without the written consent of such Bank.

By stamp or other execution of the enclosed copy of this letter at the place indicated in the lower left-hand corner, kindly acknowledge receipt of this letter and return the copy to counsel for the Committee, Harlan Pomeroy, 818 Connecticut Avenue, N.W., Washington, D.C. 20006.

Very truly yours,

  
John Glenn

Receipt acknowledged this  
16<sup>th</sup> day of November, 1983

Secretary of the Treasury

By Lucille R. [Signature]

MODE - FINANCING STATEMENT - UCC-1

Revised, Am. S.B. 161, Eff. 3/15/82  
Anderson Publishing Co. Cincinnati, Ohio 45201

HAROLD BARDONVILLE  
RECORDER OF DEEDS  
WASHINGTON D.C.

01203 INS#  
2.00 CHAT  
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Along performance for mailing.  
Two copies and send other 3 copies with interleaved carbon paper to the filing officer. Enclose filing fee.  
In one office, Form UCC-2 may be placed over this set to avoid double typing.  
(a) If on the form is inadequate the item(s) should be continued on additional sheets, preferably 8 1/2" x 11". Only one copy of such sheets should be filed to the filing officer with a set of three copies of the financing statement. Long schedules of collateral, indentures, etc., may be on any sheet secured party.  
If a lien is given, or timber to be cut, or minerals or the like, including oil and gas, or accounts resulting from the sale of minerals at the wellhead interest attaches upon extraction, or goods which are or are to become fixtures, the financing statement must recite that it covers that interest in the real estate records of the county in which the real estate is situated and must contain a legal description of the real estate and interest of record in the real estate, the name of the record owner or record lessee (see section 1309.39(E) of the Revised Code). If the form is used as a financing statement, it is requested that it be accompanied by a completed but unsigned set of these forms, without

The filing officer will return third copy as an acknowledgement. At a later date, secured party may date and sign the termination legend and use same.

Presented to a filing officer for filing pursuant to the Uniform Commercial Code.

1 Secured Party(ies) and Address(es)	2 Secured Party(ies) and Address(es)	3 For Filing Officer (Date, Time, Number, and Filing Office)
Bank One of Columbus, N.A., 100 East Broad St. Agent Columbus, Ohio 43271 Attn: Richard D. Headley (Cont'd. on Attached Schedule 2)		

This financing statement covers the following types (or items) of property:

See attached Schedule 1

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if covered:  Products of Collateral are also covered No. of additional sheets presented:

File with: (USE WHICHEVER SIGNATURE LINE IS APPLICABLE)  
In Glenn Presidential Committee Inc. Bank One Columbus, N.A., Agent

By: *Harold Bardonville* Secretary Signatures(s) of Debtor(s) By: *Richard D. Headley* Signatures(s) of Secured Party(ies)

Filing Office Copy - Numerical  
STANDARD FORM -  
FORM COMMERCIAL CODE - UCC-1  
This form of financing statement is approved by the Secretary of State  
Revised, Am. S.B. 161, Eff. 3/15/82  
Anderson Publishing Co. Cincinnati, Ohio 45201  
REPRINTED 1

**UNIFORM COMMERCIAL CODE - FINANCING STATEMENT - UCC-1**  
**INSTRUCTIONS**

Revised, Am. S.B. 161, Eff. 3/15/82  
 anderson publishing co. cincinnati, ohio 45201

1. PLEASE TYPE this form. Fold only along perforation for mailing.  
 Remove Secured Party and Debtor copies and send other 3 copies with interleaved carbon paper to the filing officer. Enclose filing fee.  
 When filing is to be with more than one office, Form UCC-2 may be placed over this set to avoid double typing.
2. If the space provided for any item(s) on the form is inadequate the item(s) should be continued on additional sheets, preferably 8 1/2" x 11". Only one copy of such additional sheets need be presented to the filing officer with a set of three copies of the financing statement. Long schedules of collateral, mortgages, etc., may be on any size paper that is convenient for the secured party.
3. If collateral is crops, growing areas to be grown, or timber to be cut, or minerals or the like, including oil and gas, or accounts resulting from the sale of minerals at the wellhead or minehead to which the security interest attaches upon extraction, or goods which are or are to become fixtures, the financing statement must recite that it covers that type of collateral and that it is to be indexed in the real estate records of the county in which the real estate is situated and must contain a legal description of the real estate and, if the Debtor does not have an interest of record in the real estate, the name of the record owner or record lessee (see section 1308.39(E) of the Revised Code).
4. When a copy of the security agreement is used as a financing statement, it is requested that it be accompanied by a completed but unsigned, set of these forms, without extra fee.
5. At the time of original filing, filing officer will return third copy as an acknowledgement. At a later date, secured party may date and sign the termination legend and use third copy as a Termination Statement.

This FINANCING STATEMENT is presented to a filing officer for filing pursuant to the Uniform Commercial Code.

1 Debtor(s) (Last Name First) and Address(es)	2 Secured Party(ies) and Address(es)	3 For Filing Officer (Date, Time, Number, and Filing Office)
John Glenn Presidential Committee Inc. N. Capitol Street, N.W. Washington, D.C. 20001 Attn: Caroline Himes	Bank One of Columbus, N.A., 100 East Broad St. Agent Columbus, Ohio 43271 Attn: Richard D. Headley (Cont'd. on Attached Schedule)	

4. This financing statement covers the following types (or terms) of property:

See attached Schedule 1

Debtor covered:  Products of Collateral are also covered No. of additional sheets presented:

Filed with \_\_\_\_\_  
 (USE WHICHEVER SIGNATURE LINE IS APPLICABLE)  
 John Glenn Presidential Committee Inc. Bank One, Columbus, N.A., Agent  
 by: [Signature] Secretary By: [Signature]  
 Signature(s) of Debtor(s) Signature(s) of Secured Party(ies)

Filing Office Copy—Alphabetical  
 STANDARD FORM -  
 UNIFORM COMMERCIAL CODE - UCC-1  
 This form of financing statement is approved by the Secretary of State  
 Revised, Am. S.B. 161, Eff. 3/15  
 anderson publishing co. cincinnati, ohio 45  
 REPRINTED -

FEB 1984  
Schedule 1

Debtor:

John Glenn Presidential  
Committee Inc.  
444 N. Capitol Street, N.W.  
Washington, D.C. 20001

Secured Parties:

Bank One, Columbus, N.A., Agent  
100 East Broad Street  
Columbus, Ohio 43271  
Attn: Richard D. Headley  
and others

4. (Continued)

8 8 0 4 0 6 3 5 3 0  
All of Debtor's interest in all of its property (including without limitation instruments, documents, chattel paper, contract rights, accounts, general intangibles, deposit accounts, money and goods of all description) whether or not such property is now or hereafter in the actual or legal or constructive possession of Agent, including but not limited to:

- (a) all records of Debtor wherever located, whenever existing or arising; and
- (b) the payment of funds in accordance with the Presidential Primary Matching Payment Account Act and all rights attendant thereto or in connection therewith with respect to the candidacy of Senator Glenn, including all of Debtor's rights therein arising out of Candidate's Assignment or otherwise; and
- (c) all of Debtor's right, title and interest in and to the direct mail solicitation/contributor lists used by Debtor, containing, among other things, the names and addresses of possible and actual contributors to Debtor as they exist as of the date hereof and are revised from time to time; and
- (d) present and future contributions and other property and money received by Borrower from any source, including without limitation the deposit account(s) maintained by Debtor at NS&T Bank, N.A.;

and if sold, exchanged, collected or otherwise disposed of, the proceeds thereof.



FINANCING STATEMENT is presented to a filing officer for filing pursuant to the Uniform Commercial Code.

Debtor(s) (Last Name First) and Address(es) <b>John Glenn Presidential          Committee Inc.          4 N. Capitol St., N.W.          Washington, D.C. 20001          Attn: Caroline Hines</b>	2 Secured Party(ies) and Address(es) <b>Bank One of Columbus, N.A.,          100 East Broad St. Agent          Columbus, Ohio 43271          Attn: Richard D. Headley          (Cont'd. on Attached Schedule</b>	3 For Filing Officer (Date, Time, Number, and Filing Office)  <b>8 2 7 4 3</b>
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This financing statement covers the following types (or items) of property:

*x-16-2*

**See attached Schedule 1**

SECRETARY OF STATE  
FEB 7 9 AM '84

Check  if covered:  Products of Collateral are also covered No. of additional sheets presented:

Filed with **Ohio Secretary of State**  
 (USE WHICHEVER SIGNATURE LINE IS APPLICABLE)  
**John Glenn Presidential Committee Inc. Bank One, Columbus, N.A., Agent**  
 \_\_\_\_\_ By: \_\_\_\_\_  
 Signature(s) of Debtor(s) Signature(s) of Secured Party(ies)

Secured Party Copy

*This form of financing statement is approved by the Secretary of State*

STANDARD FORM -  
IFORM COMMERCIAL CODE - UCC-1

Revised, Am. S.B. 161, Eff. 3/1  
anderson publishing co. cincinnati, ohio 4  
REPRINTED

FLIGHT

P 6 2 2 4 3

Schedule 1

Debtor:

SHERROD BROWN Secured Parties:  
SECRETARY OF STATE

- John Glenn Presidential  
Committee Inc.  
- 444 N. Capitol Street, N.W.  
Washington, D.C. 20001

Bank One, Columbus, N.A., Agent  
100 East Broad Street  
Columbus, Ohio 43271  
Attn: Richard D. Headley

and others

FEB 8 3 50 PM '84

4. (Continued)

All of Debtor's interest in all of its property (including without limitation instruments, documents, chattel paper, contract rights, accounts, general intangibles, deposit accounts, money and goods of all description) whether or not such property is now or hereafter in the actual or legal or constructive possession of Agent, including but not limited to:

- (a) all records of Debtor wherever located, whenever existing or arising; and
- (b) the payment of funds in accordance with the Presidential Primary Matching Payment Account Act and all rights attendant thereto or in connection therewith with respect to the candidacy of Senator Glenn, including all of Debtor's rights therein arising out of Candidate's Assignment or otherwise; and
- (c) all of Debtor's right, title and interest in and to the direct mail solicitation/contributor lists used by Debtor, containing, among other things, the names and addresses of possible and actual contributors to Debtor as they exist as of the date hereof and are revised from time to time; and
- (d) present and future contributions and other property and money received by Borrower from any source, including without limitation the deposit account(s) maintained by Debtor at NS&T Bank, N.A.;

and if sold, exchanged, collected or otherwise disposed of, the proceeds thereof.

9 8 0 4 0 5 8 3 5 3 3

DUPLICATE

P 6 2 2 4 3

Schedule 2

SHERROD BROWN  
SECRETARY OF STATE  
Secured Parties:

Debtor:

John Glenn Presidential  
Committee Inc.  
444 N. Capitol Street, N.W.  
Washington, D.C. 20001

FRB 8 3 Bank One, Columbus, N.A., as Agent  
100 East Broad Street  
Columbus, Ohio 43271  
Attn: Richard D. Headley

and others

2. SECURED PARTIES CONTINUED

AmeriTrust Company National Association

Bank One, Columbus, N.A.

BancOhio National Bank

The Huntington National Bank

all c/o Bank One, Columbus, N.A., Agent  
100 East Broad Street  
Columbus, Ohio 43271  
Attn: Richard D. Headley

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- PLEASE TYPE this form. Read and follow instructions for completion.
- Remove Secured Party and Debtor copies and file with 3 copies with original on plain paper with the filing officer. Enclose filing fee.
  - When filing is to be with more than one office, Form UCC-2 may be placed over this set to avoid double filing.
  - If the space provided for any item(s) on the form is inadequate, the item(s) should be continued on additional sheets, preferably 8 1/2" x 11". Only one copy of such additional sheets need be presented to the filing officer with a set of three copies of the financing statement. Long schedules of collateral, indentures, etc., may be on any size paper that is convenient for the secured party.
  - If collateral is crops growing or to be grown, or timber to be cut, or minerals or the like, including oil and gas, or accounts resulting from the sale of minerals at the wellhead or minehead to which the security interest attaches upon extraction, or goods which are or are to become fixtures, the financing statement must recite that it covers that type of collateral and that it is to be indexed in the real estate records of the county in which the real estate is situated and must contain a legal description of the real estate and, if the Debtor does not have an interest of record in the real estate, the name of the record owner or record lessee (see section 1308.39(E) of the Revised Code).
  - When a copy of the security agreement is used as a financing statement, it is requested that it be accompanied by a completed but unsigned, set of these forms, without extra fee.
  - At the time of original filing, filing officer will return third copy as an acknowledgment. At a later date, secured party may date and sign the termination legend and use third copy as a Termination Statement.

This FINANCING STATEMENT is presented to a filing officer for filing pursuant to the Uniform Commercial Code.

<b>1 Debtor(s) (Last Name First) and Address(es)</b> John Glenn Presidential Committee, Inc. 444 E. Capital St., N.W. Washington, D.C. 20001 Attn: Caroline Himes	<b>2 Secured Party(ies) and Address(es)</b> Bank One, Columbus, N.A., Agent 100 East Broad Street Columbus, Ohio 43271 Attn: Richard D. Bentley (Cont'd. on Attached Schedule 2)	<b>3 For Filing Officer (Date, Time, Number, and Filing Office)</b> RECORDER (FS) 005176 00548717 FEB 15 3 32 PM '04 PALMER & MCNEAL FRANKLIN COUNTY RECORDER
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This financing statement covers the following types (or items) of property:

See attached Schedule 1

Check  if covered:  Products of Collateral are also covered No. of additional sheets presented: 2

Filed with Franklin County Recorder (USE WHICHEVER SIGNATURE LINE IS APPLICABLE)

By: John Glenn Presidential Committee, Inc. Bank One, Columbus, N.A., Agent  
 Signature(s) of Debtor(s) Signature(s) of Secured Party(ies)

Filing Officer Copy - Numerical  
 STANDARD FORM - UNIFORM COMMERCIAL CODE - UCC-1  
 This form of financing statement is approved by the Secretary of State  
 Revised, Am. S.B. 161, Eff. 3/15 anderson publishing co. cincinnati, ohio 45 (Reprinted 3)

Debtor:

John Glenn Presidential  
Committee Inc.  
444 N. Capitol Street, N.W.  
Washington, D.C. 20001

Secured Parties:

Bank One, Columbus, N.A., Agent  
100 East Broad Street  
Columbus, Ohio 43271  
Attn: Richard D. Headley

and others

4. (Continued)

All of Debtor's interest in all of its property (including without limitation instruments, documents, chattel paper, contract rights, accounts, general intangibles, deposit accounts, money and goods of all description) whether or not such property is now or hereafter in the actual or legal or constructive possession of Agent, including but not limited to:

- (a) all records of Debtor wherever located, whenever existing or arising; and
- (b) the payment of funds in accordance with the Presidential Primary Matching Payment Account Act and all rights attendant thereto or in connection therewith with respect to the candidacy of Senator Glenn, including all of Debtor's rights therein arising out of Candidate's Assignment or otherwise; and
- (c) all of Debtor's right, title and interest in and to the direct mail solicitation/contributor lists used by Debtor, containing, among other things, the names and addresses of possible and actual contributors to Debtor as they exist as of the date hereof and are revised from time to time; and
- (d) present and future contributions and other property and money received by Borrower from any source, including without limitation the deposit account(s) maintained by Debtor at NS&T Bank, ;

and if sold, exchanged, collected or otherwise disposed of, the proceeds thereof.

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FRANKLIN COUNTY

000176

February 8, 1984

Harlan Pomeroy, Esq.  
Baker & Hostetler  
818 Connecticut Avenue, N. W.  
Washington, D. C. 20006

Dear Mr. Pomeroy:

In connection with a Loan Agreement dated 2/8/84 between Bank One, Columbus, N.A. and certain other banks named in the Loan Agreement and the John Glenn Presidential Committee Inc., you have asked me to inform you with respect to certain exceptions to the warranties made by the Committee in its Loan Agreement.

These exceptions include the following:

1. The Committee has not filed, but is in the process of doing so, necessary applications for workmen's compensation coverage in some of those few states which do not recognize insurance coverage.

2. The Committee is in the process of reviewing and filing state withholding tax returns, principally with respect to employment taxes, in those states which require withholding.

3. A certain Matter Under Review (MUR 1617) has been instituted before the Federal Election Commission by Stephen A. Koczak, a candidate for nomination to be a candidate for the office of President of the United States against the Committee and numerous other parties, including the other Democratic candidates for the nomination. In the Committee's response thereto to be filed by February 14th, the Committee states that this complaint is frivolous and should be disposed of summarily by the Federal Election Commission.

4. The rent under the leases of the Committee's premises at 444 N. Capitol Street, N. W. in Washington, D. C. is delinquent in the amount of \$34,249.33. The landlord has demanded payment of this amount by 2/10/84 and stated that if payment is not received by that date, the landlord may seek possession of the premises.

5. I understand that a review of the UCC records at the office of the Recorder of Deeds of the District of Columbia indicates that on June 14, 1983 there was filed with American Airlines Inc. as the secured party and Adams & Associates Travel, Inc. d/b/a John Glenn Presidential Committee listed as the debtor, a financing statement for one Data General Dasher D-200CRT.

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Harlan Pomeroy  
February 8, 1984  
Page Two

6. The Committee occupies real estate at its headquarters in Washington and elsewhere. While we do not have copies of all of the leases, we understand that these are generally short-term leases. No assignment of such leases to the lending banks can be perfected by the Committee without review of each lease and the state law involved, a task which we understand the banks are not requiring.



Caroline D. Himes

88040583538

INCUMBENCY CERTIFICATE

I certify that I am President of John Glenn Presidential Committee Inc., a District of Columbia not-for-profit corporation, and that the following are the principal officers of that corporation whose signatures appear after their names:

President William R. White

Vice-President Geoffrey L. Hockman *Geoffrey L. Hockman*

Secretary Harlan Pomeroy

Treasurer Robert A. Farmer

Assistant Treasurer Geoffrey L. Hockman *Geoffrey L. Hockman*

Comptroller Caroline Himes

*William R. White*  
\_\_\_\_\_  
William R. White

28040683539

Dated as of February 9, 1984

INCUMBENCY CERTIFICATE

I certify that I am Vice-President of John Glenn Presidential Committee Inc., a District of Columbia not-for-profit corporation, and that the following are the principal officers of that corporation whose signatures appear after their names:

President

William R. White *William R. White*

Vice-President

Geoffrey L. Hockman

Secretary

Harlan Pomeroy

Treasurer

Robert A. Farmer

Assistant Treasurer

Geoffrey L. Hockman

Comptroller

Caroline Himes

*Geoffrey L. Hockman*  
\_\_\_\_\_  
Geoffrey L. Hockman

Dated as of February 9, 1984

89040583540

CERTIFICATE

This will certify that I am the Secretary of John Glenn Presidential Committee Inc., a non-profit corporation organized under the laws of the District of Columbia, and that the attached copy of certain Resolutions duly adopted by the Board of Directors on February 8, 1984, is a true and correct copy of certain actions taken by the Corporation's board of directors on that date.

February 8, 1984

Harlan Pomeroy

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Attachment

RESOLUTIONS

FURTHER RESOLVED, that the Corporation borrow money from Bank One, Columbus, N.A. ("Bank") and such other banks as may join in the loan in an amount to be negotiated and determined by the Corporation's officers but not in excess of \$2,500,000;

FURTHER RESOLVED, that a Loan Agreement dated as of February 8, 1984 by and between the Corporation and Bank and certain other named banks and the other agreements and documents referred to therein are authorized and approved;

FURTHER RESOLVED, that the appropriate officers of the Corporation are authorized to enter into such Agreement on behalf of the Corporation and to execute such agreements and documents;

FURTHER RESOLVED, that the Corporation borrow funds from Bank and the other named banks under such Agreement as determined from time to time by the President of the Corporation;

FURTHER RESOLVED, that the Corporation's officers are authorized and directed to take such action as they think appropriate to effectuate and carry out the foregoing resolutions.

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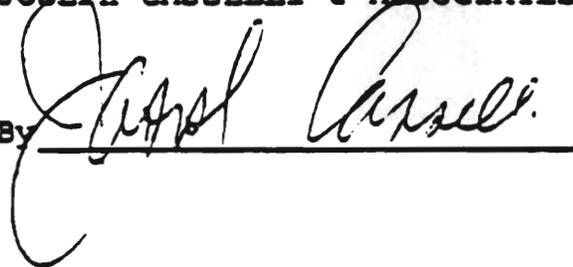
R E C E I P T

February 9, 1984

Pursuant to our letter to Mr. McCorkle dated February 8, 1984, this confirms receipt of a cashier's check in the amount of \$17,300, which constitutes payment of the premium and contemporaneous binding of the \$500,000 referred to in that letter and the Temporary Insurance Agreement for Senator Glenn referred to therein.

JOSEPH CASSELLI & ASSOCIATES

By

  
\_\_\_\_\_

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ed.

# JOSEPH CASSELLI & ASSOCIATES

1000 WASHINGTON CENTRE • COLUMBUS, OHIO 43261 • 614-462-2277

February 8, 1984

Lee McCorkle

Lee, enclosed are copies of the application and Temporary Insurance Agreement for Senator Glenn.

The Temporary Insurance Agreement will bind \$500,000 subject to payment of the premium at closing.

Sincerely

Joe Casselli

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Enclosure

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Notice: Answer all pertinent parts of all questions completely and accurately since the application is subject to Company Home Office review. This is the basis of the insurance contract and will become part of any policy issued.

Insured's Full Name (Give title as Mr., Mrs., Dr., Rev., etc.) John H. Glenn, Jr Sex M Ins. Age 63 Born (mo-day-yr) 7-18-21 Cambridge MA 277-36  
 Single  Married  Divorced  Widowed  Separated

Address: Home  Present 8710 BELMONT Rd City POTOMAC State MD Zip 20854 County 9

Former (last 3 years) \_\_\_\_\_  
Bus.  Present U.S. SENATE HART Bldg WASHINGTON DC

a) Occupation (Exact dates and years. If military-rank, pay grade, branch and estimated discharge date) SENATOR U.S. SENATE  
b) Employer's Name \_\_\_\_\_

Plan ART  
Amt. \$ 2,500,000 or, if  
at least Life. amt. purchased by  
premium of \$ \_\_\_\_\_  
Benefit Option (Adjustable Life only)  
 Option 1 or  Option 2  
"Level of Premium" (see note below)  
Accidental Death  
Purchase Option:  
 Level Purchase Option  
 Children's Term:  
Date(s) of Birth of Children \_\_\_\_\_

9. Beneficiary for children's or spouse's insurance as provided in contract; for other insurance as follows, subject to policy's beneficiary provisions:  
(Name) (Relationship to Insured)  
BANK ONE, COLUMBUS, NA,  
1st Agent as its interest may  
appear, balance to  
2nd John Glenn Presidential  
Committee, Inc.  
3rd \_\_\_\_\_  
if living, if not, executors or administrators of:  
 Insured  Other (use Remarks)  
(Joint beneficiaries will receive equally or the survivor, unless otherwise specified.)

17. Purchase Option Election:  
(Do not use if increase to existing Adjustable Life)  
Orig. Pol. No. \_\_\_\_\_  
Is purchase made under Advance Purch. Plan?  
 Yes  No If "Yes", Opt. Date used  
mo \_\_\_\_\_ day \_\_\_\_\_ yr \_\_\_\_\_  
Event:  Marriage: mo \_\_\_\_\_ day \_\_\_\_\_ yr \_\_\_\_\_  
Name of spouse \_\_\_\_\_  
 Birth or Finalized Legal Adoptive Child-  
Name \_\_\_\_\_ Born: mo \_\_\_\_\_ day \_\_\_\_\_ yr \_\_\_\_\_  
Date Adoption Finalized: mo \_\_\_\_\_ day \_\_\_\_\_ yr \_\_\_\_\_

10. Flexible Plan settlement \_\_\_\_\_

11. Rights - If Adult Insured REFER TO SEPARATE STATE  
During Insured's lifetime all rights belong to:  
 Insured  Trustee (Complete 3550)  
 Other JOHN GLENN RES. Also give  
final rights holder, e.g. Insured or estate of  
"other": COMMITTEE INC. OF POTOMAC  
If conversion of term insurance to permanent insurance is desired, it shall be subject to all rights and interests of any assignee of original policy.

18. Attained Age Term Conversion:  
(Do not use if increase to existing Adjustable Life)  
Date of Issue \_\_\_\_\_  
Date of Conversion \_\_\_\_\_  
a) Term Policy mo \_\_\_\_\_ day \_\_\_\_\_ yr \_\_\_\_\_  
b) Term Rider mo \_\_\_\_\_ day \_\_\_\_\_ yr \_\_\_\_\_  
c) Other mo \_\_\_\_\_ day \_\_\_\_\_ yr \_\_\_\_\_  
b) Conv. Date \_\_\_\_\_  
(not later than date to which premiums are paid or original policy)  
c) Any term balance remaining after conversion shall be  
 continued, if allowed  discontinued

12. Rights - If Juvenile Insured  
Unless otherwise specified, during Insured's lifetime all rights belong:  
a) Before Insured's 21st birthday to the Applicant, if living, if not to \_\_\_\_\_  
b) On and after Insured's 21st birthday to Insured.

13. Taxpayer I.D. No. for Rights holder (if other than insured) \_\_\_\_\_  
14. Premium Frequency ANNUAL  
Adj. Life scheduled prem. amt. \$ \_\_\_\_\_  
Amt. Paid \$ 17,300  None  
Have you received copy of Temporary Ins. Agreement?  Yes  No

19. FOR WAIVER OF PREMIUM for Q. 17 or 18:  
Is the Insured now performing all the duties of his or her regular occupation on a full-time basis at the usual place of business?  
 YES  NO  
If "No," explain in "Remarks." Include date of last full-time work.

15. Spl. Mkt. Type (HR10, 501(c)(3), etc.) \_\_\_\_\_  
G.A. method \_\_\_\_\_  
Plan No. \_\_\_\_\_ (if established)  
Payroll Allot. Plan No. \_\_\_\_\_ (if established)

20. FOR HOME OFFICE USE ONLY - Any Home Office corrections and amendments made after the application was signed are shown either in this space or on a separate form requiring signed ratification.

Additional Riders:  
2 - Cash  
4 - Deposits  
6 - OYT-Bal adds  
OYT-Bal reduce prem.  
Supp. Pro. (MVP)  
Automatic Premium Loan if available?  
Yes  No   
Insured smoked one or more cigarettes within the past 12 months?  
Yes  No   
Wt. 106 lbs. 193 lbs.

**UNDERWRITER'S CERTIFICATION—COMPLETE ALL QUESTIONS CAREFULLY—INCOMPLETE ANSWERS MAY CAUSE DELAY**

12. Insurance in force on insured.	DISABILITY INCOME	LIFE INSURANCE	ACCIDENTAL DEATH	PERSONAL OR BUSINESS
SLIP # <u>1111</u>				
EAR <u>1/1/60</u>				
COMPANY <u>PRCS COMMITTEE</u>				

1. Financials of insured (Applicant if insured is dependent)  
 a. Net Worth \$ 650,000 EST.  
 b. Annual Income \$ 65,000  
 c. Annual cost of insurance owned and applied for \$ 1,500  
 d. Annual premium \$ 1,500  
 e. Premium Quoted \$ 1,700  
 f. Premium Disc. quoted on Insd?  Yes  No  
 g. Life Only quoted on spouse?  Yes  No  
 h. Premium quoted \$ 1,700  
 i. Insurance COO issues only—Choose one:  
 - Application to Adjust Life Policies  
 - Policy after underwriting completed  
 - Issue policy prior to final underwriting release  
 j. Citizen of the U.S. or Canada?  Yes  No  
 k. Date of Entry and type of visa. 0  
 l. Presence of the Primary Insured have you asked  
 - Question on the application exactly as written and  
 - Answers completely and accurately?  
 - If "No", explain in Remarks  
 m. Each person proposed for coverage  
 - Age and weight stated by the insured appear  
 - Yes  No  (If "No", explain in Remarks)

8. Do you know of any reason why anyone proposed for insurance might not qualify for insurance at standard premium rates? (Consider health, occupation, finances, character, habits, reputation, mode of life, avocations.)  
 Yes  No (If "Yes", explain in Remarks)  
 9. Phone No. where Primary Insd. can be contacted:  
 Area Code 0  
 Preferred calling time AM PM  
 10. Does this application involve replacement or change of existing Life, Health Insurance or Annuities?  Yes  No (Include replacement forms if appropriate)  
 11. Was medical examination arranged?  Yes  No  
 If "Yes", Date: 2-7-64  Paramedical  
 MD/DO Examiner Class Irregular  
 12. If required due to amount, have you arranged for:  
 ECG  Exercise ECG  X-Ray  Specimen  
2nd Exam  
 13. If any of (a) or (b) following is answered "Yes", please furnish the requested information in Remarks or a supplementary letter. (For applications of \$100,000 or more be sure to review page 8 of Large Life Case Expecting Guide before submission).  
 a) Is this business insurance?  Yes  No  
 If "Yes" explain (i) purpose, (ii) how amount was determined, (iii) details of coverage issued or applied for on other members of the firm, (iv) if not all members are covered, why not.  
 b) Is this creditor insurance?  Yes  No  
 If "Yes" explain (i) purpose of loan, (ii) date made, (iii) initial loan amount, (iv) terms of repayment.

14. If Child, Term Rider requested: Is any child to be insured a foster child?  Yes  No  
 15. Type of Sale  
 Personal Insurance:  
 - Single Need  Total Needs (incl CNA)  Other  
 Business Insurance:  
 Deferred Comp./Salary Cont.  Keyman  
 Buy Sell  Split Dollar  
 #303-Redemption  
 Tax Market:  
 HR10  Section 79  
 RLR  (other)  
 Estate Planning:  
 Conservation/Liquidity  Charitable/Family Gift  
 Estate Creation  
 Prime Financed, Market Class \_\_\_\_\_  
 16. Source of Sale (Person to be insured):  
 1. Current Policyowner  
 2. Immediate family of Policyowner  
 3. Referred lead from Policyowner  
 4.  None of above (explain in Remarks)  
 17. This is a corollary sale from:  
 1. Group  3. Group Pens.  
 2. Association  4. None of the  
 18. Is the person to be insured a student?  Yes  No  
 (Anyone 15 years or older attending (a) a secondary (high school or (b) accredited college or university and taking 11 or more credit hours per semester)

REMARKS: B (b) BANK ONE & PARTICIPATING BANKS LOAN 2,500,000 TO PRCS COMMITTEE  
NOTICES & MAIL TO: JOHN STANN PRES. COMMITTEE INC.  
444 N. CAPITAL ST. WASH DC 20001  
2-7-64  
 Signature: [Signature]  
 Designating Field Underwriter

Signature of Manager or Sales Manager (required if Field Underwriter has not been granted the Non-Medical privilege) Were you present when this application was written?  Yes  No  
 Have you reviewed the application with the Field Underwriter and are you convinced he/she asked all questions as printed and recorded answers as given?  Yes  No  
 Signature: \_\_\_\_\_  
 Title: \_\_\_\_\_  
 License No. \_\_\_\_\_  
 State: \_\_\_\_\_

NAME (Print First Initial, Last Name)	CODE	SUFFIX	CONT. TYPE	COMM SPLIT	AGENCY CODE (if OT)
<u>CASE II</u>	<u>51929</u>			<u>100</u>	

COMPLETED BY AGENCY ADMINISTRATIVE PERSONNEL  
 Record # \_\_\_\_\_ Acc. No. \_\_\_\_\_ Suffix \_\_\_\_\_  
 Credit (if other) \_\_\_\_\_ % Credit \_\_\_\_\_  
 Name of Premium Payer \_\_\_\_\_  
 Premium requested, approximate amount of insurance \$ \_\_\_\_\_  
 Unearned Commissions \$ \_\_\_\_\_  
 Unearned Premium \$ \_\_\_\_\_  
 Date Submitted to H.O. \_\_\_\_\_  
 I certify above data is correct and complete  Administrative Person

HAVE YOU ANY RECORD OF AN ASSIGNMENT OR RELEASE OF ANY ASSIGNMENT WITHIN PAST 60 DAYS? No  Yes  DATE \_\_\_\_\_  
 RETURN TO H.O. & ENCLOSURES

APPLICATION FOR JOHN H. GLENN, JR.

11. Rights - If Adult Insured...

JOHN GLENN PRESIDENTIAL COMMITTEE, INC. OR ITS  
SUCCESSORS, JOINTLY WITH BANK ONE COLUMBUS, NA  
AGENT OR ITS SUCCESSORS.

DUPLICATE PREMIUM NOTICES TO...

JOHN GLENN PRESIDENTIAL COMMITTEE, INC.  
444 NORTH CAPITAL STREET  
WASHINGTON, D.C. 20001

AND ...

BANK ONE COLUMBUS, NA ATTN: LOU NOBILE  
100 EAST BROAD STREET  
COLUMBUS, OHIO 43215

edge  
insur  
or

abou

PS WHI

Application To:

The Mutual Life Insurance Company of New York

MIAA Life Insurance Company of America

Use this Part if Additional Space is Required. Details of the Questions in the Other Part of the Application.

Name \_\_\_\_\_  
(Please Print)

Additional details of "Yes" answers to questions 21 through 24 in Part I Continued.

Person Details including names and addresses of physicians or hospitals.  
Dates, conditions, duration, frequency, medication, treatment and results of exams and special tests.

(Include details (part of application, question no., name of person, company, date, amt., etc.) for each question indicated)

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Signature of Insured

X *John Glenn*  
John Glenn Presidential Committee, Inc.

Signature of Agent

X *Wm L White, President*

Signature of Insured (if different from Insured)  
Signed by:  
Agent (Licensed Resident Agent)

X

**AUTHORIZATION AND ACKNOWLEDGMENT FORM**

I authorize you to evaluate my eligibility for insurance I authorize:  
my physician or other medical practitioner, hospital, clinic, insurer, MIB, Inc. or any other organization or person that has records or knowledge of my health to give such information to The Mutual Life Insurance Company of New York or any of its insurance subsidiaries (or any consumer reporting agency acting on their behalf). This may include findings on medical care, psychiatric or psychological care or examination, drug or alcohol use history, any disability I might have had, or surgery as they apply to me or any of my children who are to be insured.  
The Mutual Life Insurance Company of New York or any of its insurance subsidiaries to obtain a consumer or investigative consumer report about me or any of my children who are to be insured.  
I understand that all or part of this information may be sent to MIB, Inc. It may also be used by any of our reinsurers, employees or contractors who are authorized to participate in handling this insurance transaction.

I understand that my written consent will be needed before any information described above is given to any party not referred to on this form. My consent must be given on a form which states the new use of the information, or why it is needed. I know that I have a right to get a copy of this form.

A copy of this form will be as valid as the original. This form will be valid for two years from the date shown below.  
I have been given a copy of "Privacy Protection in Underwriting" including notices regarding Consumer Reports and MIB, Inc.

Signature of Proposed Insured  
If insured is under age 15 Signature of Guardian or Person liable for Child's Support)

X *John Glenn*

Signature of Spouse  
(If coverage is requested on the spouse)

X *Wm L White*  
X *Wm L White*

Signature of Underwriter



TEMPORARY LIFE INSURANCE AGREEMENT

(Check one Company—cross out the other)

(Subject to all of the provisions below)  
Application to:

The Mutual Life Insurance Company of New York

MONY Life Insurance Company of America

"We", "us" and "our" refer to the insurance company.

RI LEFT  
We received \$ 17,300 on the date of this Agreement from the proposed Insured or applicant in connection with an application for a life insurance policy made to us on 2-7 19 84 (the application date).

If this box is checked, we received an official military verification of a Government Allotment authorization in the amount shown above, in lieu of cash. (See Verified Government Allotment Authorization section on reverse side.)

A HEALTH AND WORK QUESTIONS

Nothing in this section applies—and questions should not be answered—for Purchase Option Elections and Term Conversions where no excess amount is involved.

A Is the proposed Insured under 15 days of age or over age 70 (nearest birthday)?  YES  NO

B Has any person proposed for insurance:

1. Within the past 90 days, consulted a physician or other medical practitioner and been advised to have:

(a) any diagnostic test which:

(i) has not yet been performed?  YES  NO

(ii) has been performed but the results of the test are not yet known to such person?  YES  NO

(b) any surgery not yet performed?  YES  NO

2. Within the past 2 years, been treated for heart trouble, stroke or cancer, or had such treatment recommended by a physician or other medical practitioner?  YES  NO

C Is any adult proposed for insurance not performing one or more of the duties of his or her regular occupation on a full-time basis at the usual place of business? (For a non-working adult who is a homemaker, homemaking is considered the regular occupation.)  YES  NO

If any of A or B, or C (for an adult proposed for insurance), is answered YES or LEFT BLANK, no Field Underwriter or other person is authorized to accept money, and NO INSURANCE will take effect under this Agreement.

Be sure to read all of the provisions on the reverse side before signing.

If this application has been completed prior to the date of this Agreement, the undersigned(s) hereby reaffirm that the statements and answers in that application would be the same if made on the date of this Agreement.

THE UNDERSIGNED(S) HAVE RECEIVED A COPY OF AND HAVE READ BOTH SIDES OF THIS AGREEMENT AND DECLARE THAT THE ANSWERS ARE TRUE AND COMPLETE TO THE BEST OF THE KNOWLEDGE AND BELIEF OF THE UNDERSIGNED(S), WHO UNDERSTAND AND AGREE TO ALL OF THE TERMS OF THE AGREEMENT.

Agreement Dated at (City and State) Columbus Ohio on 2-7 19 84

Signature of proposed Insured

Signature of Applicant (if other than proposed Insured) who agrees to be bound by the representations and agreements in this and any other part of this application.

William White, President (Name) John Glenn (Relationship) JOHN GLENN PRESIDENTIAL COMMITTEE, INC. 444 N. CAPITOL ST. WASHINGTON DC 200. (Complete Address of Applicant)

Undersigned by Underwriter (Licensed Resident Agent)

NAME (Last, First, Middle Initial)  
**JOHN H. KLENN, JR.**

APPLICATION OR POLICY NO

**MILITARY SERVICE RECORD**

Complete if for medical reasons you have been deferred from service with the Armed Forces or separated, discharged or rejected.

- 1) Were you rejected  deferred  discharged from Service?  Year \_\_\_\_\_ For what reason? \_\_\_\_\_
- 2) Have you received or applied for a Government disability rating?  Yes  No If "Yes", cause of disability \_\_\_\_\_
- 3) Monthly payment awarded \_\_\_\_\_ Are you currently receiving disability payments? Yes  No
- 4) Classification \_\_\_\_\_ Degree of disability \_\_\_\_\_ %

**AVIATION**

- a. CAN FLYING—Have you ever flown in aircraft as a pilot or crew member or do you intend to do so?  Yes  No (If "No", complete the following:)
- b. Type of aviation license or certificate now held (or in training for)? Student  Private  Commercial  Other  Date of issue? 1956 Do you intend to renew? Yes If none held, probable date of issue? \_\_\_\_\_
- c. Date of last flight as pilot? 1-84 As crew member? \_\_\_\_\_
- d. Total number of hours flown as pilot? 7:50
- e. Have you ever done any test flying, or do you intend to do so? Yes  No  (If answered "Yes", explain under "Remarks" below)

Specify hours flown or to be flown in each category:

CATEGORY	HOURS FLOWN PAST 12 MONTHS	PROBABLE FLYING HOURS NEXT 12 MONTHS
Employer-owned plane for business transportation		
Private (for pleasure or business)	160 HRS	80
Regular airlines		
Instruction as instructor		

Specify your duty assignment (such as pilot, copilot, etc.) \_\_\_\_\_

- a. CAN FLYING—Have you ever engaged military flying as a pilot or crew member, or do you intend to do so?  Yes  No (If "No", complete the following:)
- b. Specify type of aircraft (such as fighter, transport, helicopter, etc.) \_\_\_\_\_
- c. Type of propulsion? Jet  Propeller Driven  Other  (If "Other", explain under "Remarks" below)
- d. Hours flown past 12 months? \_\_\_\_\_
- e. Probable for next 12 months? \_\_\_\_\_
- f. Date of last flight? \_\_\_\_\_
- g. Have you ever done any test flying, or do you intend to do so? Yes  No  (If answered "Yes", explain under "Remarks" below)

- Remarks: \_\_\_\_\_
- Which of the following do you prefer, if necessary under the Company's rules?
  - Full aviation coverage for face amount at an extra premium.
  - Restricted aviation coverage without extra premium.

City and State) Columbus, Ohio on 2-7 19 84

Name of Person Insured

Insured by (Licensed Resident Agent)

Signature of Applicant (Person Insured)

John H. Klenn, Jr.  
 John A. Carrell

**AMOUNT OF COVERAGE — \$500,000 MAXIMUM**

The amount of coverage for any person covered by temporary insurance under this Agreement will be the lesser of: (a) the amount applied for by that person in Question 4 of the application, including any amount payable under the terms of any additional benefit riders; and (b) \$500,000.

If insurance becomes payable under this Agreement, we will deduct from those proceeds any amount needed to pay the cost of that insurance. Any part of the payment acknowledged in RECEIPT which is in excess of the amount needed to pay the cost of any insurance becoming payable under this Agreement will be refunded.

**A. COVERAGE STARTS**

Any temporary insurance under this Agreement will start on the latest of:

- 1. The date of this Agreement.
- 2. Any specific policy date requested. (This does not apply to a request for special term insurance.)
- 3. The Option Date, for any Purchase Option Election requested in the application.
- 4. The Conversion Date, for any Term Conversion requested in the application.

**B. CHANGE IN INSURABILITY**

Any change in insurability after the later of the dates in (a) and (b) below will not be considered by us in determining any person's insurability for a policy or rider applied for:

- (a) The date of this Agreement;
- (b) Any medical exams and tests are initially required by our published rules, the date of completion of the last of those exams and tests.

**C. DATE COVERAGE ENDS — 90 DAY MAXIMUM**

Temporary insurance under this Agreement will end automatically on the earliest of:

- 1. The date a policy issued exactly as applied for, the date the policy takes effect. The policy will replace the temporary insurance.
  - 2. For a policy issued other than as applied for, the earlier of: (a) the date the policy takes effect; and (b) the 15th day after we authorize the policy for delivery. The policy will replace the temporary insurance.
  - 3. The date any policy issued under the application is refused by the applicant.
  - 4. The 30th day after the date of this agreement if the last of any medical exams and tests initially required by our published rules is not completed.
  - 5. 90 days after the date we send notice to the proposed Insured that the application is declined.
- In any case, the 90th day after the application date.

The payment acknowledged in RECEIPT will be refunded (without interest) if any temporary insurance under this Agreement ends (other than because of death) without a policy replacing it.

**D. VERIFIED GOVERNMENT ALLOTMENT AUTHORIZATION**

The furnishing of an official military verification that a Government Allotment authorization in the amount of the first full premium has been received and is being processed will be deemed equivalent to cash, but only if: (a) the first allotment payment is received by us within the prescribed time for processing; and (b) in any case, not later than 90 days from the date of the application.

**E. CONDITIONS PRECLUDING COVERAGE UNDER THIS AGREEMENT**

- 1. Insurance will take effect under this Agreement if any of the following applies:
  - (a) Any material misstatement or answer is made in the application or in this Agreement.
  - (b) The check, draft or money order submitted as payment cannot be collected for payment.

**F. CONDITIONS AND LIMITATIONS**

Temporary insurance under this Agreement is subject to the terms, conditions and limitations of the policy applied for, including any additional benefit riders, and to the terms of this Agreement.

Insurance will take effect under this Agreement if the proposed Insured's death results from suicide.

If the above applies, our liability will be limited to a refund of any payment made.

There is no insurance under this Agreement if a policy which replaced it is returned under the terms of its "free look" provision.

WE ARE NOT AUTHORIZED TO WAIVE OR MODIFY ANY OF THE PROVISIONS OF THIS AGREEMENT.

**BAKER & HOSTETLER**

ATTORNEYS AT LAW

618 CONNECTICUT AVE., N.W.

WASHINGTON, D. C. 20006

(202) 661-1500

TELECOPIER (202) 667-0010

February 8, 1984

IN CLEVELAND, OHIO  
3200 NATIONAL CITY CENTER  
CLEVELAND, OHIO 44114  
(216) 581-0200  
TWX 910 481 8378

IN COLUMBUS, OHIO  
100 EAST BROAD STREET  
COLUMBUS, OHIO 43215  
(614) 228-1841

IN DENVER, COLORADO  
SUITE 100, 203 EAST 17TH AVENUE  
DENVER, COLORADO 80203  
(303) 661-0800

IN ORLANDO, FLORIDA  
850 CNA TOWER  
ORLANDO, FLORIDA 32802  
(305) 641-1111

WRITER'S DIRECT DIAL NO.:

(202) 661- 1543

Bank One, Columbus, N.A., Agent  
100 East Broad Street  
Columbus, Ohio 43271-0121

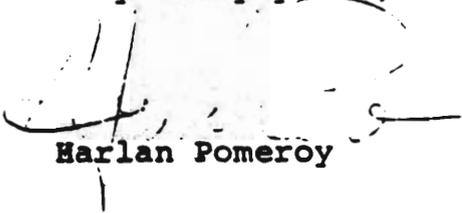
Re: Line of Credit by Bank One, Columbus, N.A.,  
et al. to John Glenn Presidential Committee Inc.

Gentlemen:

In my letter to Richard D. Headley of February 2, 1984 I reviewed the general terms of a proposed line of credit to the John Glenn Presidential Committee Inc., and reached certain conclusions in that letter.

This will advise you that I have reviewed the proposed Loan Agreement of February 8, 1984 and related documents and that in my view the terms of the proposed line of credit are within the standards set forth in my letter of February 2, 1984. Each of the lending banks including your bank may treat my letter of February 2, 1984 as if it were addressed to each such bank as of February 8, 1984.

Very truly yours,

  
Harlan Pomeroy

HP:md

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# BAKER & HOSTETLER

ATTORNEYS AT LAW

618 CONNECTICUT AVE., N.W.

WASHINGTON, D. C. 20006

(202) 691-1200

TELESCOPIER (202) 697-0810

February 2, 1984

IN CLEVELAND, OHIO  
3200 NATIONAL CITY CENTER  
CLEVELAND, OHIO 44114  
(216) 881-8200  
TWX 910 481 8278

IN COLUMBUS, OHIO  
100 EAST BROAD STREET  
COLUMBUS, OHIO 43215  
(614) 288-1541

IN DENVER, COLORADO  
SUITE 100, 303 EAST 17TH AVENUE  
DENVER, COLORADO 80203  
(303) 661-6600

IN ORLANDO, FLORIDA  
850 CNA TOWER  
ORLANDO, FLORIDA 32802  
(305) 641-1111

WRITER'S DIRECT DIAL NO.:

(202) 661-1543

Mr. Richard D. Headley  
Bank One, Columbus, N.A.  
100 East Broad Street  
Columbus, Ohio 43271-0121

Re: Line of Credit by Bank One, Columbus, N.A., et al.  
to John Glenn Presidential Committee Inc.

Dear Mr. Headley:

We are acting as counsel to John Glenn Presidential Committee Inc. ("Committee") in connection with a Proposal to Bank One Corporation for a Line of Credit ("Proposal") to be extended to the Committee by Bank One, Columbus, N.A. and certain additional banks ("Bank"). This letter is furnished at the request of the Bank as an inducement to proceed with the formalities of implementing the Proposal.

I understand that the loan will be secured by a security interest in the Committee's assets including:

1. its mailing lists;
2. outstanding transportation billings;
3. excess security deposits for telephone and office space;
4. future outstanding matching funds entitlements; and
5. a life insurance policy covering Senator Glenn in a face amount sufficient to secure the outstanding debt.

In addition, 15 supporters of Senator Glenn who have proven fund-raising experience and substantial personal resources have signed letters indicating that they will use their best efforts to raise money to pay off the loan in the event the Committee is not able to do so in the course of its normal operations. Senator Glenn is also committed to use his best efforts to the same end.

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Mr. Richard D. Heasley  
February 2, 1984  
Page Two

In addition the Committee is fully cognizant of the possibilities expressly authorized by FEC Regulations (11 CFR §9034.8) to carry out joint fundraising activities with other candidates in a joint debt retirement effort in a way which allows contributors who have previously reached the maximum contribution limit to contribute to debt retirement.

The Committee is also aware of prior practices involving the Democratic party whereby unsuccessful candidates are in a position to have the successful candidate and the Democratic National Committee assume portions of outstanding indebtedness in order to free the unsuccessful candidate to participate in the fall campaign (e.g., Jimmy Carter's assumption of a substantial portion of Senator Kennedy's liabilities in 1980 in order to enable Senator Kennedy to campaign for President Carter).

It is my opinion that a loan of \$2,000,000 by Bank to the Committee (with a standby commitment of \$500,000) under the terms and circumstances described in this letter and upon the approval, execution, delivery and filing of appropriate documents would not constitute a contribution or expenditure under the Federal Election Campaign Act of 1971, as amended, (2 USC §431(8) (B) (vii); 11 CFR §100.7(b)(11), assuming that the loan complies with applicable banking laws, that the loan bears the usual and customary interest rate of the Bank for the category of loan involved, that the loan is evidenced by a written instrument, and that the loan is subject to a due date or amortization schedule.

Furthermore, the terms and circumstances of this loan satisfy a higher number of FEC criteria for judging a loan to be within the ordinary course of business than those relating to the loans subject to Matter Under Review 216 (dated 6/6/77). All the elements in MUR 216 are present in this loan plus the following factors: (1) there are several other security interests created including interests in the Committee's assets and anticipated federal matching funds; (2) a reasonable expectation of repayment is justifiable in that (a) Senator Glenn will retain his Senate seat if he is unsuccessful in his bid for the Presidency, (b) the Committee has submitted a detailed Debt Retirement Plan based on Senator Glenn's demonstrated reputation as a fundraiser, and (c) Senator Glenn's Committees have demonstrated a willingness and capacity to repay a substantial bank loan; (3) the loan has a due date (demand note); and (4) normal channels were used at Bank in applying for the loan and in the Bank's consideration of the application.

Very truly yours,  
*Harlan Pomeroy*  
Harlan Pomeroy  
HP

HP:md

980403555



FEDERAL ELECTION COMMISSION  
WASHINGTON, D.C. 20463

THIS IS THE END OF MUR # 2206

DATE FILMED 3/23/88 CAMERA NO. 3

CAMERAMAN AS

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