FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

THIS IS THE BEGINNING OF MUR # 2406

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GCA 3225
87 APR 28 P3:

COMPLAINT
87 APR 28 BEFORE THE
FEDERAL ELECTION COMMISSION

HAND DELIVERED

IN THE MATTER OF

| | | |
|---|---|---|
| National Endowment for the Preservation of Liberty | ) | |
| Sentinel | ) | |
| American Conservative Trust | ) | |
| Carl Russell Channell | ) | MUR No. 2406 |
| Unnamed Members of the Boards of Directors of National Endowment for the Preservation of Liberty and Sentinel | ) | |

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## I. INTRODUCTION

The Democratic Congressional Campaign Committee ("DCCC"), by its Chairman, Congressman Beryl Anthony, files this complaint challenging violations of the Federal Election Campaign Act of 1971, as amended ("FECA"), 2 U.S.C. §§ 431 et seq., and related regulations of the Federal Election Commission ("FEC") 11 C.F.R. §§ 100.1 et seq., by the National Endowment for the Preservation of Liberty ("NEPL"), Sentinel, NEPL's and Sentinel's President, Carl Russell Channell ("Channell"), NEPL's and Sentinel's Boards of Directors ("the Boards"), and the American Conservative Trust ("ACT") (referred to collectively hereafter as "Respondents").

Complainant seeks an immediate investigation by the FEC into the creation and use of NEPL and Sentinel, purportedly non-partisan tax-exempt corporations, to serve the broad partisan political purposes of Channell, the Boards and ACT, which is a registered "political committee" within the meaning of the FECA.

Disclosures over the last year reveal NEPL, Sentinel and ACT as integral parts of a network of Channell-controlled organizations which operated in coordination and interchangeably to bring about the defeat of Democratic candidates for the Congress.

Respondents pursued their goal in principal part through media advertisements broadcast in carefully targeted congressional districts, and calculated to induce voter opposition to Democratic candidates. In some instances, these advertisements criticized Democratic candidates by name; in others, they sought to influence voter choice by taking an aggressive position on selected public policy issues in opposition to the clear position held by Democratic candidates. Many of the advertisements brought their anti-Democrat message home by urging "support" for President Reagan -- whose conflict with Democrats over certain issues was well-known and who actively appealed for public support for Republican candidates in the 1986 elections.

NEPL and Sentinel conducted these activities while seeking to function in other respects as bona fide non-partisan corporations exempt from federal tax under §§501(c)(3) and 501(c)(4) of the Internal Revenue Code. In this way, NEPL and Sentinel have sought, and seek to this day, to avoid accountability under the FECA. As a result, NEPL and Sentinel have failed to:

(1) comply with statutory prohibitions on the use of general corporate funds to influence the outcome of federal elections;

(2) register as political committees (or establish a separate segregated fund) and account for contributions and expenditures under the appropriate FECA disclosure requirements; and

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(3) comply with applicable statutory limits on contributions, because contributions received by Respondents for their election-influencing activities were far in excess of the limitations established by the FECA.

For its part, ACT benefitted as a political committee from the millions of dollars expended by NEPL and Sentinel as corporations in violation of federal law. ACT's receipt of these corporate contributions also violates the FECA. Further, as political committees maintained and controlled by the same individual, ACT, NEPL and Sentinel are affiliated under the FECA.

II. FACTS

A. The Channell Political Network

NEPL is an incorporated, non-profit foundation granted tax-exempt status under § 501(c)(3) of the Internal Revenue Code. Carl Russell Channell is the President and a member of the Board of Directors of NEPL. One of NEPL's stated purposes is to "sponsor ongoing public education and information programs focusing on timely issues." Exhibit 1. These programs, in part, are conducted by means of television advertising. In the spring of 1986, for example, NEPL announced a $1.2 million television advertising campaign supporting President Reagan's position on funding of the Contras in Nicaragua. More recently, NEPL has run advertisements supporting the President's position on the Strategic Defense Initiative ("SDI").

Sentinel is a corporation established ostensibly to pursue tax-exempt social welfare purposes under §501(c)(4) of the

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Internal Revenue Code. Channell is also President of Sentinel, and he has described Sentinel's purpose as that of lobbying "Congress in support of President Reagan on key foreign policy, defense, and national security issues." In June 1986, Channell announced that Sentinel would undertake an eight-day "television and lobbying campaign" focusing on specific Members of Congress either opposed to or undecided about support for President Reagan's program of support for the Nicaraguan "contras." Exhibit 2.

ACT, also established and directed by Channell, is a registered political committee dedicated to the support of or opposition to candidates for federal office on the basis of their position on the President's Nicaragua policies. In the same 1986 Congressional election cycle, ACT financed television messages urging American voters to support those policies. Exhibit 3. Channell received letters from the President and the Assistant to the President for Political and Governmental Affairs commending ACT for this media initiative. Exhibits 4 and 5. Like NEPL, moreover, ACT also financed television messages in support of the President's SDI program.

At all times relevant to the allegations in this Complaint, NEPL, Sentinel and ACT operated in close coordination and under the direction and control of Channel. Channell, in fact, made no secret of the interrelationship of these organizations. On at least one occasion, Channell distributed on NEPL stationery a statement linking these organizations and his "founding" and

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controlling role in their establishment and management. See also Dallas Times Herald, Dec. 16, 1986 at A-11. Exhibit 6.

Moreover, it appears that those working closely with Channell clearly understood the relationship among those organizations. A now notorious example is the notation, in the hand of Lieutenant Colonel Oliver North, linking ACT and NEPL in clandestine efforts to finance weapons shipments to Iran through a corporation known as IBC. Mr. North's scrawlings did not only connect ACT and NEPL to IBC -- they indicated, as marked on the chart appearing on the following page, the connection of NEPL and ACT.

B. Electioneering Purpose of Channell Network: the NEPL Solicitation of Contributions

The election-related purposes served by the Channell network, laying bare the sham nature of NEPL's and Channell's "tax-exempt" function, is apparent from Channell's solicitation of contributions to NEPL to fund messages in opposition to Democratic congressional candidates in the 1986 elections. The New York Times reported on April 11, 1987, that Channell advised contributors to NEPL that their donations would be used to create "a negative effect on Democratic Congressional candidates and thus help Republicans get elected." Exhibit 7.

A transcript of remarks made by Channell at a meeting of NEPL fundraisers supports this conclusion. Channell announced that at this time NEPL had "an opportunity to move . . . into an election position. Exhibit 8. In encouraging the fundraisers to solicit $30,000 contributions for SDI commercials, Channell stated that the advertisements will be "an incredible political benefit to

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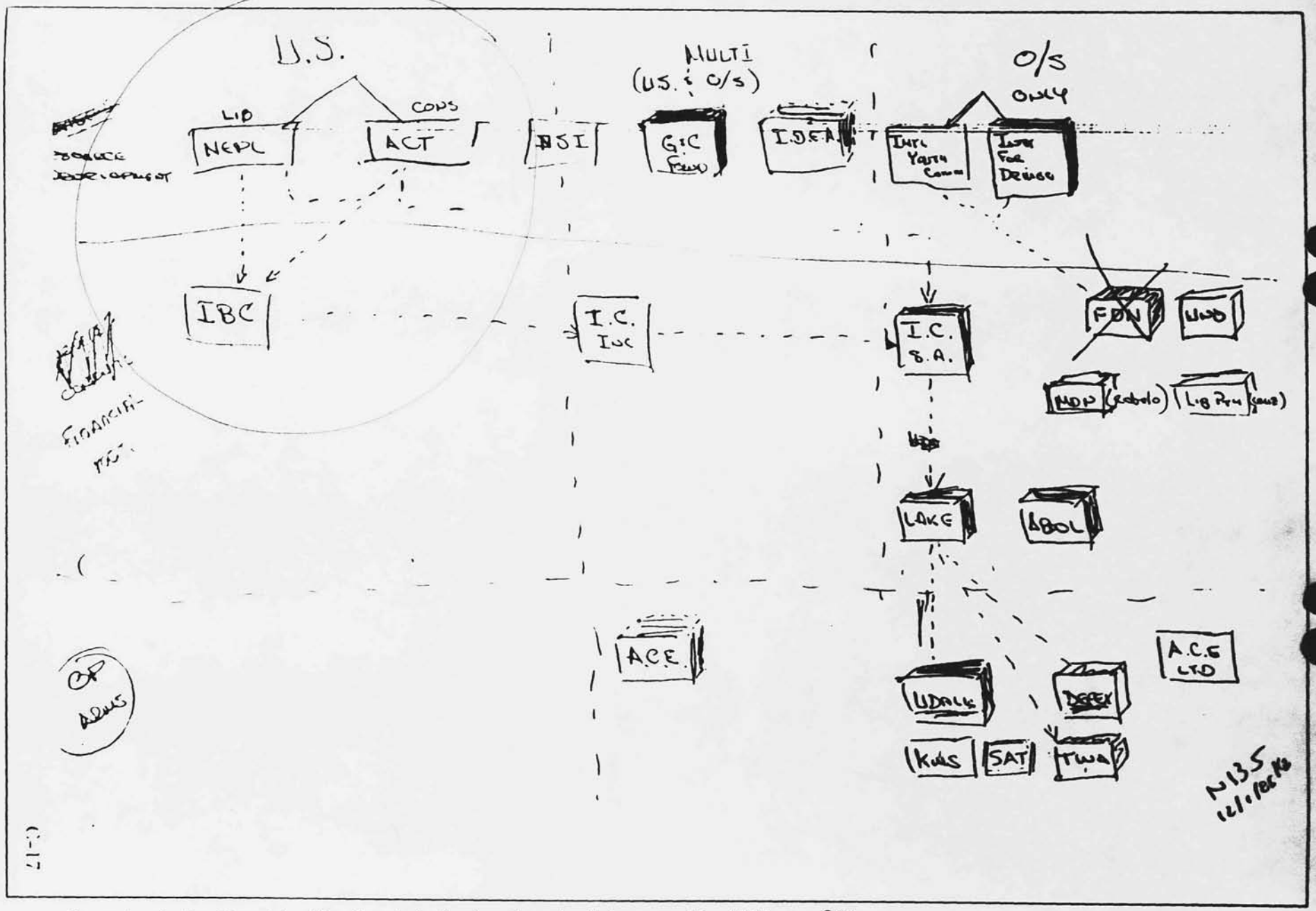


Report of the President's Special Review Board, February 26, 1987, p. C17.

every single Republican running for office", and that contributors could use NEPL's tax-exempt status to support this effort with "a . . . tax deductible political contribution." According to Channell, the use of the advertisements would work to the benefit of the Republican candidates because:

> If the incumbent is weak on SDI and the voting population strong on SDI, our saturation education ads cannot but help the Republican challenger . . . So when these people give us $30,000 . . . they are in many districts literally giving a political contribution to support President Reagan's Congressional candidates.

Channell's instructions to the NEPL fundraisers were effectively carried out. The New York Times article quotes several contributors as understanding perfectly the purpose of NEPL's effort. Thus, Mr. Robert Mosbacher stated:

> It was clear to me that the purpose of the ads was to try to defeat candidates who were hostile to the idea of SDI . . . I would be told that this person is consistently opposed to the President on SDI and [NEPL has] polling data that indicates that a vast majority of people in this district favor SDI and therefore this Congressman is vulnerable.

See also interview on National Public Radio. Exhibit 9.

C. NEPL's and Sentinel's Election Program Within the Channell Political Network

As stated, NEPL did not function alone in the fulfillment of Channell's political activities, but it operated in tandem with Sentinel and ACT.[1/] Sentinel and ACT mimicked NEPL in

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[1/] Channell is reported to control numerous other organizations. While this Complaint focuses only on the activities of NEPL, Sentinel and ACT, the extent of the coordination and cooperation between these Channell-controlled entities would indicate that an investigation into similar activities by other Channell organizations may also be warranted.

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promoting the same issues over the same election cycle with an avowed aim which was no different from NEPL's: to defeat Democratic candidates for the Congress. The activities of Sentinel and ACT were targeted in the same congressional districts as NEPL.

NEPL implemented its election program in the spring and fall of 1986, with an array of messages, all of which evidenced the electioneering purpose admitted by Channell. In some instances, as Channell stated, the advertisements rested on a careful congressional district analysis which was designed to indicate the districts in which the adverse impact on Democrats would be the greatest.[2/] These messages appealed for the "support" of President Reagan who was, at the time, actively campaigning for Republican congressional candidates. Other messages took up the cause more directly by criticizing by name the Speaker of the House (and leader of the House Democrats) or excoriating all Democrats as a class ("Hey, when are those Democrats going to learn?"). Exhibit 10.

Sentinel took the initiative one step further by using its televised messages to aggressively critique the records of certain Democratic Members of Congress, all candidates for re-election that year. An advertisement in Congressman J.J. Pickle's Congressional District, for example, alleged the existence of "Communist men and arms" in Nicaragua followed by a statement that Congressman Pickle was "still not supporting the President on

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2/ In the remarks to his fundraisers, Channell noted that the telephone pitch should not refer to targeted "congressional districts," but rather to "media markets."

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Nicaragua." Congressman Bill Hefner's constituents were targeted for the same message and exhorted to take action with these words: "Better wake him up." Exhibit 11.

The relationship of the Sentinel and NEPL efforts, under the control of Channell, appears from available public information. Sentinel and NEPL employed the same general messages for the same coordinated purpose -- to attract unfavorable voting public attention to the alleged positions of Democratic candidates for re-election to the House.

Channell's comments to his fundraisers, cited previously, speak clearly to the clear election-related purposes of NEPL. Other planning materials of NEPL demonstrate the same purpose. For example, in a document entitled "Components of the Central American Freedom Program," NEPL planners describe a strategy for targeting "Democrat swing votes." The program calls for NEPL spokespersons to appear "in each target district at least three times during the campaign." The campaign, of course, is the 1986 congressional campaign. Exhibit 12.

Channell was no less forthright in attributing the same purpose to Sentinel's parallel effort. Thus, in announcing Sentinel's media program, Channell declared that "Congressmen like Michael Barnes [one of the targeted Members] now must risk paying a political price for their votes and actions." Exhibit 2. The nature of the price Channell had in mind -- defeat for re-election -- is framed unambiguously in a "media fact sheet" on the Sentinel program. This fact sheet, distributed on Sentinel stationery, advertises the organization's purpose "to awaken the

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voting public to the votes" of the targeted Congressmen. Exhibit 13.

The similarities of the efforts is further shown by the stated purpose of both of the campaigns: to counter the "disinformation" effort of the Sandinistas and "liberals" in the United States. Compare Exhibit 2 (Sentinel) with Exhibit 14 (NEPL). The use of identical langauge is striking.

Finally, this coordinated election-related effort by NEPL and Sentinel is evidenced by the precise coincidence in the media markets selected by these organizations for their advertising efforts. Sentinel announced that these markets were selected to assure "saturation" of the targeted Congressional Districts. Exhibit 13. These were the same markets chosen by NEPL. Exhibit 15. In fact, in illustrating its market selection, Sentinel released NEPL's printed presentation, in map form, of these markets.

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III. DISCUSSION

A. NEPL and Sentinel Made Expenditures To Influence Federal Elections From Corporate Funds

1. Legal Prohibition on Corporate Spending

The FEC contains a broad prohibition against the expenditure of funds by a corporation, or the use of corporate funds by any other entity, to influence a federal election. 2 U.S.C.

§441b.[3/] It is apparent from the activities of NEPL and purpose of influencing congressional elections, that they have violated in wholesale fashion this corporate spending prohibition. They cannot evade the application of this prohibition by claiming bona fide status as a non-partisan, tax-exempt corporation dedicated to the "education" of the public on public policy issues. In its prohibition on contributions and expenditures made to influence a federal election, the FECA does not distinguish between tax-exempt and other corporations.

The FEC has repeatedly examined the apparent purpose of an organization in determining whether its activities came within the purview of the FECA and its restrictions. This examination of purpose has included, among other factors, consideration of the text of communications prepared for dissemination to the general public, the timing of those communications, and other evidence bearing on "an election-connected or election-influencing purpose". FEC Advisory Opinion 1984-41, 1 Fed. Election Camp. Fin. Guide (CCH) ¶ 5787.

In Advisory Opinion 1980-106, for example, the Commission reviewed the pre-election activities of an organization alleging

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[3/] Specifically, corporations are barred from making:

> any indirect or direct payment, distribution, loan, advance, deposit, or gift of money, or any services, or anything of value . . . to any candidate, campaign committee, or political party or organization, in connection with any election to [Federal] office.

2 U.S.C. §441b(b)(2).

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an interest only in issues, not elections. 1 Fed. Election Camp. Fin. Guide (CCH) ¶ 5582. It found from the circumstances surrounding the organization's activities, including the proximity of those activities to the election, that its distribution of certain materials appeared "designed to influence the reader's choice in the 1980 Presidential election, rather than to simply Sentinel, corporations raising and spending funds for the avowed promote discussion of issues." Cf. Advisory Opinions 1980-144 and 1984-17, 1 Fed. Election Camp. Fin. Guide (CCH) ¶¶ 5584 and 5769.

These standards for detecting the presence of an election related purpose have been applied by the FEC with particular energy in reviewing possible violations of the FECA's corporate spending prohibition. See, e.g., FEC Advisory Opinions 1986-26, 1981-37, 1980-22, 1980-16 and 1978-46, 1 Fed. Election Camp. Fin. Guide (CCH) ¶¶ 5866, 5623, 5479, 5474 and 5348. The FEC has noted, for example, that the statute ". . . subjects corporations . . . to stricter standards than individuals when Federal elections are concerned." Advisory Opinion 1978-102, 1 Fed. Election Camp. Fin. Guide (CCH) ¶ 5397.[4/]

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[4/] Recently, in testimony before the Oversight Subcommittee of the House Ways and Means Committee, FEC Chairman Scott Thomas recognized the importance of this "purpose" inquiry in expressing his own view that if, in the case of a tax-exempt entity,

> it were determined that it was fairly clear what the purpose of the activities were, they would cross the line of being contributions or expenditures for the purpose of influencing the federal election, then of course yes, we would be in the posture of trying to determine whether the group should register, whether it has crossed the border in terms of being a corporation that made prohibited expenditures.

2. NEPL and Sentinel Violated the Corporate Spending Prohibition

It is against the background of this FEC concern with the integrity of the corporate spending prohibition that the activities of the NEPL, and Sentinel should be investigated in this case. NEPL and Sentinel are functioning as sham corporations, serving, in fact, the political program of Channell and his allies, including the Boards.

The evidence is clear that NEPL worked hand-in-glove with other organizations within the Channell network, including at the least Sentinel and ACT, to influence the outcome of congressional elections in 1986 -- against Democratic candidates. NEPL confessed this purpose to its fundraisers and contributors, raised money for its election year advertising campaign on the strength of these representations, and carefully structured those advertisements to have the maximum adverse impact on Democratic congressional candidates in selected congressional districts.

By its own admission, NEPL targeted its contra advertising primarily against Democratic candidates in southern states, including, for example, Ed Jones in Tennessee, J.J. Pickle in Texas, and W.G. Hefner in North Carolina. Sentinel directed its advertising on the same subject against the same candidates in the same states.

NEPL's and Sentinel's "targeting" of these advertisements, i.e., directing them to certain congressional districts where they would most directly affect congressional elections (from

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Channell's point of view), constitutes precisely the show of election-related purpose the Commission has found significant in the past. As discussed above, the FEC has held on more than one occasion that such targeting of political messages would support the application of the FECA and all of its restrictions, including the corporate spending restrictions.

Thus, in Advisory Opinion 1980-20, 1 Fed. Election Camp. Fin. Guide (CCH) ¶ 5487, the FEC approved a corporate voter registration program because its "placement . . . in a newspaper of general circulation indicates . . . that [the corporation] has not made any effort to determine the political party preference of those who may receive the communication." See also Advisory Opinion 1980-33, 1 Fed. Election Camp. Fin. Guide (CCH) ¶ 5525. Yet in this case, Channell made clear to his fundraisers and contributors alike that the broadcast of NEPL messages in the targeted districts would have an "incredible" impact on the outcome of their House elections. A press release announcing the targeted Sentinel media camapign made clear its purpose to "awaken the voting public." This targeting effort exposes the election-influencing purpose of these organizations in violation of federal law.

This is not a case within the purview of Massachusetts Citizens for Life v. Federal Election Commission ("MCL"), 107 S.Ct. 616 (1986), which allows for independent expenditures by certain non-profit corporations organized for ideological purposes. In that case, there was a clear showing that the MCL was organized for purposes unrelated to active electioneering: the

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development of public awareness and related legislative activities in support of "pro-life" abortion policies. The making of independent expenditures in federal elections was incidental to that function.

Here, however, NEPL has actively solicited contributions within the meaning of the FECA, coordinating its fundraising and expenditures with other Channell-controlled corporations and political committees operating for the same purpose: election defeat of Democratic Congressmen. This primary engagement in political activity -- which appears to lie at the heart of the NEPL program -- separates NEPL and Sentinel from bona fide ideological organizations which are not established and operated for election-related purposes. The FECA applies fully to NEPL's and Sentinel's activities.

B. NEPL and Sentinel Are "Political Committees" Which Have Violated Their Legal Obligation to Register With the FEC and Report Their Election-Influencing Activities

Under the FECA, a political committee is defined as "any committee, club, association, or other group of persons" who receives "contributions" or makes "expenditures"[5/] aggregating in excess of $1,000 during a calendar year. 2 U.S.C. § 431(4)(A). NEPL's solicitation and expenditure of funds for advertising to influence federal elections involved the receipt of contributions and the making of expenditures under the FECA in an amount far in excess of $1,000.

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5/ Both the terms "contribution" and "expenditure," by definition, encompass the concept of "purpose of influencing." 2 U.S.C. §§431(8) and (9).

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Where an individual makes expenditures from his or her own funds for an election-influencing purpose, the FEC has held that no political committee is created. When that same person solicits and collects contributions from others to make an identical expenditure, a political committee is created once the funds received exceed $1,000. Advisory Opinion 1980-126, 1 Fed. Election Camp. Fin. Guide (CCH) ¶ 5577. The FEC has further found that where even a "loose association" of individuals makes "expenditures," as defined in the FECA, in excess of $1,000, it becomes a political committee. See Advisory Opinion 1980-106, supra; Advisory Opinion 1976-51, 1 Fed. Election Camp. Fin. Guide (CCH) ¶ 5215.

In Advisory Opinion 1986-38, the Commission found that an individual who paid for television advertising was making "expenditures", as defined in the FECA, since "the message [of the ads] is clearly designed to influence voting in elections for Federal office." 1 Fed. Election Camp. Fin. Guide (CCH) ¶ 5876. The FEC held that the individual had no obligation to report the expenditures under the FECA because:

(a) the expenditures were not "independent expenditures" since they did not contain any express advocacy; and

(b) the individual paid for the expenditures from his own personal funds and was "not soliciting or receiving contributions from others."

Thus, under Commission standards, the receipt of contributions from others would create a political committee, required to disclose its activities under the FECA. NEPL's and Sentinel's activities are clearly governed by this standard.

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Both have solicited and received contributions from others and made expenditures in excess of $1,000 to influence federal elections. They are, therefore, political committees under the FECA.[6/]

All political committees are required to register with the FEC and file periodic reports of receipts and expenditures disclosing its political activity. 2 U.S.C. §§ 433-434. Neither NEPL nor Sentinel have registered with the FEC or filed any disclosure reports.

As political committees, NEPL, Sentinel, and ACT may well be affiliated and, thus, subject to a single contribution limitation. 11 C.F.R. §100.5(g); 2 U.S.C. §441a.[7/] The

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[6/] If the FEC were to find that NEPL or Sentinel are not political committees, they would still be in violation of the FEC for failure to establish a separate segregated fund to conduct political activities. Under 2 U.S.C. § 441b, an incorporated entity must establish a separate segregated fund, since the corporation is precluded from making contributions or expenditures from its general treasury funds.

[7/] In his testimony before the Oversight Subcommittee of the House Ways and Means Committee, Chairman Thomas expressed his own view that:

> [I]f . . . the situation were brought to our attention where it was fairly apparent that a group which was not considering itself to be a political committee was somehow tied in a sense that would satisfy the Commission that it was affiliate under [FEC] rules, then the issue would arise as to whether that organization itself should be treating itself as a political committee.

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committees are clearly "established, financed, maintained and controlled" by a single individual, Mr. Channell, and this is the primary criterion for affiliation in the FECA. Beyond this key test, indicia of affiliation can be found in the similarity of the programs conducted by all of the organizations for the purpose of influencing federal elections. The targeting of the same congressional districts, on the same subject matter, to affect the election prospects of the same candidates has been noted previously. Further, both NEPL and Sentinel describe the purpose of their Contra media campaigns as countering a "disinformation" effort by the Contras. The use of identical terminology is just one more indication of the coordination and control exercised over all of the participants.

C. NEPL and Sentinel Received Political Contributions in Excess of Applicable Contribution Limits

As political committees, the FECA restricts the amount of any contribution to NEPL or Sentinel to $5,000 per calendar year. 2 U.S.C. § 441a(a)(1)(C). NEPL, however, has received contributions far in excess of this limitation. The New York Times, in its April 11 article (Exhibit 7), states that a New York couple contributed "at least $100,000" to NEPL during 1986. The same article discusses the solicitation of $30,000 contributions

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From the evidence presented with this Complaint, it is clear this affiliation argument may well apply to NEPL, Sentinel and ACT, as well as the other Channell-controlled organizations.

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to NEPL for the SDI advertisements. NEPL may also have received corporate contributions in violation of §441b of the FECA. Similar press reports of large contributors to Sentinel can be found in Exhibit 6.[8/]

IV. CONCLUSION

On the basis of the foregoing, DCCC requests that the FEC:

1. Conduct a prompt and immediate investigation of the facts and legal conclusions stated in this Complaint;

2. Enter into prompt conciliation with Respondents to remedy the violations alleged in this Complaint, and most importantly, to ensure that no further violations occur; and

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8/ The FEC may also wish to investigate whether NEPL made prohibited contributions in-kind to Republican candidates. Press reports have alleged that Channell coordinated NEPL activities with White House officials. Exhibit 16. The close relationship between such officials and NEPL's fundraising activities raises the issue of whether NEPL's election-influencing activities were coordinated with White House officials or other agents of the Republican candidates who benefited from NEPL's activities. The FECA provides that certain expenditures must be considered as contributions to a candidate, where the expenditures are made:

> In cooperation, consultation, or concert, with, or at the request or suggestion of, a candidate, his authorized political committees, or their agents.

2 U.S.C. §441a(a)(7)(B)(i).

3. Impose any and all penalties grounded in violations alleged in this Complaint.

Respectfully submitted,

Beryl Anthony, Chairman
Democratic Congressional Campaign Committee

Subscribed and sworn to before me on this 28th day of April, 1987.

Notary Public
District of Columbia

My commission expires May 14, 1990

430 South Capitol, S. E.
Washington, D. C. 20003

Tel: 202/863-1500

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# NATIONAL ENDOWMENT FOR THE PRESERVATION OF LIBERTY

305 FOURTH ST NE
SUITE 1000
WASHINGTON D C 20002

NATIONAL ENDOWMENT FOR THE PRESERVATION OF LIBERTY

The National Endowment for the Preservation of Liberty (NEPL) is a 501(c)(3) organization which sponsors ongoing public education and information programs focusing on timely issues which relate to the expansion of freedom. As such, the foundation has focused on the struggles of freedom fighters during the past 18 months.

The central focus of foundation activities in 1985 and 1986 has been the violation of human rights in Nicaragua and the disinformation campaigns which accompany the violations.

The foundation is also concerned about reductions of tension between the superpowers believing that the full deployment of the Strategic Defense Initiative (SDI) will facilitate a lessening of friction between the United States and the Soviet Union.

In 1985, the National Endowment sponsored education television messages regarding aspects of space defense. It will, in March 1986, initiate a comprehensive multimedia program to increase public understanding of space defense.

The National Endowment for the Preservation of Liberty receives no federal monies. It is wholly funded by contributions and grants from the private sector.

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PRESS STATEMENT

OF

CARL RUSSELL CHANNELL

PRESIDENT OF SENTINEL

GOOD AFTERNOON. MY NAME IS SPITZ CHANNELL AND I AM PRESIDENT OF SENTINEL, A (501) (C) (4) LOBBYING ORGANIZATION, WHOSE HEADQUARTERS IS IN WASHINGTON, DC, ON CAPITOL HILL. SENTINEL'S PURPOSE IS TO LOBBY THE CONGRESS IN SUPPORT OF PRESIDENT REAGAN ON KEY FOREIGN POLICY, DEFENSE, AND NATIONAL SECURITY ISSUES. TODAY WE ARE ANNOUNCING A TELEVISION AND LOBBYING CAMPAIGN ON THE SUBJECT OF AID TO THE FREEDOM FIGHTERS IN NICARAGUA.

TODAY SENTINEL IS ANNOUNCING AN 8-DAY $200,000 TELEVISION MESSAGE CAMPAIGN IN SUPPORT OF PRESIDENT REAGAN'S PLAN TO GIVE $100 MILLION TO THE FREEDOM FIGHTERS. THE TELEVISION MESSAGES WE ARE RELEASING TODAY ARE FOCUSING ON CONGRESSMEN WHO HAVE EITHER REFUSED TO RECOGNIZE THE DANGER THE AGGRESSIVE COMMUNIST GOVERNMENT IN NICARAGUA POSES TO THE SECURITY OF THIS NATION OR HAVE NOT MADE A CLEAR DECISION TO SUPPORT RONALD REAGAN ON NICARAGUAN AID. CONGRESSMEN LIKE MICHAEL BARNES WHO HAVE UNWISELY OPPOSED PRESIDENT REAGAN ON AID TO THE FREEDOM FIGHTERS IN NICARAGUA DO GREAT DAMAGE TO THE CAUSE OF FREEDOM AND THOSE WHO STRUGGLE FOR FREEDOM AROUND THE WORLD. CONGRESSMEN LIKE MICHAEL BARNES NOW MUST RISK PAYING A POLITICAL PRICE FOR THEIR VOTES AND ACTIONS.

AMERICANS HAVE BEEN LIED TO AND MANIPULATED BY LIBERAL LEADERS OF THE HOUSE OF REPRESENTATIVES. THEY HAVE BEEN TOLD THE LIE THAT THE SANDINISTAS IN NICARAGUA ARE NOT COMMUNISTS. THEY HAVE BEEN LIED TO WHEN TOLD BY THE LIBERALS THAT COMMUNISM CAN INDEED BE CONTAINED IN NICARAGUA, THAT NICARAGUAN COMMUNISM IS JUST REFORM, THAT THE RUSSIAN MILITARY BUILD UP ON THE NORTH AMERICAN MAINLAND IS JUST DEFENSE, AND THAT THE SANDINISTA COMMUNIST PERSECUTION OF THE ROMAN CATHOLIC CHURCH IN NICARAGUA IS JUST TO RID THE ORGANIZATION OF PRO-SOMOZA PRIESTS. ALL OF THESE THINGS ARE LIES. THE AMERICAN PEOPLE HAVE BEEN MANIPULATED ALSO BY A LIBERAL DISINFORMATION CAMPAIGN SPONSORED BY VARIOUS LIBERAL GROUPS IN THE COUNTRY AND ECHOED AND LED BY LIBERAL DEMOCRATS IN THE HOUSE OF REPRESENTATIVES. CHEATED FROM THE CHANCE TO STOP THE SPREAD OF SANDINISTA SUBVERSION THROUGHOUT AMERICA, WITHOUT THE FREEDOM FIGHTERS TO CONFRONT THE BRUTE FORCE OF THE SOVIET/CUBAN MILITARY MACHINE NOW GROWING IN NICARAGUA, CONSOLIDATION OF A COMMUNIST BEACHHEAD ON THE MAINLAND OF NORTH AMERICA IS INEVITABLE AND REGIONWIDE WAR WILL COME SHORTLY THEREAFTER.

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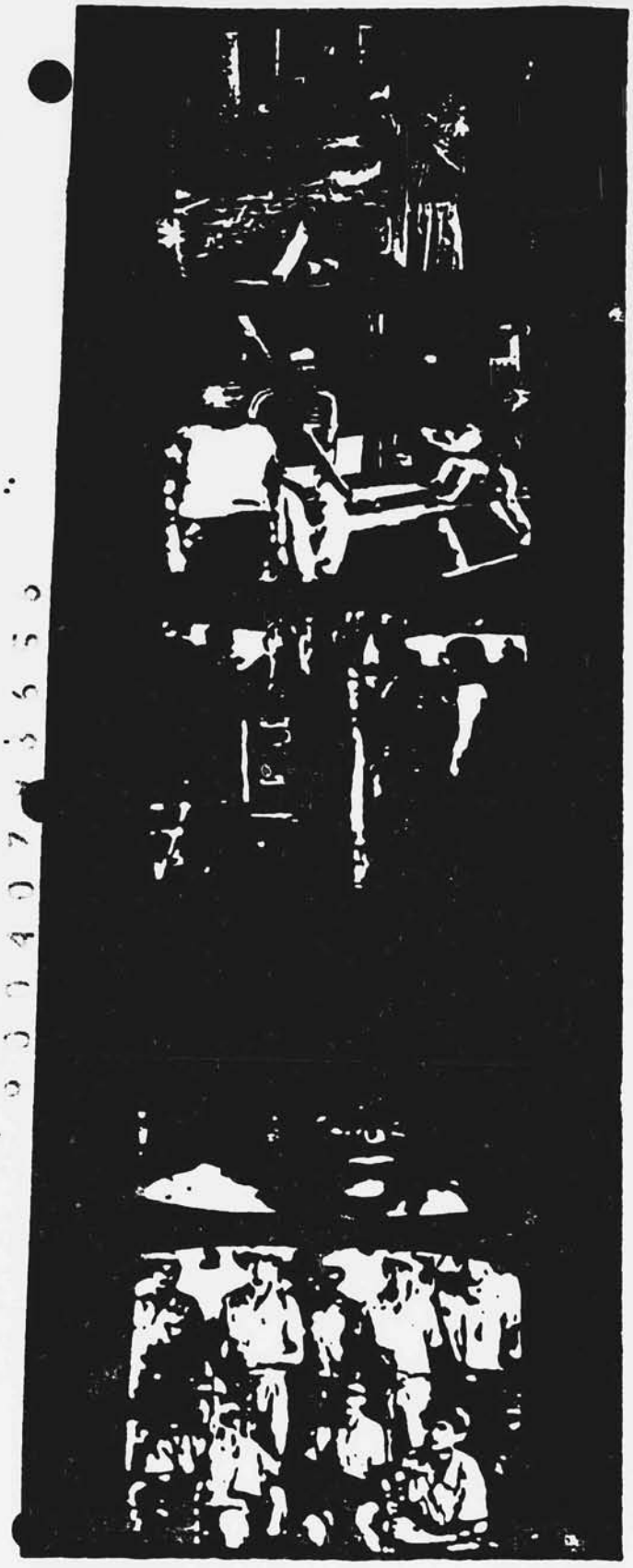
SPONS: AMERICAN CONSERVATIVE TRUST

**"FREEDOM CAN'T WORK"** 30-SEC



***MUSIC, UNDER FOR***

"Freedom can't work on an empty stomach. People...

***(Pull back)***

...without hope have little to hope for and nothing to fight for.

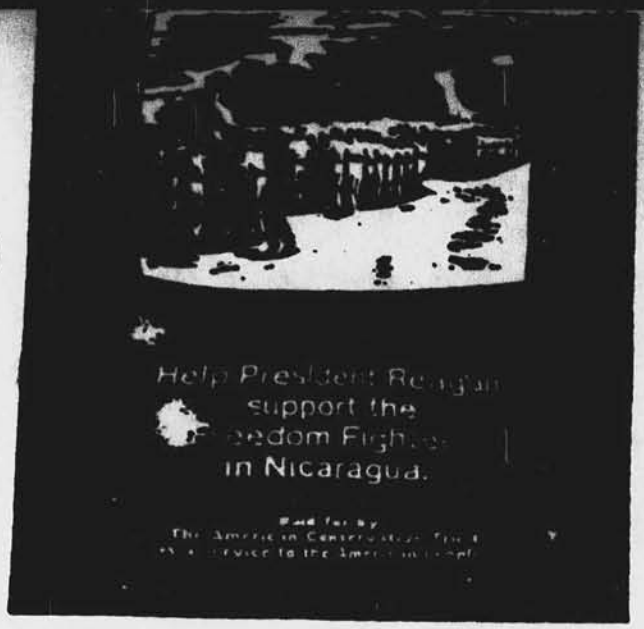
President Reagan wants to help the people of Nicaragua...not with guns...

***(Move in)***

...but with food and medicine. Giving them the chance to find their own future...

***(Pull back)***

...without American boys fighting or dying on foreign soil. If we support our...




*(Pull back)*

**...President today, our boys won't be sent out to die tomorrow.**

**Tell your Congressman you want freedom to stay alive in Nicaragua."**

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SPONS: AMERICAN CONSERVATIVE TRUST

**"THE PARTY'S OVER"**

30-SEC

*(Move in)*

"This is a message in search of two votes. Two more Congressmen who will vote 'no' to Communism in Nicaragua.

*(Pull back)*

We know what happened when the last vote failed.

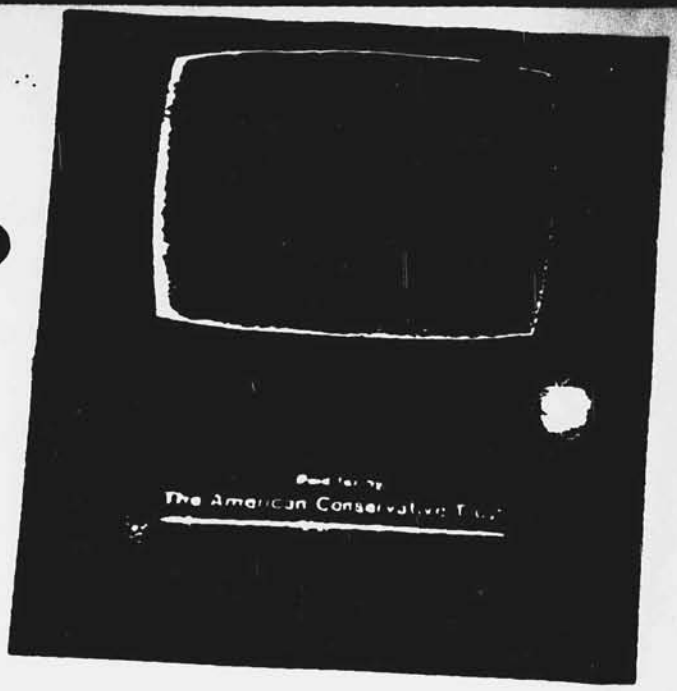
While Sandanistas danced in the streets, Commandante Ortega celebrated in Moscow.

*(Pan left to right)*

And Russia promised two hundred million more dollars in military and other aid to their Russian friends.

*(Move in)*

They had a ball, alright. This time, let's tell them...




*(Fade to Black)*

...the party's over."

"The American Conservative Trust"

0004076

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THE WHITE HOUSE

WASHINGTON

June 25, 1985

Dear Mr. Channell:

Thank you for your letter concerning the American Conservative Trust and your television messages.

It is indeed critical that the American people are informed about the current situation in Nicaragua. Thank you for the work you are doing in this regard.

The President greatly appreciates your efforts in support of his policies.

Sincerely,

Ed Rollins

Edward J. Rollins
Assistant to the President
for Political and
Governmental Affairs

Mr. Carl Russell Channell
President
American Conservative Trust
305 4th Street, N.E.
Suite 210
Washington, D.C. 20002

9004007-0366-1

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THE WHITE HOUSE

WASHINGTON

October 10, 1985

Dear Mr. Channell:

On August 30, I signed Executive Order 12530 authorizing the provision of $27 million in humanitarian assistance to the freedom fighters in Nicaragua. This week the Nicaraguan Humanitarian Assistance Office (NHAO) commenced work on the distribution of food, clothing, and medical supplies so desperately needed by the men and women who struggle for liberty in Nicaragua.

Passage of the legislation, which made my Executive Order and the NHAO possible, was a significant victory for the cause of freedom in Central America. It would not have been achieved without the help of the American Conservative Trust and its supporters. Your organization's effort to go to the public via television in support of this program was a significant factor in helping people to understand this issue.

You and your organization have made a remarkable contribution to the course of democracy in Central America. Keep up the good work.

Sincerely,

Ronald Reagan

Mr. Carl Russell Channell
President
The American Conservative Trust
305 Fourth Street, N.E.
Washington, D.C. 20002

C0040736663

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# NATIONAL ENDOWMENT FOR THE PRESERVATION OF LIBERTY

305 FOURTH ST. N.E.
SUITE 1000
WASHINGTON D.C. 20002

CARL RUSSELL CHANNELL

President
National Endowment for the Preservation of Liberty

Spitz Channell founded the National Endowment for the Preservation of Liberty in 1984, and it has become the fastest growing non-profit foundation in Washington. Concerned with foreign policy issues, NEPL raised $4.2 million in 1985 and over $2 million to date in 1986.

Channell was the first and only national finance chairman for the National Conservative Political Action Committee (NCPAC), a position he held from 1979 until 1982 when he left to focus on issues not being addressed by other groups.

In 1983, Channell founded the American Conservative Trust, now the nation's tenth largest political action committee. Between March and June 1985, ACT spent half a million dollars to educate and inform the public on the crisis in Nicaragua and the need to support the President's policies. Channell also founded Sentinel, a non-profit lobbying organization.

A graduate of American University, Channell was born in Elkins, West Virginia.

900407-0363

DEC 16 1986

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Dallas Times Herald

# Channell known for persuading rich to back his causes

By Lisa Hoffman
TIMES HERALD WASHINGTON BUREAU

WASHINGTON — Carl Russell "Spitz" Channell, a 41-year-old West Virginia native, is a gregarious man who is well-known in conservative circles for his ability to persuade wealthy people to contribute thousands of dollars to his causes, acquaintances say.

John Ramsey, a Wichita Falls geologist and a $2,000 contributor to one of Channell's political action committees, described Channell as a "remarkable man."

"He's got more gall than anyone I know. He's the only person I know who can go up to someone and ask them for half a million dollars," Ramsey said.

For three years, Channell was the national finance chairman for the National Conservative Political Action Committee (NCPAC). Two years after he left that group in 1982, driven by the conviction that the left-wing Nicaraguan government was engaging in an extensive disinformation campaign to win allies, Channell formed the National Endowment for the Preservation of Liberty.

That group, which he describes as an educational and informational organization, concentrated on rallying American support for the Nicaraguan contras. To further that end, Channell founded two political action committees under the National Endowment's umbrella, the American Conservative Trust and the Anti-Terrorism American Committee. He also established a non-profit lobbying group called Sentinel.

In a description of the National Endowment's purpose and goals, Channell detailed a coast-to-coast advertising and public relations effort that he estimated would reach 67.5 million Americans in 1986. "The program is believed to be the largest privately funded public information campaign addressing a foreign policy issue ever mounted," according to a press release from the group.

Included in the campaign was a 36-city speaking tour throughout the Southeast and Southwest by eight contras and the production of two television documentaries shot in Central America. Channell said the tours and documentaries would cost $800,000.

Also included was a $1.2 million national television advertising campaign calling upon Americans to support Reagan's Nicaragua policies.

They were timed to run last spring when the House of Representatives was considering a $100 million contra aid package.

In those 30-second television spots, which ran in Austin, El Paso, San Antonio, Corpus Christi and Brownsville, viewers were informed of Libyan leader Moammar Gadhafi's support of the Sandinistas and of alleged religious persecution by the Sandinistas.

And last summer, the lobbying group Sentinel spent $200,000 on an intense television campaign that targeted 11 Democratic congressmen who had consistently voted against contra aid as politicians who needed to be "woken up" by their constituents. Among those targeted were Reps. J.J. "Jake" Pickle of Austin, Albert Bustamante of San Antonio and Kika de la Garza of Mission.

Channell calls the National Endowment the "fastest growing non-profit foundation in Washington." The group raised $4.2 million in 1984 and more than $2 million in the first half of 1986 alone, he said.

However, Federal Election Commission reports show that Channell's two PACs raised only $157,000 in the past two years.

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# A Group Linked to the Iran Affair Is Investigated Over Political Ads

By RICHARD L. BERKE
Special to The New York Times

WASHINGTON, April 11 — A conservative organization with tax-exempt status barring it from political work actively tried to influence Congressional campaigns last year with issue-oriented television commercials, according to people solicited for contributions and the group's internal documents.

The organization, the National Endowment for the Preservation of Liberty, is under investigation by the Internal Revenue Service and other Federal agencies for the commercials. Federal investigators are also examining the endowment for possible involvement in several aspects of the Iran-contra arms affair.

Legislators and legal experts have previously raised questions about the propriety of the endowment's commercials, but the documents and interviews provide the first evidence that the organization's intent was to influence campaigns.

Those who were solicited by the organization and others who worked for its president, Carl R. (Spitz) Channell, said they were told the commercials were intended to have a negative effect on Democratic Congressional candidates and thus help Republicans get elected.

The commercials did not name candidates, which would have been a clear violation of tax laws, but instead sup-

Continued on Page 24, Column 1

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# Conservative Group Linked to Iran Affair Is Investigated Over Political Ads

Continued From Page 1

ported President Reagan's Strategic Defense Initiative, the space-oriented missile defense program popularly known as "Star Wars."

The president of a Houston oil company who once donated $5,000 to the endowment, Robert A. Mosbacher Jr., said he was later asked for contributions for the commercials and was told they were specifically designed to influence political campaigns.

"It was clear to me that the purpose of the ads was to try to defeat candidates who were hostile to the idea of S.D.I.," Mr. Mosbacher said. "I would be told that this person is consistently opposed to the President on S.D.I. and we have polling data that indicates that a vast majority of people in this district favor S.D.I. and therefore this congressman is vulnerable."

One couple, Jyotti Driscoll of Chappaqua, N.Y., and her husband, Robert, contributed at least $100,000 to the endowment last year, of which $90,000 went to the "Star Wars" project. She said she also was told that the "Star Wars" commercial donations would be used to influence campaigns.

"It was well worthwhile considering the Democrats were in office, raising funds like crazy," said Mrs. Driscoll, a longtime supporter of conservative causes.

Mrs. Driscoll and other contributors who were interviewed said they were not aware of the rules against giving money to a tax-exempt group for political purposes.

A spokesman for Mr. Channell, Jared S. Cameron, denied that the endowment intended to influence elections directly and said the commercials were for educational purposes, as permitted by Federal tax laws.

Robert Goodman, whose Baltimore company produced the advertisements, said some were broadcast in late 1985, but that most broadcast in 1986, with the final commercials appearing in October.

He said his company was paid about $1 million by the endowment for producing and placing "Star Wars" commercials and a series of advertisements promoting the Nicaraguan rebels, known as contras.

### No Major Effect Seen

Some of the contra advertisements were sponsored by the endowment's political action committees, which are not restricted by laws governing tax-exempt organizations.

Mr. Goodman said he was never told the "Star Wars" commercials were intended to influence Congressional campaigns. They were broadcast in markets in the capital as well as in Texas, Pennsylvania, Georgia and Colorado.

Mr. Goodman and others said they had no evidence that the commercials changed the outcome of any elections.

Time Magazine/Rebecca Blackwell

Carl R. Channell

The benefit of getting money for such commercials through a tax-exempt organization is that, unlike a political action committee, there are no restrictions on the amount the organization can spend or on its sources. Mr. Channell has relied on large contributions from a relatively small number of wealthy donors, records show.

Several tax lawyers said in inter-

views that those who contributed to the endowment, which is classified by the I.R.S. as a public charity, could be fined and required to return the money they saved on their taxes if it could be proved that they knew their donations to the endowment would be used to influence campaigns. The lawyers said, however, that such cases were difficult to prove.

"In order to be tax exempt, you have to have a tax-exempt purpose," said a Washington tax lawyer, Walter J. Rockler. "If contributions are being solicited on the grounds that they're good for political candidates, it's prohibited."

Accusations against Mr. Channell came to light in reports late last year that the endowment funneled money from the Iran arms sales directly to American political campaigns. Those charges, which Mr. Channell has denied, have not been proved.

Mr. Channell is a successful conservative fund-raiser who was little known in Republican circles until the Iran-contra affair was disclosed.

### Worked Closely With North

The joint Congressional committee investigating the Iran-contra affair is examining Mr. Channell and Lieut. Col. Oliver L. North, a former National Security Council aide, for their involvement in and financing of "political advocacy" efforts.

Mr. Channell, who is also under investigation by the I.R.S. and the special prosecutor in the Iran-contra affair, worked closely with Colonel North in raising money for the endowment.

Investigators are also examining other ways in which the endowment spent its tax-exempt contributions, including the possibility that it supplied weapons to the contras when such activity was forbidden by Congress.

## Documents show the tax-exempt organization sought donations to influence campaigns.

A four-page transcript of what people who have worked for Mr. Channell say are tape-recorded comments by him, made at a meeting with a small group of his fund-raisers at a Washington restaurant last May 23, supports the assertions of contributors.

### $30,000 Contributions Sought

"If the incumbent is weak on S.D.I., and the voting population strong on S.D.I., our saturation-educational ads cannot but help the Republican challenger," Mr. Channell said, according to the transcript. "So when these people give us $30,000 and our ads around the country cost $35,000 a day, they are in many districts literally giving a political contribution to support President Reagan's Congressional candidates."

He was quoted as encouraging the fund-raisers to solicit $30,000 contributions for the "Star Wars" commercials.

The transcript continued: "We may have an opportunity to move a lot of this into an election position. For instance, we are in the process right now of finding out what the contested races in those districts where the President got over 60 percent of the vote, what the position of the incumbent is, as well as the challenger."

The transcript went on to say that the "Star Wars" advertisements were "an incredible political benefit to every single Republican running for office."

### 'They Can Deduct Every Penny'

"It is essentially a $30,000 contribution to these challengers' campaigns with the finest issue that Ronald Reagan has in the country today," the transcript said. "We can carry our messages right on through the election, and they can deduct every penny along the way."

According to the transcript and to associates of Mr. Channell, he cautioned his staff to speak not of "Congressional districts" but instead of "media markets."

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FUNDRAISERS MEETING - MAY 23, 1986

Ronald Reagan received over sixty percent of the vote. We must use this as one of the keys. Don't forget this is not an election campaign. This is an influence campaign.

You are seeking to influence people to support for the President's full funding needs and a key element of this influence is education as to the threat the Communists pose if it is not funded correctly.

We may have an opportunity to move a lot of this into an election position. For instance, we are in the process right now of finding out what are the contested races in those districts where the President got over sixty percent of the vote, what the position of the incumbent is, as well as the challenger.

If the incumbent is weak on SDI and the challenger is strong on SDI and the voting population strong on SDI our saturation educational ads cannot but help the Republican challenger.

So when these people give us $30,000.00 and our ads cost $35,000.00 a day around the country they are in many districts literally giving a political contribution to support President Reagan's congressional candidates.

They are giving us $30,000.00 to support a challenger candidate in these districts. This is an incredible incentive for people to give.

We are picking an issue that is popular with the population. An issue that is popular with the President in an area where the congressman may not be supporting the President as much as the people want.

And being that it is an election year, we can hype this issue and it will become known (implied) who is supporting this issue - the incumbent or the challenger. We are really going to be giving a $30,000.00+ contribution to the challenger candidates.

Now, you might say this to someone who is a political freak and they'll never have thought you could do that. And the answer to that is, "Look Mr. Jones, there is a woman trying to sell cookies in Reno but she isn't getting her message out to many people. If you put a message on television talking about how good chocolate chip cookies are in general and saturate it, people are going to start connecting her, the person who makes them, with the desire to have them and you are definitely going to help her business."

0004076

This is an incredibly subtle political benefit to every single Republican challenger and I don't know how you say this without getting burned on the telephone. But you can just say you want to illustrate another way to look at this whole campaign.

We are taking an issue that the American people support. We are advancing this issue in congressional districts where the American people strongly support the President and encouraging that incumbent to support the President.

If that incumbent does not support the President, then what is actually going to happen is the challenger candidate is going to benefit immeasurably from our activities because the challenger position and the population position will become well known to each other through the medium of our television message.

On the other hand, the fact that we are hyping this issue and the incumbent does not support the President will definitely highlight the difference between the incumbent and his constituents.

This is an incredible political benefit to every single Republican running for office. It is essentially a $30,000.00 contribution to these challengers' campaign with the finest issue that Ronald Reagan has in the country today.

So there are many people who love politics and this is a very good way to appeal to them. It is also tax deductible and they don't have to stop.

There are four districts in the state of Texas where there are four media markets where we want this. These people can give $120,000.00 if they want to hype this issue in those districts.

We have a fabulous election opportunity in Louisiana. I don't know what the position of the two people is, your book should tell you. But we have an incredible opportunity because the people of Louisiana are extremely supportive of the President.

We might want to spend a million dollars on education in Louisiana. Then get the challenger to come after the primary is over in September whenever it is and say that one of the reasons why he won is because of the vast strong support of President Reagan's SDI and that will make the Democratic Party go wild. It will strengthen the President's SDI tremedously.

0004073

So there are innumerable benefits from this program and people can understand that they are getting politically on the strongest issue the President has in areas where the people support him to expose incumbents positions against their constituents.

You have got a very strong political ad right here and you have not mentioned meeting with the President of the U.S. once. You are virtually insuring that SDI is going to become a major issue in the campaign, which is the strongest of the President's suits, strongest of the Republican Party's suit, it is security, it is family, it is national defense.

You just can't call them up and say they are going to give this money and it is going to be a political contribution. You don't start that way. You know there are two sides to every person, you can look in the front or the back, the same person.

Using this approach on someone like Harry Lucas, Barbara Newington, Ellen Garwood, Mel Salwasser, Salvatori or innumerable political crazies will have an incredible impact.

We are going to give them an opportunity to give a $30,000.00 tax deductible political contribution and we want to tell them how to do it. I mean they may say, "Oh, I am not going to do that", but they will listen. They will be very curious.

Then you talk about the fact that this is where the President's residual strength is, this is where the battles are, this is where we have the greatest opportunity to win and this amounts to a $30,000.00 political contribution.

And they don't have to stop there. We can carry our messages right on through the election and they can deduct every penny along the way.

Now there is something else you want to look at when you call people, especially in the new South. Check your map to see if we have congressional districts in their state, Texas as an example.

But you can see we don't call them congressional districts, we call them media markets, where interestingly enough your congressman will hear all this media. This is the political component to this issue, which if you say it correctly is absolutely dynamite.

9004073674

I'll tell you something, you're not going to get much success with this regretably before the meeting with the President.

But if you call about the first of October and start talking about these ads staying on to support these candidates, amounts to a $30,000.00 political expenditure. We may make ten million dollars in October. We may be doing this whole issue at the wrong time.

RESPONSE TO "I GET CALLED SO OFTEN FOR CONTRIBUTIONS"

There are 230 million people in this country. 103 million of these people are potential voters. (Eighteen years and older). Roughly 3,000 of those 103 million people give $5,000 or more to bring about political change in one way or another. That's about three thousandth of a percent.

That makes you a rare commodity, Mr. Jones. You are in demand becuase you're one of few needles in a sky high haystack.

You are part of that three thousandth percent who care enough about the future of American democracy and the policies of our government to be generous and contribute to the direction of our nation. This is why you're called so frequently.

People look for other people to help solve a problem. People search you out seeking your support to help solve problems. The American political system is no different. It is very natural that your support would be sought to help solve political problems.

You are a very blessed individual that you do have the sense enough to participate and that you have been blessed with the finances to be able to participate.

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SELECTED PORTIONS OF TRANSCRIPT OF
FRANK BROWNING REPORT
NATIONAL PUBLIC RADIO - APRIL 1987*/

BROWNING: The stated purpose of Spitz Channell's operation was to help raise humanitarian aid for the Nicaraguan Contras and to launch educational campaigns in support of the Contra cause. All together Channell raised some $10 million working closely with former White House National Security Counsel Aide Lieutenant Colonel Oliver North. But however much support Channell mustered for the Contras, new evidence indicates that he and his organization also sought to intervene in American congressional races last year. That would be a violation of both of tax laws and Federal Election Commission laws. Documents made available to NPR and interviews with former staff members of the Contra aid operation show that Channell employees regularly used special Federal Election Commission files in their sophisticated fundraising efforts. The files in question show lists of individual campaign donors, their addresses, phone numbers and the amount of money they have given to candidates throughout the country. Channell had access to the files through a subscription to a computerized data base called "Washington On Line." According to former employees, Channell executives used the FEC files to evaluate specific donors whom the organization wanted to approach for contributions. That way, one source said, we could monitor who the big givers were. However, federal election law specifically prohibits use of FEC filings for any commercial or fund raising purposes.

* * * * *

BROWNING: The key Channell organization involved in the fundraising effort is called the National Endowment for the Preservation of Liberty, or NEPL. NEPL and its executives are also under investigation for violation of its status as a nonprofit tax exempt foundation. Tax exempt foundations are barred from influencing political campaigns. Even so, former employees of and

*/The tape of this news report is also included with this Complaint.

900407035677

donors to NEPL say that it actively sought to influence a number of congressional races last year. Sources say that an elaborate scheme was constructed around an apparent public education campaign in support of President Reagan's Strategic Defense Initiative, or SDI. According to the accounts, NEPL President Spitz Channell explained to his staff how it would work at a brainstorming luncheon last May 23 in Washington. Staffers say that an internal memo made available to NPR is based on a tape recording of Channell's presentation at the luncheon. In it, Channell explains how his staff

> can tell their donors that their $30,000 educational contribution will in effect help defeat candidates who oppose the President on SDI. What follows is a reading from that explanatory memo:

VOICE: We may have an opportunity to move a lot of this into an election position. For instance, we are in the process right now of finding out what are the contested races in those districts where the President got over 60 percent of the vote, what the position is of the incumbent is as well as the challenger.

BROWNING: Not only does the memo make clear that NEPL executives intended the tax money to be used for helping political candidates, but the memo also spells out the expected effect of the $30,000 donor contributions.

VOICE: So when these people give us $30,000 and our ads cost $35,000 a day around the country, they are in many districts literally giving a political contribution to support President Reagan's congressional candidate. They are giving us $30,000 to support a challenger candidate in these districts. This is an incredible incentive for people to give.

BROWNING: The memo also cautions NEPL fundraisers to be careful in describing the SDI ad program on the telephone. It suggests they avoid references to congressional districts and instead talk about media markets. NEPL public relations man, Jeret [?] Cameron, denies that Channell or his foundation broke any laws or that any tax exempt money was intended to affect actual political races. The Texas oil executive, Robert Mosbacher, who contributed to Channell's pro-Contra efforts, says that he was told the SDI money was intended to affect congressional campaigns.

MOSBACHER: They were interested in defeating candidates who did not support the President on SDI.



9004076-3678

**BROWNING**: But it clearly was targeted at candidate races?

**MOSBACHER**: Sure. There was no doubt about that in my mind.

**BROWNING**: How did they express that?

**MOSBACHER**: Well, they'd talk about the data they had on congressional districts. Generally they would call me about congressional districts in Texas and they would say that in this congressional district this congressman is against SDI and has consistently voted against it and our polling data shows that an overwhelming majority of people in that district is for SDI.

**BROWNING**: And therefore . . . .

* * * * * *

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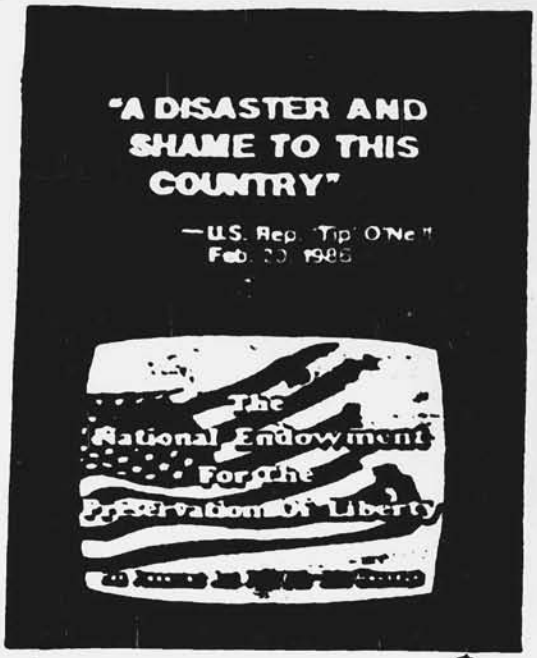
SPONSOR: The National Endowment for the Preservation of Liberty

TITLE: "Flag"

TIME: 10 seconds




Tip O'Neill says aiding Nicaragua's freedom fighters would bring us disaster and shame.

Since when have Americans been ashamed to stand up for freedom?

SPONSOR: The National Endowment for the Preservation of Liberty

TITLE: "Throw Money" TIME: 30 seconds

Hey, you see what some Democrats in Washington are saying now? They say give economic aid to the communists in Nicaragua and all our problems will go away.

What about Kaddafi? He needs some new boats. And Castro? His military's getting rusty.

And to show that we're nice guys, a few mil for our generous host in Iran, the Ayatollah Khomeni.

Hey, when are those Democrats going to learn? The communists in Nicaragua — they don't want our money.

They want <u>us</u>!

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SPONSOR: Sentinel
TITLE: "Time Checks" **TIME**: 10-sec ea.

*(Stopwatch ticking)*
It's 6:30. And your Congressman, Michael Barnes, is *still* not backing President Reagan on Nicaragua.

Better call him.

*(Stopwatch ticking)*
It's 11:30. And your Congressman, Michael Barnes, has *still* not decided to support the President on Nicaragua.

Call him.

SPONSOR: Sentinel
TITLE: "Fa[redacted] O[redacted]cks" TIME [redacted]0 [redacted]c ea.

*Same spots produced for various Congressmen.*

**The Communists now have 120 thousand men under arms in Nicaragua.**

**And Congressman J. J. Pickle still isn't supporting the President on Nicaragua. Better wake him up.**

---

The Communists are now completing this huge submarine base in Nicaragua.

And Congressman Bill Hefner still isn't supporting the President. Better wake him up.

---

Communist planes can strike us in only two hours from this new base in Nicaragua.

And still Congressman Ed Jones won't support the President. Call him.

SPONSOR: Sentinel
TITLE: "D[redacted] Know?" T[redacted]0-sec

*Same spots produced for various Congressmen.*

**Do you know what Congressman Michael Barnes's position is on the massive Communist buildup in Nicaragua? Our President doesn't know. Maybe our Congressman is hoping that this growing threat to our country will just go away. Nothing could be further from the truth, and you're going to have to wake him up with the *facts* on just how much danger our country is in.**

**Does he know that the Communists now have more men under arms in Nicaragua than in all of Central America combined?**

Is he aware that the construction of huge Russian MIG airfields and nuclear submarine bases is continuing non-stop in Nicaragua?

Does he know that the Russians have invested nearly one *billion* dollars to build up Communist military might in Nicaragua?

Does he know that Castro, Kaddafi, and the Russians are just *some* of the people involved in Nicaragua?
If he doesn't know these things, you're going to have to tell him...
...that you want him to support *President* Reagan on Nicaragua.

Not these other guys.

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# COMPONENTS OF THE CENTRAL AMERICAN FREEDOM PROGRAM

1. Objective:

- Target democrat swing votes in the house (63 total, 36 are in just eight states).
- Maintain flexible strategy to respond to events as they occur.

2. District Level Public Education Program:

- A spokesperson for the Freedom Fighters speaks at local organizations (shows film).
- Visits religious and labor leaders.
- Interviews with local newspaper and/or TV/radio stations for editorial board meetings.
- Articles and/or news broadcasts are generated.
- A spokesperson will be in each target district at least three times during the campaign.

3. District Level Advertising Campaign:

- District-wide TV spots designed to generate response back to the congressman.
- Letter writing campaign within the district coordinated through veteran, social, religious and business organizations (grass roots effort).

4. National Media:

- To reach other 27 swing vote districts, especially D.C. and New York because of national press and networks.
- Arrange for spokespeople to be interviewed or appear on TV (talk shows and political shows).
- Op-Ed pieces written by UNO leaders and placed in leading press, i.e., Wall Street Journal, New York Times and Washington Post.

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5. Special Media for D.C.:

- To broadcast every 10 days, never before seen video news releases (we have two film crews, one in Managua and one with the Freedom Fighters who send us film weekly which we edit and distribute via satellite).
- There are fifty top stations, thirty took our first distribution.

6. Lobbying:

- We have hired two democrat lobbyists, PRODEMCA and Bruce Cameron, formally of Americans for Democratic Action who was fired due to his support for the Freedom Fighters.
- Daily monitoring of how swing vote congressmen feel about aid to the Freedom Fighters.
- Help the democrats find a face saving intellectual justification for a vote change.

0004073689

0004075690

SENTINEL (cx4)

Advancing the Conservative Agenda

CONTACTS: Jeff Keffer
Jackie Clemons
202/659-6550

June 16, 1986

**MEDIA FACT SHEET**

Washington, D.C. — Today at a news conference at the National Press Building, Sentinel, a Washington headquartered lobbying organization, announced an advertising campaign to support President Reagan's request for aid to Nicaragua's freedom fighters. Making the announcement, Carl Russell "Spitz" Channell, President of Sentinel, said "We are targeting those Congressmen who have not supported the President in the past or have not made up their minds on this vital issue." With Sentinel's campaign beginning Tuesday, June 17 in eleven congressional districts the lobby expects to awaken the voting public to the votes their representatives are casting on this issue.

The eleven Congressmen targeted by the new advertising campaign are:

Rep. Michael D. Barnes (D) Maryland 8th C.D.
Rep. Romano L. Mazzoli (D) Kentucky 3rd C.D.
Rep. Charles O. Whitley (D) North Carolina 3rd C.D.
Rep. W.G. (Bill) Hefner (D) North Carolina 8th C.D.
Rep. Jim Cooper (D) Tennessee 4th C.D.
Rep. Bill Boner (D) Tennessee 5th C.D.
Rep. Bart Gordon (D) Tennessee 6th C.D.
Rep. Ed Jones (D) Tennessee 8th C.D.
Rep. J.J. (Jake) Pickle (D) Texas 15th C.D.
Rep. Albert G. Bustamante (D) Texas 23rd C.D.
Rep. Kika de la Garza (D) Texas 15th C.D.

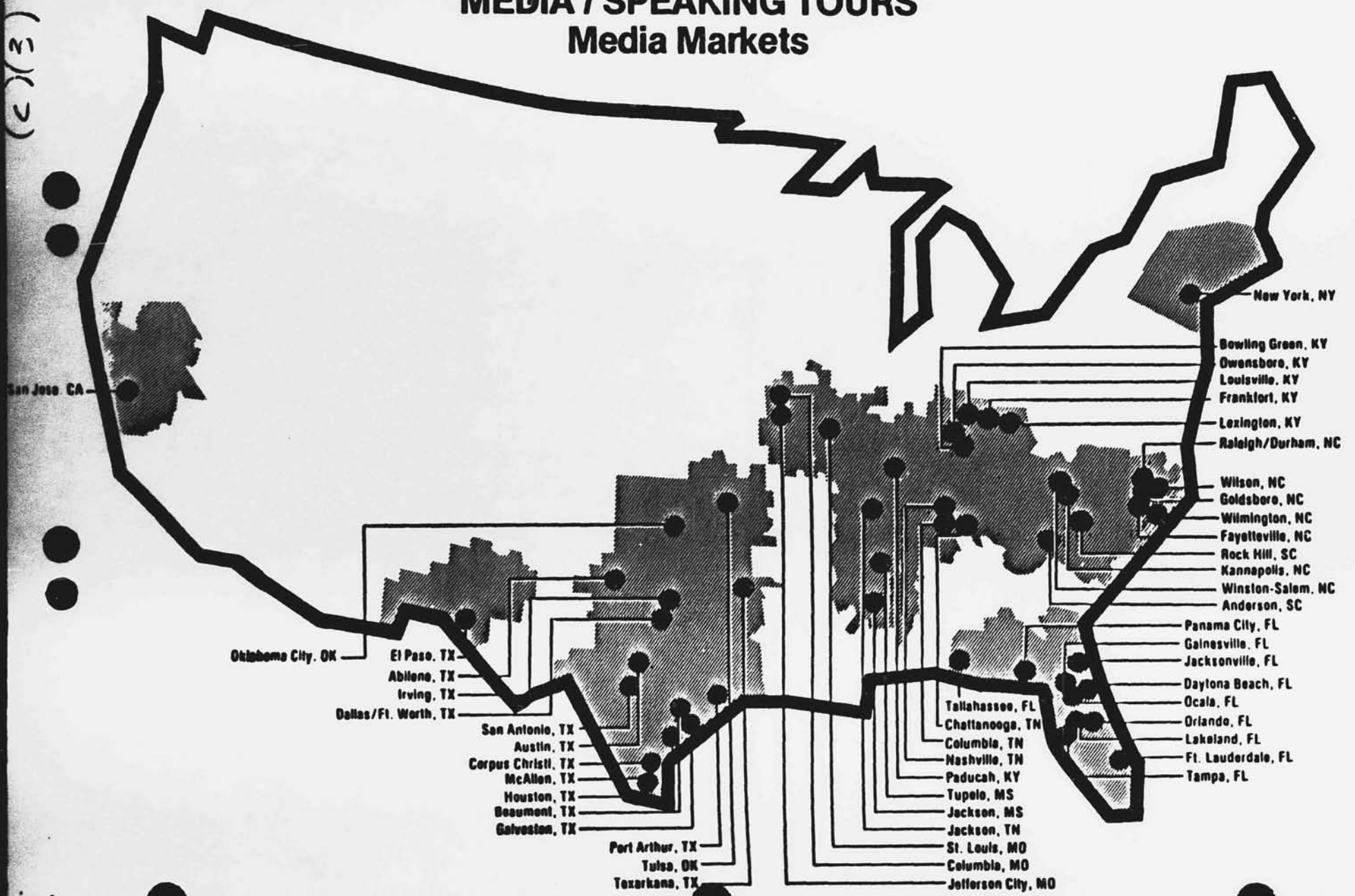
The advertisements will be placed in prime time and late evening viewing segments for maximum saturation of the media markets corresponding to the congressional districts. Sentinel expects to spend $200,000 in eight days.

0004073691

# The National Endowment for the Preservation of Liberty

## MEDIA / SPEAKING TOURS

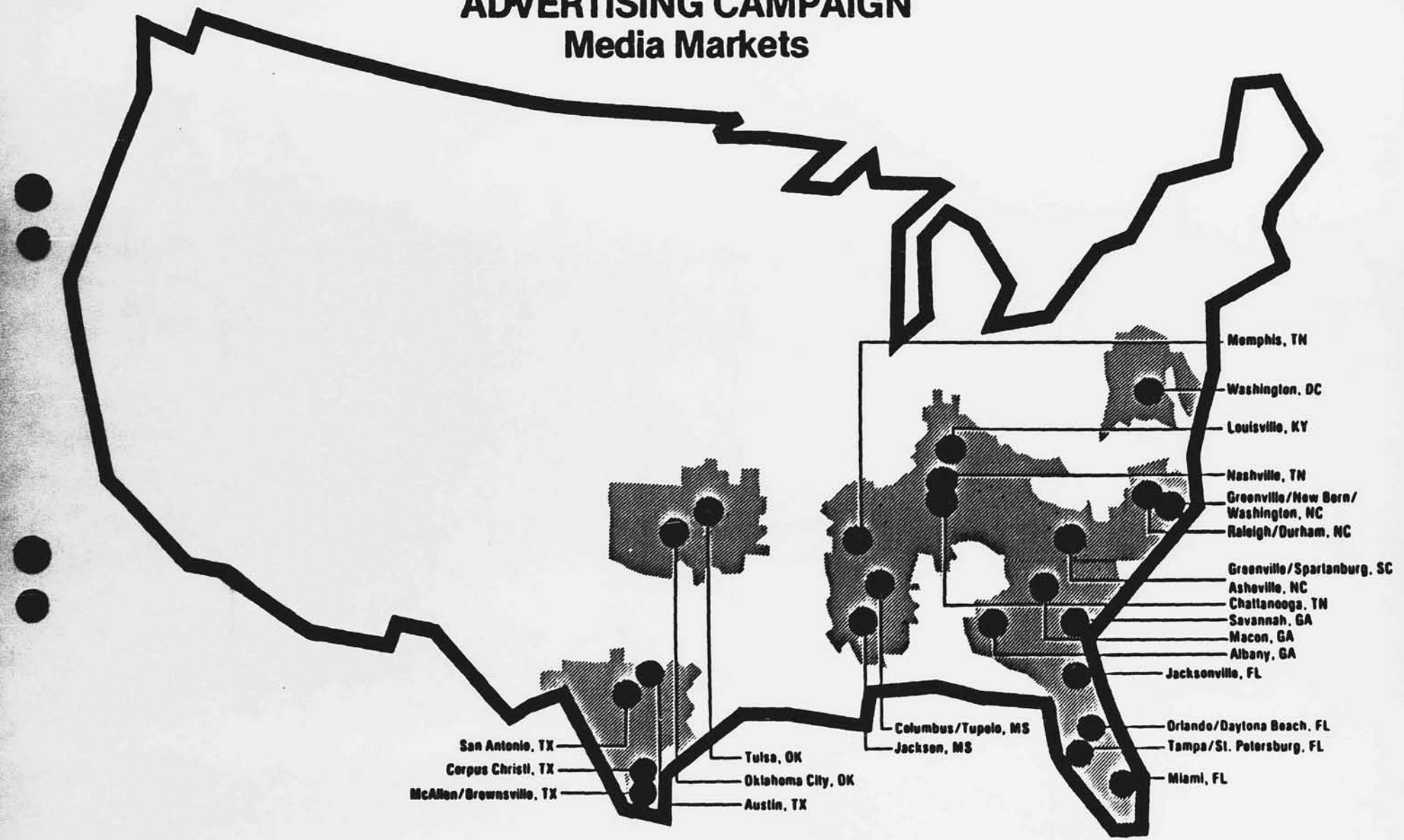
### Media Markets




**Total Audience Reached: 32,000,000**

# The National Endowment for the Preservation of Liberty

## ADVERTISING CAMPAIGN
## Media Markets




**Total Audience Reached: 35,428,000**

(14.2% of the American Television Market)

9 0 0 4 0 7 9 3 6 9 4

# NATIONAL ENDOWMENT FOR THE PRESERVATION OF LIBERTY

305 FOURTH ST., N.E.
SUITE 1000
WASHINGTON, D.C. 20002

FOR IMMEDIATE RELEASE

CONTACT: Allen Carrier
Debbie Messick
(202) 737-6215

NATIONAL ENDOWMENT FOR THE PRESERVATION OF LIBERTY
SUPPORTS REAGAN ON NICARAGUA WITH $2 MILLION
PUBLIC INFORMATION CAMPAIGN

WASHINGTON, D.C., February 27 -- The National Endowment for the Preservation of Liberty today launched a $1.2 million television advertising campaign, part of a $2 million public information program supporting President Reagan's position on Nicaragua which will reach an audience of 62.5 million Americans. The program is believed to be the largest privately funded public information campaign addressing a foreign policy issue ever mounted.

Spitz Channell, president of the Endowment, said the campaign is designed to counter a $2 million disinformation campaign in the United States by the leftist Sandinista government.

"The Sandinista program is a calculated mix of disinformation, lies and manipulation of American sympathies to portray the Nicaraguan government as an idealistic group of reformers," Channel said at a press briefing where he screened the television advertisements for reporters.

The thirty-second advertisements urge viewers to support President Reagan's position on Nicaragua. They document support provided the Sandinistas by Muammar Kaddafi and Yassar Arafat; systematic persecution of Nicaraguan civilians and religious persecution by the Sandinistas.

Since November, the Endowment also has sponsored media and public speaking tours for eight native Nicaraguan volunteers who support the United Nicaraguan Opposition (UNO). Channell said the tours have taken the spokespersons to 36 Southeastern cities for speeches, meetings with local opinion leaders and media interviews reaching 32 million people. Eighteen cities have been visited twice.

The Endowment also has underwritten the production of two television documentaries by film crews inside Nicaragua and in refugee camps in Costa Rica and Honduras. The most recent, "Bitter Legacy," documents human rights abuses found by Wesley Smith, who returned from Central America two weeks ago and released his findings based upon interviews with 500 Nicaraguan refugees.

Through mid-April, the Endowment will spend $800,000 on the speaking tours and television documentaries, Channell said.

Cities to be included in the television advertising media buy are: Miami, FL; Tampa/St. Petersburg, FL; Hartford/New Haven, CT; Orlando/Daytona Beach, FL; Nashville, TN; Greenville/Spartanburg/ Asheville, SC; Raleigh/Durham, NC; Memphis, TN; San Antonio, TX; Louisville, KY; Jacksonville, FL; Jackson, MS; Columbia, SC; Austin, TX; Greenville/New Bern, NC; Albany, GA; El Paso, TX; Savannah, GA; McAllen/Brownsville, TX; Macon, GA; Corpus Christi, TX; Tulsa, OK; Columbus/Tupelo, MS; Oklahoma City, OK; Jackson, TN; Chattanooga, TN; and Washington, D.C.

Founded in 1984, the National Endowment for the Preservation of Liberty is a non-profit foundation whose purpose is to inform and educate the public on foreign policy issues.

###

0004073690

9004079697

"FREEDOM FIGHTERS" TELEVISION

National Spot Program

Weekly Budget Planner

February/March

| Market | Estimated Weekly Cost 250/GRPs | % of U.S. Television | Estimated Viewing Audience |
|---|---|---|---|
| Washington, DC | $ 30,000. | 1.77% | 4,208,547 |
| Miami, FLA | $ 21,500. | 1.36% | 3,233,686 |
| Tampa/St. Petersburg, FLA | $ 13,500. | 1.23% | 2,924,583 |
| Hartford/New Haven, CT | $ 17,000. | .94% | 2,235,047 |
| Orlando/Daytona Beach, FLA | $ 11,500. | .83% | 1,973,49[illegible] |
| Nashville, TN | $ 8,000. | .77% | 1,830,83[illegible] |
| Greenville/Spartanburg/ Asheville, SC | $ 6,750. | .70% | 1,664,39[illegible] |
| Raleigh/Durham, NC | $ 9,000. | .70% | 1,664,39 |
| Memphis, TN | $ 5,250. | .67% | 1,593,06 |
| San Antonio, TX | $ 8,250. | .61% | 1,450,40 |
| Louisville, KY | $ 5,750. | .58% | 1,379,07 |
| Jacksonville, FLA | $ 7,250. | .47% | 1,117,52 |
| Jackson, MS | $ 4,000. | .32% | 760,86 |
| Columbia, SC | $ 4,000. | .31% | 737,09 |
| Austin, TX | $ 5,000. | .36% | 855,9[illegible] |
| Greenville/New Bern, NC | $ 3,250. | .26% | 618,2[illegible] |
| Albany, GA | $ 2,750. | .15% | 356,6 |
| El Paso, TX | $ 3,250. | .24% | 570,6 |
| Savannah, GA | $ 2,250. | .23% | 546,8 |

"Freedom Fighters" Television
National Spot Program

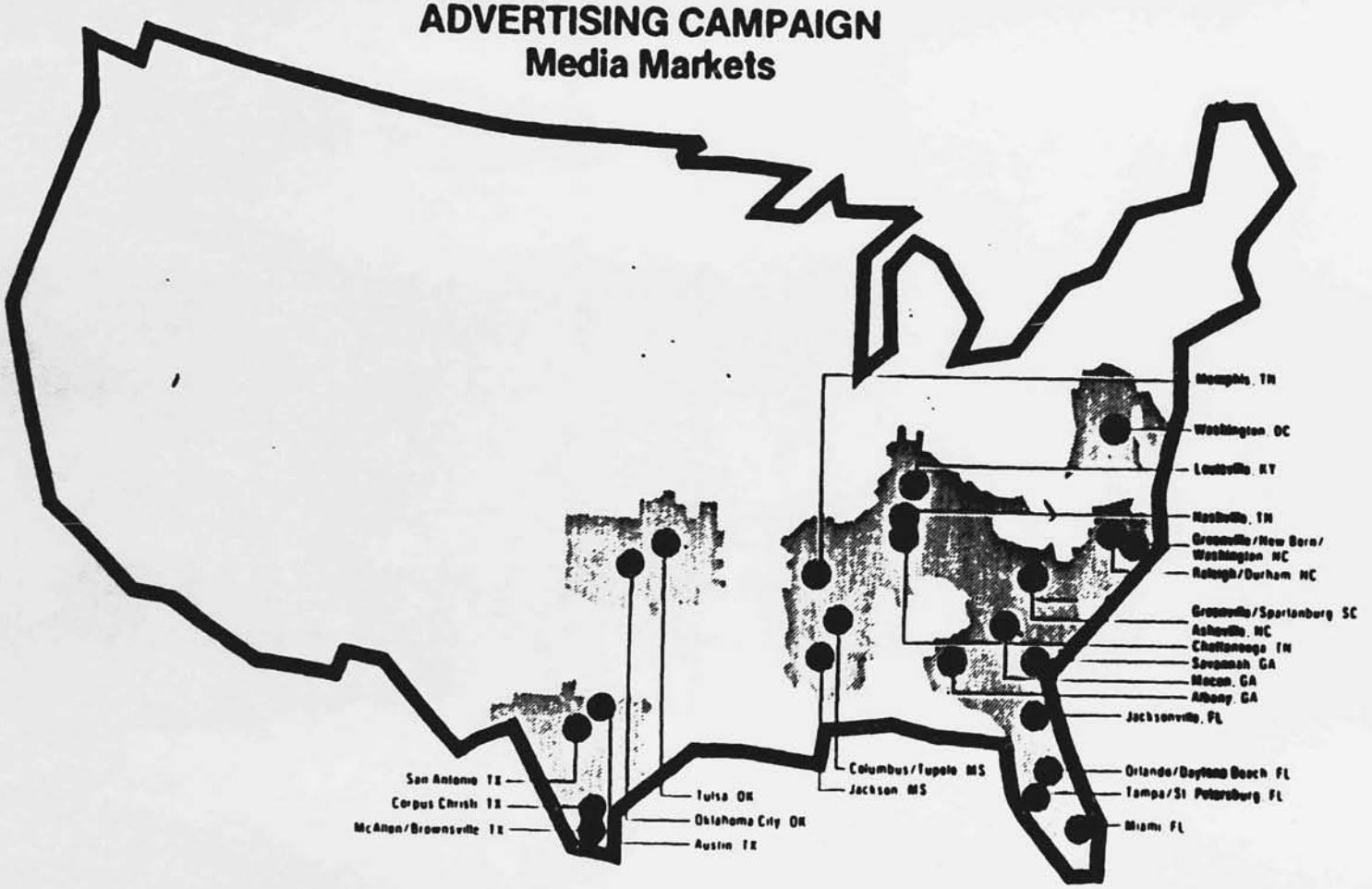


| Market | Estimated Weekly Cost 250/GRPs | % of U.S. Television | Estimated Viewing Audience |
|---|---|---|---|
| McAllen/Brownsville, TX | $ 2,500. | .20% | 475,542 |
| Macon, GA | $ 2,500. | .18% | 427,988 |
| Corpus Christi, TX | $ 2,500. | .20% | 475,542 |
| Tulsa, OK | $ 5,500. | .53% | 1,260,186 |
| Columbus/Tupelo, MS | $ 2,250. | .18% | 427,988 |
| Oklahoma City, OK | $ 6,250. | .71% | 1,688,174 |
| Jackson, TN | $ 1,750. | .05% | 118,886 |
| Chattanooga, TN | $ 3,750. | .35% | 832,199 |
| Weekly Totals: (27 Markets) | $195,250. | 14.9% | 35,427,881 |

0004073699

# The National Endowment for the Preservation of Liberty

## ADVERTISING CAMPAIGN
## Media Markets



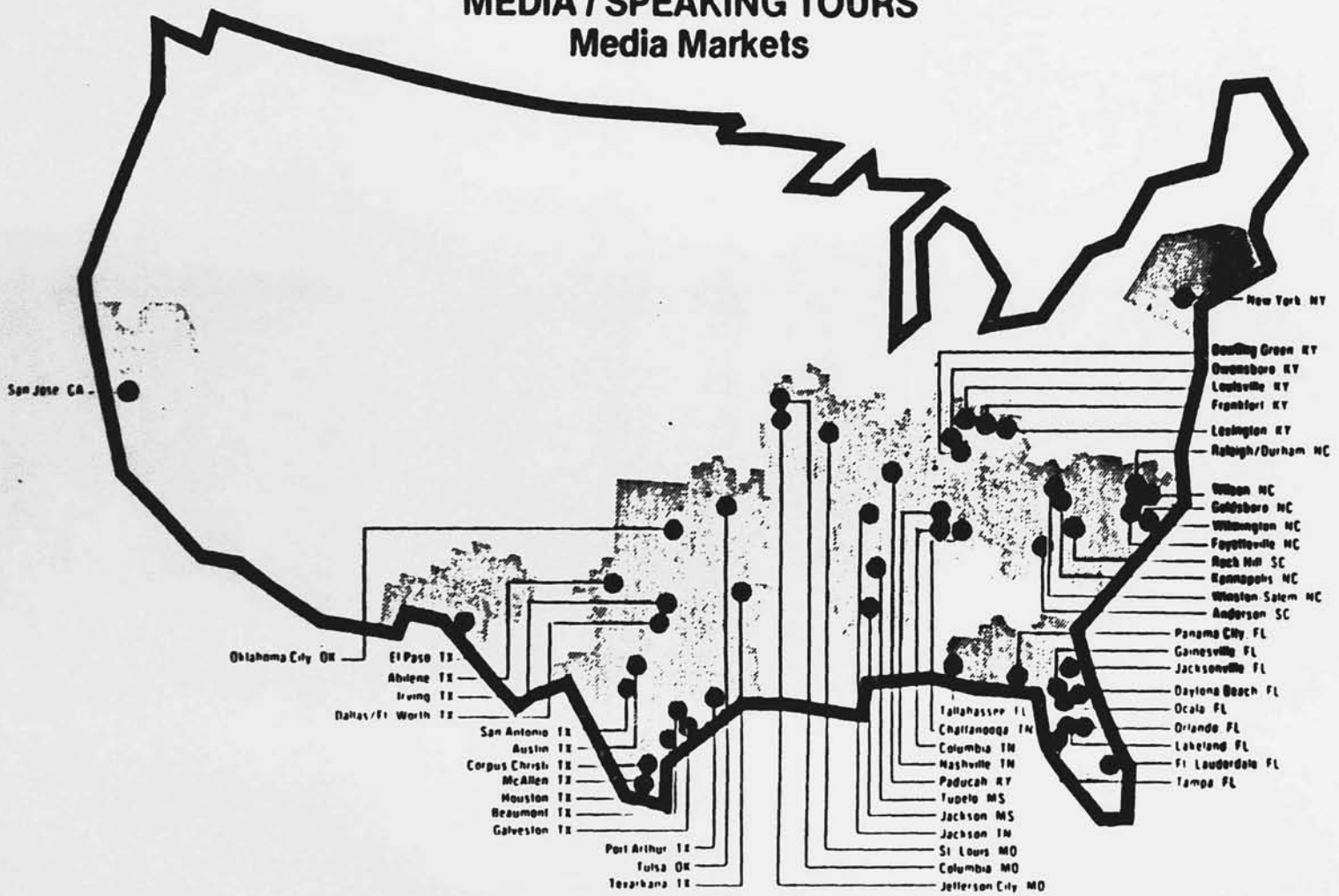

**Total Audience Reached: 35,428,000**
**(14.9% of the American Television Market)**

0 0 7 5 8 7 0 4 0 0 0

# The National Endowment for the Preservation of Liberty

## MEDIA / SPEAKING TOURS

### Media Markets




**Total Audience Reached: 32,000,000**

1 0 7 5 4 7 0 4 0 0 0

0004073704

# 3 Texans link White House, smear tactics

DEC 16 1986

DEC 16 1986

(2)

By Rick Dunham
and Lisa Hoffman
TIMES HERALD WASHINGTON BUREAU

WASHINGTON — Several Texas congressmen who opposed President Reagan's contra aid package said Monday they suspect some administration officials may have taken part in a campaign to discredit them.

Among the lawmakers, all Democrats, who suspect White House involvement — and a possible tie with Lt. Col. Oliver North, the fired National Security Council aide — are Reps. John Bryant of Dallas, Albert Bustamante of San Antonio, Ron Coleman of El Paso and J.J. "Jake" Pickle of Austin. In addition, aides to Reps. Jim Chapman of Sulphur Springs, Kika de la Garza of Mission and Solomon Ortiz of Corpus Christi said they were angered by tactics used against them.

J.J. Pickle

Pickle, chairman of the House Ways and Means Committee's investigations panel, called for a probe into the tax-exempt status of the National Endowment for the Preservation of Liberty, which ran television advertisements linking the lawmakers to Nicaraguan dictator Daniel Ortega, Libyan leader Moammar Gadhafi and Palestine Liberation Organization leader Yasser Arafat.

"I have to assume that the White House and White House officials knew these ads were going to be run," Pickle said.

Conservative fund-raiser Carl "Spitz" Channell, head of the National Endowment for the Preservation of Liberty, said he met with North "eight to 10 times" to discuss efforts to aid the anti-commu-

Please see FUNDS, A-11

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# FUNDS

From A-1

rist Nicaraguan rebels. But Channell denied he had ever discussed political strategy with North, who was fired for his role in the Iranian arms scandal. North declined to comment on the congressmen's statements.

The Lowell, Mass., Sun reported Sunday that $5 million from the Iranian arms sales was used by right-wing groups to target Democrats and Republicans who opposed the contra aid proposal.

Spokesmen for the FBI and the Justice Department refused comment Monday on reports that the FBI, which is investigating the Iranian arms sales until an independent prosecutor is brought on board, has expanded its inquiry to include links between North and conservative political groups.

John Bryant

Meanwhile, another target of Channell's group, Rep. Michael Barnes, D-Md., called on House and Senate investigative committees to study the possible links between the Iran arms sales and U.S. political campaigns.

"If it's true ... it may be the most outrageous thing that has ever happened in American politics, if not close to it," Barnes said.

The White House said it knew nothing of the alleged political fund diversion.

The Texas congressmen who faced particularly nasty campaigns said the suggestions that North involved himself in domestic political strategy made sense to them.

"I guarantee it was orchestrated," said Coleman, who won a landslide re-election in November despite a spirited GOP challenge. "I'm convinced it is a mindset that exists in this administration that they are out to get people who are against them."

Coleman said a concerted campaign of criticism was launched against him less than a week after he introduced a resolution in the House of Representatives on June 24 calling for an investigation into possible illegal behavior by North and other National Security Council members

Coleman said the campaign was conducted by "a bunch of front groups with funny names." He said two tax-exempt educational organizations associated with Channell — the National Endowment for the Preservation of Liberty and the Sentinel — each ran negative commercials against him. In addition, two leaders of the contra movement, Alfonso Robelo and Arturo Cruz, blasted him in separate September press conferences. Robelo also appeared at a rally for Coleman's Republican opponent, Roy Gillia.

Channell's group also purchased sizable blocks of television time aimed at changing the votes of incumbent Democrats Bustamante, de la Garza, Ortiz and Pickle.

"We resented the ads because they were so very distasteful — to question a man's patriotism," Pickle said. "The ads were reprehensible and were obviously being used as a pressure-type of ad or a blackmail-type of ad to force a member to vote in a specific way."

Bustamante said he protested to White House officials this spring about the hard-sell advertisements, which came at a critical time in the congressional debate over resumed aid to the rebel forces in Nicaragua.

"I hollered dirty pool," he said. "They said it didn't come from them. They said it was independent and individual groups."

Meanwhile, other right-wing groups were going after two other Texas Democrats — Bryant and Chapman.

Chapman was chastised by the National Conservative Political Action Committee of Arlington, Va., which sent him a nail, claiming that with his votes, he had put the nail in the coffin" of democra-

cy in Central America. Chapman, who had just won a special election, had never voted on the issue.

In Bryant's case, an organization known as Students for America picketed his Dallas office in the spring in the middle of the congressional contra aid fight. Shortly before the election, a group called the U.S. Defense Committee of Fairfax, Va., bought a full-page advertisement in the Mesquite News that asked Bryant: "Why won't you stand up and defend America?"

"There was absolutely no spontaneous activity," said Bryant. "It was clearly part of a coordinated effort to influence the elections."

Channell did not return repeated phone calls from the Times Herald Monday. North also declined to discuss the matter, saying, "I would very much like to comment on that, but I'm not going to."

Kevin Burnett, a political adviser to Gillia, disputed the Democrats' charges.

"There was absolutely no coordination whatsoever," Burnett said. "We would have welcomed Oliver North, whatever help he could have lent, but I can tell you flatly, we didn't talk to anyone in the White House."

Edwin Weisl, a Long Island lawyer who contributed $4,000 to Channell's political action committee, the American Conservative Trust, in November, said he and other pro-contra contributors met with North and Channell earlier this year.

Weisl, saying that North "seemed like a true believer," said the former National Security Council aide briefed about a dozen contra backers during a session at the Executive Office Building next door to the White House.

But Weisl said North avoided any mention of politics, keeping the briefing strictly to a rundown on Nicaraguan military strength and a refutation of allegations of human rights abuses against the contras.

"We didn't talk about political campaigns, and there was no effort to solicit contributions," Weisl said.

Pro-contra groups denied receiving any money from the arms sale. Said Marta Sacasa, spokeswoman for the United Nicaraguan Opposition: "We don't meddle in American politics."

White House spokesman Larry Speakes said he, too, knew of no links between Iranian money and U.S. elections.

Bob Drummond and Richard Beene of the Times Herald staff contributed to this story

# Lobbyist Said to Have Several Ties to White House

By R. W. APPLE Jr.
Special to The New York Times

WASHINGTON, Dec. 15 — The head of a political action group that campaigned against Congressional opponents of military aid to the Nicaraguan rebels had a number of links to the White House, White House and other officials said today.

But no evidence emerged to support allegations reported by a Massachusetts newspaper, The Lowell Sun, that some of the profits from arms sales to Iran had been diverted to right-wing groups. A senior aide to the Senate intelligence committee who has been heavily involved in the panel's investigation of the arms sales said that "there's been no hint" of any such diversion in the evidence the committee has amassed so far.

In addition, officials of the Federal Bureau of Investigation, who are looking into the allegations, said they had no corroborating evidence and described their inquiry as having a low priority.

### Briefing at White House

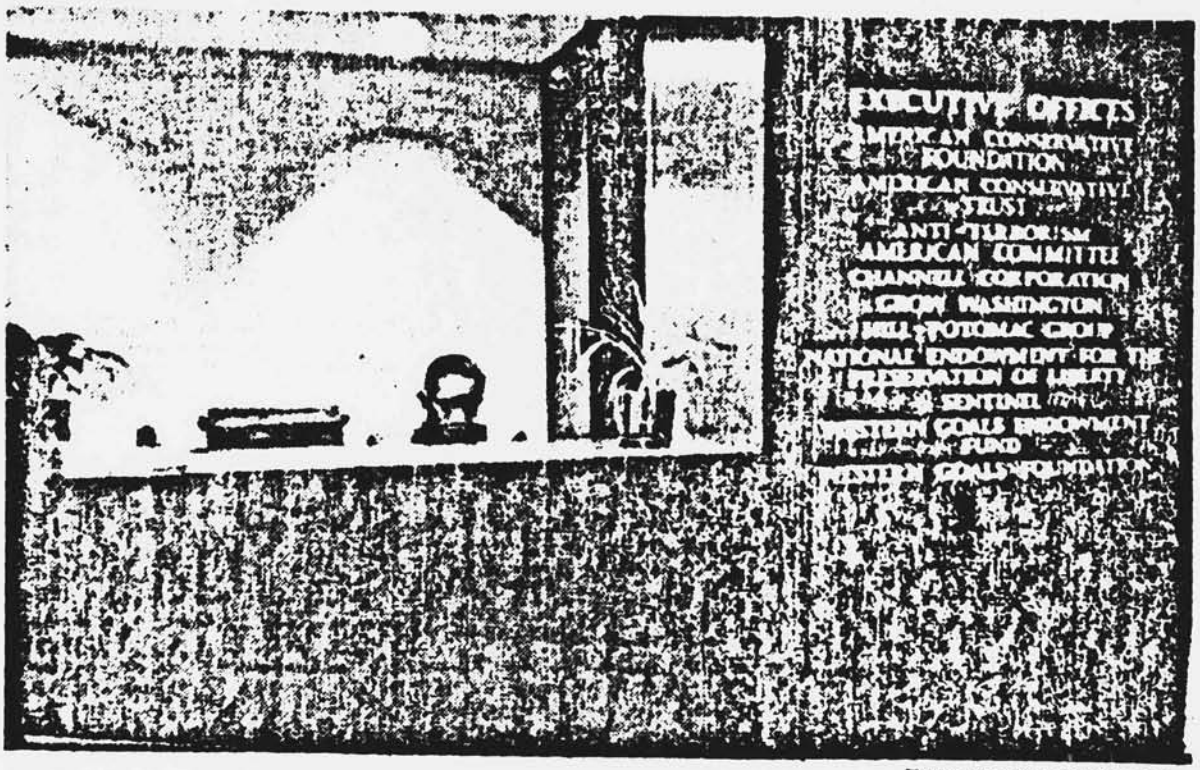
The man at the center of the campaign issue, Carl R. Channell, who heads a number of conservative political groups, has denied that he received any Iranian money. His office reported today that he had left town and that none of his aides were available. His home telephone was answered by a recording machine that said he was not available.

People familiar with Mr. Channell's operations said Sunday that Lieut. Col. Oliver L. North, who was dismissed as a National Security Council official over the diversion of arms profits to the rebels, had helped Mr. Channell organize a campaign against Congressional opponents of aid to the rebels. Today a wide range of other White House links to Mr. Channell emerged.

Connections between Mr. Channell and the White House could be perfectly legal, although armed services regulations prohibit members on active duty, like Colonel North, from taking any part in partisan political activities. But the connections suggest that some people in the Administration were willing at least to countenance unusually biting attacks on Democrats by a group representing itself as nonpartisan.

White House officials said Mr. Channell, a 41-year-old West Virginia native known for his fund-raising ability, and members of his organizations attended a White House briefing in October 1985

Continued on Page A16, Column 1




The New York Times/Marilynn K. Yee

**POLITICAL ACTION GROUP:** Office of the National Endowment for the Preservation of Liberty. Carl R. Channell, who is head of the group, has denied receiving any Iran arms money.

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The New York Times/Marilynn K. Yee

**POLITICAL ACTION GROUP:** Office of the National Endowment for the Preservation of Liberty. Carl R. Channell, who is head of the group, has denied receiving any Iran arms money.

# 'No Hint' of Arms Profits' Political Use

Continued From Page 1

at which Patrick H. Buchanan, the White House communications director, and Colonel North spoke. The officials said Colonel North reviewed the situation in Central America, appealed for support of the rebels and showed a movie.

### Meeting With Buchanan

Mr. Buchanan said today that he had met in his White House office with Mr. Channell and said the fund-raiser had attended at least two White House briefings along with other conservatives this year. But Mr. Buchanan said he had never discussed specific election races with Mr. Channell "or which candidates he was going to support."

The Hatch Act bars civil servants from taking part in partisan political activities.

Late last year and early this year President Reagan, Vice President Bush and Edward J. Rollins, then the President's top political assistant, all wrote letters to Mr. Channell. The letters, copies of which were obtained by The New York Times, praised Mr. Channell for supporting the fight to renew American military aid to the Nicaraguan rebels, known as contras.

Mr. Bush wrote that the "work of the National Endowment for the Preservation of Liberty is of great significance to the foreign policy goals being pursued by the Administration."

The endowment, headed by Mr. Channell, sponsored television advertisements that criticized some House members for opposing aid to the contras. The advertisements were broadcast last spring, when a new vote on the subject was due.

The endowment was listed by The Lowell Sun as one of the recipients of funds diverted from the secret arms sales to Iran.

Several sources, including two people who have worked with Mr. Channell (pronounced CHAN-nel) in the past, said he had met on several occasions with the Vice President, but Mr. Bush's press secretary, Marlin Fitzwater, said tonight that the Vice President's only meeting with Mr. Channell took place on Oct. 30, 1985. It was set up, he said, by Lee Atwater, a political consultant working on Mr. Bush's 1988 Presidential bid.

In another development, it was learned that the Channell Corporation, also headed by Mr. Channell, entered into a contract Oct. 20 with Nofziger Communications Inc., the concern headed by Lyn Nofziger, a former Reagan adviser. The Channell company agreed to pay Mr. Nofziger, who is himself the subject of a Justice Department investigation in an unrelated matter, $240,000 over the next year. Mr. Nofziger's lawyer, Paul L. Perito, said that the contract covered "general political advice and counsel" and that Mr. Nofziger had no knowledge of Mr. Channell's activities in the 1986 campaign.

The Lowell Sun listed several House members as targets of negative advertisements last spring — as the House took votes on aid to the contras — and said the ads were run by the National Endowment for the Preservation of Liberty, which is a nonprofit foundation. Several members expressed surprise at seeing their names on the list. Kelly Sharbell, administrative assistant to Representative Ed Jones, Democrat of Tennessee, said that "we are not aware of any negative ads being run".

But others said they knew of negative advertisements, including three Democrats from Tennessee: Jim Cooper, William H. Boner and Bart Gordon.

Two of Mr. Channell's other principal organizations, the American Conservative Trust and the Anti-Terrorism American Committee, reported spending money on television commercials in four Senate races, commission records show. At least three of the commercials dealt with the President's antimissile project, the Strategic Defense Initiative, not the contras, although the backers of the defense initiative, known as "Star Wars," were also backers of aid to the contras.

The conservative trust spent $25,000 on behalf of Senator Paula Hawkins, a Florida Republican, and $4,000 on behalf of Senator Jeremiah Denton, an Alabama Republican. Both were defeated. The commercials were produced by Ram Films Inc. of Stevenson, Md., outside Baltimore. Ram's president, Richard Manichello, said that the commercials got "limited exposure" and that they had linked the Senators to the President's policy.

In addition, the conservative trust spent $28,000 on commercials opposing Representative Timothy Wirth, Democrat of Colorado, who was elected to succeed Senator Gary Hart, a Democrat retiring from the Senate. The advertisements also dealt with the antimissile plan and were produced by the Robert Goodman agency in Baltimore, a well-known Republican consulting concern.

Robert Goodman's son and business associate, Adam, said in an interview that the agency had done about $1.26 million in business with organizations headed by Mr. Channell in the last two years, including the endowment, the conservative trust, and Sentinel, a lobbying group.

Some commercials, Robert Goodman said in a separate interview, were general ones urging support for the Nicaraguan rebels. But others, he added, were aimed at individuals.

Adam Goodman said other spots ran in the districts of several House members, but he said he could not provide a complete list.

Robert Goodman scoffed at the notion that Mr. Channell received funds diverted from arms profits. He said he had met with Colonel North on two occasions, including an event late in 1985 when Mr. Buchanan and Colonel North "gave a tremendous presentation" on Nicaragua, with slides and maps, for 50 of Mr. Channell's donors.

"We were not working for Oliver North," the senior Mr. Goodman said, however. "I think that's a really bad rap."

(c) 1987 The New York Times, January 9, 1987

Several Nicaraguan rebel officials and their backers in Washington have said in interviews that Mr. Channell helped to pay for rebel lobbying efforts and the officials' expenses in the United States.

The powerful connections Mr. Channell cultivated in the White House and among wealthy conservatives, and his ties to Colonel North, have attracted attention in the aftermath of the disclosure of arms sales to Iran and diversion of funds to the Nicaraguan rebels, or contras.

Mr. Channell gained a reputation for boasting of White House contacts. An acquaintance said that Mr. Channell told him last fall that he was the Administration's ''point man'' on aid to the Nicaraguan rebels. Weeks later, he told a reporter that he could raise ''$40,000 before lunch'' from supporters of President Reagan.

Ties to Owen and to Nofziger

His activities have been endorsed in letters by the President, Vice President Bush and publicly by Patrick H. Buchanan, the White House communications director, as well as Edward J. Rollins, Mr. Reagan's former top political assistant. Robert W. Owen, reported to be an intermediary of Colonel North to the rebels, is a director of one of Mr. Channell's organizations, and the

(c) 1987 The New York Times, January 9, 1987

public relations concern of Lyn Nofziger, a former Reagan aide, is under contract to another Channell entity.

In particular, Congressional officials are investigating reports that Colonel North, who was dismissed from the National Security Council Nov. 25 after the Iranian-Nicaraguan affair became known, helped Mr. Channell start a campaign last year to defeat Congressional opponents of military aid to the rebels.

In the last Congress, several members called for inquiries into what they describe as a labyrinth of related Channell groups that appear to have shuffled money and employees among one another, skirting Federal tax and campaign finance laws.

Law-enforcement officials said the Federal Bureau of Investigation was looking into allegations by a Massachusetts newspaper, The Lowell Sun, that other news organizations have not been able to confirm, that some of the profits from the arms sales were funneled to the National Endowment for the Preservation of Liberty, one of Mr. Channell's largest foundations.

He Denies Receipt of Funds

NEXIS® LEXIS® NEXIS® LEX

In a telephone interview last month, Mr. Channell denied that his organization had received funds from the arms sales. But he acknowledged that Colonel North assisted in the National Endowment's multimillion-dollar publicity campaign last year on behalf of the Nicaraguan rebels.

Mr. Channell has since been unavailable for comment. His home telephone number is now unlisted; no one returned repeated calls to his office number, nor did he answer the door at his home in Northwest Washington.

J. Curtis Herne, a lawyer for the National Endowment, which Mr. Channell serves as chairman and president, said, ''I have no knowledge that the foundation has been used for partisan political reasons, whatsoever.''

But Senator Howard M. Metzenbaum, Democrat of Ohio, disagreed. ''If you can use tax-exempt funds to influence elections, that opens up a broad new spectrum that could be insidious,'' said the Senator, who was unsuccessful in his request last April that the Internal Revenue Service investigate Mr. Channell's foundations.

Since Mr. Channell's ties to Colonel North have aroused public interest, the Senator said he hoped the revenue service would act.

(c) 1987 The New York Times, January 9, 1987

Legal Questions Raised

Federal officials say Mr. Channell's two political action committees could be found to have contributed $1,000 over the legal limit if they are shown to be ''affiliated.'' Legal experts say they are probably affiliated because both are operated by Mr. Channell out of the same Washington suite and share some common contributors.

One of the committees, the Anti-Terrorism American Committee, contributed $3,000 to Mr. Dole's campaign on Oct. 23, while the other, the American Conservative Trust, gave $3,000 to him on Oct. 28.

The maximum contribution per election from an organization to a campaign is $5,000, which is also the maximum total contribution for groups that are affiliated. If Mr. Channell's two groups are deemed affiliated, they contributed $1,000 over the limit.

David A. Keene, Mr. Dole's senior political consultant, said, ''Without looking at the law, they probably are affiliated.'' If it is found that ''they're both creatures of Mr. Channell,'' he said, the excess will be refunded.

LEXIS® NEXIS®

# North Wrote Donor on NSC Stationery

By Ted Gup and Thomas B. Edsall
Washington Post Staff Writers

In early 1986, at a time when the Nicaraguan contras desperately needed new sources of funds to survive, Lt. Col. Oliver L. North and conservative fund-raisers capitalized on their direct access to top White House officials—including President Reagan—to raise millions of dollars, according to documents obtained yesterday.

The strategy, which included taking the donors inside the White House for "private briefings" with senior Reagan administration officials, paid off as a small number of wealthy conservatives gave more than $3 million during this critical period, the documents show.

The money went to the National Endowment for the Preservation of Liberty (NEPL), a tax-exempt foundation run by Carl R. (Spitz) Channell. In 1985 and 1986, according to other NEPL documents, NEPL sent $1.7 million to a Swiss bank account controlled by North, who worked for the National Security Council until he was fired last November for allegedly diverting money from the Iran arms sales to aid the contras.

North, who worked with Channell in the fund-raising campaign, used the Swiss account to finance the purchase and delivery of military equipment for the contras, according to informed sources and information in the Tower board's report on National Security Council activities in the Iran-contra affair. At least one donor apparently believed that North would decide how his contribution would be spent, according to the documents.

The documents, which consist of internal NEPL financial records and correspondence, show that Channell and his fund-raisers made liberal use of the White House's name in wooing donors. For example, letters to donors referred to their meetings between Channell and Reagan in March 1986.

During this period, NEPL also raised money for a television campaign aimed at putting pressure on Congress to approve a $100 million aid package for the contras to help

See FUNDS, A8, Col. 1

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# Fund-Raisers for Contras Capitalized on White House Access

FUNDS, From A1

them in their fight against the government of Nicaragua, as well as to pay for contra leaders to come to the United States to speak.

Reagan was asked about his meetings with these donors at his news conference last week. He replied, "I met with them to thank them because they had raised money to put spot ads on television in favor of the contras in an effort to try and influence Congress to continue giving aid. And I thought that was worth a thanks."

The documents present no evidence that Reagan was aware of any funneling of money to the Swiss bank account, which was held in the name of Lake Resources Inc.

The documents were obtained by former NEPL employe Jane E. McLaughlin. She has been interviewed by the office of independent counsel Lawrence E. Walsh, who is investigating the Iran-contra affair.

Channell's fund-raising methods can be seen in his appeal sent to Bruce Hooper, a wealthy Pennsylvanian. On April [illegible], 1986, McLaughlin wrote Hooper:

"As you know, we are in the final days of the president's crucial campaign to achieve [illegible] of the Freedom Fighters [illegible] desperately needed. Not [illegible] humanitarian aid, but more importantly the effective military aid needed if the Freedom Fighters are to continue successfully resisting attacks by Soviet-supplied [illegible]-HIND-D gunships."

On May [illegible], 1986, North wrote Hooper on National Security Council stationery: "Dear Bruce . . . I hope you will remain steadfast with the president on his leads this effort. I know personally that he values your help very much . . . . Please maintain your invaluable, strong support."

Four days later, Hooper wrote Channell describing a meeting he had with North and McLaughlin. The next day, McLaughlin wrote Hooper: "Ollie would be able to meet with your brothers either here or in Philadelphia, if they would like."

On May 27, 1986, Hooper sent $100,000, NEPL records show. In a letter accompanying the contribution, Hooper wrote: "Please have Ollie contact me to let me know what he is going to do with it, if that is possible."

Last night, Hooper said in a telephone interview that he felt comfortable in making a donation because North—a White House official—was involved and because he assumed the money was going for "nonlethal aid." At the time, Congress had banned any direct U.S. military aid to the contras.

This exchange of letters coincides with a period when White House officials were extremely worried about the ability of the contra movement to survive. According to the Tower board's investigation, North wrote a fellow NSC staff worker on April 22, 1986:

"The picture is dismal unless a new source of 'bridge' funding can be identified . . . . We need to explore this problem urgently or there won't be a force to help when the Congress finally acts."

According to the documents, the White House assembled an impressive array of senior officials, along with the president, for briefings with NEPL contributors.

A Jan. 30 meeting, according to a letter from Channell to a contributor, would be attended by "Donald T. Regan, White House chief of staff, Elliott Abrams, undersecretary of state for Latin American affairs, and Admiral John Poindexter, national security adviser [who] will be conducting the briefing along with me [Channell]." Reagan also met with donors then, a White House spokesman confirmed.

In April, prospective donors were told: "You are one of 10 private citizens being asked to participate in this briefing [at the White House] . . . . A special project to specifically support the president's goals in Nicaragua will be discussed and undertaken by the group. The project is urgent and requires me to call you for confirmation and White House security clearance. Your dinner and accommodations at the Hay Adams Hotel on Lafayette Square are complimentary."

One document, entitled "Top 25 contributors as of Oct. 3, 1986," lists two donors who gave in excess of $1 million: Ellen St. John Garwood, a widow from Austin, Tex., who gave $2.55 million, and Barbara Newington, a widow from Greenwich, Conn., who contributed $1.15 million.

Abrams wrote Channell on Oct. 17, 1986. "Dear Spitz . . . You have set both a standard and a challenge to which we must all aspire if we are to be successful in Central America." On Nov. 11, North presented Channell with the "Freedom Fighter" award at a black-tie dinner at the Willard Hotel.

0004073712

# NORTH DESCRIBED AS CENTRAL FIGURE IN A CONTRA FUND

## A Fund-Raiser Says Colonel Had Key Role in Collecting Conservatives' Money

2-26-87

By ROBERT PEAR
with RICHARD L. BERKE
Special to The New York Times

WASHINGTON, Feb. 25 — A private fund-raiser said today that Lieut. Col. Oliver L. North was the central figure in an elaborate operation that collected millions of dollars from conservative contributors who were told they were assisting the Nicaraguan rebels.

But the fund-raiser, Jane E. McLaughlin, said in an interview that she believed that much of the money was diverted by unidentified intermediaries before it got to the contras.

From Jan. 15, 1986, to Jan. 5 of this year, Miss McLaughlin worked for Carl R. (Spitz) Channell, a highly successful fund-raiser for conservative causes. Shortly after leaving her job, she said, she offered to tell her story to the Federal law enforcement authorities because she believed that "something was very wrong." She has been interviewed for about 25 hours by agents of the Federal Bureau of Investigation working for Lawrence E. Walsh, the special prosecutor in the Iran-contra affair.

### A Network of Foundations

Miss McLaughlin had previously discussed some of her concerns with ABC News, and Colonel North's association with Mr. Channell had been widely reported.

Today, Miss McLaughlin explained that Colonel North was the central and most active figure in raising money through Mr. Channell's network of private foundations and political action committees. She also gave details of their work to get around the law that severely restricted the Government's ability to aid the contras.

As Miss McLaughlin made her revelations, Attorney General Edwin Meese 3d told Congress that he would not pro-

Continued From Page 1

vide any more Iran-related documents that were dated or uncovered after Nov. 25, 1986. He said he was withholding the documents at the request of Mr. Walsh, who wants to control access to the materials.

Miss McLaughlin said she had not talked to the Presidential commission investigating the role of the National Security Council in the Iran-contra affair. On Thursday, the panel, headed by former Senator John G. Tower, plans to issue a report critical of the Reagan Administration.

She explained today, for the first time, why she had concluded that Colonel North was "instrumental in the fund-raising process" and she publicly raised questions about what had happened to the money, declaring, "I do not believe the money we raised ever directly helped the Nicaraguan freedom fighters."

In an interview at her home today, Miss McLaughlin said Mr. Channell invited potential contributors to the White House for private meetings with Colonel North. She said she believed that some of the contributions, though they were described as being for humanitarian purposes, were used to provide military supplies and equipment to the contras. In addition, she said, Mr. Channell established a foundation late last year to help finance travel in Central America by Colonel North.

Miss McLaughlin said Colonel North's involvement was supposed to be kept secret. "I was told by Spitz that you must never refer to Colonel North as Colonel North over the phone," she said. "It was crucial to keep these things quiet."

### Code Name for North

Miss McLaughlin said she and colleagues at the office referred to Colonel North by the code name "Green." In the interview, she spoke of meetings with the Marine colonel as "Green meetings."

Colonel North was dismissed from his post on the National Security Council staff Nov. 25 after early disclosures that the United States had sold weapons to Iran. At the time, Attorney General Edwin Meese 3d said Colonel North had arranged for the contras to receive $10 million to $30 million in profits diverted from the clandestine sale of American weapons to Iran.

Analyses by Mr. Channell's staff showed that "the largest sums of money came in as a result" of appeals made by Colonel North to potential donors, she said. Typically, she said, Colonel North and Mr. Channell met privately with an individual donor at Colonel North's office in a building next to the White House.

### Has Refused Discussion

It is not clear whether Colonel North's activities were legal or illegal. His efforts were designed to help raise money for the contras at a time when the United States Government was forbidden by law to give direct military assistance to the rebels. Colonel North has refused to discuss any aspect of his role in the Iran-contra affair.

Miss McLaughlin said she clearly understood that the contributions were to be used for military purposes, though she did not hear Mr. Channell say so explicitly. Mr. Channell has refused numerous requests for interviews, including one made in a letter delivered to his office here Feb. 18.

Miss McLaughlin said Mr. Channell's fund raising for the contras included an operation that was known in his office as Project Toys. Money donated by wealthy conservatives was deposited in bank accounts of the National Endowment for the Preservation of Liberty, a private nonprofit corporation of which Mr. Channell was president and chairman, she said.

The endowment then transferred large sums to International Business Communications, a public affairs and political counseling concern, she said.

### Copies of Statements

Miss McLaughlin has photocopies of bank statements and ledger books showing payments from the Channell organization to International Business Communciations as follows: $400,000 in December 1985, $400,000 in January 1986 and $1.25 million on May 7, 1986. In addition, according to the records, there were payments of $263,000 on May 17 and separate payments of $500,000 and $225,000 on May 31.

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0004079714

**FEDERAL ELECTION COMMISSION**
WASHINGTON, D.C. 20463

May 5, 1987

Mr. Carl Russell Channell
2032 Belmont Road, NW
#210
Washington, DC 20009

RE: MUR 2406
Carl Russell Channell

Dear Mr. Channell:

The Federal Election Commission received a complaint which alleges that you may have violated the Federal Election Campaign Act of 1971, as amended (the "Act"). A copy of the complaint is enclosed. We have numbered this matter MUR 2406. 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. 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. Your response, which should be addressed to the General Counsel's Office, 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.

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 authorizing such counsel to receive any notifications and other communications from the Commission.

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

Sincerely,

Lawrence M. Noble
Acting General Counsel

By: George F. Rishel
Acting Associate General Counsel

Enclosures
1. Complaint
2. Procedures
3. Designation of Counsel Statement

9004079371

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

May 5, 1987

Executive Director
Sentinel
305 Fourth Street, NE
Washington, DC 20002

RE: MUR 2406
Sentinel

Dear Sir:

The Federal Election Commission received a complaint which alleges that Sentinel may have violated the Federal Election Campaign Act of 1971, as amended (the "Act"). A copy of the complaint is enclosed. We have numbered this matter MUR 2406. 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 Sentinel in this matter. 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. Your response, which should be addressed to the General Counsel's Office, 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.

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 authorizing such counsel to receive any notifications and other communications from the Commission.

0004079371

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

Sincerely,

Lawrence M. Noble
Acting General Counsel

George F. Rishel

By: George F. Rishel
Acting Associate General Counsel

Enclosures
1. Complaint
2. Procedures
3. Designation of Counsel Statement

9004079357 17

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

May 5, 1987

Executive Director
National Endowment For The
Preservation of Liberty
1331 Pennsylvania Avenue, NW
Suite 375 South
Washington, DC 20004

RE: MUR 2406
National Endowment For The
Preservation of Liberty

Dear Sir:

The Federal Election Commission received a complaint which alleges that the National Endowment For The Preservation of Liberty may have violated the Federal Election Campaign Act of 1971, as amended (the "Act"). A copy of the complaint is enclosed. We have numbered this matter MUR 2406. 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 the National Endowment For The Preservation of Liberty in this matter. 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. Your response, which should be addressed to the General Counsel's Office, 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.

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 authorizing such counsel to receive any notifications and other communications from the Commission.

0004079713

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

Sincerely,

Lawrence M. Noble
Acting General Counsel

By: George F. Rishel
Acting Associate General Counsel

Enclosures
1. Complaint
2. Procedures
3. Designation of Counsel Statement

00040737

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

May 5, 1987

F. Clifton Smith, Treasurer
American Conservative Trust
1331 Pennsylvania Avenue, NW
Suite 375 South
Washington, DC 20004

RE: MUR 2406
American Conservative Trust
F. Clifton Smith, Treasurer

Dear Mr. Smith:

The Federal Election Commission received a complaint which alleges that the American Conservative Trust and you, as treasurer, may have violated the Federal Election Campaign Act of 1971, as amended (the "Act"). A copy of the complaint is enclosed. We have numbered this matter MUR 2406. 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 and the American Conservative Trust in this matter. 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. Your response, which should be addressed to the General Counsel's Office, 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.

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 authorizing such counsel to receive any notifications and other communications from the Commission.

0004079720

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

Sincerely,

Lawrence M. Noble
Acting General Counsel

By: George F. Rishel
Acting Associate General Counsel

Enclosures
1. Complaint
2. Procedures
3. Designation of Counsel Statement

9004079372 1

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

May 5, 1987

The Honorable Beryl Anthony, Chairman
Democratic Congressional Campaign Committee
430 South Capitol Street, SE
Washington, DC 20003

RE: MUR 2406

Dear Representative Anthony:

This letter acknowledges receipt of your complaint, received on April 28, 1987, alleging possible violations of the Federal Election Campaign Act of 1971, as amended (the "Act"), by the American Conservative Trust and F. Clifton Smith, as treasurer, the National Endowment For The Preservation of Liberty, Sentinel, and Mr. Carl Russell Channell. The respondents will be notified of this complaint within five days.

You will be notified as soon as the Federal Election Commission takes final action on your complaint. Should you receive any additional information in this matter, please forward it to the Office of the General Counsel. Such information must be sworn to in the same manner as the original complaint. We have numbered this matter MUR 2406. Please refer to this number in all future correspondence. For your information, we have attached a brief description of the Commission's procedures for handling complaints. If you have any questions, please contact Retha Dixon, Docket Chief, at (202) 376-3110.

Sincerely,

Lawrence M. Noble
Acting General counsel

By: George F. Rishel
Acting Associate General Counsel

Enclosures
Procedures

0004075722

GCC#3411
RECEIVED AT THE FEC

HERGE, SPARKS, CHRISTOPHER & BIONDI
ATTORNEYS AT LAW
SUITE 200
8201 GREENSBORO DRIVE
MCLEAN, VIRGINIA 22102

J. CURTIS HERGE
ROBERT R. SPARKS, JR.
A. MARK CHRISTOPHER
GEORGE V. BIONDI
DONNA LYNN MILLER

(703) 848-4700

87 MAY 20 A9:23
87 MAY 20 A10:01
RECEIVED
FEDERAL ELECTION COMMISSION
GENERAL COUNSEL

May 15, 1987

George F. Rishel, Esq.
Acting Associate General Counsel
Federal Election Commission
999 E Street, N.W.
Washington, D. C. 20463

RE: MUR 2406 - National Endowment for the Preservation of Liberty, Sentinel and American Conservative Trust

Dear Mr. Rishel:

This is written in acknowledgment of the receipt of your letters to National Endowment for the Preservation of Liberty, Sentinel and American Conservative Trust, dated May 5, 1987, regarding a complaint filed with the Federal Election Commission on April 28, 1987 by the Democratic Congressional Campaign Committee.

Enclosed, for your records, are statements of designation of counsel executed on behalf of National Endowment for the Preservation of Liberty, Sentinel and American Conservative Trust. The statement of designation of counsel of American Conservative Trust was signed by F. Clifton Smith, its treasurer. These statements designate this firm as counsel in connection with this matter.

Our clients should like to have an opportunity to demonstrate to the Commission that no action should be taken under 2 U.S.C. 437g(2) on the basis of the complaint. At the present time, however, the respondents and/or their officers are fully occupied with several precedent investigations, including those being conducted by the Independent Counsel and the House and Senate select committees examining the Iran/Contra matter. This firm also represents the respondents and their officers in those investigations. As a result, we are not currently

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available to analyze the complaint, to examine the record and to prepare a substantive reply. For that reason, we respectfully request an extension of time within which to reply; our current evaluation being that a response could be available for submission on July 20, 1987.

In the interest of understanding, we note that, if the requested extension were not granted and the Commission were to proceed at this time under 2 U.S.C. 437g(2), Fifth Amendment considerations would have to be addressed. We believe, however, that that issue will be resolved prior to July 20, 1987 and, thus, would then not interfere with the normal progression of the matter.

Accordingly, for the reasons stated, we request that the Commission take no further action on this matter prior to July 20, 1987.

Sincerely,

J. Curtis Herge

:sbl

Enclosures

0004079724

# STATEMENT OF DESIGNATION OF COUNSEL

MUR 2406

NAME OF COUNSEL: J. CURTIS HERGE, Esq.

ADDRESS: Herge, Sparks, Christopher & Biondi
8201 Greensboro Drive, Suite 200
McLean, Virginia 22102

TELEPHONE: (703) 848-4700

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.

National Endowment for the Preservation of Liberty

May 8, 1987
Date

By: Daniel Lynn Conrad
Signature Executive Director

RESPONDENT'S NAME: National Endowment for the Preservation of Liberty

ADDRESS: Suite 350
1331 Pennsylvania Avenue, N.W.
Washington, D. C. 20004

HOME PHONE:

BUSINESS PHONE: 662-8700

0004079725

# STATEMENT OF DESIGNATION OF COUNSEL

MUR 2406

NAME OF COUNSEL: J. CURTIS HERGE, ESQ.

ADDRESS: Herge, Sparks, Christopher & Biondi
8201 Greensboro Drive, Suite 200
McLean, Virginia 22102

TELEPHONE: (703) 848-4700

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.

SENTINEL

5/15/87
Date

Signature

RESPONDENT'S NAME: SENTINEL

ADDRESS: 1331 Pennsylvania Avenue, N.W.
Washington, D. C. 20004

HOME PHONE:

BUSINESS PHONE: 662-8732

0004079337 26

# STATEMENT OF DESIGNATION OF COUNSEL

MUR 2406

NAME OF COUNSEL: J. CURTIS HERGE, Esq.

ADDRESS: Herge, Sparks, Christopher & Biondi
8201 Greensboro Drive, Suite 200
McLean, Virginia 22102

TELEPHONE: (703) 848-4700

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.

American Conservative Trust

May 6, 1987
Date

By: F. Clifton Smith
Signature
Treasurer

RESPONDENT'S NAME: American Conservative Trust and
F. Clifton Smith, as Treasurer

ADDRESS: Suite 375 South
1331 Pennsylvania Avenue, N.W.
Washington, D. C. 20004

HOME PHONE:

BUSINESS PHONE: 662-8702

0004079727

QCC# 3415
RECEIVED AT THE FEC.
87 MAY 20 P12:06

HERGE, SPARKS, CHRISTOPHER & BIONDI
ATTORNEYS AT LAW
SUITE 200
8201 GREENSBORO DRIVE
McLEAN, VIRGINIA 22102

(703) 848-4700

J. CURTIS HERGE
ROBERT R. SPARKS, JR.
A. MARK CHRISTOPHER
GEORGE V. BIONDI

DONNA LYNN MILLER
KIMBERLY A. MEHURON

May 18, 1987

87 MAY 20 P2:55
RECEIVED
GENERAL COUNSEL

George F. Rishel, Esq.
Acting Associate General Counsel
Federal Election Commission
999 E Street, N.W.
Washington, D. C. 20463

RE: MUR 2406 - Carl R. Channell

Dear Mr. Rishel:

This is written with reference to and in furtherance of my letter to you, dated May 15, 1987, regardng MUR 2406.

Today, I learned that you also directed a copy of the complaint to Carl Russell Channell. Accordingly, I am sending to you herewith a Statement of Designation of Counsel, signed by Mr. Channell, designating this firm as his counsel in connection with this matter.

For the reasons stated in my letter of May 15, 1987, we request an extension until July 20, 1987 within which to respond on behalf of Mr. Channell.

Sincerely,

J. Curtis Herge

:kdm

2004072728

# STATEMENT OF DESIGNATION OF COUNSEL

MUR 2406

NAME OF COUNSEL: J. Curtis Herge, Esq.
Herge, Sparks, Christopher & Biondi

ADDRESS: 8201 Greensboro Drive, Suite 200
McLean, Virginia 22102

TELEPHONE: (703) 848-4700

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.

May 18, 1987
Date

Signature CARL R. CHANNELL

RESPONDENT'S NAME: Carl Russell Channell

ADDRESS: 2032 Belmont Road, N.W., #210
Washington, D. C. 20009

HOME PHONE: (202) 234-7595

BUSINESS PHONE:

0004079372 9

SENSITIVE

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

87 MAY 22 A9:36

May 21, 1987

MEMORANDUM

TO: The Commission

FROM: Lawrence M. Noble
Acting General Counsel

SUBJECT: MUR 2406 - Request for Extension of Time

By letters dated May 15 and 18, 1987, the respondents requested an extension of 58 days in which to respond to the complaint (Attachment 1). The May 15 letter explains that an extension is necessary because Fifth Amendment considerations would have to be addressed if the Commission were to proceed at this time under 2 U.S.C. § 437g(a)(2). The letter further states that the respondents believe the Fifth Amendment issue will be resolved prior to July 20, 1987, and that a response could be available for submission on that date.

The Office of the General Counsel would not normally recommend that the Commission grant such a lengthy extension of time in order to respond to a complaint. Nevertheless, this Office recommends that the Commission grant this extension because of the unique circumstances related to this matter. The proposed letter, however, has been modified in two ways. First, it requests the respondent to file a response prior to July 20, 1987, if that is possible. Second, it informs the respondents that, in any event, the Commission must act on the complaint as expeditiously as possible.

Recommendations

1. Grant an extension of time to respond of 58 days (to July 20, 1987) to Sentinel, the National Endowment for the Preservation of Liberty, the American Conservative Trust and F. Clifton Smith, as treasurer, and Carl Russell Channell.

2. Approve the attached letter.

Attachments
1. Request for Extension and Designations of Counsel
2. Proposed Letter

9004073730

FEDERAL ELECTION COMMISSION
WASHINGTON D.C. 20463

MEMORANDUM TO: LAWRENCE M. NOBLE
ACTING GENERAL COUNSEL

FROM: MARJORIE W. EMMONS/JERYL L. WARREN

DATE: MAY 27, 1987

SUBJECT: OBJECTION TO MUR 2406 - MEMORANDUM TO THE COMMISSION DATED MAY 21, 1987

The above-captioned document was circulated to the Commission on Friday, May 22, 1987 at 12:00.

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

Commissioner Aikens _____

Commissioner Elliott _____

Commissioner Josefiak _____

Commissioner McDonald _____

Commissioner McGarry _____

Commissioner Thomas X

This matter will be placed on the Executive Session agenda for Tuesday, June 2, 1987.

0004079573 1

BEFORE THE FEDERAL ELECTION COMMISSION

| | | |
|---|---|---|
| In the Matter of | ) | |
| | ) | |
| Sentinel | ) | |
| The National Endowment for the Preservation of Liberty | ) | MUR 2406 |
| American Conservative Trust and F. Clifton Smith, as treasurer | ) | |
| Carl Russell Channell | ) | |

CERTIFICATION

I, Marjorie W. Emmons, recording secretary for the Federal Election Commission executive session of June 2, 1987, do hereby certify that the Commission decided by a vote of 5-1 to take the following actions in MUR 2406:

1. Grant an extension of time to respond of 58 days (to July 20, 1987) to Sentinel, the National Endowment for the Preservation of Liberty, the American Conservative Trust and F. Clifton Smith, as treasurer, and Carl Russell Channell.

2. Approve the letter attached to the General Counsel's report dated May 21, 1987.

Commissioners Aikens, Elliott, Josefiak, McDonald, and McGarry voted affirmatively for the decision; Commissioner Thomas dissented.

Attest:

6/3/87
Date

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

0004079373 2

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

June 5, 1987

J. Curtis Herge, Esquire
Herge, Sparks, Christopher & Biondi
Suite 200
8201 Greensboro Drive
McLean, VA 22102

RE: MUR 2406
Sentinel; National Endowment for the Preservation of Liberty; American Conservative Trust and F. Clifton Smith, as treasurer; Carl Russell Channell

Dear Mr. Herge:

This is in response to your letters dated May 15 and 18, 1987, which we received on May 20, 1987, requesting an extension of 58 days until July 20, 1987, to respond to the complaint in this matter. After considering the circumstances presented in your letter, the Federal Election Commission has granted the requested extension. Accordingly, your response is due by close of business on July 20, 1987.

If it is possible for you to file a response prior to July 20, 1987, the Commission urges you to do so. Moreover, as you are aware, the Commission must, in any event, act on the complaint as expeditiously as possible.

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

Sincerely,

Lawrence M. Noble
Acting General Counsel

9004079735

GCC#3951
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87 JUL 20 A9:50


HERGE, SPARKS, CHRISTOPHER & BIONDI
ATTORNEYS AT LAW
SUITE 200
8201 GREENSBORO DRIVE
McLEAN, VIRGINIA 22102
(703) 848-4700

J. CURTIS HERGE
ROBERT R. SPARKS, JR.
A. MARK CHRISTOPHER
GEORGE V. BIONDI
DONNA LYNN MILLER
CARRIE LEE GLASER

TELECOPIER NUMBER
(703) 893-7371


July 16, 1987

87 JUL 20 A11:57

RECEIVED
FEDERAL ELECTION COMMISSION
GENERAL COUNSEL

George F. Rishel, Esq.
Acting Associate General Counsel
Federal Election Commission
999 E Street, N.W.
Washington, D. C. 20463

RE: MUR 2406
American Conservative Trust;
Carl Russell Channell;
National Endowment for the
Preservation of Liberty; and,
Sentinel

Dear Mr. Rishel:

This is written in response to your letters, dated May 5, 1987, to American Conservative Trust, Carl Russell Channell, National Endowment for the Preservation of Liberty and Sentinel, regarding a complaint filed with the Federal Election Commission by Rep. Beryl Anthony, Chairman of the Democratic Congressional Campaign Committee, numbered MUR 2406. By letters dated May 15, 1987 and May 18, 1987, statements of designation of counsel were filed by the undersigned on behalf of all the respondents in this matter and an extension of time within which to answer was requested. By letter dated June 5, 1987, the Acting General Counsel confirmed that an extension had been granted until the close of business on July 20, 1987.

In his complaint, Rep. Anthony alleges that Mr. Channell and the respondent organizations operated "to bring about the defeat of Democratic candidates for the Congress." In fact, Mr. Channell and the respondent organizations, other than American Conservative Trust, conducted carefully planned and professionally managed educational and lobbying programs in 1985 and 1986, which were designed to enhance support for the strategic defense intitiative and for the Nicaraguan Contras.


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The strategic defense intitiative programs centered upon the President's summit meetings in 1985 in Geneva and in 1986 in Iceland. The Contra programs centered upon the timing of the legislative battles in 1985 and 1986; and, culminated with the passage by Congress of a $100,000,000.00 aid package in October, 1986. As shall be demonstrated, those programs had no election related purpose. They were solely issue related and, much to the displeasure of Mr. Anthony, they were effective. The following is submitted to provide an accurate understanding of the organizations and their programs.

## I. The Organizations

The organizations at issue in this matter are American Conservative Trust, Inc.; American Conservative Trust State Election Fund; National Endowment for the Preservation of Liberty; and, Sentinel. A brief description of each organization would be relevant to an understanding of this matter.

### (A) American Conservative Trust, Inc.

American Conservative Trust, Inc. (hereinafter "ACT") is a federal political committee which was incorporated under the District of Columbia Nonprofit Corporation Act on October 16, 1984. ACT is a political committee under the Federal Election Campaign Act.

The specific purposes of ACT were to influence the selection, appointment, nomination for election, or election of any person to any Federal, state or local public office; to influence the results of a state or local primary election, caucus or convention held for the selection of delegates to a nominating convention of a political party; to influence the success or defeat of a political party or principle; and, to support or oppose any question submitted to vote at a public election. ACT was also authorized to support or oppose legislation and advocate positions on issues.

The Board of Directors of ACT in 1985 and 1986 consisted of Carl R. Channell, Roger Wilkins, Albert Ferri, Jr. and John Ramsey. Mr. Channell served as the Chairman of ACT in 1985 and 1986.

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**(B) American Conservative Trust State Election Fund**

American Conservative Trust State Election Fund (hereinafter "ACT-SEF") is a non-federal political committee which was incorporated under the District of Columbia Nonprofit Corporation Act on October 5, 1984. ACT-SEF is not a political committee under the Federal Election Campaign Act.

The specific purposes of ACT-SEF were to influence the selection, appointment, nomination for election, or election of candidates for non-Federal offices in any state or local election, caucus or convention; to influence the success or defeat of a political party or principle; and, to support or oppose any question submitted to vote at a public election. ACT-SEF was also authorized to support or oppose legislation and advocate positions on issues.

The Board of Directors of ACT-SEF in 1985 and 1986 consisted of Carl R. Channell, Roger Wilkins, Albert Ferri, Jr. and John Ramsey. Mr. Channell served as the Chairman of ACT-SEF in 1985 and 1986.

**(C) National Endowment for the Preservation of Liberty**

National Endowment for the Preservation of Liberty (hereinafter "NEPL") is a nonprofit corporation which was incorporated under the District of Columbia Nonprofit Corporation Act on May 25, 1984. NEPL was granted exemption from Federal income taxes as a charitable and educational organization described in Section 170 and 501(c)(3) of the Internal Revenue Code, pursuant to a determination letter issued by the Internal Revenue Service on December 12, 1984.

The specific purposes of NEPL, as amended, were to receive contributions and make expenditures, or both, directly or indirectly, for the study, analysis and research for the benefit of the general public on public issues and policies of significant public interest or importance and to make the results thereof available to the general public, including but not limited to, educating members of the general public concerning

various economic, social, historical and political events occurring in nations struggling to obtain freedom and liberation and the impact on various nations, including the United States of America. In furtherance of these purposes NEPL conducts and sponsors public discussion groups, forums, lectures and panels to which they invite members of the general public and others for an interchange of views and the instruction of the general public on such issues and matters then under discussion. NEPL also sponsors and distributes educational materials relevant to its purposes. Additionally, and in furtherance of its purposes, NEPL may assist the peoples of various nations struggling to obtain freedom and liberation by offering humanitarian assistance for the relief of the poor and the distressed of such nations.

In 1985, the Board of Directors of NEPL consisted of Carl R. Channell, Edward Donahue and Larry Parman. In July, 1986, Daniel L. Conrad was added to the Board of Directors, serving with Messrs. Channell, Donahue and Parman throughout 1986. Mr. Channell was President of NEPL in 1985 and 1986.

**(D) Sentinel**

Sentinel is a nonprofit corporation which was incorporated under the District of Columbia Nonprofit Corporation Act on May 10, 1985. Sentinel was granted exemption from Federal income taxes as a lobbying organization qualified under Section 501(c)(4) of the Internal Revenue Code, pursuant to a determination letter issued by the Internal Revenue Service on February 7, 1986.

The specific purposes of Sentinel were to receive contributions and make expenditures for the education of the general public on legislation, issues, appropriations and causes concerning national defense.

The Board of Directors of Sentinel consisted, in 1985 and 1986, of Roy L. Beheler, Carl R. Channell, Edward J. Donahue, III and Richard Scarino. Mr. Channell served as President of Sentinel in 1985 and 1986.

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## II. Programmatic Activities

### ACT-SEF

In April, 1985, ACT-SEF (the non-federal political committee) produced and broadcast a series of television advertisements designed to influence legislation pending in Congress to provide aid to the Nicaraguan Contras. Subsequently, in October, 1985, ACT-SEF produced and broadcast a television advertisement in support of the strategic defense initiative. Copies of the advertisements are enclosed. These advertisements were:

- Freedom Can't Work, which was broadcast during the period April 18-23, 1985 in Albuquerque, New Mexico; Beaumont/Port Authur, Texas; Charlotte, North Carolina; Cleveland, Ohio; Dallas, Texas; Kansas City, Missouri; Miami, Florida; Philadelphia, Pennsylvania; Tulsa, Oklahoma; Washington, D.C.; and, Hartford/New Haven, Connecticut.

- Korean Airliner, which was broadcast during the period April 18-23, 1985 in Tulsa, Oklahoma; Cleveland, Ohio; Washington, D.C.; and, Hartford/New Haven, Connecticut.

**The reason Freedom Can't Work and Korean Airliner were broadcast during that period is that, on April 24, 1985, the House of Representatives voted upon and rejected a bill to provide $14 million in aid to the Contras. The advertisements were clearly designed and intended to have an influence on that legislation.**

- The Party's Over, which was broadcast during the period May 25 - June 5, 1985 in Austin, Texas; Miami, Florida; and, Washington, D.C.

**The reason The Party's Over was broadcast during that period is that, on June 6, 1985, the Senate voted upon and passed a bill to provide $27 million in aid to the Contras. On June 12,**

0 0 0 4 0 7 7 3 6

**1985, the House of Representatives voted upon and passed a similar bill to provide $27 million in aid to the Contras. The text of the advertisement references the trip Ortega made to Moscow immediately after the April vote in the House. Again, it was designed and intended to have an influence on the legislation voted upon in June.**

- Morning of Peace, which was broadcast during the period October 30 - November 17, 1985 in Austin, Texas; Pittsburg, Pennsylvania; and, Washington, D.C.

**The reason Morning of Peace was broadcast during that period was that the President was preparing for his summit meeting in Geneva. There was an on-going national debate in advance of that summit whether the President should negotiate away his strategic defense initiative.**

While the visual disclaimer on each of the aforementioned advertisements was that of American Conservative Trust, in fact all costs of production and placement were paid for by ACT-SEF.

**(B) NEPL**

Commencing in March, 1986, NEPL produced and broadcast a series of television advertisements designed to educate the members of the general public on the situation in Nicaragua. Copies of the advertisements are enclosed. These advertisements were:

- Terrorist Influence, which was broadcast during the period March 3 - May 1, 1986 in Albany, Georgia; Austin, Texas; Chattanooga, Tennessee; Columbia, South Carolina; Columbus/Tupelo, Mississippi; Corpus Christi, Texas; Greenville/Spartanburg/Asheville, South Carolina; Jackson, Mississippi; Jacksonville, Florida; Louisville, Kentucky; Macon, Georgia; McAllen/Brownsville, Texas; Memphis, Tennessee; Nashville, Tennessee; Miami, Florida; Oklahoma

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City, Oklahoma; Orlando/Daytona Beach, Florida; Raleigh/Durham, North Carolina; San Antonio, Texas; Savannah, Georgia; Tampa/Sarasota, Florida; Tulsa, Oklahoma; Washington, D.C.; and, West Palm Beach, Florida.

- Refugees, which was broadcast during the period March 3 - May 1, 1986 in Albany, Georgia; Austin, Texas; Chattanooga, Tennessee; Columbia, South Carolina; Columbus/Tupelo, Mississippi; Corpus Christi, Texas; Greenville/New Bern, North Carolina; Greenville/Spartanburg/Asheville, South Carolina; Jackson, Mississippi; Jacksonville, Florida; Louisville, Kentucky; Macon, Georgia; McAllen/Brownsville, Texas; Nashville, Tennessee; Miami, Florida; Oklahoma City, Oklahoma; Orlando/Daytona Beach, Florida; Raleigh/Durham, North Carolina; San Antonio, Texas; Savannah, Georgia; Tampa/Sarasota, Florida; Tulsa, Oklahoma; Washington, D.C.; and, West Palm Beach, Florida.

- Helicopters, which was broadcast during the period March 3 - May 1, 1986 in Albany, Georgia; Austin, Texas; Chattanooga, Tennessee; Columbia, South Carolina; Columbus/Tupelo, Mississippi; Corpus Christi, Texas; Greenville/New Bern, North Carolina; Greenville/Spartanburg/Asheville, South Carolina; Jackson, Mississippi; Jacksonville, Florida; Louisville, Kentucky; Macon, Georgia; McAllen/Brownsville, Texas; Nashville, Tennessee; Miami, Florida; Oklahoma City, Oklahoma; Orlando/Daytona Beach, Florida; Raleigh/Durham, North Carolina; San Antonio, Texas; Savannah, Georgia; Tampa/Sarasota, Florida; Tulsa, Oklahoma; Washington, D.C.; and, West Palm Beach, Florida.

- They Are Us, which was broadcast during the period March 3 - May 1, 1986 in Austin, Texas; Nashville, Tennessee; Raleigh/Durham, North Carolina; San Antonio, Texas; and, Washington, D.C.

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· Letter, which was broadcast during the period March 3 - May 1, 1986 in Columbia, South Carolina; Columbus/Tupelo, Mississippi; Corpus Christi, Texas; Jackson, Mississippi; Macon, Georgia; McAllen/Brownsville, Texas; Savannah, Georgia; Tulsa, Oklahoma; and, Washington, D.C.

· Throw Money, which was broadcast during the period March 3 - May 1, 1986 in Louisville, Kentucky; Oklahoma City, Oklahoma; Orlando/Daytona Beach, Florida; Tulsa, Oklahoma; and, Washington, D.C.

· Flag, which was broadcast during the period March 3 - May 1, 1986 in Austin, Texas; Columbia, South Carolina; Corpus Christi, Texas; Jackson, Mississippi; Nashville, Tennessee; Raleigh/Durham, North Carolina; San Antonio, Texas; Savannah, Georgia; and, Tulsa, Oklahoma.

**The reason the foregoing advertisements were broadcast during that time period was that there was then a national debate on providing additional aid to the Contras. During that period, the Senate, on March 19, 1986, voted in favor of a bill to provide $100 million in aid to the Contras. The House of Representatives, on the other hand, voted on March 20, 1986 and on April 16, 1986 to deny aid to the Contras. The broadcasts continued through the end of April in the knowledge that the issue would yet again be addressed by Congress later in the year.**

· Reconnaissance, which was broadcast during the period June 20-27, 1986, in Idaho Falls, Idaho; Miami, Florida; Washington, D.C.; and, West Palm Beach, Florida.

**The reason Reconnaissance was broadcast during the stated time period was that the national debate on aid to the Contras had again come to the fore. On June 25-26, 1986, the House of Representatives debated and voted in favor of a bill providing $100 million in aid to the Contras. The Senate voted in favor of a similar, but not identical, $100 million Contra aid bill on June 27, 1986.**

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- True Colors, which was broadcast during the periods August 8-14, 1986 and October 7-9, 1986, in Washington, D.C.

**The reason True Colors was broadcast during the stated time periods and only in Washington, D.C. was that the House and Senate had failed, because of political maneuvering, to meet in conference to reconcile the differences in the bills voted upon in June. This advertisement was intended to encourage such a conference.**

- President's Oath, which was broadcast during the period July 3-5, 1986, in Austin, Texas; Columbus, Georgia; Denver, Colorado; and, Washington, D.C.

- Will They Wait, which was broadcast during the period July 24-31, 1986, in Washington, D.C.

**The reason President's Oath and Will They Wait were broadcast was the renewed debate over the strategic defense initiative. The advertisements were designed and intended to enhance grassroots support for that issue in advance of and immediately after the Iceland summit.**

- Nicaraguan Update, which was broadcast only in the late evening in Washington, D.C. on November 4, 1986.

**On October 18, 1986, the House-Senate Conference finally reported agreement on the reconciliation of the $100 million Contra aid package that had been voted on in June. Nicaraguan Update was produced in response to that delay. Because of the proximity of the 1986 general elections, the advertisement was purposefully not broadcast until after the polls had closed on November 4, 1986. It was broadcast only that evening in the belief that many Members of Congress would be watching election returns that evening.**

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**(C) Sentinel**

During the period June 17-27, 1986, Sentinel, an organization authorized to engage in direct and grass-roots lobbying activities, broadcast a series of advertisements designed specifically to influence the vote in the House on the $100 million Contra aid bill. The House considered that bill on June 25 and 26, 1986 and the Senate considered that bill on June 27, 1986. Copies of the advertisements are attached. These advertisements were:

- Does He Know? The attached copy of Does He Know? makes reference to Rep. Michael Barnes. This was a variable advertisement, with names and photographs of other Congressmen being substituted where applicable. The variations and places of broadcast were:

  Barnes - Washington, D.C.;
  Pickle - Austin, Texas;
  Cooper - Nashville, Tennessee;
  Gordon - Nashville, Tennessee;
  Whitley - Raleigh/Durham, North Carolina;
  Hefner - Raleigh/Durham, North Carolina;
  Bustamante - San Antonio, Texas;
  de la Garza - San Antonio, Texas;
  McAllen - Brownsville, Texas; and
  Mazzoli - Louisville, Kentucky.

- Fact Checks. The attached copy of Fact Checks consists of three ten second advertisements, again being a variable advertisement with names and photographs of other Congressmen being substituted where applicable. These advertisements were broadcast in the same markets and with reference to the Congressmen listed above under Does He Know?, one exception being that Fact Checks was apparently not broadcast in Louisville, Kentucky, with reference to Rep. Mazzoli. Furthermore, while the enclosed sample copy of Fact Checks makes reference to Rep. Jones, no

evidence can be found that that version was broadcast.

**Clearly, the Sentinel advertisements were intended, designed and broadcast to bring public pressure to bear on selected Members of Congress to vote in favor of specific, pending legislation.**

**(D) ACT**

During the period October 30 - November 3, 1986, American Conservative Trust broadcast, as independent expenditures, two advertisements in Denver, Colorado. No print sample of these advertisements is available. These advertisements were:

- Back Down - Colorado. The text of the advertisement appears to have been:

"Our President Ronald Reagan refused to back down to the Russians. They wanted him to kill SDI, our space defense against nuclear missiles. The President said: no deal, and he was right.

This is the politician (picture of Tim Wirth) who consistently voted against our space defense. In other words: let's make a deal and take a chance. Take a chance ... Is this the kind of Senator you want?"

- Election Day - Colorado. The text of the advertisement appears to have been:

"It was Tim Wirth who voted against the President's space defense program to protect you and your family from nuclear missiles. Remember that on election day."

It appears that the foregoing advertisements were the only communications broadcast by ACT in connection with Federal elections in 1986.

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## III. Analysis

Even a superficial analysis of the advertisements produced and broadcast by ACT-SEF, NEPL and Sentinel reveals that they were designed to make a contribution to the national debate on aid to the Contras and on the strategic defense initiative. The advertisements produced and broadcast by NEPL were designed to educate the public by means of television - the medium from which a majority of the American public derive their information - of the facts relevant to the situation in Nicaragua and on the importance of the strategic defense initiative. The advertisements produced and broadcast by Sentinel were designed to engender grass roots pressure on Members of Congress to vote in favor of pending legislation to aid the Contras. The advertisements were broadcast in relationship to and at times relevant to national debates and votes on the issues. They were broadcast in places carefully selected on the basis of polling data and on the way Congressmen had previously voted or had expressed their intentions on the issues. Enclosed press releases and public statements by respondents confirm that intention and purpose. None, repeat none, of the advertisements was designed to influence any election. No individual was identified as being a candidate and no communication advocated the election or defeat of any candidate.

The complaint of Mr. Anthony really is that the advertisements were effective - not in the way people voted for candidates but in the way people communicated with their Congressmen to vote on particular legislation. The expression of popular sentiment to elected leaders is what democracy is all about and Sentinel, ACT-SEF and NEPL did nothing more than promote the democratic process. For that reason, the Office of General Counsel should recommend that no further action should be taken on this matter.

Sincerely yours,

J. Curtis Herge

:sbl

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SPONS: AM..RICAN CONSE..VATIV.. TRUST

"KOREAN AIR..ER"

30-SEC

*DRUM BEATS, UNDER FOR*

"When the Russians shot down Korean airliner double-oh seven...

...killing sixty-one Americans and Congressman Larry...

...McDonald, America protested and went about its business.

*(Pull back)*

When a Russian soldier shot down American Major Arthur D. Nicholson in East Germany, America mourned... and went about its business.

*(Pull back)*

The freedom fighters in Nicaragua need our help now. If we just keep going about our business...

*(Move in)*

...one day freedom will be out of business.

Tell your Congressman you want freedom to stay alive in Nicaragua."

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SPONS: A MERICAN CONSERVAT VE TRUST

"THE PARTY OVER" 30-SEC

*(Move in)*

"This is a message in search of two votes. Two more Congressmen who will vote 'no' to Communism in Nicaragua.

*(Pull back)*

We know what happened when the last vote failed.

While Sandanistas danced in the streets, Commandante Ortega celebrated in Moscow.

*(Pan left to right)*

And Russia promised two hundred million more dollars in military and other aid to their Russian friends.

*(Move in)*

They had a ball, alright. This time, let's tell them...

*(Fade to Black)*

...the party's over."

"The American Conservative Trust"

9004075747

SPONSOR: AMERICAN CONSERVATIVE TRUST

# "MORNING OF PEACE"

30 SEC

"The President is working long into the night for a lasting world peace.

*(Move in)*

He will carry with him to the summit his program and our hopes for disarmament.

*(Dissolve to child asleep)*

And if we can, indeed, create a defensive shield to keep the weapons of nuclear destruction far from this earth...

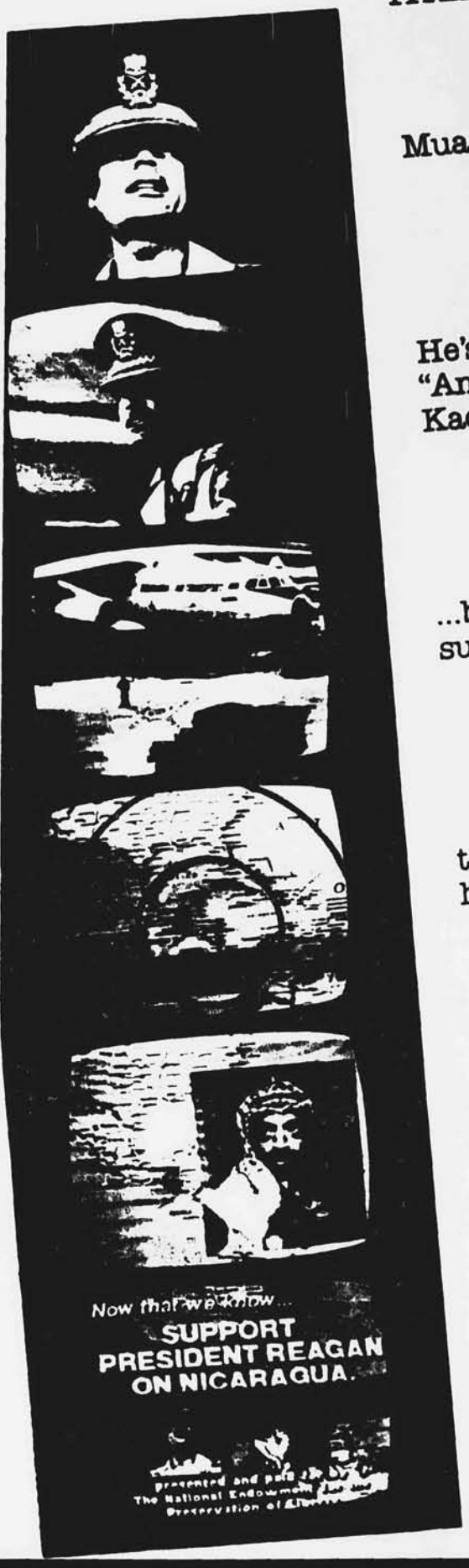
*(Dawn breaks)*

...then she, we, all of us can awaken to a morning of peace and security we haven't had in thirty years.

Tell the President your prayers are with him. You can...by calling this number.
The American Conservative Trust."

SPONSOR: The National Endowment for the Preservation [redacted]

TITLE: "Terrorist Influence" TIME: 30 seconds




Muammar Kaddafi has plans for America.

He's already threatened to strike at
"American citizens in their own streets".
Kaddafi used to be far away...

...but now he sits on our doorstep —
supplying arms and terrorist experts

to the communists in Nicaragua, only two
hours away from our borders,

where training also comes from the P.L.O.
terrorists of Yassir Arafat.

Here is terrorism we *can* do something
about. If...we support the President on
Nicaragua.

SPONSOR: The National Endowment for the Preservation of Liberty

**TITLE: "Refugees"** TIME: 30 seconds

**This is Nicaragua's leading export. People. One of every six Nicaraguans has already become a refugee.**

**They escape from what we now know is the pattern of every communist takeover in the world.**

**In Nicaragua today, the religious are persecuted...**

....opponents executed...

...dissenters imprisoned. And a population of hundreds of thousands...

...cannot go home again. Here is terrorism we *can* do something about. If...we support the President on Nicaragua.

SPONSOR: The [redacted]l Endowment for the Pr[redacted]on of Liberty

**TITLE: "Helicopters"** TIME: 30 seconds

**This...is why President Reagan has been right all along about Nicaragua.**

**This is the threat.**

**Fleets of Soviet-built helicopter gunships. Cuban pilots. Over five hundred million dollars in Soviet weapons.**

**The deadliest ones.**

**All of this...only two hours away from where WE live.**

**Support the President on Nicaragua. Now that we know...**

SPONSOR: The National Endowment for the Preservation of Liberty

**TITLE: "They Are Us"** **TIME: 30 seconds**

**One of the world's most desperate fights for freedom is happening now.**

**Families fleeing communism who can never return home again.**

**Men paid only in food, boots and ammunition in a fight for the freedom of their country.**

Our country — if any in the world — should stand by their side.

The freedom fighters of Nicaragua.

They are us.

SPONSOR: The National Endowment for the Preservation of Liberty

TITLE: "Letter" TIME: 30 seconds

SOLDIER'S VOICE:
Dear Mom: It might be a while before you hear from me again.

We're shipping out tomorrow, and it's no secret to anybody where we're going.

All I know about Nicaragua is what I read in the papers.

But don't worry, Mom. I'll take good care of myself and I'll make you and Dad proud.

ANNOUNCER:
We all hope that American forces will never be sent to fight and die in Nicaragua.

Support the President, so letters like this will never have to be written.

SPONSOR: The N[redacted]on[redacted] Endowment for the Pres[redacted]va[redacted]n of Liberty

TITLE: "Throw Money" TIME: 30 seconds

Hey, you see what some Democrats in Washington are saying now? They say give economic aid to the communists in Nicaragua and all our problems will go away.

What about Kaddafi? He needs some new boats. And Castro? His military's getting rusty.

And to show that we're nice guys, a few mil for our generous host in Iran, the Ayatollah Khomeni.

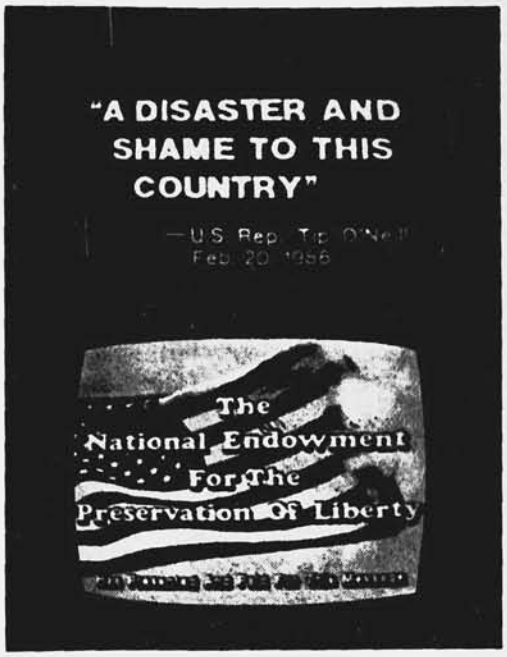
Hey, when are those Democrats going to learn? The communists in Nicaragua — they don't want our money.

They want <u>us</u>!

SPONSOR: The National Endowment for the Preservation of Liberty

TITLE: "Flag"

TIME: 10 seconds




Tip O'Neill says aiding Nicaragua's freedom fighters would bring us disaster and shame.

Since when have Americans been ashamed to stand up for freedom?

SPONSOR: National [redacted]
TITLE: "Reconnaisance [redacted] TIME [redacted] 0-sec

Now we know why President Reagan has been right all along about Nicaragua.

*Now*...reports of Soviet pilots flying reconnaisance missions in Central America.

*Now*...nearly a *billion* dollars in Soviet aid and weapons.

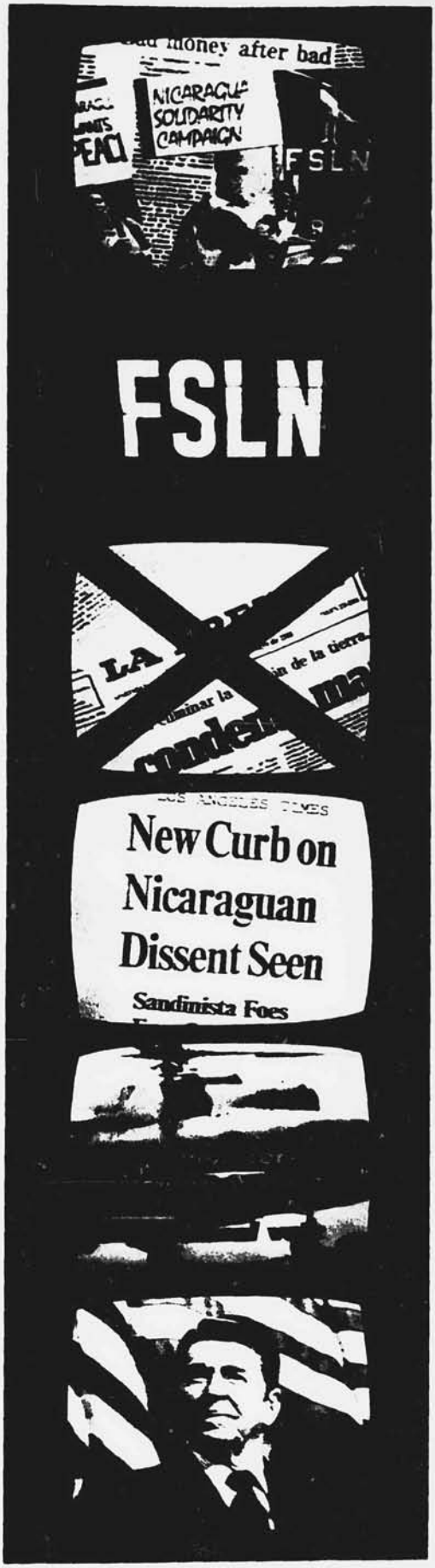
The deadliest kind.

All of this only two hours away from where we live.

Support the President on Nicaragua. Now...that we *know*!

SPONSOR: The Na[illegible]
TITLE: "True Colors"

60-sec




When the House of Representatives was still considering its vote on whether or not to give aid to the freedom fighters of Nicaragua, the Sandinista government was barraging our country with propaganda about how friendly, progressive and democratic their government really wanted to be.

Now that it's over, their true colors are showing.

They have shut down the country's only independent newspaper, barred the return to his country of the Director of the silenced Catholic Radio. Expelled, forcibly, Archbishop Pablo Antonio Vega.

Arrested scores of political opponents, issued severe threats to the general population,

and taken delivery of massive new Soviet arms ordered long before our Congress voted.

In Nicaragua the charade of who the Sandinistas really are is over. Democrats and Republicans joined the President in seeing through it. Now, we all do.

Presented by the National Endowment for the Preservation of Liberty.

SPONSOR: The Nati[redacted]ndowment for the Pres[redacted] TIME: 30-sec
TITLE: "President's Oath"

*Music: "America, the Beautiful"*

From George Washington....

...to Ronald Reagan, Presidents have sworn to defend and protect the people of the United States from all enemies.

But no President has taken the oath more seriously than this one.

Our President knows that a *shield of peace* can be built to protect our nation — and all nations — from nuclear destruction.

He wants that security for you and your children.

Let President Reagan know that you do, too.

SPONSOR: The N[redacted]l Endowment for the P[redacted]ation of Liberty
TITLE: "Will They Wait?" 60-sec

When David went out to defend Judah, it took him just a few minutes to create that famous sling.

By Caesar's time, defense took a little longer. To forge a shield that would deflect powerfully thrown spears took two days. And by the year 1836, it took about 20 days to make the Tennessee Long Rifle that Davy Crockett used to defend the Alamo.

After the devastation of the attack on Pearl Harbor, we know it took the American Navy two years to rebuild in World War II.

Now the stakes for our country are dramatically higher. To build a space-based defense that will truly protect us from a surprise missile attack will take several years. Which brings us to the question:

Knowing what we do of the world, and the kind of madmen who inhabit it, shouldn't we trust President Reagan and begin to build that defense . . . before it's too late? (Sound of Missile Launched).

A message from the National Endowment for the Preservation of Liberty.

Sponsor: The National Endowment for the Preservation of Liberty
Title: Nicaraguan Update #1 30-Sec.

**ANNCR.**
**Update number one. The new Soviet military aid buildup to the Communists in Nicaragua.**

**43 Soviet shiploads, 18,000 metric tons of military equipment — including six armored flying tanks...**

...all verified as having arrived in Nicaragua within the past ninety days.

Now we know the threat to freedom in Central America is greater than we thought. Next time America is asked to help...

*(Sky turns red)*
...let's not wait until it's almost too late!

The National Endowment for the Preservation of Liberty.

TITLE: [redacted]o[redacted]He Know?" [redacted]M[redacted]30-sec

***Same spots produced for various Congressmen.***

**Do you know what Congressman Michael Barnes's position is on the massive Communist buildup in Nicaragua? Our President doesn't know. Maybe our Congressman is hoping that this growing threat to our country will just go away. Nothing could be further from the truth, and you're going to have to wake him up with the *facts* on just how much danger our country is in.**

**Does he know that the Communists now have more men under arms in Nicaragua than in all of Central America combined?**

Is he aware that the construction of huge Russian MIG airfields and nuclear submarine bases is continuing non-stop in Nicaragua?

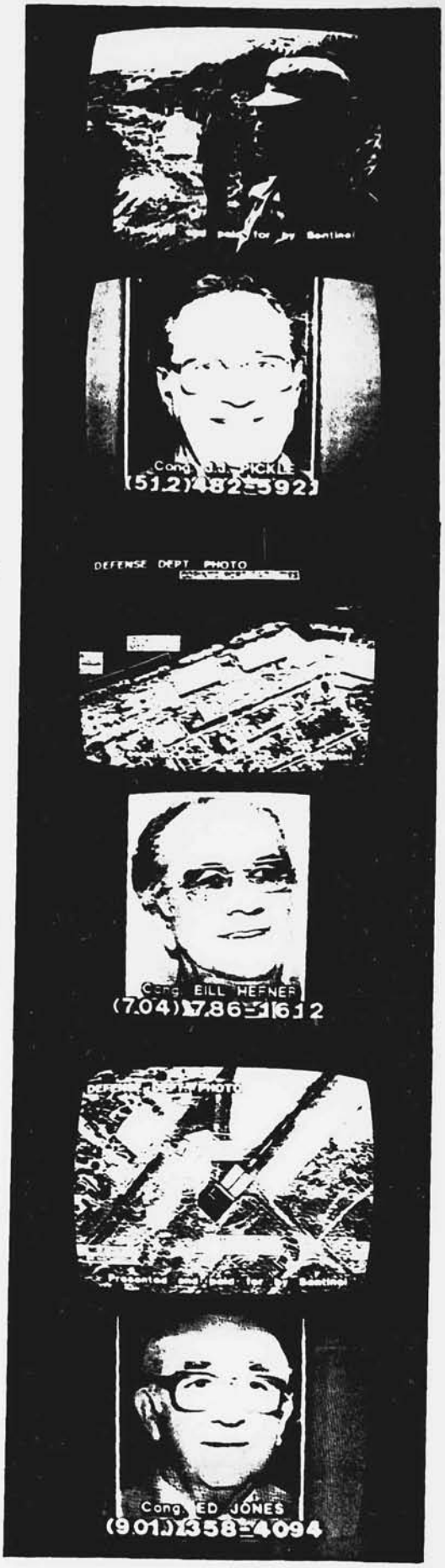
Does he know that the Russians have invested nearly one *billion* dollars to build up Communist military might in Nicaragua?

Does he know that Castro, Kaddafi, and the Russians are just *some* of the people involved in Nicaragua?
If he doesn't know these things, you're going to have to tell him...
...that you want him to support *President* Reagan on Nicaragua.

Not these other guys.

TITLE: [redacted]hecks" TIM[redacted]ec ea.

*Same spots produced for various Congressmen.*




**The Communists now have 120 thousand men under arms in Nicaragua.**

**And Congressman J. J. Pickle still isn't supporting the President on Nicaragua. Better wake him up.**

---

**The Communists are now completing this huge submarine base in Nicaragua.**

**And Congressman Bill Hefner still isn't supporting the President. Better wake him up.**

---

Communist planes can strike us in only two hours from this new base in Nicaragua.

And still Congressman Ed Jones won't support the President. Call him.

SPONS: AMERICAN CONSERVATIVE TRUST

**"FREEDOM CAN'T WORK"** 30-SEC

***MUSIC, UNDER FOR***

**"Freedom can't work on an empty stomach. People...**

***(Pull back)***

**...without hope have little to hope for and nothing to fight for.**

**President Reagan wants to help the people of Nicaragua...not with guns...**

***(Move in)***

**...but with food and medicine. Giving them the chance to find their own future...**

***(Pull back)***

**...without American boys fighting or dying on foreign soil. If we support our...**

*(Pull back)*

...President today, our boys won't be sent out to die tomorrow.

**Tell your Congressman you want freedom to stay alive in Nicaragua."**

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# NATIONAL ENDOWMENT FOR THE PRESERVATION OF LIBERTY

305 FOURTH ST., N.E.
SUITE 1000
WASHINGTON, D.C 20002

Date: February 18, 1986

Contact: Allen Carrier
Debbie Messick
(202) 737-6215

## NICARAGUAN RIGHTS ABUSES UPDATED

WASHINGTON, D.C. -- Religious persecution, indiscriminate shelling of Nicaraguan villages and the forced resettlement of nearly 90,000 Nicaraguans living in relocation camps are some of the highlights from a new report on human rights abuses in Nicaragua.

The report, based on an unprecedented 500 interviews of Nicaraguan refugees in Honduras and Costa Rica, was prepared by Wesley R. Smith, a freelance writer and researcher. Mr. Smith received an unrestricted grant from the National Endowment for the Preservation of Liberty (NEPL) to conduct the interviews that began last August and ended February 13, 1986. NEPL is a non-profit foundation concerned with foreign policy issues focusing on events in the Western Hemisphere.

The study was released at a 10:30 a.m. news conference today at the National Press Club, Washington, D.C.

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The report focuses on firsthand testimony of abuses by the Sandinistas, the Marxist government of Nicaragua. Some excerpts of the report included:

- Indiscriminate shelling of villages has continued inside Nicaragua throughout 1984 and 1985. Close to 30 individual accounts were received from people living in the towns of Juanblan, Mosonte, Nueva Guinea, Los Harados and San Miguel. One report by Leonora Castillo Colero of Nueva Guinea said in June of 1984 a Sandinistan mortar dropped on her house; eight people inside received shrapnel wounds.

- Unmarked land mines have been placed along both the southern and northern borders leading out of the country.

- Torture and killing of civilians occurred during military operations by the Sandinista government. A three-day military search by Sandinistas conducted in June of last year in the southern region of the Department (region) of Zelaya resulted in at least 21 deaths.

- Religious persecution escalated dramatically during last year. All church organizations openly opposing the Sandinista government are considered counterrevolutionary. Sofonia Cisnero, director of a parent-church group involved in curriculum planning in parochial schools, was jailed after opposing pro-Marxist materials in the schools.

- More than 90,000 Nicaraguans are living in relocation camps following a Sandinista National Directorate in 1984 that called for clearing areas along the southern and northern borders for military zones. In the report, Smith said that some of the property left behind is destroyed and property confiscation has occurred regularly.

- The estimated number of political prisoners ranges from 4,000 to 20,000. Smith reported that 70 percent of all male refugees interviewed had at some time been detained, interrogated, imprisoned or tortured by Sandinista officials.

Many of the people interviewed by Smith reported they seldom blamed the freedom fighters or rebel groups for causing the problems faced by Nicaragua. They indicated that the exodus of thousands of Nicaraguans is a result of Sandinista policies more so than the nation's economic problems.

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# STATEMENT BY SPITZ CHANNELL

GOOD MORNING, MY NAME IS SPITZ CHANNELL. I AM PRESIDENT OF THE NATIONAL ENDOWMENT FOR THE PRESERVATION OF LIBERTY.

THE NATIONAL ENDOWMENT FOR THE PRESERVATION OF LIBERTY IS A NON-PROFIT FOUNDATION HEADQUARTERED IN WASHINGTON, D.C. WE FOCUS ON FOREIGN POLICY ISSUES THAT BEAR ON NATIONAL SECURITY. WE ARE PRIVATELY ENDOWED BY CONCERNED AMERICANS AND DO NOT RECEIVE MONEY FROM ANY GOVERNMENT.

LATE IN 1984, THROUGH A VARIETY OF NEWSPAPER AND ELECTRONIC MEDIA ACCOUNTS, WE BECAME AWARE OF A MOUNTING SERIES OF HUMAN RIGHTS ABUSES BY THE REVOLUTIONARY GOVERNMENT OF NICARAGUA AGAINST ITS OWN PEOPLE. THIS AWARENESS WAS HEIGHTENED BY A REPORT LAST YEAR BY WESLEY SMITH AND RICHARD RYGGS ON REFUGEES PERSONAL TESTIMONIES BROUGHT OUT OF NICARAGUA. AFTER STUDYING MR. SMITH'S REPORT WE FOUND THE REVELATIONS APPALLING. QUITE AT ODDS WITH THE CURRENT INFORMATION WE HAD BEEN FAMILIAR WITH.

IN AN EFFORT TO UPDATE HIS PAST FINDINGS WE PROPOSED TO MR. SMITH THAT HE ACCEPT AN UNRESTRICTED GRANT FROM OUR FOUNDATION TO PRODUCE AN UPDATED REPORT.

THOSE OF YOU WHO WERE AT WESLEY'S NEWS CONFERENCE LAST YEAR WILL REMEMBER THAT HIS DATA WAS VERY COMPREHENSIVE. THE REPORT HE HAS ISSUED TODAY CONTAINS MATERIAL FROM 500 INTERVIEWS WITH REFUGEES. THIS IS AN UNPRECEDENTED AND EXHAUSTIVE LOOK AT THIS QUESTION.

WE ARE PROUD TO BE ASSOCIATED WITH THIS REPORT. IT CONTAINS VITAL INFORMATION ON THE "BITTER LEGACY" THE COMMUNIST REGIME IN NICARAGUA IS CREATING. I FEEL CERTAIN YOU WILL FIND IT COMPREHENSIVE AND COMPELLING.

I WOULD LIKE TO INTRODUCE WESLEY SMITH.

February 18, 1986

**STATEMENT BY WESLEY SMITH**

Good morning. My name is Wesley Smith. Some of you may be familiar with the report on Nicaragua I published with Richard Rygg in April, 1985, as part of a research project. The new report you have in hand is an update of that paper. You may ask why an update was necessary less than one year later. In 1985, we found that within days of publication, the Sandinista government instituted programs which impacted on a much larger segment of the Nicaraguan population than our original research had indicated. During the past year, the Sandinistas have acted precipitously against the basic human rights of the Nicaraguan people. American newspapers have carried stories of increased violence against the civilian population through indiscriminate shelling, unwarranted imprisonment and torture, and vast socially destructive relocation programs. We went to Central America in an attempt to document these claims. From August 1985 through February 13, 1986, over 500 Nicaraguans were interviewed, both within Nicaragua and in Costa Rica and Honduras, where tens of thousands have sought refuge. Although the majority of the participants were farmers who had lived in rural areas of Nicaragua, interviews included a broad socio-economic cross-section of the population, providing ample evidence of the deteriorating impact the Sandinista policies have had on the Nicaraguan nation.

An estimated 300 to 400 thousand refugees have fled from politically designed economic and social conditions they find intolerable. The mass relocation of farmers from so-called military zones along Nicaragua's borders has resulted in the disruption of the agrarian economy. Those who attempt to circumvent government monopoly distribution channels by buying and selling foodstuffs on the open market have been sentenced to up to 20 years imprisonment. In the past year, thousands of campesino farmers have been relocated to centralized concentration camps, where their movements are restricted by armed guards. Enforced labor is the rule. Both food and health care are diminishing. Promised compensation for the lands and crops they were forced to abandon is an empty promise.

The Sandinistas are sensitive to the revealing light of public opinion. But it has become evident that they have learned that once the harsh spotlight of world opinion moves on, they can resume their policies of harrassment and discrimination. For example within weeks of allowing the Miskito Indians to return to their villages -- as a result of world outrage -- those most independent of people were persecuted, hunted down, and dispersed again.

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Although ascertaining the exact number of political prisoners taken since the revolution is difficult to estimate, roughly 15 thousand Nicaraguans are now being held without hope of due process or legal representation. The majority of these arrests take place in remote areas of the country, far from the media. Time and again, our interviewees -- including former military personel -- told of confessions extracted through torture and of the summary execution by military fiat. Their crimes were often being in the wrong place at the wrong time. Those civilians living in areas of Contra loyalty or activity are frequently shelled or imprisoned. Practicing one's religion can result in imprisonment. Openly espousing it almost surely will. Freedom of speech can cost you your life, especially now that it has been banned.

In this report, the Nicaraguan people speak for themselves. Their words speak a tragic eloquence that the facts and figures you have in hand cannot. Many of those we interviewed asked that we not use their names, as they feared for their safety and the safety of their families still in Nicaragua. But the dates, places, and descriptions are true and documented.

*** END ***

0004007576

# NATIONAL ENDOWMENT FOR THE PRESERVATION OF LIBERTY

305 FOURTH ST., N.E.
SUITE 1000
WASHINGTON, D.C. 20002

FOR IMMEDIATE RELEASE

CONTACT: Allen Carrier
Debbie Messick
(202) 737-6215

## NATIONAL ENDOWMENT FOR THE PRESERVATION OF LIBERTY SUPPORTS REAGAN ON NICARAGUA WITH $2 MILLION PUBLIC INFORMATION CAMPAIGN

WASHINGTON, D.C., February 27 -- The National Endowment for the Preservation of Liberty today launched a $1.2 million television advertising campaign, part of a $2 million public information program supporting President Reagan's position on Nicaragua which will reach an audience of 62.5 million Americans. The program is believed to be the largest privately funded public information campaign addressing a foreign policy issue ever mounted.

Spitz Channell, president of the Endowment, said the campaign is designed to counter a $2 million disinformation campaign in the United States by the leftist Sandinista government.

"The Sandinista program is a calculated mix of disinformation, lies and manipulation of American sympathies to portray the Nicaraguan government as an idealistic group of reformers," Channel said at a press briefing where he screened the television advertisements for reporters.

The thirty-second advertisements urge viewers to support President Reagan's position on Nicaragua. They document support provided the Sandinistas by Muammar Kaddafi and Yassar Arafat; systematic persecution of Nicaraguan civilians and religious persecution by the Sandinistas.

Since November, [redacted] Endowment also has sponsored [redacted] and public speaking tours for eight native Nicaraguan volunteers who support the United Nicaraguan Opposition (UNO). Channell said the tours have taken the spokespersons to 36 Southeastern cities for speeches, meetings with local opinion leaders and media interviews reaching 32 million people. Eighteen cities have been visited twice.

The Endowment also has underwritten the production of two television documentaries by film crews inside Nicaragua and in refugee camps in Costa Rica and Honduras. The most recent, "Bitter Legacy," documents human rights abuses found by Wesley Smith, who returned from Central America two weeks ago and released his findings based upon interviews with 500 Nicaraguan refugees.

Through mid-April, the Endowment will spend $800,000 on the speaking tours and television documentaries, Channell said.

Cities to be included in the television advertising media buy are: Miami, FL; Tampa/St. Petersburg, FL; Hartford/New Haven, CT; Orlando/Daytona Beach, FL; Nashville, TN; Greenville/Spartanburg/Asheville, SC; Raleigh/Durham, NC; Memphis, TN; San Antonio, TX; Louisville, KY; Jacksonville, FL; Jackson, MS; Columbia, SC; Austin, TX; Greenville/New Bern, NC; Albany, GA; El Paso, TX; Savannah, GA; McAllen/Brownsville, TX; Macon, GA; Corpus Christi, TX; Tulsa, OK; Columbus/Tupelo, MS; Oklahoma City, OK; Jackson, TN; Chattanooga, TN; and Washington, D.C.

Founded in 1984, the National Endowment for the Preservation of Liberty is a non-profit foundation whose purpose is to inform and educate the public on foreign policy issues.

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For Immediate Release: March 11, 1986

Contact: Allen Carrier
Debbie Messick
(202) 737-6215

## HUMAN RIGHTS VIOLATIONS IN NICARAGUA

WASHINGTON, D.C. -- The Nicaraguan government under leftist Sandinista control systematically ignores and stops internal investigations of human rights abuses in order to stymie human rights authorities, three former Sandinista human rights officials charged today.

The three officials cited specific instances where the Sandinistas manipulated U.S.-based human rights groups investigating violations in Nicaragua to promote Sandinista allegations of abuses by the counterrevolutionary forces known as contras.

Roberto Ferrey, former legal advisor on labor relations to the Sandinista Junta, said, "the government of Nicaragua used officials from the Ministry of Justice to play the role of judge and defending lawyer in the Miskito cases of 1981 and 1982."

Ferrey commented on the abuses of Contra soldiers. "The General Directorate of State Security takes Contra wounded to the military hospital in Managua to give them emergency treatment and once they recover and are able to talk, they are taken away and are never heard of again."

Mateo Guerrero, former Executive Director of the Nicaraguan government's National Commission for the Promotion and Protection of Human Rights (CNPPDH), said, "by 1982, two years after it was formed, the Nicaraguan government dropped many of the original members -- who were fair and objective -- of the CNPPDH and replaced them with new commissioners who generally were sympathetic to the Sandinistas."

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Guerrero, as director, found his access to prisons was restricted. "By 1985, the Sandinistas ordered the CNPPDH to cease investigating all cases of human rights abuses by the Sandinista government."

Alberto Gamez, former Vice Minister of Justice for the Sandinista government who now serves with the United Nicaraguan Opposition (UNO) Human Rights Commission, commented on the objectivity of at least two human rights reports sponsored by U.S.-based groups. "The organizations promoting respect for human rights, whose representatives come to Nicaragua in order to investigate (human rights violations), are admirably manipulated by the Ministry of Justice."

The reports by the three officials point to the conflicting pressures these authorities felt by the Sandinistas that caused them to leave Nicaragua. Guerrero fled in March 1985 fearing for his life after his refusal to endorse Sandinista cover-ups. Gamez resigned his post in 1982 and was immediately arrested. He fled Nicaragua in 1983 while under temporary house arrest. Ferrey went into exile in 1983 when he was pressured by state security to spy on foreign diplomats.

Today, the three spokesmen serve on the UNO Human Rights Commission (UNO-CDH), which was formed in January 1986. In the past two months, the UNO-CDH has investigated and prosecuted 14 Contra human rights abuse cases, ranging from torture to rape of Nicaraguan civilians.

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STATEMENT BY DR. ALBERTO GAMEZ
UNITED NICARAGUAN OPPOSITION/HUMAN RIGHTS COMMISSION

Good morning ladies and gentlemen. My name is Dr. Alberto Gamez. We are here today representing the United Nicaraguan Opposition/Human Rights Commission, which was created to investigate and to bring to the attention of the public human rights violations by both sides in the war in Nicaragua. Our function within UNO is to educate the troops in the respect for human rights, and to investigate and initiate prosecution of those involved in human rights violations.

We are here to tell the truth to the American people about human rights violations in Nicaragua, because we have noticed that reports issued by some "human rights" organizations in this country are inaccurate or purposely hide the truth. These organizations have visited Nicaragua many times and we have witnessed the way in which they prepare their reports. We don't consider them objective and believe that they are politically motivated.

Our main motivation is our concern for the human rights of the Nicaraguan people. Because we all have been officials in the Sandinista government in very sensitive positions in regard to Human Rights, we consider ourselves qualified to accomplish our goal.

Now I would like to introduce you to the members of the commission: Dr. Roberto Ferrey, former legal advisor to the Sandinista Government and the Commission's Executive Director; Dr. Mateo Guerrero, former Director of the Sandinista Human Rights Commission; and myself, Alberto Gamez, former Chief Prosecutor and Vice-Minister of Justice of the Sandinista government.

We will be very happy to answer any questions you may have and will appreciate it if you identify yourselves and give the name of your organization when asking your questions. Thank you.

0004077

Born July 15, 1928
Ph.D. in Law

Gamez worked for the Construction Chamber during the Somoza regime, served as Sales Manager of Texaco, and was Assistant Manager of the San Antonio Sugar Mill. In exile at age 19 for opposition against Somoza, Gamez was a student leader and Sandinista collaborator.

In September 1979, Gamez was appointed Prosecutor for the City of Managua, and was later appointed Chief Prosecutor. In 1981, Gamez was appointed Vice-Minister of Justice, a post he served until his resignation on November 19, 1982.

Dr. Gamez resigned because of the illegality of evidence used to prosecute the cases against the State. He was immediately arrested and was imprisoned until February 1983 when he was placed under house arrest. He managed to flee the country in July 1983 and went into exile to Costa Rica where he now resides.

In March 1985, he became part of the Costa Rican-based Southern Opposition Bloc. In January 1986, Gamez organized and became a part of UNO/CDH where he presently heads the legal department.

0004073774

## DR. MATEO GUERRERO

Born January 25, 1950
Ph.D. in Law

Guerrero was a Sandinista collaborator since 1969. During the final offensive, he transported weapons for the western front. After the 1979 revolution, Guerrero served as Legal Advisor and then Manager in the city of Leon for an Anglo-French corporation. He later worked for the Sandinistas during the nationalization of private banks.

In November 1983, Guerrero was appointed Business Manager and later Director of the Sandinista Human Rights Commission. In March 1985, he fled the country because he was asked to cover up Sandinista abuses and feared for his life because of his reluctance. Guerrero then sought asylum in the United States, where he presently resides. In January 1986, he joined the UNO/CDH.

## DR. ROBERTO FERREY

Born February 17, 1941
Ph.D. in Law

Ferrey served as Legal Advisor to Labor Unions under the Somoza regime and has lived in exile in Costa Rica since 1976, where he collaborated with the Sandinistas. In July 1979, upon the overthrow of Somoza, he returned to Nicaragua where he became Legal Advisor to the Sandinista Junta.

In July 1983, Ferrey resigned when he was pressured by State Security to spy on foreign diplomats; and fled the county where he joined ARDE. In December 1985, Ferrey joined UNO/CDH.

STATEMENT BY SPITZ CHANNELL
PRESIDENT
NATIONAL ENDOWMENT FOR THE PRESERVATION OF LIBERTY

The President is right about Nicaragua. He states that it is the Sandinistas who are unwilling to sincerely negotiate in good faith according to the Contradora process except right before a Congressional vote on Nicaragua. And he is right.

He states that it is the Sandinistas whose horrifying "inhuman" rights policies have, in the past four years, filled the jails and secret prisons around Managua with nearly fifteen thousand political prisoners and, across the countryside, created refugees out of one of every seven Nicaraguans. And he is right.

He states that the Sandinistas have made Nicaragua into an international terrorist base manned by Cubans, Libyans, the PLO, and others which endangers and threatens all democratic societies in the Western Hemisphere. And he is right.

But public opinion polls conducted frequently in the past three years indicate an agonizingly slow yet upward movement in the appreciation of the American people for the rapidly growing military threat to Caribbean and American national security that is Nicaragua today.

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Why is this so? The answer is easily discovered. The communists have always invested great numbers of people and have always placed great emphasis on propaganda, the winning over of useful fools, and foolish organizations, the professionally crafted multi-media disinformation campaign and, finally, out and out lying. The Sandinista communists have in fact even hired PR firms on Madison Avenue to market and disseminate their propaganda line to all Americans. Last year alone, the communists spent over two million dollars in America, openly on programs to discredit the freedom fighters and sell a fictional image of the new Nicaragua.

After studying these activites for over a year, we concluded that a blatant, consciously designed propaganda campaign was being funded by the Sandinistas to fool the American public. We decided last July that we at the National Endowment for the Preservation of Liberty must create and undertake a massive education and information program telling the truth to the American people about the hell that Nicaragua has become and the very real national security threat she now exemplifies.

When we see that Muammar Kaddafi has sent $400 million in planes, arms and advisors to Managua -- and that Yassar Arafat's PLO has an embassy there for training terrorists, we realize that this has gotten out of hand. The attack on Columbia's Supreme Court was assisted by the communist Sandinista Government of Managua. El Salvador's communist guerillas take command and control instructions from the Sandinistas. The cancer on this continent must be faced and treated or the body -- our hemisphere -- will be consumed.

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Ronald Reagan is right about Nicaragua and he is right about Americans. President Reagan has always felt that if the American public is educated on the facts of an issue they will be the wisest advisors to all levels of government. We believe this also.

This past August, we began prototyping a public education campaign called the Central America Freedom Program. We were struck by one single recurring phenomenon in all 20 localities our volunteer Nicaraguan speakers visited. The general population, and even some of the journalists serving them, knew few of the facts in this debate. But in nearly universal fashion, when we took the time to present the facts on Nicaragua, citizens strongly favored a bi-partisan foreign policy to strongly support the Freedom Fighters.

This weighed heavily in deciding the present unprecedented plan of action. We have targeted our first million two hundred thousand dollars ($196,000 per week) of television time buys in 27 markets in the southeastern United States representing over 40 million people. This is primarily a marketing decision. Based on the feedback we received from the spokesmen, the southern populations, when educated on the facts and moral arguments, move fastest to the forefront. Therefore, we feel we can count on the greatest impact from television messages placed in the 18 southeastern United States.

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We have already spent 600,000 on our four-man Nicaraguan speaker tours in 18 different states. We have filmed and produced two thirty-minute documentaries from rare and unique footage which we had taken inside Nicaragua, far beyond the control of any Sandinista official. We also will spend $100,000 on newspaper messages explaining in detail the Sandinista disinformation campaign and the groups whom the Sandinistas want to manipulate as useful fools.

Finally, we will continue to add markets as we adapt our strategy to the level of public support we achieved, and we will hold back an additional one million dollars until we judge the full impact of our first million and a quarter in TV time buys.

The National Endowment for the Preservation of Liberty today is announcing the most expensive, privately funded education and information program on a foreign policy issue ever undertaken. By the conclusion of our efforts, over two and one half million dollars will have been spent in support of our President's accurately reasoned policies regarding the threat that communist Nicaragua now poses to the security of the Western Hemisphere and the internal peace and order of democratic societies in the region.

The National Endowment for the Preservation of Liberty is honored to be taking a leadership role in telling the truth about the Communists in Nicaragua.

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The Sandinistas are terrorism we can and must do something about -- but to accomplish this one must stand for something, and we choose to stand with President Reagan.

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# THE CENTRAL AMERICA FREEDOM PROGRAM

The National Endowment for the Preservation of Liberty launched the Central America Freedom Program in August 1985 to counter a $2 million disinformation campaign funded by the Sandinista government in Nicaragua. Through advertising and public relations techniques, the program seeks to inform and educate the American public about the threat to national security and human rights posed by Nicaragua's leftist regime. It will reach a total of 67.5 million Americans.

## Media Speaking Tours

In November, NEPL launched a series of speaking and media tours reaching 36 cities throughout the Southeastern United States. By the end of February, the tours will have reached 18 of these cities twice. To date, they have reached an estimated audience of 32 million.

Eight native Nicaraguans, supporters of the United Nicaraguan Opposition, have volunteered their time to participate in the tours. Through public speeches, meetings with local opinion leaders and print and broadcast interviews, these volunteers communicate the growing opposition to the Sandinistas within Nicaragua and the importance of U.S. support to help them restore democracy in their country.

## Television Documentaries

In 1985 and 1986, NEPL has sponsored the production of two thirty-minute television documentaries, shot by crews in Nicaragua and in refugee camps in Costa Rica and Honduras.

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The most recent, "Bitter Legacy," is a video report compiled by Wesley Smith, who has spent two years compiling documented evidence of human rights abuses by the Sandinista government. Smith, who returned from Central America two weeks ago, released his findings at a news conference in Washington on February 18. Based upon 500 interviews with refugees, the report presented documented evidence of systematic imprisonment of political opponents, mass evacuation of hundreds of thousands of peasants, and religious persecution by the Sandinista government.

Congressmen Richard Cheney (R-WY), a member of the House Intelligence Committee, said of the Smith report, "A public report done by a private citizen like Mr. Smith that reaffirms some of the same things we're seeing in the classified material is enormously helpful because it can be discussed. It can be debated and it does, in fact, reveal the true nature of the Sandinista regime in Nicaragua".

The Endowment will spend $800,000 on the speaking tours and television documentaries by April 15.

Television Advertising

On Thursday, February 27, the Endowment will launch a $1.2 million television advertising campaign consisting of three thirty-second spots which call upon Americans to support President Reagan's position on Nicaragua. The advertisements document support of the Sandinistas by terrorists such as Muammar Kaddafi and Yassar Arafat; systematic persecution of Nicaraguan civilians; and religious persecution by the Sandinistas. The spots were produced by the Robert Goodman Agency.

Television advertisements will begin airing the evening of February 27 on Washington stations and will air on stations in 27 markets the following week. NEPL currently is purchasing television time in each market, with the aim of reaching saturation level in each. On February 27, NEPL announced it had purchased more than $250,000 worth of air time. Advertising will reach an audience of 35.5 million Americans.

Other Activities

Other activities conducted by the Central America Freedom Program include:

- The production of unique and exclusive film taken in Nicaragua with the Resistance. A television crew filmed under extremely difficult and dangerous conditions, and developed a series of stand-up reports and a 17-minute documentary. Additionally, two separate video news releases have been released to news organizations around the nation.

- Trips for concerned citizens and other third-party representatives to Nicaragua to meet with Freedom Fighters and to learn first-hand of some of the troubles the Resistance fighters have met.

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0004072382

MEDIA ADVISORY:
November 8, 1985

Contact: Rafael Flores
Jackie Clemons
(202) 332-4352

## HIGH EX-SANDINISTA OFFICIAL WILL SPEAK IN HOUSTON

Houston, Texas. Javier Arguello, former high ranking official at the Sandinista Ministry of Culture, and Nicaragua's best known contemporary poet and writer will be in Houston for an speaking engagement on November 18.

Mr. Arguello who is 33 years old, was actively involved in the Sandinista movement prior to the 1979 revolution that overthrew General Anastasio Somoza. In 1979 he became one of the highest ranking officials at the Sandinista Ministry of Culture and directed the official Sandinista magazine NICARAGUAC, which circulates extensively in the United States.

Mr. Arguello fled Nicaragua in November of last year, he is currently a member of the personal staff of Dr. Arturo Cruz, the leading opposition candidate in Nicaragua's last elections, and one of the three leaders of the United Nicaraguan Opposition, UNO. Mr. Arguello works at UNO's International Secretariat and is based in San Jose, Costa Rica.

Mr. Arguello has unique inside information about the Sandinista government and its members, he speaks clear, understandable English and will be available for media interviews. For more information contact Rafael Flores or Jackie Clemons at (202) 332-4352.

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MEDIA ADVISORY:
November 10, 1985

Contact: Rafael Flores
Jackie Clemons
(202) 332-4352

## HIGH EX-SANDINISTA OFFICIAL WILL SPEAK IN DALLAS

Dallas, Texas. Javier Arguello, former high ranking official at the Sandinista Ministry of Culture, and Nicaragua's best known contemporary poet and writer will be in Dallas for an speaking engagement on November 19 and 20.

Mr. Arguello who is 33 years old, was actively involved in the Sandinista movement prior to the 1979 revolution that overthrew General Anastasio Somoza. In 1979 he became one of the highest ranking officials at the Sandinista Ministry of Culture and directed the official Sandinista magazine NICARAGUAC, which circulates extensively in the United States.

Mr. Arguello fled Nicaragua in November of last year, he is currently a member of the personal staff of Dr. Arturo Cruz, the leading opposition candidate in Nicaragua's last elections, and one of the three leaders of the United Nicaraguan Opposition, UNO. Mr. Arguello works at UNO's International Secretariat and is based in San Jose, Costa Rica.

Mr. Arguello has unique inside information about the Sandinista government and its members, he speaks clear, understandable English and will be available for media interviews. For more information contact Rafael Flores or Jackie Clemons at (202) 332-4352.

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0004078784

# RELEASE

MEDIA ADVISORY:
November 15, 1985

Contact: Rafael Flores
Jackie Clemons
(202) 332-4352

## HIGH EX-SANDINISTA OFFICIAL WILL SPEAK IN TULSA

Tulsa, Oklahoma. Javier Arguello, former high ranking official at the Sandinista Ministry of Culture, and Nicaragua's best known contemporary poet and writer will be in Tulsa for a speaking engagement on November 25.

Mr. Arguello who is 33 years old, was actively involved in the Sandinista movement prior to the 1979 revolution that overthrew General Anastasio Somoza. In 1979 he became one of the highest ranking officials at the Sandinista Ministry of Culture and directed the official Sandinista magazine NICARAGUAC, which circulates extensively in the United States.

Mr. Arguello fled Nicaragua in November of last year, he is currently a member of the personal staff of Dr. Arturo Cruz, the leading opposition candidate in Nicaragua's last elections, and one of the three leaders of the United Nicaraguan Opposition, UNO. Mr. Arguello works at UNO's International Secretariat and is based in San Jose, Costa Rica.

Mr. Arguello has unique inside information about the Sandinista government and its members, he speaks clear, understandable English and will be available for media interviews. For more information contact Rafael Flores or Jackie Clemons at (202) 332-4352.

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# NATIONAL ENDOWMENT FOR THE PRESERVATION OF LIBERTY

305 FOURTH ST., N.E.
SUITE 1000
WASHINGTON, D.C. 20002

**MEDIA ADVISORY**

WHO: Wesley R. Smith, author, Nicaraguan Rights Abuses: An Update

WHAT: News Conference on Human Rights Abuses in Nicaragua, sponsored by the National Endowment for the Preservation of Liberty

WHEN: Tuesday, February 18, 1986, 10:30 a.m.

WHERE: National Press Club
Murrow Room
529 14th St., N.W.

1. Report on Sandinista abuses in Nicaragua. Reports will include destruction of Miskito settlements, bombing of villages, and forced resettlement of Nicaraguans.

2. Unique recent film footage of interviews with Nicaraguan refugees in Costa Rica and Honduras camps; and video from Miskitos Indian settlements outside of Nicaragua.

CONTACT: Debbie Messick or Allen Carrier
(202) 737-6215

0004072378

# NATIONAL ENDOWMENT FOR THE PRESERVATION OF LIBERTY

305 FOURTH ST., N.E.
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WASHINGTON, D.C. 20002

For Immediate Release: March 13, 1986

Contact: Allen Carrier
Debbie Messick
(202) 737-6215

9004075781

## TORTURE AND FALSE ARREST OF NICARAGUAN CIVILIANS; SECRET SYSTEM OF POLITICAL PRISONS

WASHINGTON, D.C. -- The false arrest and torture of thousands of Nicaraguan civilians in "secret" political prisons are among the human rights abuses reported in a new study released today, according to author Wesley R. Smith.

According to testimony from ex-prisoners, there are between 11,000-13,000 political prisoners being held within a prison network operated by Sandinista officials. Smith's accounts were supported by Jose Altamirano, a former union leader imprisoned by the Sandinistas who joined Smith in Washington to discuss the findings. Altamirano recounted how he was arrested in his home last December by four armed members of the State Security, accused of being a counterrevolutionary leader, and held for 55 days.

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. Much of what Alta[redacted] experienced was typical of [redacted] reports heard by Wesley Smith, who returned from Central America on March 7 after completing his report. Smith, a freelance writer and researcher, received an unrestricted grant from the National Endowment for the Preservation of Liberty (NEPL), a non-profit foundation concerned with foreign policy issues focusing on events in the Western Hemisphere.

Smith's report was featured in a news conference co-sponsored by Reps. Robert K. Dornan (R-CA.); Charles Wilson (D-TX.); and Gerald B. Solomon (R-NY). The three Members of Congress support President Reagan's request for $100 million in humanitarian and military aid to freedom fighters under the control of the United Nicaraguan Opposition (UNO), who are opposed to the leftist Nicaraguan government under Marxist control.

Rep. Robert K. Dornan (R-CA), a member of the House Foreign Affairs Committee, said, "A non-partisan public report that reaffirms some of the same things that we see in classified documents, is enormously helpful. It can be debated and it does, in fact, reveal the true nature of the Communist Sandinista regime in Nicaragua."

Co-sponsor Rep. Jerry Solomon (R-NY) said, "When we find people hungry for freedom and liberty anywhere in the world, we have an obligation as a free nation to answer that call. That's the reason for the existence of our country."

- more -

Rep. Charlie Wilson (D-TX.) said that he has supported aid to the Nicaraguan freedom fighters all along, and never questioned President Reagan's request for assistance. "The Nicaraguan people speak for themselves and come to us through reports like Mr. Smith's. Their words speak of a tragedy that few Americans know."

Wesley Smith, author of the report, who last month released a major study on human rights violations by the Sandinistas, said the current report was necessary "because there has been a severe lack of information published on the situation of the political prisons inside Nicaragua."

According to the latest Smith report, since the revolution in 1979 the Sandinista government has transformed the penitentiary system into a vast network of political prisons. There are three main prison systems functioning inside Nicaragua. According to Smith, "They differ in administration, but all three systems are controlled by the Sandinistas, particularly the General Directorate of State Security," Smith said. They include the known Prison System of the State Security; the Clandestine Prison Syste operated by the State Security; and the National Penitentiary System and Labor Camps operated by the Nicaraguan Penitentiary System.

# # # #

# NATIONAL ENDOWMENT FOR THE PRESERVATION OF LIBERTY

305 FOURTH ST., N.E.
SUITE 1000
WASHINGTON, D.C. 20002

March 14, 1986

For more information: Debbie Messick (home) 363-0593
Allen Carrier (home) 232-4022

Office 393-1300

9004077790

## MEDIA ADVISORY

## SOVIET HELICOPTER AD RELEASED

The debate over United States involvement in Central America has gone public in a big way. NEPL has committed $1.2 million toward an aggressive television advertising campaign.

The Endowment announces a fourth television spot that shows Soviet supplied helicopters in Nicaragua. Film footage of the Soviet aircraft was shot in Nicaragua in February 1986. The message goes on to assail the Sandinista government of Nicaragua and suggest links with Soviet and Cuban military powers, while reminding viewers that the Soviet weapons are only two hours from the U.S. border.

- In a March 13 Associated Press story, President Reagan said the NEPL campaign is "a vital link in the effort to forge a democratic outcome in Nicaragua."

The latest 30-second television spot joins three other messages released ten days ago. The commercials comprise a $2 million public information program supporting President Reagan's Contra aid proposal. In addition to the $1.2 million advertising effort, the Endowment is financing an $800,000 U.S. speaking tour for volunteers representing the United Nicaraguan Opposition.

Carl Russell "Spitz" Channell, President of the National Endowment for the Preservation of Liberty, said the campaign is designed to counter a $2 million disinformation campaign by the leftist Sandinista government.

The spots may be used as part of your news coverage of the issue. Mr. Channell is available for interviews.

# NATIONAL ENDOWMENT FOR THE PRESERVATION OF LIBERTY

308 FOURTH ST., N.E.
SUITE 1000
WASHINGTON, D.C. 20002

For immediate release: March 17, 1986

For more information: Debbie Messick (home) 363-0593
Allen Carrier (home) 232-4022

Office 393-1300

MEDIA ADVISORY

TIP O'NEILL IS ATTACKED; YOUNG SOLDIER PONDERS WAR IN NICARAGUA AS PART OF NEPL AD CAMPAIGN

The National Endowment for the Preservation of Liberty launched two new commercial ads as part of its $1.2 million advertising program supporting President Reagan's position on Nicaragua. The ad program is believed to be the largest privately funded public information campaign addressing a foreign policy issue ever mounted. One of the ads explores the reality of battle many young Americans could face unless Congress supports the President's aid package to the Nicaraguan freedom fighters.

These two recent spots join four other NEPL-sponsored television commercials that have aired in the past two weeks in 23 major television markets nationwide. The ads will begin airing tonight in Washington and, beginning Tuesday, March 18, in approximately 20 other media markets throughout the east, south and southwest sections of the nation.

In a March 13 Associated Press story, President Reagan said the NEPL campaign is "a vital link in the effort to forge a democratic outcome in Nicaragua."

Carl Russell "Spitz" Channell, President of the National Endowment for the Preservation of Liberty, said the campaign is designed to counter a $2 million disinformation campaign by the leftist Sandinista government.

The spots may be used as part of your news coverage of the issue. Mr. Channell is available for interviews.

# NATIONAL ENDOWMENT FOR THE PRESERVATION OF LIBERTY

305 FOURTH ST., N.E.
SUITE 1000
WASHINGTON, D.C. 20002

NEWS ADVISORY

EMBARGO UNTIL 10:00 A.M. EST
TUE., APRIL 1

CONTACT: Steve Schwartz
(202) 387-3002

NATIONAL ENDOWMENT FOR THE PRESERVATION OF LIBERTY
WILL LAUNCH 2nd FLIGHT OF TELEVISION CAMPAIGN
TO SUPPORT PRESIDENT REAGAN ON NICARAGUA

The National Endowment for the Preservation of Liberty will launch the second flight of their $3.1 million public education campaign to support President Reagan's position on Nicaragua.

Spitz Channel, President of the National Endowment for the Preservation of Liberty, will discuss this television advertising campaign at a News Conference, Tuesday, April 1. The News Conference will be held in the Murrow Room of the National Press Building, at 10:00 A.M.

The 30-second television spots are part of a $3.1 million public information program supporting President Reagan's Nicaraguan policy. In addition to the advertising effort, the National Endowment for the Preservation of Liberty sponsored a speaking tour for Nicaraguan Freedom Fighters.

# # #

0004073792

STATEMENT BY
CARL "SPITZ" CHANNELL, PRESIDENT
NATIONAL ENDOWMENT FOR THE PRESERVATION OF LIBERTY
TUESDAY, APRIL 1, 1986

GOOD MORNING. I AM SPITZ CHANNELL, PRESIDENT OF THE NATIONAL ENDOWMENT FOR THE PRESERVATION OF LIBERTY.

PRESIDENT REAGAN WON A DECISIVE VICTORY FOR DEMOCRACY IN NICARAGUA WHEN THE SENATE VOTED LAST WEEK TO APPROVE A STRONG MEASURE OF AID TO THE FREEDOM FIGHTERS. HIS POLICY OF PLACING FREEDOM FIGHTER MILITARY PRESSURE ON THE COMMUNIST GOVERNMENT IN MANAGUA WILL WORK. INDEED IT HAS ALREADY BEGUN. LAST WEEK'S NAKED INVASION OF HONDURAS BY TWO BATTALIONS OF SANDINISTA TROOPS IS CLEAR PROOF OF THE DESPERATION THE COMMUNISTS ARE NOW ACTING ON IN NICARAGUA. THEY TRULY FEAR THE POWER THAT PRESIDENT REAGAN'S AID HAS GIVEN TO THE FREEDOM FIGHTERS.

THE COMMUNISTS KNOW WELL THAT IT TAKES TEN TIMES THE MONEY, MEN AND MATERIEL TO DEFEND A REGIME THAN TO ATTACK IT. THE COMMUNISTS SEE PRESIDENT REAGAN'S 70 MILLION DOLLARS IN AID AS A 700 MILLION DOLLAR THREAT, AND THEY ARE RIGHT.

SINCE NOVEMBER 1985 THE NATIONAL ENDOWMENT FOR THE PRESERVATION OF LIBERTY HAS BEEN SPONSORING A 3.1 MILLION DOLLAR PUBLIC EDUCATION PROGRAM ON THE THREAT POSED BY THE SANDINISTA COMMUNIST DICTATORSHIP ON HEMISPHERIC SECURITY. WE ARE PLEASED TO ANNOUNCE THE INTENSIFICATION OF OUR PROGRAM. IN THE NEXT TEN DAYS WE WILL SPEND $250,000 IN SIX MEDIA MARKETS IN SUPPORT OF THE PRESIDENT'S GOAL OF FREEDOM IN NICARAGUA. THE MATERIALS YOU HAVE IN YOUR PRESS PACKETS INDICATE THE MEDIA MARKETS IN WHICH WE WILL BE SPONSORING TWO TELEVISION MESSAGES.

WITH A FIRM UNDERSTANDING OF THE THREAT THE COMMUNISTS IN MANAGUA POSE TO THEIR DEMOCRATIC NEIGHBORS, AND TO THIS NATION, THE AMERICAN PUBLIC WILL SUPPORT THE PRESIDENT'S NICARAGUA POLICY. PRESIDENT REAGAN DESERVES OUR SUPPORT. HE IS RIGHT IN CENTRAL AMERICA AND HE IS CERTAINLY CORRECT IN SUPPORTING FREEDOM OVER TYRANNY IN NICARAGUA.

# # #

9004073793

# NATIONAL ENDOWMENT FOR THE PRESERVATION OF LIBERTY

## THE CENTRAL AMERICA FREEDOM PROGRAM

The National Endowment for the Preservation of Liberty launched the Central America Freedom Program in August 1985 to counter a $2 million disinformation campaign funded by the Sandinista government in Nicaragua. Through advertising and public relations techniques, the program seeks to inform and educate the American public about the threat to national security and human rights posed by Nicaragua's leftist regime. It will reach a total of 67.5 million Americans.

0004072794

Media Speaking Tours

In November, NEPL launched a series of speaking and media tours reaching 36 cities throughout the Southeastern United States. By the end of March, the tours had reached all of these cities twice. To date, they have reached an estimated audience of 32 million.

Eight native Nicaraguans, supporters of the United Nicaraguan Opposition, volunteered their time to participate in the tours. Through public speeches, meetings with local opinion leaders and print and broadcast interviews, these volunteers communicated the growing opposition to the Sandinistas within Nicaragua and the importance of U.S. support to help them restore democracy in their country.

## Television Documentaries

In 1985 and 1986, NEPL sponsored the production of two thirty-minute television documentaries, shot by crews in Nicaragua and in refugee camps in Costa Rica and Honduras.

The most recent, "Bitter Legacy," is a video report by Wesley Smith, who has spent two years compiling documented evidence of human rights abuses by the Sandinista government. Smith, who recently traveled to Central America, released his findings at a news conference in Washington on February 18. Based upon 500 interviews with refugees, the report presented documented evidence of systematic imprisonment of political opponents, mass evacuation of hundreds of thousands of peasants, and religious persecution by the Sandinista government.

Congressmen Richard Cheney (R-WY), a member of the House Intelligence Committee, said of the Smith report, "A public report done by a private citizen like Mr. Smith that reaffirms some of the same things we're seeing in the classified material, is enormously helpful because it can be discussed. It can be debated and it does, in fact, reveal the true nature of the Sandinista regime in Nicaragua."

The Endowment spent $800,000 on the speaking tours and television documentaries to date.

## Television Advertising

On Tuesday, April 1, the Endowment announced an additional purchase of $250,000 in television time for two thirty-second spots which call upon Americans to support President Reagan's position on Nicaragua. The advertisements document support of the Sandinistas by terrorists such as Muammar Kaddafi and Yasser Arafat; and the devastating effect of Soviet helicopter gunships now operating in Nicaragua. The spots were produced by the Robert Goodman Agency.

## Other Activities

Other activities conducted by the Central America Freedom Program include:

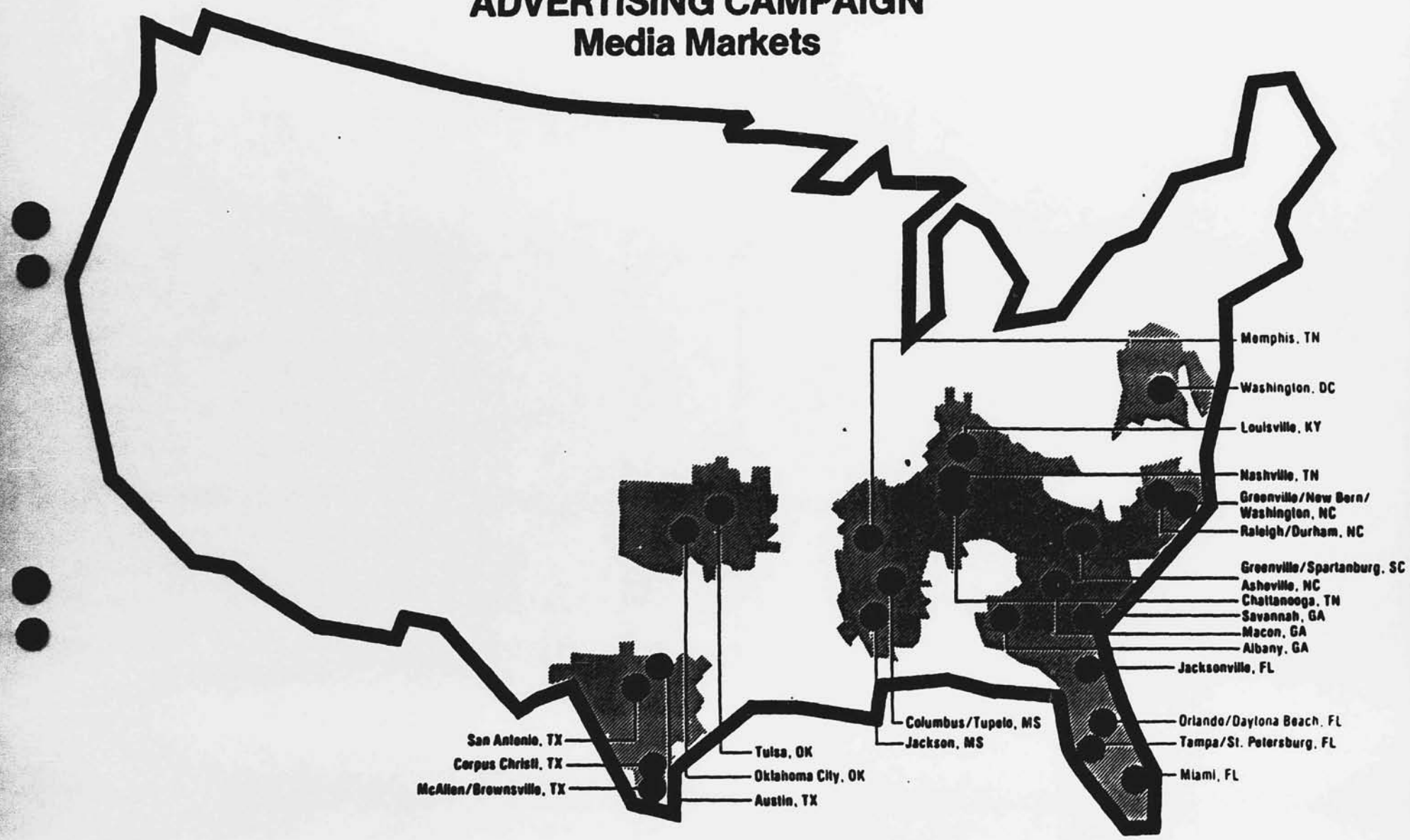
-- The production of unique and exclusive film taken in Nicaragua with the Resistance. A television crew filmed under extremely difficult and dangerous conditions, and developed a series of stand-up reports and a 17-minute documentary. Additionally, two separate video news releases have been released to news organizations around the nation.

-- Trips for concerned citizens and other third-party representatives to Nicaragua to meet with Freedom Fighters and to learn first-hand of some of the troubles the Resistance fighters have met.

####

# The National Endowment for the Preservation of Liberty

## ADVERTISING CAMPAIGN
## Media Markets

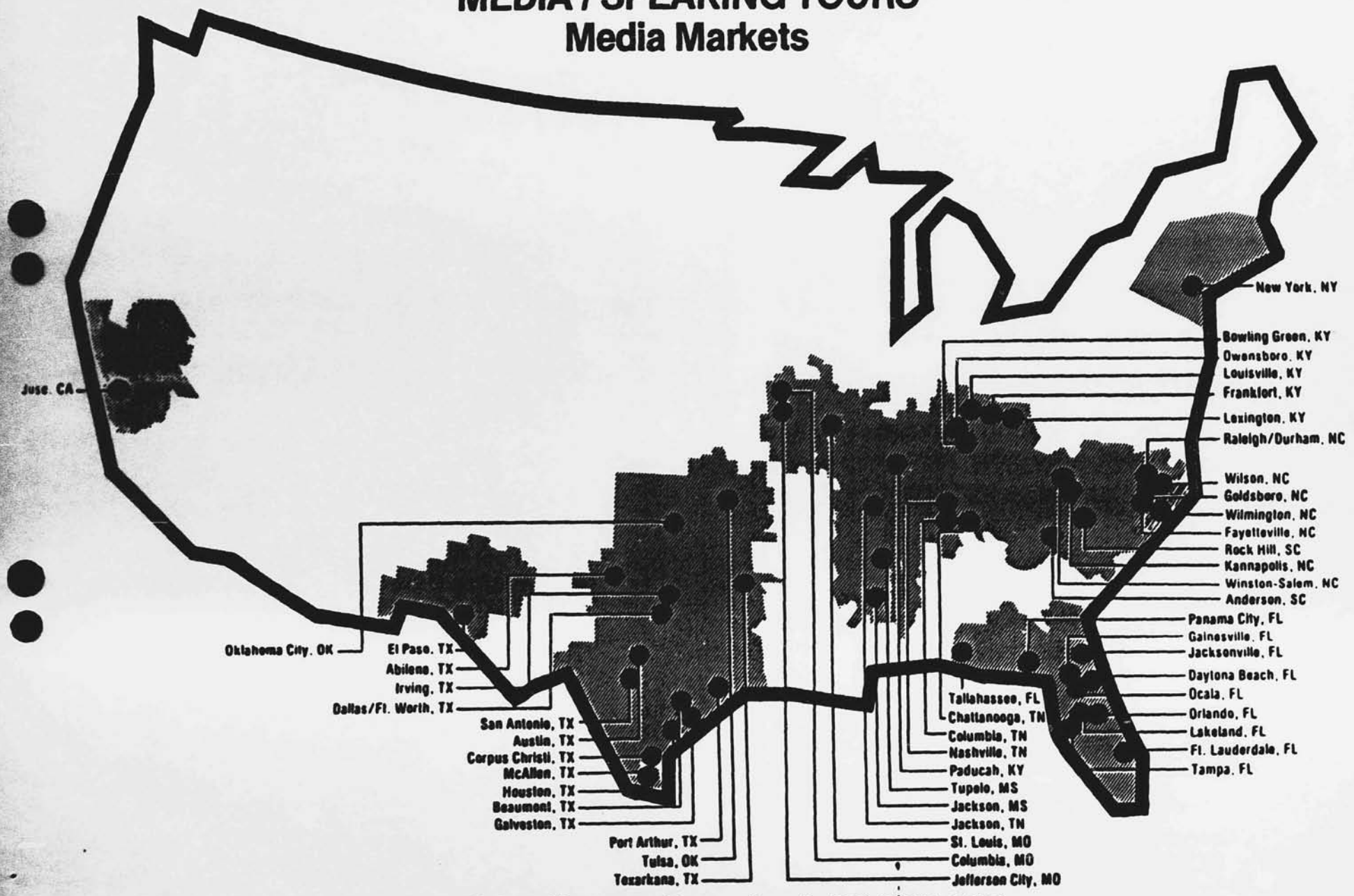



**Total Audience Reached: 35,428,000**
**(14.9% of the American Television Market)**

# The National Endowment for the Preservation of Liberty

## MEDIA / SPEAKING TOURS

### Media Markets




## Total Audience Reached: 32,000,000

PRESS STATEMENT

OF

CARL RUSSELL CHANNELL

PRESIDENT OF SENTINEL

GOOD AFTERNOON. MY NAME IS SPITZ CHANNELL AND I AM PRESIDENT OF SENTINEL, A (501) (C) (4) LOBBYING ORGANIZATION, WHOSE HEADQUARTERS IS IN WASHINGTON, DC, ON CAPITOL HILL. SENTINEL'S PURPOSE IS TO LOBBY THE CONGRESS IN SUPPORT OF PRESIDENT REAGAN ON KEY FOREIGN POLICY, DEFENSE, AND NATIONAL SECURITY ISSUES. TODAY WE ARE ANNOUNCING A TELEVISION AND LOBBYING CAMPAIGN ON THE SUBJECT OF AID TO THE FREEDOM FIGHTERS IN NICARAGUA.

TODAY SENTINEL IS ANNOUNCING AN 8-DAY $200,000 TELEVISION MESSAGE CAMPAIGN IN SUPPORT OF PRESIDENT REAGAN'S PLAN TO GIVE $100 MILLION TO THE FREEDOM FIGHTERS. THE TELEVISION MESSAGES WE ARE RELEASING TODAY ARE FOCUSING ON CONGRESSMEN WHO HAVE EITHER REFUSED TO RECOGNIZE THE DANGER THE AGGRESSIVE COMMUNIST GOVERNMENT IN NICARAGUA POSES TO THE SECURITY OF THIS NATION OR HAVE NOT MADE A CLEAR DECISION TO SUPPORT RONALD REAGAN ON NICARAGUAN AID. CONGRESSMEN LIKE MICHAEL BARNES WHO HAVE UNWISELY OPPOSED PRESIDENT REAGAN ON AID TO THE FREEDOM FIGHTERS IN NICARAGUA DO GREAT DAMAGE TO THE CAUSE OF FREEDOM AND THOSE WHO STRUGGLE FOR FREEDOM AROUND THE WORLD. CONGRESSMEN LIKE MICHAEL BARNES NOW MUST RISK PAYING A POLITICAL PRICE FOR THEIR VOTES AND ACTIONS.

AMERICANS HAVE BEEN LIED TO AND MANIPULATED BY LIBERAL LEADERS OF THE HOUSE OF REPRESENTATIVES. THEY HAVE BEEN TOLD THE LIE THAT THE SANDINISTAS IN NICARAGUA ARE NOT COMMUNISTS. THEY HAVE BEEN LIED TO WHEN TOLD BY THE LIBERALS THAT COMMUNISM CAN INDEED BE CONTAINED IN NICARAGUA, THAT NICARAGUAN COMMUNISM IS JUST REFORM, THAT THE RUSSIAN MILITARY BUILD UP ON THE NORTH AMERICAN MAINLAND IS JUST DEFENSE, AND THAT THE SANDINISTA COMMUNIST PERSECUTION OF THE ROMAN CATHOLIC CHURCH IN NICARAGUA IS JUST TO RID THE ORGANIZATION OF PRO-SOMOZA PRIESTS. ALL OF THESE THINGS ARE LIES. THE AMERICAN PEOPLE HAVE BEEN MANIPULATED ALSO BY A LIBERAL DISINFORMATION CAMPAIGN SPONSORED BY VARIOUS LIBERAL GROUPS IN THE COUNTRY AND ECHOED AND LED BY LIBERAL DEMOCRATS IN THE HOUSE OF REPRESENTATIVES. WITHOUT THE FREEDOM FIGHTERS TO CONFRONT THE BRUTE FORCE OF THE SOVIET/CUBAN MILITARY MACHINE NOW GROWING IN NICARAGUA, CONSOLIDATION OF A COMMUNIST BEACHHEAD ON THE MAINLAND OF NORTH AMERICA IS INEVITABLE AND REGIONWIDE WAR WILL COME SHORTLY THEREAFTER.

0004077797

PRESIDENT REAGAN HAS RIGHTFULLY ASKED CONGRESS FOR $100 MILLION IN AID FOR THE DEMOCRATIC FREEDOM FIGHTERS OF NICARAGUA. WITHOUT THIS AID AND WITHOUT THE SUPPORT OF THE AMERICAN PEOPLE, THERE WILL BE NO FREEDOM FOR FUTURE GENERATIONS OF NICARAGUANS. WITHOUT THIS AID, THE STABILITY OF DEMOCRATIC AID OF ALLIES LIKE COSTA RICA, EL SALVADOR, HONDURAS, AND GUATEMALA WILL BE AT GREAT RISK. ALL OF CONGRESS TODAY IS FACED WITH A TERRIBLE REALITY AND AN HISTORIC CHOICE. THE COMMUNISTS WITH THE SOVIETS, LIBYANS, PLO, AND THEIR EASTERN BLOC ALLIES, HAVE TEAMED UP WITH OTHER LEADING SUPPORTERS OF ANTI-AMERICANISM ACROSS THE WORLD HAVE PLACED AN HISTORIC CHALLENGE BEFORE THE CONGRESS OF THE UNITED STATES.

IN THE PAST, AMERICANS HAVE MET SOVIET CHALLENGES WITH RESOLVE, DEDICATION, AND VICTORY. WE AND THE UNITED STATES CONGRESS CANNOT SHRINK FROM THE CHALLENGE BEFORE US TODAY. THE CONGRESS HAS VOTED FOUR TIMES ON THIS ISSUE IN THE PAST YEAR ALONE. DURING THIS PAST YEAR, WHILE THE CONGRESS VACILLATED, THE COMMUNISTS IN NICARAGUA HAVE GROWN EVER STRONGER, INVADED HONDURAS, IMPORTED MORE SOVIET ATTACK AIRCRAFT, CREATED 100,000 NEW REFUGEES, CONTINUED TO PERSECUTE ALL FORMS OF DISSENT, AND REFUSED TO INVITE NATIONAL RECONCILIATION AND REDUCED REGIONAL TENSIONS THROUGH A GENUINE EMBRACE OF ANY PEACE PROCESS.

WITH THE TELEVISION MESSAGES WE WILL BEGIN AIRING TOMORROW MORNING, WE HOPE TO MOBILIZE THE PUBLIC TO THWART THE DANGEROUS GAME THE LIBERALS ARE PLAYING IN THE HOUSE OF REPRESENTATIVES TODAY. THIS GAME PUTS OUR AND OUR CENTRAL AMERICAN ALLIES' FUTURE IN JEOPARDY AND OUR NATIONAL SECURITY AT IMMINENT PERIL.

AS OUR TELEVISION MESSAGES AIR, WE HOPE TO AWAKEN VOTERS IN THESE CONGRESSMEN'S DISTRICTS TO THE DANGER THEY FACE BECAUSE OF THEIR REPRESENTATIVES' POSITIONS AND POTENTIAL DECISION. WE HAVE FAITH IN THE AMERICAN PEOPLE AND THEIR ABILITY TO INFLUENCE THEIR ELECTED OFFICIAL BEFORE IT'S TOO LATE. FOR MEMBERS OF THE HOUSE OF REPRESENTATIVES TO IGNORE THIS GROWING THREAT FROM NICARAGUA IS TO INVITE UNACCEPTABLE DANGER TO AMERICA AND HER ALLIES. THE RUSSIANS HAVE BOLDLY ARRIVED ON THE MAINLAND OF NORTH AMERICA. IT IS THE 11TH HOUR. IT'S TIME FOR CONGRESS TO GET BEHIND RONALD REAGAN AND SUPPORT FREEDOM FIGHTER AID.

THANK YOU.

9004073800

SENTINEL
Advancing the Conservative Agenda

CONTACT: Dan Conrad
Cliff Smith
202/547-1985

NEWS RELEASE

Washington, D.C., June 25 -- Eleven Congressmen created the margin of victory for President Reagan in yesterday's vote on aid to the Nicaraguan Freedom Fighters. Six of these Representatives came under intensive lobbying efforts sponsored by Sentinel, a Washington based lobbying organization. Dan Conrad, Sentinel's Executive Director, said, "We undertook a broad-based program of personal contact, television messages and grass roots constituent education." The efforts by Sentinel began more than one year ago to help President Reagan change the climate on Capitol Hill from weak support for humanitarian assistance to a strong message of military and humanitarian aid to the United Nicaraguan Opposition.

Sentinel teamed up with the National Endowment for the Preservation of Liberty, a Washington non-partisan foundation, that sponsored a 3.5 million dollar public education campaign throughout the Southeastern United States. Spitz Channell, President of NEPL, announced the program on February 27, 1986 at a news conference at the National Press Club in Washington.

This new approach to addressing vital foreign policy issues is likely to become the way of the future for national security debates in Washington. "When we address issues vital to the President we intend to bring to bear a whole array of communications and political techniques," said Conrad. When the two

--more--

organizations focus on President Reagan's Strategic Defense Initiative in mid July they intend to repeat the efforts made to pass the President's Nicaraguan aid package. Using television education, prominent speakers, political action programs at the grass roots level and lobbying on Capital Hill, the two organizations expect to focus public attention on Congressmen who have opposed the President.

####

9004072398

News
NATIONAL ENDOWMENT FOR THE PRESERVATION OF LIBERTY
1331 Pennsylvania Ave., NW - Suite 350
Washington, D.C. 20004

NEWS RELEASE

CONTACT: Chris Littledale
202/547-1985

NATIONAL FOREIGN POLICY FOUNDATION RELEASES SDI POLL

Washington, D.C., August 7 -- A Washington-based public policy foundation released a major $250,000 poll of 20 Congressional Districts that portrays strong support for President Reagan's Strategic Defense Initiative. Spitz Channell of the National Endowment for the Preservation of Liberty released the poll, conducted by Arthur J. Finkelstein & Associates, of 4,039 American voters as part of a national survey to determine the popularity of the Strategic Defense Initiative (SDI) among voters.

The poll was conducted in a total of 20 Congressional Districts from Baltimore, Maryland to Los Angeles from which national averages were extrapolated.

The National Endowment for the Preservation of Liberty (NEPL) is a 501(c)3 nonprofit foundation headquartered in the nation's capital. It focuses on national security and foreign policy issues and is conducting a $4.1 million public education program on President Reagan's policies in Nicaragua.

The data shows that Americans, especially those registered as democrats, overwhelmingly support SDI at a ratio of almost nine out of every ten registered voters (87.1%). More than two-thirds of all voters (67.3%) approve "an increase in defense

--more--

On the specific question, when asked, "In your opinion who is most likely to launch a nuclear missile attack?", 4.4 percent said the United States, 28.1 percent said the Soviet Union, but 24.2 percent said "another nation" and 30.9 percent said "Terrorists" - 12.5 percent did not know.

About six out of ten voters (61.5%) disagreed with the argument that the Soviet Union would be more likely to attack the U.S. before the SDI system was put in place. Only one in four voters (25.2%) said the development of an SDI system would increase the chances for conflict between the two. An almost equal number (26.1%) said it would decrease the chance of an American-Soviet conflict, while the largest segment 42.9 percent said the chance remains the same. However, about seven out of ten (69.5%) said they would feel safer under a system where both the U.S. and the U.S.S.R. had a defense shield capable of shooting down 90 percent of all nuclear missiles, and only one in eight (11.6%) favored the present system of doing without a defense shield where each can destroy the others nuclear bombs.

####

0004073804

STATEMENT OF CARL RUSSELL CHANNELL

NATIONAL ENDOWMENT FOR THE PRESERVATION OF LIBERTY

AUGUST 7, 1986

Recently there has arisen a lot of confusing information regarding public support for President Reagan's Strategic Defense Initiative so, the National Endowment for the Preservation of Liberty has just completed a $250,000 polling project to find out what Americans are thinking about President Reagan's Strategic Defense Initiative. In July, we engaged Arthur J. Finkelstein and Associates to poll 4,039 registered voters in 20 Congressional Districts (56% registered democrat) across the United States. This is three times the number of people the Gallup organization uses for its polls. We acquired some surprising information which I would like to share with you this morning.

Ronald Reagan has convinced an absolute majority of the American people that we are living in an increasingly hostile and dangerous world. The worldwide outbreak of terrorism reported constantly and in detail by the media reinforces this basic premise daily.

Ronald Reagan continues to be an historically popular President. In our survey, not unlike other recent surveys; President Reagan receives a whopping 72.2% favorable rating. However, his issue; the Strategic Defense Initiative, is in every district we polled across America much more popular than the President. The national average in all 20 Districts for approval of a space based defense system is an incredible 87%.

Such extraordinarily high support figures for SDI indicates that Americans regardless of party, trust SDI as a mechanism to provide security for America from any number of enemies known and unknown. In this respect the Strategic Defense Initiative has become for Americans security against all enemies who might someday have the capability of employing nuclear weapons against the territory of the United States..

It is insightful to know that in our poll only 1 American in 4 (28.1 %) thought the Soviet Union would start a nuclear war, but over 55% of those polled nationwide thought that another nation or a terrorist nation might be the cause of a nuclear war.

In our poll 61.3% of the respondents stated that America should build the Strategic Defense Initiative regardless of what the Russians did. Furthermore when asked if they agreed or disagreed with the statement: The only lasting peace we can trust is if the United States can defend itself against any agression, a tremendous majority of the American people 78.2% agreed. Americans truly have great faith in S.D.I. to protect America, even if defense spending must be increased (67.3% approve).

The National Endowment for the Preservation of Liberty, agreeing with, and responding to this tidal wave of popular support for Ronald Reagan and the building of SDI will tomorrow begin a series of television messages to remind both Congress and policy makers that to decrease SDI funding or to attempt to derail it through diplomatic imprisonment is absolutly against the will and desire of the electorate.

Congressional actions - thwarting the policy of the President and/or against SDI could certainly have a temendous impact - backlash- at the polls in November. The results of this poll quite clearly call upon the Congress now to change its position and to obey the will of the American people articulated by their President and restore full funding for the President's Strategic Defense Initiative.

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MUR 2406
87 JUL 27 A10:47

HERGE, SPARKS, CHRISTOPHER & BIONDI
ATTORNEYS AT LAW
SUITE 200
8201 GREENSBORO DRIVE
MCLEAN, VIRGINIA 22102
(703) 848-4700

COPY

J. CURTIS HERGE
ROBERT R. SPARKS, JR.
A. MARK CHRISTOPHER
GEORGE V. BIONDI
DONNA LYNN MILLER
CARRIE LEE GLASER

TELECOPIER NUMBER
(703) 893-7371

July 23, 1987

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

RE: American Conservative Trust
FEC Identification No.:
C00170837

Gentlemen:

Enclosed, pursuant to 2 U.S.C. §§433(c) and 432(g)(4), is an amended Statement of Organization, FEC Form 1, of American Conservative Trust.

It should be noted that the amended Statement of Organization reflects (1) a change in the organization's mailing address; (2) a change in custodian of records; (3) a change in treasurer; and, (4) a change in the organization's bank.

Very truly yours,

(Signed) J. Curtis Herge

J. Curtis Herge

Enclosure

bcc: George F. Rishel, Esq.
Office of General Counsel
(with copy of enclosure)

87 JUL 27 P2:26
RECEIVED
FEDERAL ELECTION
GENERAL COUNSEL

9004077980

RECEIVED AT THE FEC

07 JUL 27 AM 9:47

# STATEMENT OF ORGANIZATION

(See reverse side for instructions)

1. (a) NAME OF COMMITTEE IN FULL ☐ (Check if name is changed)
AMERICAN CONSERVATIVE TRUST

(b) Number and Street Address ☐ (Check if address is changed)
515 Second Street, N.E.

(c) City, State and ZIP Code
Washington, D.C. 20002

2. DATE
7/23/87

3. FEC IDENTIFICATION NUMBER
C00170837

4. IS THIS STATEMENT AN AMENDMENT?
☒ YES ☐ NO

COPY

5. TYPE OF COMMITTEE (Check one)

☐ (a) This committee is a principal campaign committee. (Complete the candidate information below.)

☐ (b) This committee is an authorized committee, and is NOT a principal campaign committee. (Complete the candidate information below.)

| Name of Candidate | Candidate Party Affiliation | Office Sought | State/District |
|---|---|---|---|
| | | | |

☐ (c) This committee supports/opposes only one candidate _____ (name of candidate) and is NOT an authorized committee.

☐ (d) This committee is a _____ (National, State or subordinate) committee of the _____ (Democratic, Republican, etc.) Party.

☐ (e) This committee is a separate segregated fund.

☐ (f) This committee supports/opposes more than one Federal candidate and is NOT a separate segregated fund or a party committee.

| Name of Any Connected Organization or Affiliated Committee | Mailing Address and ZIP Code | Relationship |
|---|---|---|
| | | |

Type of Connected Organization
☐ Corporation ☐ Corporation w/o Capital Stock ☐ Labor Organization ☐ Membership Organization ☐ Trade Association ☐ Cooperative

7. **Custodian of Records:** Identify by name, address (phone number -- optional) and position of the person in possession of committee books and records.

| Full Name | Mailing Address | Title or Position |
|---|---|---|
| Carl R. Channell | 515 Second Street, N.E.<br>Washington, D.C. 20002 | Treasurer |

8. **Treasurer:** List the name and address (phone number -- optional) of the treasurer of the committee; and the name and address of any designated agent (e.g., assistant treasurer).

| Full Name | Mailing Address | Title or Position |
|---|---|---|
| Carl R. Channell | 515 Second Street, N.E.<br>Washington, D.C. 20002 | Treasurer |

9. **Banks or Other Depositories:** List all banks or other depositories in which the committee deposits funds, holds accounts, rents safety deposit boxes or maintains funds.

| Name of Bank, Depository, etc. | Mailing Address and ZIP Code |
|---|---|
| Riggs Bank | Capitol Hill Office<br>600 Pennsylvania Avenue, S.E.<br>Washington, D.C. 20003 |

*I certify that I have examined this Statement and to the best of my knowledge and belief it is true, correct and complete.*

| TYPE OR PRINT NAME OF TREASURER | SIGNATURE OF TREASURER | DATE |
|---|---|---|
| CARL R. CHANNELL | Carl R. Channell | 23 July '87 |

NOTE: Submission of false, erroneous, or incomplete information may subject the person signing this Statement to the penalties of 2 U.S.C. §437g.
ANY CHANGE IN INFORMATION SHOULD BE REPORTED WITHIN 10 DAYS.

For further information contact:
Federal Election Commission
Toll-free 800-424-9530
Local 202-376-3120

FEC FORM 1
(revised 4/87)

9004078806

RECEIVED
FEDERAL ELECTION COMMISSION
SECRETARIAT
87 NOV 25 PM 2:09

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

SENSITIVE

November 25, 1987

**MEMORANDUM**

TO: The Commission

FROM: Lawrence M. Noble
General Counsel

BY: Lois G. Lerner
Associate General Counsel

SUBJECT: Excerpts from Iran-Contra Report Relating to MUR 2406

Attached are excerpts from the majority and minority reports of the Select Committees on the Iran-Contra Affair. These excerpts are being circulated on an informational basis. Although this information provides additional background and context with respect to MUR 2406, the reports do not specifically address the allegations in the MUR. As additional information becomes available, it will be reviewed and, if relevent, circulated.

Attachment

0004079309

LIBRARY
FEDERAL ELECTION COMMISSION

Union Calendar No. 277

100th Congress, 1st Session

H. Rept. No. 100-433

S. Rept. No. 100-216

Report of the Congressional Committees Investigating the

# Iran-Contra Affair

With
Supplemental, Minority, and Additional Views

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U.S. House of Representatives
Select Committee to Investigate
Covert Arms Transactions with Iran

U.S. Senate Select Committee
On Secret Military Assistance to Iran
And the Nicaraguan Opposition

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# Chapter 4
# Private Fundraising: The Channell-Miller Operation

While donations from other countries and profits from the Iran arms sales provided most of the money for lethal assistance to the Contras after the Boland Amendment, the network of private foundations and organizations formed by Carl R. "Spitz" Channell and Richard R. Miller also played a role. Channell's principal organization, the tax-exempt National Endowment for the Preservation of Liberty (NEPL), used White House briefings and private meetings with the President to raise more than $10 million from private contributors, almost all for the Contra cause. Over half of this total came from two elderly widows—Barbara Newington and Ellen Garwood—who made the bulk of their contributions after receiving private and emotional presentations by Lt. Col. Oliver North on the Contras' cause and military needs. One dozen contributors accounted for 90 percent of NEPL's funds in 1985 and 1986.

Of the $10 million that was raised, only approximately $4.5 million was funnelled to, or spent on behalf of, the Contras, including more than $1 million for political advertising and lobbying. The rest was retained by Miller and Channell for salaries, fees, and expenses incurred by their organizations, including compensation to their associates, David Fischer and Martin Artiano.

The NEPL money spent for direct and indirect assistance to the Contras was disbursed primarily by Miller at the direction of North. Approximately $1.7 million was "washed" by Channell through Miller's domestic and Cayman Island entities—International Business Communications (IBC) and I.C., Inc.—to the Enterprise, where it was commingled with funds from third-country contributions and the Iranian arms sale. Another $1 million was passed at the direction of North through Miller's entities to accounts controlled by Adolfo Calero, and approximately $500,000 was distributed at North's request to other persons and entities engaged in activities relating to the Contras.

Channell and Miller made elaborate efforts to conceal the nature of their fundraising activities and North's role. Certain funds received by NEPL for Contra assistance were allocated on Channell's books to a project denominated "Toys," a euphemism for weapons. The NEPL and IBC employees were instructed to refer to North by a code name, "Green." Funds were transferred to the Contras, not directly—which would be traceable—but through Miller's anonymous offshore entity, I.C., Inc. North misrepresented to several White House officials the nature of the network's fundraising activities. For instance, the President apparently was led to believe that the funds were being raised for political advertising; the President's Chief of Staff, Donald Regan, was deliberately kept in the dark by North and Admiral John Poindexter; and North misrepresented to Congress and White House personnel the nature of his involvement in the activities of NEPL and IBC. As a result, the network was able to operate successfully until the latter part of 1986, when increased Government aid to the Contras and public disclosure of both the Iranian arms sales and the Contra resupply network made further assistance efforts unnecessary and unwise.

By using a tax-exempt organization to funnel money to the Contras—for arms and other purposes—Channell and Miller provided tax deductions to donors. As a result, the U.S. Government effectively subsidized a portion of contributions intended for lethal aid to the Contras. In the spring of 1986, Channell and Miller pled guilty to criminal tax charges of conspiring to defraud "the United States Treasury of revenues to which it was entitled by subverting and corrupting the lawful purposes . . . of NEPL by using NEPL . . . to solicit contributions to purchase military and other non-humanitarian aid for the Contras." At his plea hearing, Channell identified Miller and North as his co-conspirators.

## The Background

### Carl R. "Spitz" Channell

Channell, 42, was raised in Elkton, West Virginia. He attended American University from 1963 to 1968 and then, for a brief period, the Union Theological Seminary in Virginia. He left to join the Army and, after service for 3 years, received an honorable discharge.[3]

In 1976, Channell began to work for Terry Dolan, the founder of the National Conservative Political Action Committee (NCPAC). His initial responsibility was assisting in Congressional campaigns. After the

1978 elections, Dolan asked Channell to shift to fundraising. To Channell's own surprise, he was an instant success, and was named by Dolan as NCPAC's first national finance chairman. In that position, Channell concentrated on NCPAC's "high dollar donor program" and set up a number of briefings in Washington for potentially large contributors.[2] This fundraising method was to become the standard operating procedure for the Channell-Miller network.

In 1982, Channell left NCPAC to form his own political consulting organization, the Channell Corporation, to offer fundraising advice to campaigns and candidates. By 1984, he began to establish a network of other politically-oriented foundations. First, he founded the American Conservative Trust (ACT) as a Political Action Committee (PAC). At approximately the same time, he incorporated NEPL and sought Internal Revenue Service (IRS) recognition of NEPL as a tax-exempt foundation under Section 501(c)(3) of the Internal Revenue Code.[3]

In its application for tax-exempt status, NEPL asserted that it was formed "to educate members of the general public on American political systems and societal institutions." The application further stated that this education was to be accomplished through the study of the development of American political systems and the influence of such systems on societal institutions in the United States. NEPL indicated to the IRS that it would collect information on these topics, make that information available to the general public, and eventually conduct seminars.[4]

On December 12, 1984, the IRS issued a determination letter stating that, based on the information contained in NEPL's application and assuming that its operations would be consistent with the program outlined in the application, NEPL qualified as an exempt organization under Section 501(c)(3).[5*]

According to Channell, when he formed NEPL in late 1984, most "Washington insiders" doubted that anyone could raise money to advance foreign policy. Channell, however, believed that he could succeed because his major donors were committed to President Reagan and his philosophy toward foreign affairs.[6]

At first, NEPL concentrated on raising funds to publicize "European issues," e.g., SALT, summits, and nuclear freeze proposals. In January 1985, after NEPL ran a large newspaper advertisement congratulating President Reagan on his inauguration, Channell received a call from Edie Fraser of the public relations firm, Miner & Fraser. According to Channell, Fraser indicated that she admired the ad and asked for NEPL's assistance in organizing and promoting a fundraising dinner for the Nicaraguan Refugee Fund (NRF). This was Channell's introduction to the Contras' cause.[7]

To assist him, Channell recruited Daniel Conrad, a fundraising consultant from San Francisco, with whom Channell had dealt on earlier occasions. Conrad came to Washington, and together he and Channell initiated NEPL's involvement in the Nicaraguan issue.[8]

## Daniel L. Conrad

Conrad, 44, received a bachelors degree in English and Political Science from Northwestern University in 1965. He also did graduate work in philosophy and business at Northwestern and the University of Michigan.[9] In the late 1960s, after short stints as a management trainee at Ford Motor Company and a fundraiser for Northwestern, Conrad joined Harvey Fundraising Management of Milwaukee, Wisconsin, as a field director for campaigns.[10]

In the early 1970s, after a brief career as a stockbroker, Conrad started his own firm, the Institute for Fundraising, in San Francisco. It was a sole proprietorship that presented seminars, produced manuals, and offered consulting services in the field of fundraising.[11]

In the late 1970s, Conrad incorporated his business as Public Management Institute (PMI), which evolved from a training and consulting services firm to one primarily engaged in the publishing of periodicals and reference materials on financial grants and capital campaigns. Conrad himself continued, however, to consult on fundraising matters.[12]

Conrad first met Channell in 1978 or 1979 at a seminar on fundraising being taught by Conrad in Alexandria, Virginia. After their initial meeting, Channell called Conrad periodically for informal advice on fundraising. In 1983 or 1984, Channell hired Conrad as a consultant to advise him on how to build a political consulting business, an assignment that lasted approximately 1 week.[13]

Given Channell's history of looking to Conrad for advice, it was natural for Channell to ask Conrad to assist him in fundraising for the Contras—even though Conrad had never been involved in political fundraising and had no particular interest in the Nicaraguan issue.[14] Their financial arrangement was never

*Channell formed additional entities between 1983 and 1986. The American Conservative Trust State Election Fund (ACT-SEF) was formed as a state PAC to take advantage of state laws allowing corporate contributions to such entities. "Sentinel" was formed in 1983 as a lobbying organization under Section 501(c)(4) of the tax code. The "American Conservative Foundation," a 501(c)(3) corporation also established in 1983, was intended to focus on issues that were "more worldwide in scope and interest" than NEPL. The "Anti-Terrorism American Committee" (ATAC) was formed in 1986 as a PAC focusing on "congressional attitudes toward terrorism and policies associated with terrorism." "Grow Washington" and "Hill Potomac" were corporations established to pursue specific initiatives that, according to Channell, never materialized. Those entities have therefore remained inactive and unfunded. In 1986, Channell assumed control of another conservative organization, Western Goals, which had been established by the late Representative Larry McDonald. Channell Dep., 9/1/87, at 62-66.

formalized. According to Conrad, Channell just gave him money periodically. For his efforts on the NRF dinner, for example, Conrad recalls receiving $10,000 or $15,000 from Channell, $10,000 from the NRF, and $1,500 from Miner & Fraser. After that time, Conrad's compensation "kept changing," with Channell deciding at various intervals how much to pay him. According to Conrad, he signed on with Channell's organizations more as a matter of friendship than as a matter of business.[15]

Although Conrad had no formal position or title, he served initially as the number two person in each of Channell's organizations. Channell eventually gave him the title, "Executive Director."[16]

When Conrad joined Channell, the common offices for Channell's various entities were in a small townhouse at 305 4th Street, NE, in Washington, D.C. Later, in August 1986, as money from Contra donors rolled in, they moved to luxurious and spacious new quarters in National Place, 1331 Pennsylvania Avenue, NW, Washington, D.C., and hired additional staff and fundraisers.

Lines of authority in Channell's organization were informal. Fundraisers reported either to Conrad or Channell, who shared responsibility for training them. Channell, however, was generally in charge of preparing the script to be used for soliciting prospective donors.[17]

## Richard R. Miller and IBC

Miller, 35, received a bachelors degree in 1976 from the University of Maryland. During parts of 1979 and 1980, he served as director of broadcast services for the Reagan campaign. William Casey, Director of the 1980 Presidential campaign, furloughed him when funds ran short but then rehired him. During the furlough, Miller formed Ram Communications, a short-lived public relations firm.[18]

After the 1980 election, Miller served on the transition team and then briefly as special assistant to the director of public affairs in the Department of Transportation. From February 1981 to February 1983, he was chief of news and public affairs for the Agency for International Development (AID). He was then promoted to public affairs director at AID, where he remained until 1984.[19]

Upon leaving AID, Miller established IBC as a sole proprietorship to engage in media relations, strategic planning for public affairs, political analysis, and executive branch liaison. In 1984, he began to work with Francis Gomez who recently had left his position as Deputy Assistant Secretary for Public Affairs in the State Department. Miller had first met Gomez in February 1982.[20]

Immediately upon leaving the State Department in February 1984, Gomez received a contract from the State Department to assist its newly formed Office of Public Diplomacy for Latin America and the Caribbean (S/LPD) with public relations advice and support. The original purchase order for the contract specified that Gomez was to write talking point papers on Central America, prepare speaker kits, identify and refute distortions and false allegations regarding U.S. policy, draft sample speeches, prepare op-ed pieces and feature articles, assist Central American refugees and exiles visiting Washington, arrange media events for them, and make them available for Congressional interviews.[21]

This contract was renewed with Gomez in May 1984 and then assumed by IBC in August or September 1984. Before it terminated in September 1986 after several renewals, Gomez and IBC received a total of $441,084 from the State Department.[22*]

By mid-1984, with the assumption of the State Department contract, IBC was functioning as an informal partnership between Miller and Gomez, even though Gomez was technically a subcontractor to IBC. At a later time, Miller and Gomez would each establish personal corporations—Miller Communications, Inc. and Gomez International, Inc.—and, effective January 1, 1986, would restructure IBC into a partnership of those two entities. There is not, however, any written partnership agreement.[23**]

In September 1984, IBC also began to represent one of Adolfo Calero's organizations, the Nicaraguan Development Council (NDC). Initially, IBC charged NDC $3,000 a month for public relations services, a fee that was later raised to $5,000 a month when IBC hired a full-time employee to do work for NDC. This relationship gave Miller and Gomez significant opportunities to work closely with Calero, Alfonso Robelo, and Arturo Cruz.[24]

In the course of assisting the Contras with their public relations, Miller was introduced to North, apparently by either Otto Reich or Jonathan Miller (no relation)—Director and Deputy Director of S/LPD—who were IBC's principal contacts at the State Department.[25] In early 1985, Richard Miller became involved with the NRF dinner, with which Channell and Conrad were also engaged. This was the beginning of their relationship, although the dinner demanded little of their respective energies and was organized and run principally by others.

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*In Audit Report No. 7PP-008, July 1987, the State Department's Office of Inspector General filed its conclusions reached after a special inquiry into the awarding and supervision of these contracts with Gomez and IBC. That report concluded, in summary, that, while the original contract was justifiable, its utility became questionable during its later stages. The Inspector General also criticized the sole-source, noncompetitive process for awarding and administering the contracts, especially the classification of one version of the contracts as "SECRET," indicating that the classification was unjustified and improper. Audit Report at 32-33.

**In July 1986, IBC entered into a joint venture with David C. Fischer & Associates, a consulting firm founded by a former aide to President Reagan. R. Miller Dep., 8/20/87, at 93-95.

## The NRF Dinner

According to Channell, the NRF dinner had to be postponed several times and was an organizational disaster. When it finally took place on April 15, 1985, President Reagan attended and delivered the keynote address. The NRF dinner proved to Channell that large and expensive functions were not an efficient method of raising money for the Contras, but the President's commitment to the Contra cause convinced Channell that the Nicaraguan issue was fertile ground for fundraising and public education.[26]

Thereafter, Channell and Conrad, with the assistance of Miller, concentrated on private meetings with potential large donors, who would be given an audience with North and, in some cases, a photo opportunity with the President.

The idea of focusing on potential big givers to the Contras was not new. Edie Fraser, one of the principal organizers of the NRF dinner, testified that at the suggestion of the State Department she met with North on December 11, 1984, to seek White House "participation" in the dinner. At that meeting, Fraser mentioned the Sultan of Brunei to North as a possible contributor to the NRF. Fraser explained that the Sultan had come to her attention because he had made a contribution to UNICEF in honor of Mrs. Reagan. On December 28, 1984, Fraser sent further biographical information on the Sultan to North, but does not know if North ever followed this lead.[27]

On March 4, 1985, Fraser sent additional information to North on the planned dinner. At the bottom of the cover letter she added a handwritten note: "Ollie, Very Imp., Two people want to give major contribs i.e. 300,000 and up if they might have one 'quiet' minute with the President."[28]

According to Fraser, she added this note to the letter because of her conversations with Channell and Conrad, who suggested that some of their contributors might make large donations to the NRF dinner if they could meet alone with President Reagan. As far as Fraser can recall, she added the number of donors ("two") and the possible amount of money ("300,000") to her note to give the offer some definition. She cannot be sure that either Channell or Conrad were that specific in their conversations with her.[29] Neither Channell nor Conrad recall discussing such an offer with Fraser.[30]

Fraser received no response from North regarding the offer. In fact, Fraser says she never heard from or spoke to North again after their initial meeting on December 11, 1984. Her letters were not answered by North; someone else at the White House ultimately assumed responsibility for liaison with the group planning the dinner.[31]

## NEPL and IBC Meet

In late March 1985, prior to the NRF dinner, Channell called the office of Edward Rollins, then White House Political Affairs Director, to ask how NEPL could help support "the President's agenda in Central America." Rollins's office referred the call to John Roberts, then a White House aide, who agreed to have lunch with Channell and Conrad.[32]

At that lunch, according to Channell, Roberts responded to their interest in the Nicaraguan issue by stating that they should talk to Miller and Gomez, the principals of IBC. Roberts told Channell and Conrad that IBC was "the White House outside the White House" on this issue. Shortly thereafter, Channell and Conrad set up a meeting with Miller.[33*]

Roberts had called Miller prior to that meeting and alerted him to the referral, suggesting that Channell and Conrad wanted to "help the President" on Nicaragua. In particular, Roberts told Miller that Channell and Conrad wanted to do a media campaign. Roberts did not mention any possibility of direct financial assistance to the Contras.[34]

## Channell-Miller Network—The Beginnings

In late March or early April 1985, Channell, Conrad, Miller, and to a significantly lesser degree, Gomez, embarked on an effort to assist the cause of the Contras. Their joint efforts would extend into the latter portion of 1986. According to Miller, Channell initially offered to IBC a retainer of $15,000 per month, which IBC accepted.[35]

In exchange for this retainer, IBC was to handle media relations, political analysis, research, advertising copy, film production, and other public relations functions. There was never any written agreement, however, reflecting the arrangement between NEPL and IBC.[36]

At first, IBC lent support to the American Conservative Trust and NEPL in their efforts to educate the public on the Nicaraguan issue. Very quickly, however, Channell expressed to Miller an interest in raising money for the Contras. Because of their prior contact with the Contras' organization and leaders, Miller and Gomez believed that they could be of assistance. One of Channell's first steps, with IBC help, was to secure a letter from Adolfo Calero authorizing NEPL to solicit contributions on behalf of his organizations.[37] This letter, dated April 10, 1985, opened "Dear Spitz," and read in part:

> Please help us to achieve our dream, a free and democratic Nicaragua, not tied to a hostile Soviet threat but to a peaceful democratic American tradition.

*With respect to this conversation, Roberts told the Committees in an interview that he possibly described Miller as "fronting for the State Department" or as "in the family." Roberts Int., 7/17/87.

All resources you can raise will be appreciated. We can put all of them to good purposes.

Richard Miller and Frank Gomez can keep you informed of our progress and serve as our contact point in the United States.[38]

## The Initial Solicitations

In early April 1985, Channell spoke with one of his prior contributors, John Ramsey of Wichita Falls, Texas, who Channell felt might be interested in contributing to support the Contras. Ramsey seemed receptive to the idea, but wanted to meet Calero in person to ensure that any money he contributed would, in fact, be used to support the Contras.[39]

Channell scheduled a dinner for himself, Conrad, Miller, Gomez, Ramsey, and Calero in Washington, D.C., on April 10, 1985. At the last minute, however, Calero was unable to attend and the dinner went forward without him. Going into the dinner, Channell had told Miller and Gomez that Ramsey was a "tough cookie" who probably would be most interested in the Contras' need for arms and other lethal supplies.[40]

At the dinner, in a private room at the Hay-Adams Hotel, Miller and Gomez spoke at length about the Contras' need for supplies, both lethal and non-lethal. Gomez showed Ramsey a book of photographs taken during a recent trip Gomez had made to various Contra bases in Central America. This collection included pictures of Contra fighters, mortars, and machine guns.[41]

Conrad openly tape-recorded the conversation during dinner, supposedly because he was learning new information about the Contras and wanted to preserve it.[42] The transcript of the tape, as further interpreted by Channell, Conrad, and Miller during depositions, confirms that Channell, Miller, and Gomez discussed the Contras' military and non-military needs at length, often in response to questions from Ramsey. At one point, Miller deflected a suggestion by Ramsey that people be solicited to send used shotguns to the Contras:

RAMSEY: "The best I can tell, a shotgun is the best thing to use in jungle warfare."

GOMEZ(?): "Or a very rapid fire machine gun. That's why the AK-47s and the M16s are the best weapons."

MILLER: "The M16 fires a 22.5 caliber bullet."

RAMSEY: "I bet I could get 10,000 people to give their old shotguns to this."

MILLER: "Only one problem. You can't export guns without a license."[43]

Shortly after this exchange, the subject turned to methods of counteracting Soviet-supplied HIND helicopters:

GOMEZ or MILLER: "Calero has said publicly, so that the Sandinistas could hear on secret radio communications in the field saying we have red eyes [missiles]. It's a big lie."

UNKNOWN: "They're playing a psychological war against the Sandinistas."

MILLER(?): "The more sophisticated of the shoulder-held missiles, the red eyes. There's 2 different kinds. One that's a little less expensive and there's one that's $8,000. It can take it out."[44]

Later, Channell itemized some of Calero's needs:

CHANNELL: "Calero wants those red eye missiles. He wants boots. He wants back packs. He wants AK-47 rounds which you can get on the international market. He wants communications equipment."[45]

Ramsey, however, returned again to his suggestion to provide the Contras with donated arms, which is not what Channell and Miller had in mind:

RAMSEY: "We're going to call it the Shotgun Drive. And we're going to get Remington to put up the amo [sic]. Dupont owns Remington.

"We're going to start on CBs. We're not even going to invoke the electronic media until we get support or we have about three semis going north on Tobacco Road out of North Carolina full.

"And they keep calling on another semi.

"We got an empty semi out there? Somebody got an 18-wheeler empty can come down and help liberate Central America?"[46]

Near the end of the transcript, the Channell-Miller group succeeded in turning the discussion back to missiles and money:

UNKNOWN: "Between now and May 1 the red eye missiles could be the entire key.

"Because if they succeed at this point in launching an offensive including tanks and MI24 helicopters into that region and go for the cans . . . .

"There's two different kinds of red eye missiles. There's one that's very unsophisticated which is just a direct shot missile. And then there's one that's able to take on the Hind [sic] because the Hind has major decoy devices, has heavy arma-

ment, and it has these flares on the back of the exhaust from the jets—the expulsion from the engine—that mask the heat.

"So you have to have the $8,000 red eye to make it work."[47]

The transcript concludes with an observation, attributed to Miller, summing up well the philosophy with which Channell, Conrad, and Miller approached their solicitations:

MILLER: "If you provide money for ammunition, the money they've set aside for ammunition can go to boots.

"On the other hand, if you provide money for boots, what they've set aside for boots can go to ammunition."[48]

The solicitation was a success. The next morning Ramsey had breakfast with Calero and, at that time or shortly thereafter, donated $20,000 directly to the Nicaraguan Development Council. As noted earlier, the NDC had previously retained IBC as a public relations consultant.*

Later, in early June 1985, Miller received a telephone call from North, who asked him to try to raise $30,000 for an undisclosed purpose related to the Contras. North also gave Miller the name and number of a Robelo-controlled account in the United States—although Miller did not know that—into which any contribution could be deposited.[49]

At Channell's suggestion, Miller contacted Ramsey, who sent $10,000 directly to the Robelo-controlled account.[50] North later confirmed to Miller that the contribution had been received.[51]

Channell then asked Miller to have North send telegrams of appreciation to both Ramsey and Channell. Miller got North's approval for these telegrams and sent them over North's name.[52] In those June 6, 1985 telegrams, North thanked Ramsey and Channell for their support.[53]

The Ramsey solicitation was not, however, to become the model. It did not produce enough money for the effort and the donation was sent directly to Robelo so that the Channell-Miller group was not compensated. A new approach was undertaken.

## North's Maiden Presentation

After the Ramsey solicitation, Channell drew on his experience with NCPAC briefings, and worked with Miller to sponsor a White House "event" for prior and potential NEPL contributors. This event was intended to educate contributors about the situation in Nicaragua and to solicit funds for the Contras. Through North, Miller and other IBC associates were successful in arranging a White House briefing for a group invited by NEPL.[54]

The briefing was held on June 27, 1985, in the Old Executive Office Building next to the White House with North as the principal speaker. According to Channell, North delivered what became his standard speech about Nicaragua and the Contras. North showed slides during his presentation, some of which had been provided by IBC.[55]

North's speech was an impassioned plea. He discussed the Communist threat posed to Nicaragua's neighbors by the Soviet and Libyan military buildup in Nicaragua, the political and religious repression in Nicaragua, the humanitarian and military needs of the Contras, and the importance of United States support for the Contras. North also emphasized that the United States would be flooded with millions of refugees if Nicaragua continued under its existing regime and policies.* This briefing was the initial substantive encounter between Channell and North.**[56]

After the briefing, the potential donor group was taken across the street for a reception and dinner at the Hay-Adams Hotel. As was to become customary, NEPL arranged and paid for food and lodging at the Hay-Adams for persons attending this special White House briefing. At the dinner, Channell presented Calero with a check for $50,000, which represented all Contra-related contributions received to date by NEPL. At Miller's instruction, the check was made payable to a Calero account.[57]

Channell testified that his understanding was that the contributed funds would be used for humanitarian supplies. This understanding was based on Calero's specific appeal that night for medicine and food.[58]

## The Establishment of I.C., Inc.

Meanwhile, in March or April 1985, North was contacted by Kevin Kattke—whom North described to Miller as an "intelligence community gadfly"—about an alleged Saudi Prince who proposed donating to the Contras $14 million of profits derived from the sale of Saudi oil.*** North referred the Prince—who

*When Ramsey was shown a copy of the dinner transcript, he indicated that, while portions of the dialogue seemed familiar, "[t]here is very much on there I have never heard of before." Ramsey Dep. at 70. Ramsey suggested that Channell, Conrad, Miller, and Gomez "might not have ask[ed] for the money [for lethal supplies] directly." Instead, "[t]hey were just saying that if the [Contras] had the money they could buy them." Ramsey Dep. at 87.

*North presented a version of his slide presentation during the public hearings. North Test, *Hearings*, 100-7, Part II, at 142-46.

**Some donors who contributed money to Calero through NEPL had received expressions of appreciation from North prior to the June 27 briefing. E.g., RM 3577. These communications were apparently arranged by Miller at Channell's request. R. Miller Dep., 6/23/87, at 27.

***The Prince eventually was determined to be a fraud, and now is imprisoned for a separate swindle involving a Philadelphia bank.

used a variety of pseudonyms, the most common of which was Ebrahim al-Masoudi—to Miller, who was engaged to market the Prince's oil. Miller and the Prince met several times over the course of the next several months. Miller's interest was twofold: he and North wanted to raise money for the Contras, and he was to receive $1 million of the profit that would be derived from the sale of the oil.[59]

Miller kept North fully apprised of his dealings with the Prince, which eventually also included a prospective gold transaction and assistance in freeing the hostages held in Lebanon.[60] Indeed, Miller believed that he "was an agent working on [North's] behalf" in connection with these and other activities undertaken at North's request.[61] *

On April 26, 1985, Miller and Gomez incorporated a Cayman Islands corporation known as I.C., Inc.[62] This entity originally was intended to receive the profits from the transactions conducted with the Prince. Gomez was included because Miller needed a second corporate director under Cayman Islands law and Gomez was a close business associate on whom Miller could rely.[63]

The Cayman Islands were chosen by Miller on the recommendation of a "political friend." Miller wished to keep "offshore" any money that he derived from his transactions with the Prince, because: (1) he did not want to incur federal income tax on these proceeds; and (2) he and North "took precautions all the time . . . not to have organizations be readily available for public view." Miller was told that it was cheaper to maintain bank accounts in the Cayman Islands than in Switzerland. He also received advice from an attorney that such an offshore "collection point" was a lawful arrangement.[64]

Although no proceeds were derived from the venture with the Prince,** I.C., Inc. became an integral part of the Channell-Miller fundraising network for the Contras. It served as a conduit, protected by Cayman Islands bank secrecy laws, through which the funds contributed to the tax-exempt NEPL could be transferred to the Contras or to the Enterprise.

Miller advised North in late April or early May 1985 of the actual formation of I.C., Inc.[65] Indeed, North testified that he directed Miller to establish this Cayman Islands corporation to be used for Contra funding efforts.[66] In May 1986, Miller changed the name of I.C., Inc. to "Intel Co-Operation, Inc.," and amended the corporate charter to specify that the company was engaged, among other things, in providing grants to "political and benevolent" organizations.[67] At that time, Miller told North about this name change and charter amendment, which Miller asserts was not aimed at providing increased cover for the operation.[68]

### The Creation of the Network

Soon after the June 1985 briefing, Channell asked Miller to arrange a meeting with North. Certain contributors to NEPL were concerned about press reports suggesting that contributions for the Contras were being skimmed or spent on unnecessary or obsolete items.[69] In addition, Channell wished to express his appreciation to North for the June 27 briefing.[70]

Miller ultimately arranged a meeting on July 9 for himself, North, Channell, and Conrad at the Grill Room in the Hay-Adams Hotel. At the meeting, Channell asked North how best to ensure that funds contributed to NEPL for the benefit of the Contras actually were used for that purpose. North told Channell that henceforth "continued" contributions to NEPL for the Contras should be passed to IBC for proper dispersal. From shortly after this meeting through the fall of 1986, NEPL made all Contra assistance payments to IBC or to I.C., Inc.[71]

North had shown a flow chart to his deputy, Robert Earl, and Miller sometime in 1985, which showed NEPL, IBC, and I.C., Inc. as vital parts of an elaborate Contra funding network. While this chart turned out not to be a fully accurate depiction of the actual workings of the network, North used it with Miller to explain "how a covert operation is set up." Miller recalls that the chart was similar to (although not as complete as) a chart found in North's safe and reproduced in the Tower Review Board Report at C-17.[72]

## Channell-Miller Network—The Operation

### White House Briefings and Hay-Adams Gatherings

The North briefing in June 1985 served as the blueprint for other similar briefings during the next year for NEPL contributors or potential contributors. These group briefings occurred on October 17, 1985, November 21, 1985, January 30, 1986, and March 27, 1986.

The White House briefings were meticulously planned by NEPL, IBC, North, and White House personnel. Internal White House memorandums obtained by the Committees show that North was the switching point for arranging and coordinating the briefings with White House liaison, White House Counsel, and White House security.

*For a more detailed account of the Prince's activities in connection with operations and persons under investigation by the Committees, see Chapter 5.

**According to Miller, he spent approximately $370,000 on activities involving the Prince. North was aware of and approved these expenditures. Miller did not incur monetary loss, however, because North authorized Miller to reimburse himself for these expenditures from Contra assistance funds transferred to IBC from NEPL. R. Miller Dep., 8/21/87, at 404-07.

NEPL prepared and sent invitations to persons selected by Channell and his associates. A typical invitation to a briefing stated in pertinent part:

> You are one of a small group of dedicated Americans who has stood by President Reagan . . . in support of his agenda. . . . It will be a pleasure to meet you in Washington on [date] when you attend our special security briefing followed by a working dinner. . . . Please be reminded that your accommodations at the Hay-Adams Hotel are taken care of and there is no expense to you.[73]

For those who attended, NEPL met them at the airport with a limousine and escorted them to the Hay-Adams Hotel, where all expenses were paid by NEPL.

The group typically was taken from the Hay-Adams to a reception room in the Old Executive Office Building, where they were introduced to North and other White House personnel. Other than North, among those who participated in these briefings were Patrick Buchanan, White House Communications Director; Mitch Daniels, Political Assistant to the President; Linas Kojelis, Special Assistant to the President for Public Liaison; Linda Chavez, Deputy Assistant to the President and Director of the Office of Public Liaison; and Elliott Abrams, Assistant Secretary of State for Inter-American Affairs. For the January 30 briefing, David Fischer—a former Special Assistant to the President who became a highly paid consultant to NEPL and IBC—even arranged for a Presidential "drop-by."

North always delivered the principal speech and slide presentation along the lines of the June 1985 briefing. While he was an effective speaker, North generally was careful not to ask for money, often telling the audience that he could not solicit funds because he was a Federal employee. He did, however, suggest that persons interested in contributing funds for the Contras should speak with Channell. At least one attendee at these briefings recalled North's stating that there were certain matters he could not discuss with them "on this side of Pennsylvania Avenue" but that Channell would raise later "on the other side of the street," a reference to the Hay-Adams Hotel.[74]

An account of North's presentation was provided at the public hearings by an eventual contributor in attendance at the March 1986 briefing, William O'Boyle:

> [North] described the military and political situation in Nicaragua. He had photographs of an airport in Nicaragua that had been recently built; the purpose of the airport was ostensibly commercial, but it was in fact a disguised military airport. One of the uses for which the airport was intended was to recover the Russian Backfire bombers after they made a nuclear attack on the United States.
>
> Another possible use of this airport was to fly a certain kind of mission that was currently being flown out of Cuba, up and down the east coast of the United States. Apparently every day a Russian plane leaves Cuba, as I recall, and goes right up the 12-mile limit, has some kind of large device on the outside of the plane. . . . This Nicaraguan air base would allow the Russians to fly the same kind of mission up the west coast to the United States. . . .
>
> He described the refugee problem . . . and we could look forward in the next few years to millions of refugees flooding across our borders as this happened. . . .
>
> He showed photographs which indicated that the Nicaraguan government officials were indicated in smuggling dope. . . . He also told an anecdote about some Nicaraguan agents that were recently caught with dope and money and so forth and disguised as American agents.[75]

O'Boyle indicated also that North furnished him with classified information designed to show that the Soviets were managing the diplomacy of the Nicaraguans before the United Nations.[76]

After the briefings, Channell, Miller, and their associates hosted a cocktail party and dinner at the Hay-Adams, often attended by Contra leaders and some U.S. Government officials. During the reception and dinner, NEPL and IBC employees attempted to determine which attendees were the most likely contributors. The enticement of purchasing lethal supplies for the Contras was often used with potential contributors. Those persons who expressed a serious interest in contributing money for the Contras were offered the opportunity to meet one-on-one with North, and, if they gave enough, a meeting with the President.[77] Large contributors to NEPL uniformly received thank you letters from North (and often from the President) for their support of the President's policies in Central America, although without specific reference to any contribution.[78]

## North's Involvement in Solicitations Intended for the Purchase of Lethal Supplies

In his public testimony, North testified that "I do not recall ever asking a single, solitary American citizen for money."[79] He readily admitted, however, that "I showed a lot of munitions lists" to Contra contributors or potential contributors "in response to questions about the cost of lethal items."[80] The Committees received evidence on North's activities that shed light on these statements.

*1. "Big Ticket Items" and "Ollie's New Purchase" Lists.* In the late fall or early winter of 1985, Channell asked Miller to have North prepare and provide a list of "big ticket items" to be used in soliciting contributions for the Contras. At Miller's request, North recited a list that included heavy lifting of cargo by aircraft (approximately $675,000 worth); training and outfitting of an "urban tactics unit"; the resupply of a Contra fighting unit known as the "Larry McDonald Brigade" (a Contra unit); and probably missiles of some kind.[81]

Miller typed the list onto his computer, printed a single copy, gave that copy to Channell, and deleted the computer entry. Channell used this list, which totalled approximately $1.2 million, to solicit contributions.[82] An apparently different "big ticket items" list was prepared by North and used by him and Channell in a solicitation of Nelson Bunker Hunt. Handwritten notes produced by Miller indicate other conversations with North about fundraising for lethal supplies. A note dated September 18, 1985, contains entries reading "$415,000-Weapons, C4, M79" and "520,000 MAUL."[83] "C4" refers to an explosive, "M79" likely refers to a grenade launcher, and "$520,000 MAUL" refers to the cost of eight Maule airplanes. Miller testified that North provided this information to him with the understanding that it would be used for fundraising.[84]

Another handwritten note of Miller's contains the entry "Ollie's new purchase list." The note is dated February 5, 1986.[85] Miller does not recall the derivation of this entry.[86]

*2. North's Special Appeals.* As North testified publicly, he met with scores of potential contributors to convey the plight and needs of the Contras. Insofar as North's actual role, the more revealing of these meetings are those that were conducted in private. As the descriptions below indicate, North prepared potential large contributors for what Conrad termed "the call to the altar."[87]

*a. Nelson Bunker Hunt*—In September 1985, Channell arranged a meeting in Dallas between North and Nelson Bunker Hunt, a wealthy Texas businessman who had contributed $10,000 to NEPL the previous July. Channell rented a private airplane for $8,000 to $9,000 to transport North to and from Dallas.[88] * The trip was worth the cost.

In Dallas, there was a private dinner at the Petroleum Club attended by Hunt, Conrad, Channell, and North. North gave his standard briefing, without slides, and showed Hunt a list of various Contra needs. The list was divided about evenly between lethal and non-lethal items, and included Maule aircraft and a grenade launcher possibly described as an "M-79." The total price was about $5 million. According to Channell, after discussing the items on the list and their prices, North "made the statement that he could not ask for funds himself, but contributions could be made to NEPL, or words . . . to that effect." North then left the room, a maneuver that had been "pre-arranged."[89]

Channell explained that the list was his idea because he wanted a "fundraising objective" to take to Hunt. He therefore had asked North to prepare a list totalling about $5 million for use in the solicitation of Hunt.[90]

Despite this evidence, Hunt has told the Committees that Channell never spoke to him about the Contras' need for weapons. According to Hunt, Channell told him that the Contras had "unpaid bills" for "[f]ood and shelter, medicine, [and] general expenses. . . ."[91] Hunt testified that he does not recall any conversation he had with North at the dinner.[92]

Nonetheless, as a result of this dinner, Hunt made two payments to NEPL of $237,500 each.[93] One of them was a contribution and one was a loan. The loan was evidenced by an unsigned promissory note because Channell would not agree to the loan (especially after he was unable to find a contributor to guarantee the loan on NEPL's behalf). Nevertheless, he held the $237,500 principal for 4 months, repaying it to Hunt in January 1986 without interest.[94] Hunt subsequently paid $237,000 to NEPL in March 1986 as a contribution, making his total contributions to NEPL $484,500.[95]

In the case of Hunt's initial $10,000 contribution in 1985, he sent NEPL a personal check drawn pursuant to a "check request" and marked "contribution." He also itemized the $10,000 contribution as a charitable deduction on his 1985 tax returns. By contrast, each step in the later transactions was conducted with Hunt's law firm—Shank, Irwin & Conant (SI&C) of Dallas, Texas—acting as an intermediary, and issuing its own checks, backed by Hunt's funds.[96]

Hunt testified that he handled these transactions in this manner in an effort to avoid publicity in the "liberal media" over the contributions. He acknowledged that the NEPL gifts were the only ones he had ever made indirectly. Moreover, none of the check requests or check stubs for the three large checks has any entry in the section designated for "purpose." Documentation for other checks produced by Hunt consistently included this entry. Hunt indicated that he must have overlooked this omission on the three checks in question.[97]

Finally, Hunt did not itemize the $237,500 contribution on his 1985 tax return or the $237,000 contribution on his 1986 return. He explained that, because of large losses each year, he did not need the deductions. Nonetheless, numerous other contributions apparently were itemized by Hunt on those tax returns.[98]

* This was the first time North used an airplane supplied by NEPL; on one other occasion, NEPL chartered a plane to fly North and his family for a weekend visit to Barbara Newington's house in Connecticut. Channell Dep., 9/1/87, at 148.

In short, it seems that Hunt took great pains to keep his large contributions to NEPL "off the books." As indicated above, a note made by Miller 1 day after Hunt issued the checks for the contribution and loan to NEPL contains the entries "$415,000—Weapons C4, M79" and "$520,000 MAUL," referring to munitions and airplanes.[99] This same note refers expressly to Hunt in a different context.[100]

*b. Barbara Newington*—Barbara Newington, a wealthy widow from Greenwich, Connecticut, had been a large contributor to Channell organizations (and at least one predecessor organization) for a few years. In 1985 and 1986, Newington contributed a total of $2,866,025 to NEPL. On June 25 or 26, 1985, she met privately with North because she was unable to attend the Channell group meeting arranged for the next day. She also met privately with President Reagan on two occasions.[101]

In early November 1985, North, Miller, and Channell participated in a solicitation of significant contributions from Newington. Miller's handwritten notes leading up to the meeting indicate that Channell prepared a proposed "pitch" for "Green"—the code name for North used by NEPL and IBC—to use with Newington. This "pitch" included statements such as "[you are] the most secure person we know in the U.S." and "[w]e are asking you to take on a project that requires your kind of person."[102] Although Miller does not specifically recall, he might have relayed a somewhat softened version of this solicitation to North.[103]

In further preparation for the solicitation, Miller created a file folder that contained an unclassified photograph of a Soviet HIND helicopter on one side of the folder and a picture of a shoulder-held surface-to-air missile on the other side. He also included an article from The New York Times on the capabilities of the HIND helicopter.[104]

The critical meeting took place in Newington's suite at the Hay-Adams Hotel where Channell, Miller, and Newington were joined by North. At the meeting, North referred to the file folder prepared by Miller, placed The New York Times article in front of Newington, and described the capability of the pictured surface-to-air missile to counteract HIND helicopters. In response to a question from Newington, North indicated that he knew where to obtain such missiles, although Miller cannot recall whether North quoted any prices. North left the room shortly thereafter. According to Miller, North's absence was not specifically prearranged, "but it was his practice not to be in the presence of the donor when they were asked for money."[105]

Channell then solicited Newington for a substantial amount of money. Over the course of the next 4 to 6 weeks, Newington made stock contributions to NEPL worth approximately $1.1 million.[106] Like Hunt, Newington has denied that she ever made a contribution intended for the purchase of lethal supplies.[107*]

At some point in the spring of 1986, Channell and Newington decided to invite North and his family to Newington's house for a weekend of recreation and relaxation. Miller, North, and North's family travelled to Connecticut in a private plane chartered by Channell. It is unclear whether there was any discussion of Contra assistance that weekend.[108]

*c. William O'Boyle*—William O'Boyle testified that he received several fundraising calls from NEPL in early 1986. O'Boyle, an independently wealthy businessman from New York City, had been referred to NEPL by a friend from Texas.[109]

In late March, he was invited by mailgram to a private White House briefing on Nicaragua. He flew to Washington on March 27, was met at the airport by a limousine arranged by NEPL, and was delivered to the Hay-Adams Hotel, where he met Channell, Miller, and others. Channell escorted the group to a meeting room in the Old Executive Office Building, where North presented the briefing described above.[110]

After the briefing, the participants returned to the Hay-Adams for a cocktail reception and dinner attended by Channell, Miller, and other NEPL and IBC personnel. During the reception, O'Boyle indicated to a NEPL employee, either Cliff Smith or Krishna Littledale, that he was interested in making a contribution to purchase weapons for the Contras. He wanted to know what weapons were needed and how much they cost. The NEPL employee with whom O'Boyle spoke told him later that a Blowpipe antiaircraft missile could be purchased for $20,000.[111]

After dinner, Channell told O'Boyle that there was a small, select group of persons in the United States who contributed money for lethal supplies to carry out the President's policy in support of the Contras. Channell asked O'Boyle if he would meet with North at breakfast the next morning. O'Boyle agreed.[112]

Breakfast took place in the main dining room of the hotel. Before North arrived, the conversation between O'Boyle and Channell continued in the same vein as the evening before. Channell told O'Boyle that they had him "checked out" overnight to ensure that he (O'Boyle) was reputable enough to join the select group of Americans Channell had mentioned.[113]

When North arrived, Channell told him that O'Boyle was willing to contribute funds for the purchase of weapons. North immediately began to describe from a notebook the Contras' needs, including several million rounds of "NATO" ammunition, Eastern bloc ammunition, Blowpipe and Stinger antiair-

*Miller later heard from Calero that no missiles had been received by the Contras. North told Miller that the Newington money had been used to purchase "secure radios." R. Miller Dep., 8/20/87, at 237.

craft missiles, and Maule aircraft. North explained that Blowpipe missiles cost $20,000 each, but that they had to be purchased in packs of 10. He also mentioned that the cost of Maule airplanes was $65,000 each. According to O'Boyle, North stated that "he could not ask for money himself as a government employee."[114]

Either at this breakfast or the evening before, Channell informed O'Boyle that if he contributed $300,000 or more, a 15-minute "off-the-record" meeting would be arranged between O'Boyle and President Reagan. Channell indicated that other people who had contributed that amount of money had met with the President. O'Boyle understood that these meetings with the President were "off-the-record" because the subject matter was so secret and sensitive.[115]

O'Boyle told Channell that he wanted time to consider whether to make a contribution. After returning to his home in New York for a few days, O'Boyle decided to contribute $130,000 to NEPL for the purchase of two Maule airplanes.* He flew to Washington to deliver his check to NEPL headquarters and was taken to the Hay-Adams Hotel by a NEPL employee. Channell met O'Boyle at the hotel. O'Boyle then gave his check to Channell, who telephoned North to join them at the hotel.[116]

When North arrived, Channell showed him O'Boyle's check, which North acknowledged. North spoke to O'Boyle again of the Contras' military needs and corresponding costs, but indicated that Blowpipe missiles no longer were available. In North's presence, Channell again told O'Boyle that a larger contribution would warrant a meeting with the President and asked for more money.[117]

Despite a visit in New York from Channell and Conrad and another meeting with North in Washington in which North disclosed a purported "secret" plan as to how the Contras would prevail in Nicaragua, O'Boyle informed Channell that he did not wish to make further contributions to NEPL.** In any event, in response to a subsequent mailing from NEPL, O'Boyle made one more contribution for $30,000.[118]

*d. Ellen Clayton Garwood*—Ellen Garwood also testified at the Committees' public hearings. She had been a NEPL contributor on several occasions. She is a wealthy octogenarian widow from a well-known family in Austin, Texas. Garwood first met North in 1984 at a Council for National Policy meeting. She had been briefed privately by him on the Contras' needs at least a handful of times, including once at a small airport in Dallas when North flew there to solicit Hunt in September 1985.[119]

Garwood travelled to Washington in April 1986 to attend meetings of NEPL contributors. Prior to the trip, Channell told Garwood that she would be presented with an appeal for much more money than had been requested of her before.[120]

During the last day of the NEPL meetings, Channell asked Garwood to meet with him and North that evening in the hotel lounge. At the evening meeting, North told Garwood that the situation of the Contras was desperate. With tears in his eyes, North explained to her that the Contras were hungry, poorly clothed, and in need of lethal supplies. He emphasized that the Contra forces might not exist by the time the Congress renewed Contra aid.[121]

Either North or Channell then produced a small piece of paper with a handwritten list on it. They discussed the list in hushed tones outside of Garwood's hearing. After North left the lounge, Channell showed the paper to Garwood. The paper contained a list of weapons and ammunition, with a price opposite each category of items. She recalls that the list included hand grenades, antiaircraft missiles, bullets, cartridge belts, and other items.[122]

Channell told Garwood that the items were what the Contras needed to sustain their efforts and requested her to provide the amount necessary to purchase the listed lethal supplies. Channell transcribed a copy of the list for Garwood to take with her.[123]

To supply the items on the list, Garwood immediately contributed more than $1.6 million to NEPL; she wired $470,000 in cash and transferred stock valued at $1,163,506. For this same purpose, she contributed an additional $350,000 the next month. All told, she contributed $2,518,135 in 1986. Garwood stated unequivocally that the principal purpose of these April and May 1986 contributions was to purchase for the Contras the weapons and ammunition on the list provided by North and Channell.[124]

* * * * *

These descriptions of the Hunt, Newington, O'Boyle, and Garwood solicitations are not exhaustive. The Committees interviewed or deposed 13 of NEPL's significant contributors during the relevant time period, nearly all of whom reported personal contact with North. The Committees have received evidence that several of these contributors—including John Ramsey of Wichita Falls, Texas, and C. Thomas Claggett, Jr., of Washington, D.C.—made donations intended for the purchase of lethal supplies. Channell's records reveal that 12 contributors, including Newington and Garwood, accounted for slightly more than 90 percent of NEPL's contributions in 1985 and 1986.

*The Committees have concluded from Enterprise records that O'Boyle's contribution was used for general Contra support, not for the purchase of two Maule aircraft.

**At the meeting in New York, O'Boyle expressed to Channell some concerns about the legality of using tax deductible contributions for weapons. According to O'Boyle, Channell told him that a lawyer had advised favorably on the question of legality, but that in any event the money could not be traced because contributions were being passed through a for-profit corporation and overseas. O'Boyle Dep. at 91.

By giving to the tax-exempt NEPL, the contributors were able to claim tax deductions even though their contributions were intended for the purchase of lethal supplies. The Committees have received evidence that several of these contributors claimed tax deductions for their NEPL contributions. For taxpayers in the 50 percent tax bracket, this meant that the public in effect paid for half their gifts.

## The Role of the President

In a May 19, 1986, PROF note to Poindexter, North wrote "the President obviously knows why he has been meeting with several select people to thank them for their 'support for Democracy' in Cent[ral] Am[erica]."[125] In fact, what the President knew is a matter of some doubt.

The President, in his March 19, 1987, press conference said that he believed that contributors he met had donated money for political advertising for the Contras.[126] The minutes of the May 16, 1986, National Security Planning Group (NSPG) meeting reveal the same understanding on the part of the President. He stated, "What about the private groups who pay for ads for the Contras? Have they been contacted? Could they do more than ads?" [127] Similarly, in preparation for the January 30 briefing, Linda Chavez wrote a memorandum to the President, stating that "ACT and NEPL spent in excess of $3 million supporting the President's programs through public awareness using television and newspaper messages." [128] In fact, much of the $3 million was directed toward Contra support activities, including arms.

Poindexter, however, testified at his deposition that "[t]here wasn't any question in my mind" that the President was aware that the contributors he was thanking were giving to the Contras [129] He added that "in the White House during this period of time that we were encouraging private support, we really didn't distinguish between how the money was going to be spent." [130] North testified that in writing his May 19 PROF note, he assumed that the President was aware that the contributions were for munitions, as well as other things, although he denied ever discussing this with the President.[131]

The President met with and thanked several large contributors for their support of his policies. David Fischer, former Special Assistant to the President, arranged Presidential photo opportunities or meetings with at least seven major Channell-Miller contributors in 1986. Fischer and Martin Artiano, a Washington lawyer, were paid steep fees by IBC (which charged these fees to NEPL) for arranging these meetings (among other services). Channell's statement to O'Boyle that these meetings carried a $300,000 price tag is substantiated by Edie Fraser's cryptic note to North (mentioned above); at least five of the six contributors who donated more than $300,000 to NEPL were invited to meet with the President.

## The Role of David Fischer and Martin Artiano

In late November or early December 1985, Miller asked Martin Artiano, an acquaintance from the 1980 Reagan Presidential campaign, to help him find someone "who had some Washington experience at a relatively senior level" to provide "consulting" assistance to IBC on behalf of NEPL.[132] When Artiano learned of IBC's needs, he contacted David Fischer, who had been a friend since they worked together as advance men in the 1976 Reagan campaign.[133]

After the unsuccessful 1976 Reagan Presidential effort, Fischer worked as an employee of Deaver and Hannaford, a public relations firm that did extensive work for Mr. Reagan. Fischer was in charge of Mr. Reagan's advance operations and served on occasion as his personal aide during the years of preparation for another Presidential run in 1980.[134] During the 1980 campaign, Fischer became the full-time personal aide to Mr. Reagan, travelling on the campaign plane with the candidate. After the inauguration in January 1981, Fischer was appointed Special Assistant to the President with an office adjacent to the Oval Office.[135] For the next 4 years—until April 1985—Fischer was in almost constant contact with the President.

As President Reagan's second term began in early 1985, Fischer and his wife decided for personal reasons to move to Utah. By the fall of 1985, however, Fischer wanted to return to Washington and asked Artiano to let him know about employment or consulting opportunities[136] When contacted by Artiano about the IBC opportunity, Fischer authorized Artiano to pursue discussions with Miller on his behalf.[137]

When Miller decided to retain Fischer and Artiano, he sought Channell's concurrence because NEPL ultimately was to be the recipient of, and billed by IBC for, the "consulting" services performed by Fischer and Artiano. While all the participants recall that Fischer and Artiano agreed to act as subcontractors for IBC and provide services to Channell's organizations, there is sharp dispute over the terms of that agreement. This dispute is only sharpened by the absence of a written understanding.

Channell and Conrad insist that they agreed to pay Fischer and Artiano $50,000 for each meeting Fischer scheduled with the President for a NEPL contributor. Conrad claims to recall a meeting in December 1985 in Miller's office attended by Miller, Artiano, Fischer, Channell, and himself at which Artiano broached, and Channell accepted, this proposal.[138] Channell recalls Fischer and Artiano making this proposal but claims that he rejected it as too expensive. Instead, according to Channell, he opted for a straight retainer of $20,000 per month.[139] Gomez recalls that Fischer and Artiano were to be compensated at least in part based



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on the number of Presidential meetings they could arrange for NEPL contributors.[140]

Fischer and Artiano vehemently deny that any such proposal was made or accepted. Artiano, who negotiated with Miller on behalf of Fischer, testified that they initially agreed to a 2-year consulting contract for a monthly retainer of $20,000 a month. When he and Fischer realized the amount of work Channell demanded, however, Artiano testified that he requested a $50,000 "acceleration" of their retainer. This payment was made to them on January 31, 1986, and was split evenly by Artiano and Fischer. Later, Fischer demanded and received another $50,000 "acceleration," which he did not split with Artiano. In July 1986, Fischer and Artiano recast their arrangement with IBC entirely, replacing the 2-year consulting contract with a formal joint venture between "David C. Fischer & Associates" and IBC.[141]

According to both Fischer and Artiano, they learned in early 1986 that Channell and Conrad were operating under the assumption that there was a straight fee-for-Presidential meeting arrangement. Artiano thereupon convened a meeting of all the principals and disabused Channell and Conrad of that notion.[142]

Miller's recollection lends some credence to everyone's account. He testified that the initial agreement, struck in December 1985, was a $20,000-a-month consulting arrangement. He testified, however, that this initial agreement did not contemplate Fischer setting up meetings at the White House. Shortly after striking the original deal, according to Miller, Channell began to make increased demands upon Fischer, one aspect of which was setting up meetings between the President and major NEPL contributors. In exchange for servicing those increased demands, Fischer and Artiano demanded, through Miller, an acceleration of their retainer to $70,000 per month (that is, $50,000 per month more than the monthly fee of the original arrangement). When Miller relayed this demand to Channell, Channell suggested that, for such a sum, NEPL should get at least one meeting with the President each month. According to Miller, Channell ultimately did agree to this acceleration.[143]

All told, between December 1985 and February 1987, IBC paid Fischer $397,400 and Artiano $265,000. Artiano transferred $60,000 of his payments to Fischer. All of the payments were reimbursed to IBC by NEPL.

When asked about allegations that Fischer was paid $50,000 for each meeting arranged with the President, Donald Regan, the President's Chief of Staff, testified that he had no independent knowledge of such an arrangement, but, if true, the allegations would be a "real embarrassment." According to Regan, "we thought he was doing it out of his concerns for the contras and the goodness of his heart, a public pro bono type of thing." He continued: "To find out he was being paid for it was a real shock . . . . [A]nyone getting paid to get a group into the White House, we tried to block that."[144]

Fischer, however, contends that Regan knew by the first meeting between the President and Channell supporters—in January 1986—that Fischer was acting as a paid consultant to the Channell organization. When he raised the subject with Regan, according to Fischer, Regan responded, "I hope you're being compensated for this."[145]

## North's Other Fundraising Efforts

Separate from his Channell-related efforts, in the fall of 1985, North enlisted Roy Godson—a consultant to the National Security Council—to assist in raising funds for a humanitarian organization involved with Nicaragua. Godson's efforts led to a deposit to the I.C., Inc. account through first the Heritage Foundation and then the Institute for North-South Issues (INSI), a non-profit organization controlled by Miller and Gomez. This deposit originally took the form of a $100,000 grant from the Heritage Foundation to INSI. The Heritage Foundation received the money for the "grant" from a private contributor arranged by Godson and Clyde Slease, a Pittsburgh attorney and friend of Godson's. Godson had arranged for Slease to meet privately with North and McFarlane on the need to raise funds for the humanitarian organization.[146]

The true objective of this "grant" was disguised in correspondence between Miller (as Treasurer of INSI) and Edwin J. Feulner (as President of the Heritage Foundation) with whom Godson had met previously. Miller sent an INSI "grant proposal" to the Heritage Foundation in September 1985 proposing the preparation and dissemination of public information materials in Central America. This proposal requested $100,000. On October 15, the Heritage Foundation sent INSI a check for $100,000, with Feulner stating by letter that "[m]y colleagues and I have discussed your proposal in some detail, and are pleased to respond in a positive way."[147]

INSI passed to I.C., Inc. only $80,000 of the $100,000 Heritage Foundation "grant," and retained the $20,000 balance as an administrative fee. The ultimate distribution of the $80,000 forwarded to I.C., Inc. was made to an entity which, according to Miller, North represented was an account controlled by the humanitarian organization. INSI misrepresented on its 1985 IRS Form 990 the nature of the activities supported by this money.[148]

Godson also arranged for John Hirtle, a stockbroker in Philadelphia, to meet with North in Washington. Following this meeting, Hirtle and North met again in Philadelphia with two prospective contributors.[149] One subsequently donated $60,000 by check dated December 13, 1985, directly to INSI. Shortly thereafter, this amount was then transferred by INSI directly to a Lake Resources account in Switzerland.

## What Happened to the Money

Just as only a small fraction of the Iranian arms profits was used for the Contras, so only a small part of the money Channell raised for the Contras reached them. Fischer and Artiano received more than $650,000 or more than five percent of the total money raised, and Miller, Gomez, and their companies retained a large percentage of the $5 million that IBC received from NEPL. A total of $2,740,000 was transferred by IBC to I.C., Inc., and $430,000 directly to Lake Resources. After deducting the payments to Fischer and Artiano—which eventually were reimbursed by NEPL—the balance, approximately $1.2 million, was retained by IBC for fees-for-services and expenses on NEPL's behalf.* This amount, however, is not all that Miller and Gomez received from the venture. Miller testified that North agreed in late 1985 that he and Gomez could begin to collect a 10 percent commission on the payments funnelled to the Contras through IBC and I.C., Inc. Miller stated that North said that the 10 percent was reasonable since "most of the other people in the business of providing assistance to the Contras were taking 20% to 30%."[150] North, in his testimony, denied that he had agreed to any specific percentage, but rather stated that he had approved "fair, just, and reasonable" compensation to Miller and Gomez.[151] Nonetheless, North's notebooks contain an entry for November 19, 1985, which states "IBC - 10%."

Miller and Gomez formed another Cayman Islands corporation in early May 1986, World Affairs Counselors, Inc. (WACI) to receive the compensation approved by North. Miller instructed his Cayman Islands agent to deduct automatically for WACI 10 percent of all funds transferred to I.C., Inc.[152] A total of $442,000 was taken by Miller and Gomez pursuant to this commission arrangement. Miller never told Channell that he and Gomez were receiving a 10 percent commission approved by North. Both Miller and Gomez believed that once the Contra assistance money left NEPL, it was subject to North's total discretion and control.[153]

Including these commissions, IBC, Miller, and Gomez received more than $1.7 million from the money raised by NEPL for the Contras. Channell's take was also substantial, though apparently not of the magnitude of Miller's and Gomez's total compensation. He furnished his offices extravagantly and was lavish in his expenditures. He drew compensation for 1985 and 1986 totalling $345,000, while Conrad and his organization received more than $270,000, extraordinary earnings for nonprofit fundraisers.

*During the relevant time periods IBC received $356,472 under its contract with the State Department, $39,000 from Calero for services, $180,000 from affiliated entities, and $407,304 from other individuals or organizations. In other words, the amount retained by IBC from NEPL accounted for nearly 60% of IBC's income in 1985 and 1986.

Out of the money raised by NEPL, the Contras and their affiliated entities received only $2.7 million, with approximately $500,000 going to other persons and entities engaged in activities relating to the Contras. The money was routed through IBC and I.C., Inc. and disbursed at the direction of North to Lake Resources, Calero, and the other persons and entities. In virtually every case, Miller would tell North when money was available and North would then instruct him on what to do with it. Figure 4–1 depicts the flow of money. In addition, as described in the next section, more than $1.2 million was spent on political advertising and lobbying for the Contras.

## Political Advertising for the Contras

Apart from financial assistance to the Contras, the major project of the Channell and Miller organizations in 1985 and 1986 was a "public education" and lobbying program in support of U.S. Government aid for the Contras.

The major vehicle in the "public education" campaign was a series of television advertisements prepared by the Robert Goodman Agency in Baltimore that cost NEPL $1 million. Adam Goodman of that agency, following the Senate's approval of the Contra funding bill in 1986, wrote a letter to Channell describing their achievement:

> By design, we launched the four-week national television ad campaign in Washington, DC, in late February. This reflected the economy of reaching all 435 Members of the House (and 100 United States Senators) in one sitting. Beginning with Week 2, and running through the first decisive House vote in late March, we also aired spot commercials in 23 additional television markets across the country. These targeted markets, covering the home Districts of nearly thirty Congressmen experts considered to be at the core of the key 'swing vote' on Contra funding, added scope and credibility to the ad campaign. In fact, N.E.P.L.'s national television spot series was ultimately seen by more than 33 million people, or one out of every seven Americans.[154]

Supplementing the television programs were press conferences and speaking tours by persons supporting the Contras. These were arranged by IBC and another public relations firm, Edelman, Inc., retained by Channell, which was paid $92,000 by NEPL.

NEPL paid $115,000 for extensive polling by the Finkelstein Company as an aid to selecting areas where television advertisements and speaking tours would most likely have a favorable effect on a Congressional vote. He also retained two companies, Miner & Fraser and the Lichtenstein Company, to generate letters to Congressmen supporting Contra aid, and he paid two lobbyists for their services in

support of this effort: Dan Kuykendall, who concentrated on undecided Republicans and conservative Democrats, and Bruce Cameron, who focused on liberal Democrats.

Another organization, Prodemca, which had concentrated on Central American issues, also received payments from Channell. Its representatives apparently participated in strategy sessions about enlisting Congressional support.

Finally, it appears that Channell engaged in advertising targeted to defeat Representative Michael Barnes's bid for a Senate seat in Maryland. Representative Barnes had been a vocal opponent of military assistance to the Contras. Channell's Anti-Terrorism American Committee ran a series of television advertisements opposing Representative Barnes during the primary campaign. When Representative Barnes was defeated in the primary, Channell and his associates (Cliff Smith and Krishna Littledale) sent a telegram to North exulting in this result:

> We have the honor to inform you that Congressman Michael Barnes, foe of the freedom fighter movement, adversary of President Reagan's foreign policy goals and opponent of the President's vision for American security in the future has been soundly defeated in his bid to become the Democratic candidate for the U.S. Senate from Maryland.
>
> His defeat signals an end to much of the disinformation and unwise effort directed at crippling your foreign policy goals.
>
> We, at the Anti-Terrorism American Committee (ATAC), feel proud to have participated in a campaign to ensure Congressman Barnes' defeat.[155]

## Channell-Miller Network: The End

### The Beginning of the End

On October 18, 1986, the President signed legislation appropriating $100 million for the Contras ($30 million for humanitarian assistance and $70 million in unrestricted aid). The anticipation of this legislation led to a downturn in the activities of the Channell-Miller fundraising and Contra assistance network (see Figure 4–1) after the summer of 1986.

With the disclosure in early November of the sale of arms to Iran, however, persons involved in the network became concerned that the story of the network would unravel and become public. This prescient concern led to meetings between Miller and North on November 20 and 21.

The initial meeting was requested by Miller. They met in the hallway outside of North's office in the Old Executive Office Building. Miller told North that he was worried about the possible legal ramifications and the costs associated with a legal defense. North told Miller that he should use the money left in the Intel Co-Operation (or I.C., Inc.) account (approximately $200,000) for any legal fees that might arise.[156]

North called Miller the next day, November 21, to arrange a meeting later that afternoon. Miller met North in the Old Executive Office Building, and North asked him for a ride to Dupont Circle. Miller told North that money was needed from a foreign source to fund public relations and congressional activities on behalf of the United Nicaraguan Opposition (UNO). Miller suggested contacting the Sultan of Brunei or an Arab country. North's response was "I gave one to Shultz already and he [screwed it up]." North also stated that "if Shultz knew that the Ayatollah was bankrolling this whole thing he'd have a heart attack." Miller did not understand either reference.[157]

Either that day or the day before, North told Miller that the Attorney General had advised North to obtain legal counsel.* Miller dropped North at the office building at 1800 Massachusetts Avenue, N.W., where Tom Green's law offices, among others, are located.[158]

### The Lowell Sun Allegations

On December 14, 1986, the Lowell (Mass.) Sun ran a story under the headline "Money from Iranian Arms Sales Was Used to Back Conservatives During 1986 Election." The story stated that "[a]bout $5 million from the almost $30 million in excess raised from arms sales to Iran was filtered to conservative political action groups" to "support candidates who backed President Reagan's pro-Contra and Star Wars policies." The only such group named in the article was NEPL.

The Committees have uncovered no evidence to substantiate the allegation that NEPL or any other of Channell's political action groups received any proceeds derived from the sale of arms to Iran. In this regard, the Committees have accounted for virtually all of the funds received by Channell's organizations during the relevant period, none of which are traceable to the Iranian arms sales. Similarly, the Committees have accounted for virtually all expenditures from the Enterprise, and none of these were paid to Channell's organizations.

### NEPL Activities in December 1986

In December 1986, NEPL's staff received an unusually lengthy holiday vacation from December 15 to January 5, 1987. The reason given for this lengthy break was that the media were making it too difficult

*The Attorney General denied that he offered such advice to North. Meese Dep., 7/8/87, at 103. See Chapter 20 for a more complete description of the events in November 1986.

for the organizations to conduct their work and that the most sensible response was to close operations for a couple of weeks.[159]

Immediately prior to the extended holiday, two NEPL accounting employees were instructed by their supervisors to delete from the accounting records any and all references to the "Toys" project. As mentioned above, contributions intended for the purchase of lethal supplies generally were designated on NEPL's books for the "Toys" project. Alterations in the accounting records and related floppy discs were made to modify prior references to "Toys" to a neutral project named "CAFP TV" (presumably Central American Freedom Project—Television Advertising).[160]

In addition, NEPL's principal accountant took all NEPL accounting materials home with him during the vacation, including financial records, bank statements, check books, deposit slips, and the like.[161] The evidence obtained by the Committees suggests that all such records were taken to perform year-end accounting tasks and were returned by the accountant without further alteration.

## February 1987 Report from IBC to NEPL

On February 16, 1987, IBC issued a report to NEPL that reconstructed the disposition of the Contra assistance payments made by NEPL to IBC and I.C., Inc. during the period from July 1985 through the end of 1986. The report contained supporting documentation for many of the relevant transactions.[162]

In a summary at the beginning of the report, IBC acknowledged that most of the disbursements of these funds were made "at the request of Lt. Col. Oliver L. North." Moreover, the summary states that "we were assured by [North] at the time that the funds were to be applied solely for humanitarian assistance."[163] Miller has told the Committees that he would write these statements differently if he were writing them today.[164*]

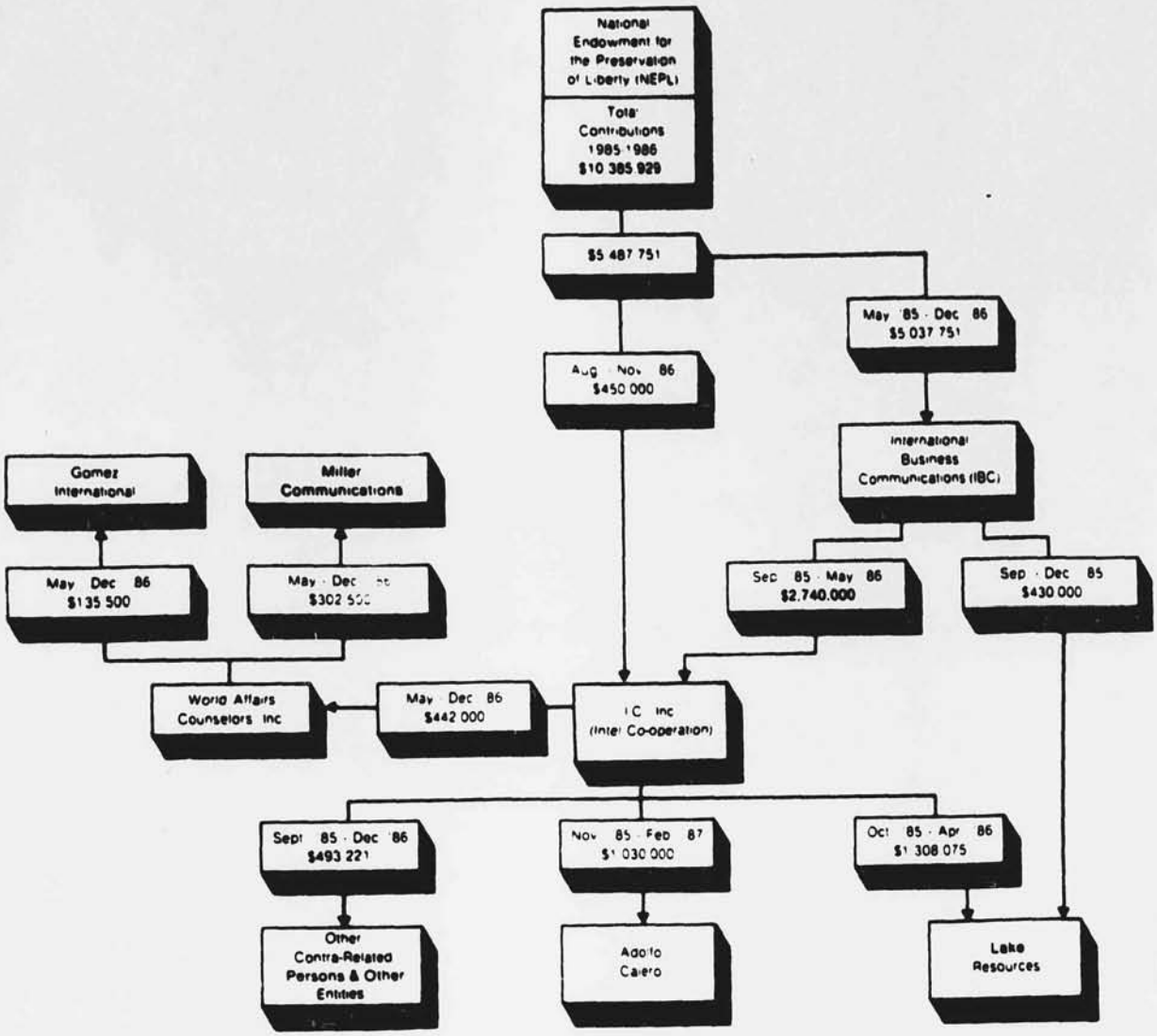
## Guilty Pleas of Channell and Miller

On April 29, 1987, Channell pled guilty to a one-count criminal information filed the same day by the Independet Counsel. As noted above, the information charged that Channell, Miller, "and others known and unknown to the Independent Counsel" conspired "to defraud the IRS and deprive the Treasury of the United States of revenue to which it was entitled by subverting and corrupting the lawful purposes . . . of NEPL by using NEPL . . . to solicit contributions to purchase military and other types of non-humanitarian aid for the Contras," in violation of 18 U.S.C. Section 371. The acts identified by the information as part of the conspiracy include the Ramsey, Hunt, Newington, O'Boyle, Garwood, and Claggett solicitations. At the hearing in which Channell's guilty plea was accepted by the Federal district court, Channell named Miller and North as his co-conspirators.

Miller pled guilty to a substantively identical criminal information on May 6, 1987. Both Channell and Miller are awaiting sentencing.

*According to Miller, he told North in late 1986 that he "hoped to hell the account had been used for humanitarian assistance." North responded "Oh hell, yes." R. Miller Dep., 8/21/87, at 331

**Figure 4-1. The Channell-Miller Contra Assistance Network**




This chart represents the money flow of the Channell-Miller Contra Assistance Network.

Source: Senate Select Committee on Secret Military Assistance to Iran and the Nicaraguan Opposition and House Select Committee to Investigation Covert Arms Transactions with Iran.

## Chapter 4

1. Channell Dep., 9/1/87, at 2-4.
2. *Id.*, at 6-10, 14-16, 21; 9/2/87, at 163.
3. *Id.*, 9/1/87, at 30-34.
4. CH 4477-80.
5. CH 4437.
6. Channell Dep., 9/2/87, at 163-64.
7. *Id.*, 9/1/87, at 40-41; 9/2/87, at 165.
8. *Id.*, 9/1/87, at 49-50.
9. Conrad Dep. at 4-6.
10. *Id.* at 6-8.
11. *Id.* at 8-10.
12. *Id.* at 12-16.
13. *Id.* at 20-22, 25-27.
14. *Id.* at 24, 557, 559-60.
15. *Id.* at 28-38.
16. *Id.* at 38-39.
17. *Id.* at 41.
18. R. Miller Dep., 8/20/87, at 92-93.
19. *Id.*, 6/23/87, at 19-20.
20. *Id.*, 6/23/87, at 19-21; 8/20/87 at 93-95.
21. Audit Report No. 7PP-008, Office of Inspector General,Department of State (July 1987).
22. *Id.*
23. R. Miller Dep., 8/21/87, at 93.
24. *Id.*, at 285-86, 306.
25. *Id.*, 8/20/87, at 125-26.
26. Channell Dep., 9/2/87, at 165-67.
27. Fraser Dep. at 28, 31-39; N 6298.
28. Fraser Dep. Ex. 3.
29. Fraser Dep. at 41-60.
30. Channell Dep., 9/2/87, at 75-77; Conrad Dep. at 580-81
31. Fraser Dep. at 28-30, 48-49.
32. Channell Dep., 9/1/87, at 52-53.
33. *Id.*, at 52-54.
34. R. Miller Dep., 8/20/87, at 135-37.
35. *Id.*, at 137.
36. *Id.*, at 137-39.
37. *Id.*, at 14849.
38. CH 32022.
39. Channell Dep., 9/1/87, at 80-82; R. Miller Dep., 8/20/87, at 141-42.
40. Channell Dep., 9/1/87, at 80-83; R. Miller Dep., 8/20/87, at 142.
41. CH 36920-35; R. Miller Dep. Ex. 10.
42. Conrad Dep., 6/10/87, at 75-76; Gomez Dep. at 32-33.
43. R. Miller Dep. Ex. 10.
44. *Id.*
45. *Id.*
46. *Id.*
47. *Id.*
48. *Id.*
49. R. Miller Dep., 6/23/87, at 24-25.
50. Ramsey Dep. at 55; R. Miller Dep., 6/23/87, at 27.
51. R. Miller Dep., 6/23/87, at 27.
52. *Id.*
53. RM 3577; RM 3578.
54. Channell Dep., 9/1/87, at 76-78.
55. *Id.*, 9/2/87, at 171.
56. *Id.*, 9/1/87, at 87-88; 9/2/87, at 168-71. See also O'Boyle Test., *Hearings*, 100-3, 5/21/87, at 117-19.
57. Channell Dep., 9/1/87, at 78-80.
58. *Id.*
59. R. Miller Dep., 8/21/87, at 382-89.
60. *Id.*, at 389-90.
61. *Id.*, 8/20/87, at 98-99.
62. RM 1136-44.
63. R. Miller Dep., 8/20/87, at 96-100.
64. *Id.*, at 102-04, 113-14.
65. *Id.*, 6/23/87, at 29.
66. North Test., *Hearings*, 100-7, Part II, 7/13/87, at 58-59.
67. RM 1541-42.
68. Miller Dep., 8/20/87, at 124.
69. *Id.*, 6/23/87, at 28.
70. Channell Dep., 9/1/87, at 91.
71. R. Miller Dep., 6/23/87, at 28-30.
72. *Id.*, 8/20/87, at 110-13.
73. CH 35141.
74. McLaughlin Dep. at 50-52.
75. O'Boyle Test., *Hearings*, 100-3, 5/21/87, at 117-19.
76. *Id.*
77. *Id.* at 120.
78. R. Miller Dep., 9/15/87, at 511-15.
79. North Test., *Hearings*, 100-7, Part I, 7/7/87, at 89-90.
80. *Id.*, at 91.
81. R. Miller Dep., 6/23/87, at 32-33.
82. *Id.*, at 32-34.
83. RM 971.
84. R. Miller Dep., 7/3/87, at 75-76; 8/20/87, at 252-56.
85. RM 859.
86. R. Miller Dep., 8/20/87, at 266-67.
87. Conrad Dep., 6/10/87, at 147-48.
88. Channell Dep., 9/1/87, at 123.
89. *Id.*, at 113-20; 9/2/87, at 171-72.
90. *Id.*, 9/1/87, at 110-11.
91. Hunt Dep., at 32-33.
92. *Id.*, at 21.
93. *Id.*, at 32, 48.
94. Channell Dep. 9/1/87, at 124-25.
95. Hunt Dep. at 52.
96. *Id.*, at 46-55, 79-80, 82-83.
97. *Id.*, at 34, 56, 80-85.
98. *Id.*, at 67, 82-83.
99. RM 971.
100. R. Miller Dep., 6/23/87, at 75-76; 8/20/87, at 254-55.
101. Newington Dep., at 16-17, 36, 56-58.
102. RM 1042.
103. R. Miller Dep., 8/20/87, at 248-50.
104. *Id.*, 6/23/87, at 34-35.
105. *Id.*, at 34-36.
106. *Id.*, at 36-37.
107. Newington Dep., at 33, 45, 86-87, 90-93.
108. Channell Dep., 9/1/87, at 148.
109. O'Boyle Test., *Hearings*, 100-3, 5/21/87, at 116-17.
110. *Id.* at 117-18.
111. *Id.* at 118-19.
112. *Id.* at 119.
113. *Id.* at 120.
114. *Id.* at 120-21; O'Boyle Dep. at 42-44.

115. O'Boyle Test., *Hearings*, 100-3, 5/21/87, at 120; O'Boyle Dep. at 46-47.
116. O'Boyle Test., *Hearings*, 100-3, 5/21/87, at 121-22; O'Boyle Dep. at 54-55.
117. O'Boyle Test., *Hearings*, 100-3, 5/21/87, at 122.
118. *Id.* at 123-24.
119. Garwood Test., *Hearings*, 100-3, 5/21/87, at 112-14; Garwood Dep. at 12-15, 16-18, 20, 28-30, 32-36.
120. Garwood Test., *Hearings*, 100-3, 5/21/87, at 113.
121. *Id.* at 112-13; Garwood Dep. at 33-34.
122. Garwood Test., *Hearings*, 100-3, 5/21/87, at 113-14; Garwood Dep. at 34.
123. Garwood Test., *Hearings*, 100-3, 5/21/87, at 114; Garwood Dep. at 35-38.
124. Garwood Test., *Hearings*, 100-3, 5/21/87, at 115-16; Garwood Dep. at 58-61.
125. N 12528.
126. New York Times, 3/20/87, at A-10, col. 4.
127. N 10298.
128. N 22715.
129. Poindexter Dep., 5/2/87, at 203.
130. *Id.* at 202.
131. North Test., *Hearings*, 100-7, Part I, 7/7/87, at 92.
132. Artiano Dep. at 58-59.
133. *Id.* at 44-45.
134. *Id.* at 45; Fischer Dep. at 6.
135. Fischer Dep. at 9; Artiano Dep. at 46-50.
136. Fischer Dep. at 159.
137. Artiano Dep. at 59.
138. Conrad Dep., 6/10/87, at 179-80.
139. Channell Dep., 9/1/87, at 155-59.
140. Gomez Dep. at 61-64.
141. Artiano Dep., at 64-72, 78-90; Fischer Dep., at 35-38; 97-104, 111-119.
142. Fischer Dep., at 104-05.
143. R. Miller Dep., 8/21/87, at 358-62.
144. Regan Test., *Hearings*, 100-10, 7/30/87, at 58; 7/31/87, at 116.
145. Fischer Dep. at 48.
146. Godson Dep. at 53-70; R. Miller Dep., 8/20/87, at 276-81; Slease Dep. at 20-36, 56-57.
147. RM 17211.
148. Godson Dep. at 9, 40, 47-85; R. Miller Dep., 8/20/87, at 276-81; Slease Dep. at 20-36, 56-57.
149. Godson Dep., at 89-96; Hirtle Dep., at 27-48.
150. R. Miller Dep., 6/23/87, at 38.
151. North Test., *Hearings*, 100-7; Part II, 7/13/87, at 58-59.
152. R. Miller Dep., 8/20/87, at 226-28.
153. *Id.*, at 228; Gomez Dep., at 88-89.
154. Letter from Adam Goodman to Spitz Channell, 3/31/86, reproduced as part of Channell Dep. Ex. 1.
155. Channell Dep. Ex. 1, No. A36004.
156. R. Miller Dep., 6/23/87, at 5-8.
157. *Id.*, at 9-14.
158. *Id.*, at 14-15.
159. McLaughlin Dep. at 122-30.
160. S. McMahon Dep. at 50-54.
161. *Id.* at 23-24.
162. RM 1-88.
163. RM 3.
164. R. Miller Dep., 8/20/87, at 236-37.

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# Minority Report

## of


Representative Dick Cheney
of Wyoming

Representative William S. Broomfield
of Michigan

Representative Henry J. Hyde
of Illinois

Representative Jim Courter
of New Jersey

Representative Bill McCollum
of Florida

Representative Michael DeWine
of Ohio

*Members, House Select Committee to Investigate Covert Arms Transactions with Iran*

Senator James McClure
of Idaho

Senator Orrin Hatch
of Utah

*Members, Senate Select Committee on Secret Military Assistance to Iran and the Nicaraguan Opposition*




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One should not underestimate our concern over misleading testimony. We are satisfied, however, that this was not a byproduct of an orchestrated conspiracy to keep Congress in the dark.

### Conclusion

The CIA had to work under difficult, politically charged circumstances. To protect the agency, its personnel steered a wide berth around the prohibitions of the law. This was particularly difficult to do in an environment in which people were dying for a cause the Administration and the agency supported. There were misunderstandings in management, and errors in judgment, particularly in Congressional testimony. But the blame for this situation must rest upon unclear laws, and a vacillating Congressional policy, at least as much as it does upon the career professionals who were faced with the Herculean task of implementing the law.

## Private Fundraising

The private fundraising activities in support of the Contras conducted by Carl R. (Spitz) Channell and Richard Miller received considerable attention in the news reports surrounding the Iran-Contra affair. The fundraising efforts were also the focus of early criminal prosecutions by the Independent Counsel, and were explored somewhat during our public hearings. They have also received significant attention in the Majority's Report, where it is portrayed in a lengthy chapter as a project devoid of proper purposes.

We cannot agree with the analysis and conclusions of the Majority Report. We agree that a private fundraising effort organized and conducted by Mr. Channell raised funds for the Nicaraguan democratic Resistance; and we agree that the manner in which the fundraising activities were carried out can be criticized. We are in particular concerned that a rather sizable portion of the donated funds appears not to have actually gone to the Contras. But we disagree with the majority's theme that the fundraising activities represented an illegal conspiracy imbued throughout with criminal intent and improper motivations. Based on the evidence, we see the private contributors as being worthy of praise rather than scorn. For the most part, their actions represented good faith activities of well-intentioned American citizens motivated by a genuine—and completely legal—desire to do what they could to help the Contras in a time of need. The private actions, especially those of the donors, were patriotic responses in harmony with the policies of the President that were designed to rebut the growing spread of Soviet communism in North America. Our basic conclusions are as follows:

—Channell developed the private fundraising organizations and controlled their solicitations. Colonel North did not solicit money. He did not conspire with Channell to commit tax fraud. Any suggestion that North deliberately created or nurtured the fundraising network to provide tax write-offs, tax expenditures, or backdoor Federal financing for the Contras, is wholly without support from the evidence.

—President Reagan had no specific knowledge of the private fundraising efforts. He generally believed the persons he met with had donated to a media campaign designed to generate support for further Contra funding by Congress.

—President Reagan met with individuals in the White House to thank them for their long term support for his policies, not for a particular contribution to Channell's organization.

—This investigation unfairly chastised conservative fundraising efforts that supported foreign policy goals inconsistent with those of the majority of Congressional Democrats. However, the Committees failed to investigate parallel fundraising efforts by organizations that support the Communist forces in Central America, and use Members of Congress in their fundraising.

—Finally, the private fundraising investigation of our Committees needlessly harassed private citizens whose political views happen to be contrary to the views held by the majority, by asking them questions that intruded on their privacy and were irrelevant to the Committees' investigation.

### The Channell-Miller Network

The Channell-Miller fundraising network developed as a result of common interests and chance occurrences. The Committees have not uncovered evidence that Colonel North sought to establish a private fundraising group or that he motivated any individuals such as Channell and Miller to operate the necessary organizations. The evidence demonstrates that Channell was the primary force behind the private fundraising organizations. Colonel North was a relatively minor participant.[95]

When Channell left the National Conservative Political Action Committee (NCPAC) in 1982 he possessed a valuable asset—a relationship with contributors willing to donate large sums of money to political causes. He formed a network of organizations, one of which was the National Endowment for the Preservation of Liberty (NEPL), incorporated in 1984 as a 501(c)3 tax exempt corporation. According to section 501(c)3 of the Internal Revenue Code, a tax exempt organization must be "organized and operated exclusively for religious, charitable, scientific, testing for public safety, literary or educational purposes." •

• Channell also formed several non-charitable organizations around this time period. He formed the American Conservative Trust (ACT) in 1984 as a Federal election political action committee. He also formed the American Conservative Trust State Elec-

NEPL was the major organization Channell used for his fundraising in support of the Resistance, and it is the one whose tax exempt status later became of interest to the Independent Counsel.

### Raising Funds for the Resistance

The idea of raising money for the Resistance was Channell's. He identified the Nicaraguan Refugee Fund Dinner held in Washington, D.C. on April 15, 1985 as the event that inspired him.[96] Following President Reagan's speech at this dinner, Channell recognized that his contributors were enthusiastic supporters of the Administration's Central American program. Channell initially intended to raise money for an educational media program designed to win Congressional support for U.S. aid to the freedom fighters. He deviated from his original idea, however, when he realized that his contributors would be interested in donating directly to the freedom fighters instead of to a media campaign. Individuals working closely with Channell believed he chose the content of his fundraising themes for the purpose of drawing out the resources of his wealthy contributors.[97]

There has been an impression created that Channell was working at North's behest. But Channell solicited money for the freedom fighters (from John Ramsey of Wichita Falls, Texas) two months before he even met Colonel North.[98] Colonel North attempted to discourage Channell from raising money for lethal materiel for the Contras on at least two occasions.[99] Channell ignored this advice and directly approached Adolfo Calero, leader of the FDN. It was after learning of the Channell-Calero discussions that Colonel North directed the funds to their most efficient purpose.[100]

### Channell's Control

Another sign of Channell's control over his fundraising operation was his relationship with his many consultants. Channell surrounded himself with consultants who had substantive expertise and access to influential political leaders. In March or April of 1985, he retained Richard Miller and his consulting firm, International Business Communications (IBC). Miller and his partner had a contract with the State Department in which they worked closely with the leaders of the Nicaraguan Resistance and with members of the Reagan Administration. Channell used IBC to work on practically every aspect of fundraising efforts for many issues. Channell also retained the services of David Fischer,* Dan Kuykendall, Penn Kemble, Bruce Cameron, Miner and Fraser, the Robert Goodman Agency, Martin Artiano, Eric Olson and others.

Channell perceived a division of responsibility among his associates in the fundraising organization. Channell was the creative force and developed the fundraising concepts for his various projects, not all of which related to the Nicaraguan Resistance. Daniel Conrad handled the administrative matters. Miller, Kuykendall, Fischer and the other consultants provided advice.[101] The clear indication from the record is that Channell—not North or anyone else—was thoroughly in charge of the Channell network of organizations.

## White House Role

Although Channell was in charge of his network, two kinds of questions have been raised about his relationship with the Administration. One is whether the President was using the power of his office to help Channell raise funds for the Resistance. The other deals with the level and legality of North's role.

### President Reagan

Channell used White House briefings and photo opportunities with the President as a way to thank contributors for their support of Administration policy.[102] The individuals who had a photo opportunity with the President, however, were not being thanked for a single contribution to Channell's organizations. Rather, the President thanked them for their long-term support of his policies. As Channell said, "I don't know of anybody who was thanked by the President solely because of a single act."[103] Channell denies ever telling contributors they could meet with the President if they made a large contribution to his organization.** He did not believe he had any control

tion Fund (ACT-SEF) as a state political action committee to take advantage of state laws allowing corporate contributions to such entities. In 1983, he formed Sentinel to lobby Congress under the terms of Section 501(c) 4 of the Federal tax code. In the Spring of 1986, Channell formed the Anti-Terrorist American Committee as a federal political action committee to focus on Congressional attitudes towards terrorism. During this time period (1984-1986) Channell also formed other, less active organizations, including the Channell Corporation which was his original for-profit consulting corporation. See Channell Dep., 9/1/87, at 62-65.

* David Fischer, a former special assistant to President Reagan, was instrumental in arranging several meetings at the White House for Channell's contributors. The Majority Report suggests that Fischer and his colleagues, Martin Artiano and Richard Miller, were involved in selling meetings with the President for a set fee. While the evidence suggests that Channell viewed his consulting payments to IBC, Fischer and Artiano as fees for White House meetings, it appears that Fischer himself is as unaware of Channell's view. Fischer's retainer agreement with IBC was based on Fischer's understanding that he would provide consulting advice on a large variety of Channell's public education projects, including most notably a project regarding the strategic defense initiative, and a series of messages celebrating the bicentennial of the U.S. Constitution. Fischer's efforts to arrange meetings at the White House represented a small percentage of his work for IBC.

** During the public hearings, one contributor, William B O'Boyle said that Channell told him he could meet with the President if he contributed $300,000. See Coors, Garwood and O'Boyle Test., *Hearings*, 100-3, 5/21/87, at 119. During the same day's

over photo opportunities with the President and in fact several requested meetings were not agreed to by the White House.[104]

### Colonel North

North briefed Channell's potential contributors and directed the disposition of funds after Miller received them. He did not solicit money from contributors and made it his practice not to be present when money was solicited by others. He made speeches to and met with people from whom Channell was trying to raise money.[105] North would brief potential contributors on the weapons needs of the Contras and Channell often would followup by asking for funds directly related to Colonel North's briefing. At times, North also prepared lists of humanitarian and military needs of the freedom fighters that he turned over to Channell. We have not received any evidence to suggest that the items North briefed contributors about were actually purchased. Channell never knew if weapons were ever purchased with the money he sent to IBC.[106]

### Conclusions

It is fully legal for private individuals to raise money for weapons, and then send that money to bank accounts controlled by the Nicaraguan democratic Resistance. The information to which Channell pled guilty was not about raising money for lethal aid for the Contras *per se*, but about using a tax exempt corporation, NEPL, to do so. Channell formed several entities in his fundraising network to respond to the complicated tax laws covering charitable and political activities. There is no evidence that indicates North knew about the tax problem, much less conspired with Channell and Miller. This conclusion is supported by the fact that Channell did not know of any contributors who donated money because NEPL was tax exempt who would not have donated if NEPL were not tax exempt.[107] As for Colonel North's other activities, there is no evidence that North instructed Channell to use NEPL to raise money for the Contras.[108] In addition, he did not solicit money from contributors.[109] There can be no question that North knowingly conveyed the impression that he favored what Channell was trying to do, but there is nothing wrong with the White House openly endorsing private activities in support of Administration policy.

## Left Wing Private Fundraising

Conservative fundraising organizations have been criticized during this investigation because they have raised money to support policy goals that a majority of the Democratic Members of Congress did not support. Clearly, it is permissible under current law to raise money for foreign political movements, including military activities. If there were any question about this, the Committees should—for the sake of a balanced, fair record—have devoted similar resources investigating organizations that support left-wing forces in Central America opposed to United States foreign policy that use Members of Congress in their fundraising.

Several organizations have opposed United States policy in Central America by sending money and supplies to El Salvador. The most notable is the Committee in Solidarity with the People of El Salvador (CISPES) which Assistant Secretary Abrams described as an organization that "essentially serves as a front for the FMLN guerrillas in El Salvador".[110] According to a 31 page set of State Department cables about these groups that was introduced by Rep. Bill McCollum as a Committee exhibit, CISPES was founded in 1980 by the leader of the Salvadoran Communist Party, Shafik Handal.[111] This Washington, D.C. based organization coordinates efforts of a major U.S. support network. CISPES activities are said to include, among other things, a program to send material aid to Central American struggles and "creative harassment" at public appearances and speaking engagements of individuals who support U.S. policy.[112]

New El Salvador Today (NEST) is an organization that has worked closely with CISPES on fundraising, volunteer training, and other activities.[113] NEST has raised funds for projects in areas of El Salvador controlled by the Communist insurgents.[114]

There have been allegations, included in the State Department cables, to the effect that much of the money received by organizations such as these ends

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hearing, Joseph Coors said he had given money to what he thought was a Swiss bank account controlled by the Contras to buy an airplane for them. The account actually was owned by Lake Resources, a Secord-Hakim company. In addition, in the same hearing, Ellen C. Garwood said that Channell produced a list of weapons, in North's presence, that could be purchased with a contribution from her. We have no reason to believe these kinds of requests were typical. During the hearing, Rep. McCollum made the following statement, which was not challenged by anybody:

> It might appear to the casual observer that the three who are here with us . . . are typical contributors to the Spitz Channell organizations or, in the case of Mr. Coors, more directly to the Contras. But from my understanding of the depositions and various taking of testimony that went on and efforts to get statements from folks before, many many contributors were interviewed and deposed and not asked to testify because they did not have a list like was involved with Mrs. Garwood or they didn't have an occasion where they were suggested to them that they might see the President if they gave money and they didn't give to the Lake Resources account.
>
> I just simply want to make that clear to everybody who is involved—and I think it needs to be—that these three witnesses are not the typical contributors, and in fact, many others gave more money to Mr. Channell's organization.
>
> No list was found in those cases. Nobody else was told that they had to see the President or could see the President if they gave money and no other private contributor, at least that we discovered, received or sent his money to Lake Resources. See *Id.* at 146.

up in the coffers of guerrilla groups, or being used to provide welfare services that help the FMLN's political program in areas the FMLN controls. According to a State Department interview with former Salvadoran leftist guerrilla leader, Miguel Castellanos, the Western Democracies became the largest source of cash for the guerrillas during the 1980s. Castellanos served on the finance committee of the Popular Forces of Liberation (PFL) in 1978 and defected in 1985. He stated that the guerrilla groups set up institutions to collect donations from leftist humanitarian organizations and use that money without concern for its original purpose. Approximately 70% of the money which purported to go for humanitarian assistance actually went for the purchase of arms.

Senator McClure introduced an exhibit which is a fundraising letter for CISPES purportedly written over the signature of a Member of Congress.[115] Another exhibit is purportedly from another Member which states that "NEST is a non-profit, tax-exempt foundation which is sending humanitarian aid to those whose lives are most affected by the violence of the U.S. supported war."[116] The same two Members also hosted a reception for NEST in Washington D. C. on July 10, 1986.[117]

By repeating Castellanos' general statement and mentioning the fundraising role played by two Members of Congress, we do not mean to suggest that we have evidence to prove (1) that Castellanos' general allegation applies specifically to CISPES or NEST or (2) if it applies, that the two Members of Congress knew about the allegation. The point is that we can neither confirm nor deny the allegation because the Committees did not review the subject in its investigation.

The similarities between the conservative and liberal fundraising efforts for Central American groups are striking: both used politicians to support their respective causes, both used tax-exempt organizations, both may have donated money which was ultimately used to buy weapons, both supported foreign policy goals inconsistent with the declared Congressional policy. The primary difference between these two fundraising efforts is that the Committees have publicized the conservative fundraising efforts in an attempt to embarrass the President. If one set of groups was worthy of investigation, then so surely was the other.

## Overstepping the Bounds

With the time it saved not investigating groups on the left, the private fundraising investigation has needlessly harassed private citizens who happen to hold conservative foreign policy views. Witnesses were forced to travel long distances and testify concerning money which they legitimately gave to political organizations.[118] Committee attorneys questioned witnesses about their political activity,[119] religious affiliations,[120] educational backgrounds,[121] employment history,[122] political lineage,[123] roommate's political contributions,[124] social associations,[125] and more. The subpoenas issued to many of Channell's contributors required tax returns, correspondence related to Nicaragua, documents concerning political contributions and other broad categories of personal papers, without any apparent effort being made to limit the material to items that fell within the Committees' legitimate mandate to investigate governmental activities.

The Committee used its subpoena powers, and the wedge of a reasonable inquiry into private fundraising, to go on a wide-ranging fishing expedition into irrelevant political issues. For example, counsel asked Martin Artiano if he knew who stole the 1980 Carter debate manuals.[126] David Fischer, who was responsible for Corazon Aquino's very successful American tour, was asked several questions to determine whether he prevented Aquino from meeting with liberal groups at the Kennedy Library in Boston.[127] Counsel inquired of several witnesses whether they had any knowledge of Ambassador Faith Whittlesey's dinner to honor Sir James Goldsmith.[128] Counsel also asked about Roy Godson's efforts to counter Soviet disinformation in Europe.[129] Finally, Carl Channell was asked about President Reagan's Strategic Defense Initiative.[130]

Many other examples could be cited, but these are enough to make the point.* These Committees had

*Unfortunately, even the non-partisan reputation of the General Accounting Office (GAO) has been tarnished during this phase of the investigation. The incident does not quite fit in with this list of outrageous questions asked of witnesses, but is too important to Congress for us to let it pass without comment. The Comptroller General of the United States sent a letter on September 30, 1987 to Reps. Jack Brooks and Dante Fascell which concluded that the State Department violated a restriction on the use of appropriated funds for publicity. Unlike its normal procedure with a final opinion or report, the GAO issued this letter in time to be used in this report, before its audit was complete and without giving the head of the relevant office or his deputy a chance to hear and reply to the allegations. The opinion fails even to mention, let alone respond to, documentary evidence that conflicts with the conclusions it presents as "facts." We are in no position to say whether the pressure for "timely" publication was generated inside GAO or externally. In any case, the preliminary opinion was then given to the press by counsel in a release with an October 5 embargo date in the name of the two House Democrats who had asked for the audit. See GAO Letter of September 30, 1987 to Reps. Brooks and Fascell, B-229069.

In a letter to Representatives Lee Hamilton and Dick Cheney, Lawrence L. Tracy, Colonel, U.S. Army (Ret.), disputes the factual basis for the GAO Report. Tracy worked for the Office of Public Diplomacy for Latin America and the Caribbean from 1984–1986. Col. Tracy believes that Jonathan Miller's memo discussing "white propaganda" was probably an exaggeration intended to curry favor with the White House. In a thoughtful analysis, Col. Tracy compares the Office of Public Diplomacy for Latin America and the Caribbean to the public diplomacy campaign conducted by the Carter Administration on the Panama Canal Treaty. "Although many in this country disagreed with the Carter policy, I do not recall anyone in Congress calling on the GAO to investigate a

legitimate reasons to ask about private fundraising. If Congress wants to be worthy of trust as an institution, however, it has to restrain itself. Just as the President ultimately has to accept responsibility for the actions of any one subordinate who zealously steps over the line, so too must these Committees bear the responsibility for the actions of one of its own staff, even if—or especially because—they were not typical of the Committees' work as a whole.

## Conclusion

Our analysis of the past two chapters has largely been about legal questions. It has shown the Administration did stay within the law. By giving the Administration a clean bill of legal health, however, we do not intend to be endorsing the wisdom of everything it was doing. Notwithstanding our legal opinions, we think it was a fundamental mistake for the NSC staff to have been secretive and deceptive about its actions. The requirement for building long term political support means that the Administration would have been better off if it had conducted its activities in the open. Thus, the President should simply have vetoed the strict Boland Amendment in mid-October 1984, even though the amendment was only a few paragraphs in an approximately 1,200 page long continuing appropriations resolution, and a veto therefore would have brought the Government to a standstill within three weeks of a national election. Once the President decided against a veto, it was self-defeating for anyone to think a program this important could be sustained by deceiving Congress. Whether technically illegal or not, it was politically foolish and counterproductive to mislead Congress, even if misleading took the form of artful evasion or silence instead of overt misstatement.

We do believe firmly that the NSC staff's deceits were not meant to hide illegalities. Every witness we have heard told us his concern was not over legality, but with the fear that Congress would respond to complete disclosure with political reprisals, principally by tightening the Boland Amendments. That risk should have been taken.

We are convinced that the Constitution protects much of what the NSC staff was doing—particularly those aspects that had to do with encouraging contributions and sharing information. The President's inherent constitutional powers are only as strong, however, as the President's willingness to defend them. As for the NSC actions Congress could constitutionally have prohibited, it would have been better for the White House to have tackled that danger head on. Some day, Congress's decision to withhold resources may tragically require U.S. citizens to make an even heavier commitment to Central America, perhaps one measured in blood and not dollars. The commitment that might eliminate such an awful future will not be forthcoming unless the public is exposed to and persuaded by a clear, sustained, and principled debate on the merits.

'propaganda' effort. The public was well-served by the national debate that ensued, for the American people came to understand both the costs and the benefits of the Treaty, and were better able to advise their representatives in Congress of their position on the issue. That is the essence of democracy." (See Appendix D to the Minority Report for Col. Tracy's letter.)

### Endnotes

1. McFarlane Test., *Hearings*, 100-2, 5/11/87, at 9.
2. *Id.* at 5; North Test., *Hearings*, 100-7, Part I, 7/9/87, at 264-65.
3. *Id.* at 264-65.
4. McFarlane Test., *Hearings*, 100-2, 5/11/87, at 5-6, 21.
5. *Id.* at 17, 23, 27-28; Poindexter Test., *Hearings*, 100-8, 7/15/87, at 54-55. See also Poindexter Test., *Hearings*, 100-8, 7/16/87, at 89, 101.
6. Compilation of Presidential Documents, May 13, 1987, pp. 526-27; "Excerpts From President's Meeting With Editors," The New York Times, May 16, 1987, p. 6.
7. McFarlane Test., *Hearings*, 100-2, 5/11/87, at 17 and 22-24.
8. Poindexter Test., *Hearings*, 100-8, 7/15/87, at 54-55; 7/16/87, at 89.
9. *Id.* 7/15/87, at 54-55; Garwood Test., *Hearings*, 100-3, 5/21/87, at 131, 132.
10. Poindexter Test., *Hearings*, 100-8, 7/20/87, at 3.
11. McFarlane Test., *Hearings*, 100-2, 5/11/87, at 28.
12. Rodriguez Test., *Hearings*, 100-3, 5/27/87, at 300-02, 312. That testimony is corroborated by Donald Gregg and his deputy, Colonel Samuel J. Watson III. See Gregg Dep., 5/18/87 at 46; Watson Dep., 6/16/87 at 21-24.
13. Rodriguez Test., *Hearings*, 100-3, 5/27/87, at 299-300.
14. Id. at 315.
15. Gregg Dep., 5/18/87 at 44.
16. Rodriguez Test., *Hearings*, 100-3, 5/27/87, at 301
17. Gregg Dep., 5/18/87, Ex. 4.
18. Brady Dep., 10/1/87, at 7-9; Gregg Dep., 5/18/87, at 59, Watson Dep., 6/16/87, at 22-24; Rodriguez Test., *Hearings*, 100-3, 5/28/87, at 324.
19. Gregg Dep., 5/18/87 at 24, 74.
20. McFarlane Test., *Hearings*, 100-2, 5/11/87, at 20, 21-22
21. *Id.*, 5/12/87, at 128-30.
22. Thompson Dep., 7/24/87 at 11-12. See also 21-25
23. *Id.* at 14.
24. McFarlane Test., *Hearings*, 100-2, 5/11/87, at 21-22
25. McFarlane Test., *Hearings*, 100-7, Part II, 7/14/87, at 221.
26. Poindexter Test., *Hearings*, 100-8, 7/15/87, at 73-75
27. Poindexter Test., *Hearings*, 100-8, 7/15/87, at 89, 100-01.
28. Memorandum from North to McFarlane, Dec. 4, 1984, Ex. 32, *Hearings*, 100-2, at 466.
29. McFarlane Test., *Hearings*, 100-7, Part II, 7/14/87, at 222.
30. Secord Test., *Hearings*, 100-1, 5/5/87, at 57-60.
31. North Test., *Hearings*, 100-7, Part I, 7/8/87, at 167
32. McFarlane Test., *Hearings*, 100-2, 5/11/87, at 75; *Hearings*, 100-7, Part II, 7/14/87, at 211.

33. North Test., *Hearings*, 100-7, Part I, 7/8/87, at 167.
34. McFarlane Test., *Hearings*, 100-7, Part II, 7/14/87, at 210, 222.
35. McFarlane Test., *Hearings*, 100-7, Part II, 7/14/87, at 248.
36. Poindexter Test., *Hearings*, 100-8, 7/15/87, at 73-75; 7/16/87, at 100-01. See also, 7/20/87, at 2, 5.
37. Ex. RWO-17, Attachment 1, Sec. 4(4), *Hearings*, 100-2, at p. 835.
38. Abrams Test., *Hearings*, 100-5, 6/3/87, at 131.
39. *Id.*, 6/2/87, at 69-70, 98.
40. *Id.* at 64-65.
41. *Id.* at 65.
42. *Id.*, 6/2/87 at 97-98, 102.
43. *Id.* at 102.
44. *Id.*, 6/2/87 at 14 and 6/3/87 at 124-25.
45. *Id.*, 6/2/87 at 45-47.
46. *Id.*, 6/3/87 at 117-18. See also Shultz Test., *Hearings*, 100-9, 7/23/87, at p. 274.
47. Abrams Test., *Hearings*, 100-5, 6/3/87 at 117-18.
48. Poindexter Test., *Hearings*, 100-8, 7/15/87, at 76. See also North Test., *Hearings*, 100-7, vol. II, 7/13/87, at 114.
49. Task Force Chief Test., 8/4/87, at 83.
50. C/CATF Test., 8/5/87, at 108.
51. For expressions of this concern, see C/CATF Test., 8/4/87 at 93 and 8/5/87, at 130; George Test., *Hearings*, 100-11, 8/6/87, at 210-212.
52. Task Force Chief Test., *Hearings*, 100-11, 8/5/87, at 128.
53. Ex. TC-13, *Hearings*, 100-4 at 130.
54. C/CATF Test., *Hearings*, 100-11, 8/5/87, at 126.
55. Castillo Test., *Hearings*, 100-4, 5/29/87, at 51.
56. C/CATF Test., *Hearings*, 100-11, 8/4/87, at 89.
57. Castillo Test., *Hearings*, 100-4, 5/29/87, at 79.
58. North Test., *Hearings*, 100-7, Vol. II, 7/13/87, at 116.
59. Castillo Test., *Hearings*, 100-4, 5/29/87, at 52.
60. *Id.* at 8.
61. *Id.* at 13.
62. *Id.* at 17.
63. *Id.* at 11-12.
64. *Id.* at 13.
65. *Id.* at 17-18.
66. C/CATF Test., *Hearings*, 100-11, 8/4/87 at 98.
67. *Id.* at 95-97.
68. Task Force Chief Test., *Hearings*, 100-11, 8/4/87, at 97-98.
69. Secord Test., *Hearings*, 100-1, 5/5/87, at 71.
70. Secord Test., *Hearings*, 100-1, 5/5/87, at 65-66.
71. Castillo Test., *Hearings*, 100-4, 5/29/87, at 19.
72. Secord Test., *Hearings*, 100-1, 5/5/87, at 62; Dutton Test., *Hearings*, 100-3, 5/27/87, at 233-34.
73. Id at 24.
74. Ex. TC-4, *Hearings*, 100-4.
75. Castillo Test., *Hearings*, 100-4, 5/29/87, at 22.
76. *Id.* at 28-30; Dutton Test., *Hearings*, 100-3, 5/27/87, at 218.
77. *Id.* at 54.
78. *Id.* at 20, 24-26.
79. *Id.* at 25.
80. Task Force Chief Test., *Hearings*, 100-11, 8/5/87, at 28.
81. Task Force Chief Test., *Hearings*, 100-11, 8/5/87, at 110-11.
82. Castillo Test., *Hearings*, 100-4, 5/29/87, at 26.
83. Cable, May 28, 1986, Ex. [C/CATF]-31, *Hearings*, 100-11.
84. Ex. TC-14, *Hearings*, 100-4, 5/29/87.
85. Task Force Chief Test., *Hearings*, 100-11, 8/5/87, at 111-12.
86. *Id.* at 111-12. See also Ex. 3, *Hearings*, 100-1, at 426.
87. Task Force Chief Test., *Hearings*, 100-11, 8/5/87, at 109-11.
88. Castillo Test., *Hearings*, 100-4, 5/29/87, at 47. See also 27, 41, 44-47.
89. C/CATF Test., *Hearings*, 100-11, 8/5/87, at 113.
90. Abrams Test., *Hearings*, 100-5, 6/2/87, at 70.
91. Ex. C/CATF-39, p. 4, *Hearings*, 100-11.
92. *Id.*, p. 17.
93. George Test., *Hearings*, 100-11, 8/6/87, at 164, 165, 168.
94. C/CATF Test., *Hearings*, 100-11, 8/5/87, at 120
95. Channell Dep., 9/17/87, at 49.
96. Channell Dep., 9/1/87 at 167.
97. Miller Dep., 7/3/87 at 61.
98. *Id.*
99. *Id.*
100. *Id.*, at 62.
101. Channell Dep., 9/17/87, at 66.
102. Channell Dep., 9/17/87, at 60.
103. Channell Dep., 9/17/87, at 61.
104. Channell Dep., 9/17/87, at 66.
105. Miller Dep., 7/3/87, at 49.
106. Channell Dep., 9/17/87, at 70.
107. Channell Dep., 9/17/87 at 82.
108. Channell Dep., 9/17/87 at 71, 76.
109. Miller Dep., 7/3/87 at 49.
110. Abrams Test., *Hearings*, 100-5, 6/3/87, at 159.
111. State Department Cable, December 4, 1986, p. 4, Ex. EA-49, *Hearings*, 100-5.
112. Ex. 38, Miller Dep., 9/16/87.
113. State Department Cable, December 4, 1986, p. 3, Ex. EA-49, *Hearings*, 100-5.
114. *Id.* at 2.
115. Ex. EA-48, *Hearings*, 100-5.
116. Ex. EA-47, *Hearings*, 100-5.
117. State Dept. cable, p. 3, Ex. EA-49, *Hearings*, 100-5.
118. Garwood Test., *Hearings*, 100-3, 5/21/87, at 110-12.
119. Fischer Dep., 8/11/87 at 6.
120. Godson Dep., 9/9/87 at 58.
121. Fischer Dep., 8/11/87.
122. Henry Miller Dep., 8/6/87, at 1-2.
123. Garwood Test., *Hearings*, 100-3, 5/21/87, at 112.
124. Channell Dep., 9/17/87 at 27.
125. Henry Miller Dep., 8/6/87 at 40.
126. Artiano Dep., 7/31/87, at 180.
127. Fischer Dep., 8/11/87, at 216-17.
128. Henry Miller Dep., 8/6/87, at 40.
129. *Id.* at 43.
130. Channell Dep., 9/2/87, at 96, 165.

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**FIRST GENERAL COUNSEL'S REPORT**

MUR 2406
DATE COMPLAINT RECEIVED BY OGC: April 28, 1987
DATE OF NOTIFICATION TO RESPONDENTS: May 5, 1987
STAFF MEMBER: George F. Rishel

COMPLAINANT: Democratic Congressional Campaign Committee

RESPONDENTS: National Endowment for the Preservation of Liberty

Sentinel

American Conservative Trust

Carl Russell Channell

Unnamed Members of the Board of Directors of the National Endowment for the Preservation of Liberty and Sentinel

RELEVANT STATUTES:
2 U.S.C. § 431(4)
§ 431(7)
§ 432
§ 433
§ 434
§ 441a(a)(1)
§ 441a(a)(5)
§ 441a(f)
§ 441b(a)
§ 441b(b)(2)(C)
§ 441b(b)(4)(A)(i)
§ 441b(b)(4)(C)
11 C.F.R. § 100.5(g)(2)(i)(E)
§ 100.6
§ 102.1
§ 102.5(a)
§ 110.1
§ 110.3(a)(1)(ii)(E)
§ 110.5
§ 114.1(a), (b), and (e)

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§ 114.3(a)
§ 114.4(b)
§ 114.5(b), (g), and (i)
§ 114.7
§ 114.12(a)

INTERNAL REPORTS CHECKED: Public Disclosure Reports

FEDERAL AGENCIES CHECKED: None

## I. BACKGROUND

The Democratic Congressional Campaign Committee ("DCCC") by its chairman, Congressman Beryl Anthony, filed the complaint in this matter on April 28, 1987. The complaint alleged various violations of the Federal Election Campaign Act of 1971, as amended ("the Act"), by the National Endowment for the Preservation of Liberty ("NEPL"), Sentinel, the American Conservative Trust ("ACT"), Carl Russell Channell (president of NEPL and Sentinel) and the Boards of Directors of NEPL and Sentinel (collectively "the Respondents"). The Respondents were notified of the complaint on May 5, 1987. Through their counsel, the Respondents requested, and the Commission granted, an extension of time until July 20, 1987, in which to respond to the complaint. This response was received on July 20, 1987, and was circulated to the Commission on August 7, 1987.

### A. Procedural Concerns

At the May 5, 1987, Commission meeting, concern was expressed regarding the pursuit of this matter with respect to the on-going investigations of the Independent Counsel in view of Respondent Carl Russell Channell's guilty plea entered in April 1987. The factual basis for that plea also implicated the

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National Endowment for the Preservation of Liberty. Respondents alluded to a potential problem in this regard in their extension of time request. More importantly, however, they have not asserted any procedural bars to the Commission's consideration of this matter and have made no reference whatsoever to any investigation or action by the Independent Counsel.

Because this Office perceives that there may be a continuing concern regarding the questions raised at the May 5th meeting, it has preliminarily researched them. On the basis of this initial research, this Office concludes that no bar presently exists to the Commission's proceeding with its consideration and, if it so decides, with its own investigation in this matter with respect to these Respondents.

**B. Preliminary Analysis**

The analysis begins with the Federal Election Campaign Act of 1971, as amended ("the Act"), which states that the "Commission shall have exclusive jurisdiction with respect to the civil enforcement" of the Act. 2 U.S.C. § 437c(b)(1). Jurisdiction with respect to the criminal enforcement of the Act resides in the Department of Justice. The Commission and the Department recognized their respective jurisdiction and provided for cooperation between them regarding civil and criminal enforcement of the Act in a Memorandum of Understanding signed in December 1977. The Department's policy implementing this memorandum states with regard to the Department's and the Commission's dual enforcement jurisdiction:

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> The FEC's authority over the FECA's noncriminal penalties is complete and exclusive. 2 U.S.C. 437c(b), 437d(a)(6). Under no circumstances should United States Attorney personnel undertake to waive or limit the Commission's authority. Plea agreements entered into with defendants who have reasonable exposure for violations of the FECA should contain an express disclaimer indicating non-waiver of the FEC's residual noncriminal jurisdiction with respect to such matters.

DOJ, Federal Prosecution of Election Offenses, 54-55 (4th ed. 1984). This statement clearly recognizes the Commission's exclusive jurisdiction for civil enforcement of the Act.

The order appointing the Independent Counsel provided him with the authority to investigate whether governmental officials "or other individuals or organizations acting in concert with... [such] officials" violated federal criminal law in the course of the Iran-Contra arms sales and diversion of funds, and shall do so with "all the powers and authority provided by the Ethics in Government Act of 1978... and 28 U.S.C. § 594." Section 594 of Title 28 grants the Independent Counsel "full power... to exercise all investigative and prosecutorial functions and powers of the Department of Justice [and] the Attorney General." This section directs him to comply with the written or other established policies of the Department of Justice respecting enforcement of the criminal law; however, this direction is not mandatory. Nevertheless, it may be expected that the Independent Counsel would follow such policies. It is also not known to what extent the Independent Counsel's parallel appointment by the Attorney General may have with respect to DOJ policy.

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Furthermore, the Independent Counsel's pursuit of investigations of possible criminal violations of Mr. Channell or his groups even if they may include violations of the Act does not preclude the Commission from its pursuit of possible civil violations of the Act. Spannaus v. FEC, 641 F.Supp. 1520, 1532 (S.D. N.Y. 1986); aff'd 816 F.2d 670 (2d Cir. 1987); see United States v. Kordel, 397 U.S. 1 (1970). Such investigations may be carried on consecutively or concurrently, subject to certain exceptions. SEC v Dresser Industries, Inc. 628 F.2d 1368 (D.C. Cir. 1980), cert. denied, 449 U.S. 993 (1980). Those exceptions include cases where the government brings the civil action "solely" to obtain evidence for its criminal prosecution, where the parallel proceedings are unconstitutional or improper, or where a federal court decides the "particular circumstances of the case" suggest the "interests of justice" require halting the civil proceeding. 397 U.S. at 11-12, n.27; 628 F.2d at 1375.

The Commission's potential investigation would proceed separately from the Independent Counsel's and would not be undertaken to obtain evidence for the Independent Counsel's investigation. A Commission proceeding should not be considered improper in light of the Commission's exclusive civil jurisdiction over the Act, nor would it improperly attempt to obtain information concerning deliberations of any grand jury impaneled by the Independent Counsel. See Federal Rule of Criminal Procedure 6(e). Based on Channell's guilty plea to the conspiracy charge, the confidentiality of any proposed Commission investigation and the non-applicability of the Fifth Amendment

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double jeopardy clause to civil proceedings, the Commission's investigation should not raise questions of unfair pretrial publicity or an unconstitutional deprivation of Channell's rights. See 397 U.S. 1; 628 F.2d 1368.

Finally, neither the Independent Counsel nor Channell has asserted that the interests of justice require a stay of any Commission investigation. Channell has also not made any claim of immunity. Thus, this Office concludes that no impediment to a potential investigation in this matter presently exists with respect to any investigation now underway by the Independent Counsel or any other Federal investigatory entity. Furthermore, we note that the Senate and House committees are concluding their proceedings and releasing a report and other documents, including deposition testimony.

## II. FACTUAL AND LEGAL ANALYSIS

### A. Summary of Allegations

#### 1. Complaint

The complaint alleges that NEPL and Sentinel are sham corporations created to further ACT's partisan purpose and that NEPL, Sentinel, and ACT acted in coordination and under Mr. Channell's control to bring about the defeat of certain Democratic candidates in the 1986 elections. More specifically, the complaint alleges that NEPL solicited funds from individuals for election-influencing purposes, made such purposes known to its fundraisers and contributors, and raised funds on the strength of these representations for its activities. The

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complaint further alleges that NEPL, Sentinel, and ACT coordinated, sponsored, and paid for media ads, appearances, and other activities targeted to selected congressional districts, timed to coincide with the 1986 election campaign, and calculated to induce voter opposition to Democratic candidates, most of them incumbent congressman. The ads allegedly identified Democratic candidates by individual name or by class, took positions known to be different from those of such Democratic candidates, urged support for President Reagan at a time when President Reagan was actively campaigning for Republican candidates and thus were designed to have maximum impact on Democratic candidates in the targeted districts.

The complaint alleges that NEPL and Sentinel violated 2 U.S.C. § 441b by making contributions or expenditures in connection with Federal elections and that ACT violated 2 U.S.C. § 441b by receiving corporate contributions in connection with Federal elections in that ACT has benefited from NEPL's and Sentinel's activities. The complaint also alleges that NEPL and Sentinel violated 2 U.S.C. §§ 433 and 434 by failing to register and report as political committees or, in the alternative, to establish a separate segregated fund for their political purposes (which should have registered and reported as a political committee). The complaint further alleges that, as political committees, NEPL and Sentinel violated 2 U.S.C. § 441a(f) by receiving contributions in excess of the limitations of 2 U.S.C. § 441a(a). Finally, the complaint alleges that NEPL,

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Sentinel, and ACT are affiliated political committees because they are each controlled by the same individual - Carl Russell Channell.

The complaint also names Mr. Channell and unnamed members of the Boards of Directors of NEPL and Sentinel as respondents, but does not cite specific sections of the Act which Mr. Channell and the Directors are alleged to have violated. Nevertheless, this Office views the complaint as implicity alleging that Mr. Channell and the Directors, as officers of NEPL and Sentinel, violated 2 U.S.C. § 441b by consenting to prohibited corporate contributions and expenditures by NEPL and Sentinel.

This Office notes that the complaint's allegations regarding political committee status states that if the Commission "were to find that NEPL or Sentinel are not political committees, they would still be in violation of [the Act] for failure to establish a separate segreated fund to conduct political activities." At this stage, it appears appropriate to analyze the allegations against NEPL and Sentinel both as corporations and as political committees. ACT, of course, is a political committee, and the allegations against it are so analyzed.

2. Response

In their response, the Respondents assert that NEPL, Sentinel, and Mr. Channell (other than ACT) "conducted carefully planned and professionally managed educational and lobbying

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programs in 1985 and 1986, which were designed to enhance support for the strategic defense initiative and for the Nicaraguan Contras." They link these programs to Presidential activities or legislative events and contend they "had no election related purpose." With regard to content they state that an analysis of their advertisements "reveals that they were designed to make a contribution to the national debate on aid to the Contras and on the strategic defense initiative." They argue that NEPL's advertisements were designed "to educate the public" and that Sentinel's advertisements were designed "to engender grassroots pressure on Members of Congress to vote in favor of pending legislation to aid the Contras." With regard to timing, the Respondents assert that the advertisements "were broadcast in relationship to and at times relevant to national debates and votes on the issues." With regard to targeting, they state that the advertisements "were broadcast in places carefully selected on the basis of polling data and on the way congressmen had previously voted or had expressed their intentions on the issues."

Finally, the Respondents contend that none of the advertisements "was designed to influence any election" and note that "[n]o individual was identified as being a candidate and no communication advocated the election or defeat of any candidate." Thus, the Respondents are essentially asserting that their activities are outside the Commission's jurisdiction.

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This Office notes that despite the detailed nature of the response, the Respondents have not addressed the allegations in the complaint that NEPL, Sentinel, and Mr. Channell solicited funds for political purposes and represented to contributors that their gifts would be used to influence Federal elections. They have also not explicitly addressed allegations of violations of any specific provision of the Act.

**B. Parties**

The complainants are the Democratic Congressional Campaign Committee ("DCCC"), a national party committee representing Democratic members of the House of Representatives, and its Chairman, Representative Beryl Anthony (D.-Ark.).

The Respondents named in the complaint are the National Endowment for the Preservation of Liberty, Sentinel, The American Conservative Trust, Carl Russell Channell, and the Boards of Directors of NEPL and Sentinel.1/ In the response to the complaint, counsel has also identified the American Conservative Trust State Election Fund as an "organization at issue in this matter."

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1/ The complaint did not identify the members of the NEPL and Sentinel Boards of Directors, so they were not individually notified and provided with a copy of the complaint. The three organizations and Mr. Channell submitted designation of counsel forms in which each designated the same counsel, who submitted a response on their behalf. The response identifies the members of the organizations' boards, but it does not state that it is submitted on their behalf. Therefore, members of the boards, other than Mr. Channell, are not presently considered respondents in this matter. If the Commission subsequently determines that a member of the Boards of Directors has violated the Act or Regulations, such finding will be treated as internally-generated.

**1. National Endowment for the Preservation of Liberty**

NEPL was incorporated under the District of Columbia Nonprofit Corporation Act on May 25, 1984. It was granted exemption from Federal income taxes as a charitable and educational organization described in Sections 170 and 501(c)(3) of the Internal Revenue Code, on December 12, 1984.2/ In 1985, the Board of Directors of NEPL consisted of Carl R. Channell, Edward Donahue, and Larry Parman. In July 1986, Daniel L. Conrad was added to the Board. Mr. Channell was president of NEPL in 1985 and 1986.3/

According to the response, NEPL's purposes included receiving contributions and making expenditures to study, research and analyze public issues and policies and to present such results to the general public. These purposes included educating the general public about various economic, social, historical, and political events occurring in nations struggling to obtain freedom and liberation and the impact on various nations, including the United States. To further these purposes, NEPL conducts and sponsors public discussion groups, lectures,

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2/ On April 30, 1987, the Internal Revenue Service announced that it had revoked the tax-exempt status of NEPL. See Attachment 3. The May 11, 1987, IRS Bulletin stated NEPL no longer qualified as an organization described in Section 170(c)(2) effective May 25, 1984. Thus, for all times relevant to the allegations in this matter, NEPL is considered as incorporated but not as tax-exempt.

3/ According to the information filed by the Independent Counsel, NEPL's offices were located at 305 Fourth Street, N.E., from May 1984 to August 1986, when they were moved to 1331 Pennsylvania Avenue, N.W., Suite 350 South. See Attachment 4.

and panels, distributes educational materials, and may assist peoples in various nations struggling to obtain freedom and liberation by offering humanitarian assistance.

2. Sentinel

Sentinel is a nonprofit corporation organized under the District of Columbia Nonprofit Corporation Act on May 10, 1985. It was granted exemption from Federal income taxes as a lobbying organization qualified under Section 501(c)(4) of the Internal Revenue Code on February 7, 1986. In 1985 and 1986, the Board of Directors of Sentinel consisted of Roy L. Beheler, Carl R. Channell, Edward J. Donahue, III, and Richard Scarino. Mr. Channell served as President of Sentinel in 1985 and 1986. The specific purposes of Sentinel are to receive contributions and make expenditures for the education of the general public on legislation, issues, appropriations, and causes concerning national defense.4/

3. American Conservative Trust

The American Conservative Trust ("ACT") registered with the Commission as a Federal unconnected political committee on

4/ Pursuant to the Federal Regulation of Lobbying Act (2 U.S.C. § 261 et seq.), Sentinel registered with the Secretary of the Senate and the Clerk of the House on December 16, 1986. A visual examination of its reports and their amendments for 1986, on public file, discloses a total of approximately $288,000 in expenditures by Sentinel for lobbying activities in 1986. This amount included $137,270.91 in expenditures to the Robert Goodman Agency during the second quarter of 1986. The reports also disclose other expenditures to the Center for Democracy in America. News reports have described the Center as a lobbying organization originally established by Robert Owen, who turned it over to Bruce Cameron. These reports have also linked the Center to television advertisements sponsored by the Respondents. See "The Rise and Fall of 'Ollie's Liberals,'" Wash. Post., June 29, 1987, at C1, Col. 3. Sentinel's reports do not disclose any (Footnote continued)

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October 6, 1983, and later qualified as a multicandidate political committee. It was incorporated under the District of Columbia Nonprofit Corporation Act on October 16, 1984. The Board of Directors of ACT in 1985 and 1986 consisted of Carl R. Channell, Roger Wilkins, Albert Ferri, Jr., and John Ramsey. Mr. Channell served as its chairman in 1985 and 1986.5/ The specific purposes of ACT include influencing the nomination or election of candidates in Federal, state or local elections, conventions, or caucuses, as well as to support or oppose referenda and legislation and to advocate positions on issues.

The American Conservative Trust State Election Fund ("ACT-SEF") is a nonfederal political committee, incorporated under the District of Columbia Nonprofit Corporation Act on October 5, 1984. Its Board of Directors in 1985 and 1986 consisted of Carl R. Channell, Roger Wilkins, Albert Ferri, Jr., and John Ramsey.

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(Footnote continued) contributions or sources for the funds it expended. The Federal Registration of Lobbying Act apparently requires the disclosure of contributions only if they are specifically designated for the passage or defeat of any legislation by the Congress or to influence, directly or indirectly, the passage or defeat of such legislation. See 2 U.S.C. §§ 264 and 266. Sentinel's reports state that it received no contributions specifically earmarked for lobbying.

5/ On July 27, 1987, counsel for the Respondents filed an amended Statement of Organization for ACT. This amendment listed Carl R. Channell as treasurer and custodian of records. The amendment also provided a new address for ACT at 515 Second Street, N.E. Mr. Channell replaced F. Clifton Smith as treasurer and custodian of records. Mr. Smith assumed these offices on December 18, 1985, replacing Albert Ferri, Jr. ACT had its offices at 1331 Pennsylvania Avenue, N.W., Suite 350, from August 21, 1986, until its recent change. Prior to that, it had been located at 305 Fourth Street, N.E. This Office has not located any Statement of Organization or amendment for ACT that identified any connected organization or affiliated committee.

Mr. Channell also served as the Chairman of ACT-SEF in 1985 and 1986. Its specific purposes include influencing the nomination or election of candidates in state or local elections, conventions, or caucuses, as well as to support or oppose referenda and legislation and to advocate positions on issues.6/ As far as this Office has been able to determine, ACT-SEF does not file disclosure reports with any state or local agency.

C. The Act and Regulations

The Act and Regulations contain several provisions that are relevant to the issues raised by the complaint and the response.

The Act makes it unlawful for any corporation, including any nonprofit corporation, to make any contribution or expenditure in connection with any election for Federal office and makes it

6/ Other organizations have been linked to the Respondents in news reports and through their apparent sharing of common offices and personnel. Among these other organizations are the Channell Corporation and the Anti-Terrorism American Committee ("ATAC").

The Channell Corporation was incorporated in the District of Columbia on February 12, 1982. It lists its officers as: Carl R. Channell, President; Eric Olson, Secretary and Board of Directors; Roy Beheler, Treasurer; and Albert Ferri, Jr., Board of Directors. News reports state that the corporation filed for bankruptcy in July 1987.

ATAC is a Federal political committee that registered with the Commission on June 6, 1986. It made a $5,000 contribution to ACT on October 27, 1986, and a $2,500.00 payment to Carl R. Channell, for "October Payroll" on October 17, 1986. Many contributors to ACT are also contributors to ATAC. Its letterhead during the fall of 1986 listed its address as 1331 Pennsylvania Avenue, N.W., Suite 391, but it has listed a series of other addresses on its Statement of Organization and amendments thereto.

No specific allegations have been made in the complaint with respect to the Channell Corp. and ATAC regarding the solicitation of funds or the payments for television advertisements. Therefore, no recommendations are made at this time with respect to these organizations.

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unlawful for any officer or director of such corporation to consent to any contribution or expenditure prohibited by this section. 2 U.S.C. § 441b(a). Commission regulations explain that "contribution or expenditure" includes any direct or indirect payment, distribution, loan, advance, deposit, or gift of money, or any services, or any thing of value to any candidate, political party or committee, organization, or any other person in connection with any federal election. 11 C.F.R. § 114.1(a)(1). This definition, however, does not include the establishment, administration, and solicitation of contributions to a separate segregated fund "to be utilized for political purposes" by a corporation, membership organization, or corporation without capital stock. 2 U.S.C. § 441b(b)(2)(C). Commission regulations also exempt from the definition of contribution and expenditure payments for certain types of nonpartisan communications to the general public. See 11 C.F.R. § 114.4(b).

The Act makes it unlawful for a corporation to solicit contributions to a separate segregated fund used for political purposes from any person other than its stockholders and their families and its executive or administrative personnel and their families or, in the case of a membership organization or corporation without capital stock, its members. 2 U.S.C. § 441b(b)(4)(A)(i) and (C). Commission regulations provide that families of members may also be solicited by membership organizations and corporations without capital stock.

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11 C.F.R. § 114.7(a). Commission regulations also permit the connected organization of a separate segregated fund to act as the collecting agent for contributions to the fund.
11 C.F.R. § 102.6(b). The Act provides that political committees including separate segregated funds may not knowingly accept contributions in excess of the limitations of Section 44la. 2 U.S.C. § 441a(f). It defines political committee as including any association or group of persons that receives contributions aggregating in excess of $1,000 during a calendar year or makes expenditures aggregating in excess of $1,000 in a calendar year. 2 U.S.C.. § 431(4).

The Act further states that all political committees or separate segregated funds established, financed, maintained, or controlled by any corporation or any other person including any parent, subsidiary, branch, division, department, or local unit of such corporation or any other person or by any group of such persons shall be treated as a single political committee. 2 U.S.C. § 441a(a)(5). Such committees are deemed affiliated committees for purposes of the Act's contribution limitations. See also 11 C.F.R. § 100.5(g)(2) and 110.3(a)(1)(ii).

Political committees, including separate segregated funds, must organize in accordance with the Act, including naming a treasurer, establishing a depository, and registering with the Commission. 2 U.S.C. §§ 432 and 433. Such political committees must also disclose the name, address, relationship, and type of any connected organization or affiliated committee on their Statements of Organization. 2 U.S.C. § 433(b)(2); 11 C.F.R.

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§ 102.2(a)(1)(ii). A separate segregated fund must also include the name of its connected organization in its name. 2 U.S.C. § 432(e)(5). The Act defines "connected organization" as "any organization which is not a political committee but which directly or indirectly establishes, administers, or financially supports a political committee." 2 U.S.C. § 431(7). Commission regulations recognize that a connected organization may be a corporation, a membership organization, or a corporation without capital stock. 11 C.F.R. § 100.6(a).

Political committees, including separate segregated funds, registered with the Commission must also file periodic reports with the Commission. 2 U.S.C. § 434(a). These reports must disclose the committee's contributions and other receipts and its expenditures and "any other disbursements." 2 U.S.C. § 434(b). It must itemize its contributions, expenditures, and other disbursements aggregating more than $200 within any calendar year to include the identification of persons who have made contributions and the name and address of persons to whom expenditures and disbursements are made as well as the date, amount, and purpose of the transaction. 2 U.S.C. § 434(b)(3) and (5). Disbursements are reported for the reporting period and the calendar year. 2 U.S.C. § 434(b)(4). Furthermore, debts and obligations, over $500, are reportable as of the time of transaction and must be continuously reported until extinguished. See 11 C.F.R. § 104.11. The Commission is required to make such reports available for public inspection. 2 U.S.C. § 438(a)(4).

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It is unlawful, however, for any person to sell or use contributor information for soliciting contributions or for commercial purposes. Id.

**D. Solicitation of Contributions**

The complaint alleges that NEPL solicited contributions for the purpose of influencing Federal elections in 1986. In support of this allegation, the complaint refers to a document (Exhibit 8 of the complaint) that purports to be a transcript of a NEPL fundraisers' meeting on May 23, 1986;7/ a transcript of a National Public Radio broadcast (Exhibit 9 of the complaint); and a New York Times news article of April 11, 1987 (Exhibit 7 of the complaint).

The transcript of the May 23rd NEPL fundraisers' meeting contains several statements, attributed to Carl R. Channell, reflecting an election-influencing purpose for NEPL's solicitations. The transcript states that the Strategic Defense Initiative ("S.D.I.") "educational ads cannot but help the Republican challenger" in selected congressional districts.8/ It adds that when people "Give us $30,000.00...they are in many districts literally giving a political contribution to support President Reagan's congressional candidates." It further notes

7/ According to the National Public Radio transcript, unnamed former staffers of Mr. Channell's organization described this document as an internal memo based on a tape recording of Mr. Channell's presentation.

8/ The relevant S.D.I. ads for which storyboards and scripts were provided ran on July 3-5, 1986, and July 24-31, 1986, in Austin, Texas; Columbus, Georgia; Denver, Colorado; and Washington, D.C.

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that during the 1986 election year that it would become known whether the incumbent or challenger is supporting this issue and that NEPL would be "giving a $30,000.00+ contribution to the challenger candidates." The transcript then includes instructions to NEPL fundraisers on how they can convince potential contributors that their contributions would have an influence on the 1986 congressional elections. The transcript further refers to the proposed ad as "a very strong political ad" and to the prospective donated funds as a "tax deductible political contribution." It also identifies specific persons as among the potential contributors.

The selected portions of a National Public Radio ("NPR") April 1987 news report also discuss the fundraising activities of Mr. Channell and his organizations. The report states that the unspecified documents made available to NPR and interviews with former staff members of Mr. Channell's organization show that Commission files were regularly used as a source of names of potential contributors. It states that Mr. Channell's organizations had access to Commission files through a subscription to a computerized data base called "Washington On Line."9/ The report said these files were used to identify large

9/ Although this information indicates that NEPL may have used names copied from reports filed with the Commission, this allegation is not made in the complaint. This information is used here as indicating that NEPL sought to solicit persons who had previously made substantial political contributions.

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contributors and to evaluate specific donors. The report identifies NEPL as the key Channell fundraising organization.

The NPR transcript also includes portions of an interview with Robert Mosbacher, a Texas oil executive who contributed to Mr. Channell's organizations and who said in the interview that he was told the contributions for the S.D.I. ads were intended to affect congressional campaigns. Mr. Mosbacher states that "[t]hey were interested in defeating candidates who did not support the President on SDI." He said there was "no doubt in my mind" that the ads were clearly targeted at congressional races.

The New York Times news article is based primarily on interviews with people who were solicited for contributions by NEPL and on NEPL's internal documents, including the transcript of the May 23rd NEPL fundraisers' meeting. The article also quotes Robert Mosbacher as stating the purpose of the ads was to try to defeat candidates hostile to S.D.I. It also quotes Mrs. Jane Driscoll, who with her husband contributed approximately $100,000 to NEPL, a substantial portion of which was for the "Star Wars" project. She stated that she was told the funds would be used to influence campaigns. The article, however, quotes Robert Goodman, whose firm produced the S.D.I. and Contra ads, as saying he was not told the ads were intended to influence congressional campaigns and that he was not aware of any evidence they changed the outcome of any election. He said his firm was paid approximately $1,000,000 for producing and placing the ads by NEPL and unnamed political action committees.

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In their response, the Respondents make no reference to these allegations regarding NEPL's solicitation of contributions. Therefore, for purposes of this report, these allegations are treated as uncontested.

Thus, treating NEPL as a corporation, it has apparently expended its treasury monies to solicit contributions for political purposes and made such solicitations to the general public, that is to persons other than its executive and administrative personnel and their families or, if it is a membership organization, to its members and their families.10/ It has not placed the contributions received from these solicitations in a separate segregated fund and reported their receipt and disbursement. Moreover, Carl R. Channell, as president of NEPL presumably consented to the expenditures of NEPL's funds for these activities. On the other hand, as an association or group of persons, NEPL has apparently received contributions aggregating in excess of $1,000 in a calendar year, thus becoming a political committee under the Act. Furthermore, it appears NEPL has solicited and received contributions in excess of $5,000 per calendar year from individual contributors.

The complaint and the response provide no information regarding Sentinel's or ACT-SEF's solicitations or receipt of

10/ We note that this analysis is not affected by the Supreme Court's decision in Massachusetts Citizens for Life ("MCFL") v. FEC, 107 S.Ct. 616(1986), for two principal reasons: (1) NEPL's tax-exempt status was revoked retroactively to May 25, 1984 (see Footnote 2); and (2) MCFL addressed only independent expenditures, not the solicitation and receipt of contributions. In fact, the court in MCFL explicity distinguished MCFL from National Right to Work Committee v. FEC, 459 U.S. 197(1982).

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funds. Sentinel's filings under the Federal Registration of Lobbying Act do not disclose the sources of its funds. ACT-SEF apparently has not filed any type of public disclosure reports. Therefore, no recommendation is made at this time regarding Sentinel's or ACT-SEF's solicitations or receipt of funds for Federal election purposes.

**E. Expenditures in Connection with Federal Elections**

The complaint alleges that the Respondents made disbursements for television advertisements that "sought to influence voter choice by taking an aggressive position on selected public policy issues in opposition to the clear position held by Democratic candidates." It states that in some instances these advertisements identified the Democratic candidates by name and that many of them urged support for President Reagan, whose positions in conflict with Democrats over certain issues was well known and who had actively appealed for public support for Republican candidates in the 1986 elections. The complaint further alleges that these advertisements were targeted to certain congressional districts in order to induce voter opposition to Democratic candidates. It specifically refers to Representatives Ed Jones in Tennessee, J. J. Pickle in Texas, and W. G. Hefner in North Carolina as among the targeted candidates.

The complaint refers to the transcript of the May 23rd NEPL fundraising meeting as evidence of the election-influencing purpose of these advertisements. The transcript includes the following discussion, which the complaint attributes to Carl R. Channell:

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> This is an incredibly subtle political benefit to every single Republican challenger and I don't know how you say this without getting burned on the telephone. But you can just say you want to illustrate another way to look at this whole campaign.
>
> We are taking the issue that the American people support. We are advancing this issue in congressional districts where the American people strongly support the President and encouraging that incumbent to support the President.
>
> If that incumbent does not support the President, then what is actually going to happen is the challenger candidate is going to benefit immeasurably from our activities because the challenger position and the population position will become well known to each other through the medium of our television message.
>
> On the other hand, the fact that we are hyping this issue and the incumbent does not support the President will definitely highlight the difference between the incumbent and his constituents.
>
> This is an incredible political benefit to every single Republican running for office. It is essentially a $30,000.00 contribution to these challengers' campaign [sic] with the finest issue that Ronald Reagan has in the country today.

The complaint also included copies of press releases, news articles, and the storyboards and scripts for seven television advertisements broadcast by the Respondents. For instance, the complaint refers to a press statement by Carl R. Channell, as president of Sentinel, announcing a television advertising program in which he states that "Congressmen like Michael Barnes now must risk paying a political price for their votes and actions." The complaint alleges that this political price is electoral defeat.

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In sum, the complaint asserts that the content of the television advertisements, their timing, their targeting to selected congressional districts, the stated purposes of the advertisements and the funds raised to finance them as well as other circumstances taken together demonstrate the expenditure of funds by NEPL and Sentinel in connection with Federal elections in violation of 2 U.S.C. § 441b.

In their response, the Respondents contend that their advertisements were educational and lobbying activities keyed to legislative or Presidential events, not to Federal elections. The response includes the storyboards and scripts for 18 advertisements financed by ACT-SEF, NEPL, and Sentinel. It also provides the time period in which each advertisement was broadcast and the city or cities in which each was broadcast.11/ It also includes various press releases and statements issued by NEPL and Sentinel. The response further describes two advertisements paid for by ACT, the Federal political committee, as independent expenditures in opposition to Tim Wirth relating to the 1986 Senate election in Colorado. It states that these two ads were the only communications broadcast by ACT in connection with Federal elections in 1986.12/

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11/ Based on information provided by the Respondents, two charts have been prepared in order to illustrate when and where the ads ran. The first chart provides a chronological sequence for the ads. See Attachment 1. The second chart provides a geographical distribution of the ads. See Attachment 2.

12/ ACT also reported independent expenditures of $25,000 in support of then Sen. Paula Hawkins of Florida and $4,000 in support of then Sen. Jeremiah Denton of Alabama. These (Footnote continued)

The response also details a specific nonelection-related purpose or event for each ad broadcast by NEPL, Sentinel, and ACT-SEF, including three ads related to the Strategic Defense Initiative. For instance, the response states that the "Morning of Peace" ad, financed by ACT-SEF and broadcast from October 20, to November 17, 1985, was aired during this period because the President was preparing for his summit meeting in Geneva and there was an on-going national debate in advance of the summit whether the President should negotiate away the Strategic Defense Initiative. The response asserts that the "President's Oath" and the "Will They Wait?" ads, financed by NEPL and broadcast in July 1986, were aired because of the renewed debate over S.D.I. and were designed and intended to enhance grassroots support for that issue in advance of and immediately after the Iceland summit.[13/] The response ties most of the Nicaraguan Freedom Fighters, or Contras, ads to specific legislative events relating to funding for these forces. The only ads broadcast in the 60 days prior to the November 4, 1986, general election were those by ACT which were reported as independent expenditures in

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(Footnote continued)
expenditures were to Ram Films, Inc., of Stevenson, Maryland, for "television production and placement." The Respondents, however, did not refer to these ads in their response or provide any storyboards or scripts for them. In an April 7, 1987, response to a Reports Analysis Division inquiry, ACT stated that the ads for Senators Hawkins and Denton were aired, but that planned ads for Sen. Broyhill and Jim Santini were not.

13/ According to news reports, the Iceland summit took place in October 1986 and was not announced until shortly before it occurred.

opposition to Tim Wirth in Colorado. The response notes that although the "Nicaraguan Update" ad was tied to the October 18, 1986, conference agreement on the Contra aid package, it was purposefully not broadcast until after the polls had closed on November 4th.

A textual analysis of the 18 of these 20 advertisements for which storyboard or scripts were supplied and which were not reported as election related shows:

1) one ad ("Nicaraguan Update") made no references to any candidates, incumbent officeholders, or political parties;

2) two ads refer to specific congressmen by name[14/]--one ("Does He Know?") asks the viewer to urge the congressman to support President Reagan on Nicaragua, the other ("Fact Checks") states the Congressman is not supporting President Reagan on Nicaragua and tells the viewer "better wake him up;"

3) one ad ("Flag") refers to then speaker of the House Tip O'Neill;

4) one ad ("Will They Wait?") urges the viewer to trust President Reagan on S.D.I.;

5) one ad ("True Colors") states that Democrats and Republicans joined the President in seeing through Sandinista propaganda;

6) one ad ("Party's Over") states it is searching for two more votes from two more congressmen who will vote no to communism in Nicaragua;

14/ All congressmen identified by name in these ads were incumbent Democrats.

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7) two ads ("Morning of Peace" and "President's Oath") ask the viewers to let President Reagan know of their support;

8) two ads ("Freedom Can't Work") and ("Korean Airliner") ask the viewers to help President Reagan support the freedom fighters in Nicaragua and to tell their congressman they want freedom to stay alive in Nicaragua;

9) one ad ("Throw Money") states that some Democrats want to give economic aid to the communists in Nicaragua, asks "when are those Democrats going to learn?", and urges the viewers to support President Reagan on Nicaragua;

10) the remaining six ads ("Terrorist Influence," "Refugees," "Helicopters," "They Are Us," "Letter," and "Reconnaisance") all urge the viewers to support President Reagan on Nicaragua. None of the texts of these ads contains references to any specific Federal election or makes any explicit suggestion to the viewers regarding how they should vote in any Federal election. The remaining two ads, for which the response provides partial scripts, were independent expenditures in opposition to Tim Wirth in Colorado and focused on Mr. Wirth's opposition to the President's S.D.I. program. Both ads urged viewers to vote against Mr. Wirth on November 4, 1986. They were paid for by ACT, a Federal political committee registered with the Commission.

The response also provided the cities in which each of the 20 advertisements was broadcast. In the aggregate, the 20 ads were broadcast in a total of 37 cities. See Attachment 2. In 8

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cities, six or more ads were broadcast: the District of Columbia (16); Austin, Texas (10); Tulsa, Oklahoma (8); Nashville, Tennessee (7); Raleigh/Durham, North Carolina (7); San Antonio, Texas (7); Brownsville, Texas (6); and Miami, Florida (6).

The complaint specifically refers to Representatives J. J. Pickle in Texas, Ed Jones in Tennessee, and W. G. Hefner in North Carolina as Democratic candidates allegedly "targeted" by NEPL and Sentinel ads. Rep. Pickle represents the 10th Congressional District of Texas, in which Austin is the principal media market. The Respondents broadcast these ads in Austin: "The Party's Over" (May 25 - June 15, 1985); "Morning of Peace" (Oct. 30 - Nov. 17, 1985); "Terrorist Influence," "Refugees," "Helicopters," and "They Are Us" (March 3 - May 1, 1986); "Flag," "Does He Know?", and "Fact Checks" (June 17-27, 1986); "President's Oath" (July 3-5, 1986). "Does He Know?" and "Fact Checks" referred to Rep. Pickle by name. The Texas primary was May 3, 1986.

Rep. Ed Jones represents the 8th Congressional District of Tennessee, in which Memphis is the principal media market although portions of the district are in the Nashville market as well as other markets. The Respondents broadcast only one ad ("Terrorist Influence") in Memphis. They did, however, broadcast these ads in Nashville: "Terrorist Influence," "Refugees," "Helicopters," and "They Are Us" (March 3 - May 1, 1986); and "Flag," "Does He Know?", and "Fact Checks" (June 17-27, 1986). It is not clear from the response whether the latter two ads referred to Rep. Jones by name. The Tennessee primary was

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August 7, 1986. Compare page 10 of the Response with the attached storyboard for "Fact Checks." These ads were also broadcast in Raleigh-Durham, North Carolina, which the response indicates related to Rep. W. G. Hefner, who represents the 8th Congressional District of North Carolina. The principal media market for the 8th District is Charlotte, but a portion of the District is within the Raleigh-Durham market. The North Carolina primary was May 6, 1986.

The ads at issue in this matter make no reference to any election or to any person as a candidate in any election, nor make any express statement in favor of or against any candidate's election. Two of the ads, however, identify by name a congressman who was also a candidate for re-election. Both of these ads exhorted the viewer to communicate with the congressman on a specific issue, but did not expressly urge any action for or against him at the polls. One ad criticized "some Democrats" and asked the viewers to support the President on Nicaragua. The ads were broadcast from April 1985 through July 1986 and, according to the response, were linked to legislative or Presidential events related to the subject of the ads, not to any elections. Nevertheless, the Respondents do acknowledge that the ads were broadcast in "selected" areas based on "polling data" and "the way Congressmen had previously voted or had expressed their intentions on the issues."

In Advisory Opinion 1987-7, the Commission concluded that certain letters sent by a nonprofit corporation to the general

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public in proximity to an election could fall within the proscription of Section 441b. The opinion noted that these letters characterized an incumbent's position on certain issues, were sent to the incumbent's constituents, and suggested that the recipient contact the incumbent to persuade him or her toward the views endorsed by the corporation. The opinion stated that the corporation's prior issue advocacy was overshadowed by the election messages within the letters and their advocacy concerning specific candidates in the upcoming election. The opinion concluded that the letters and materials did not meet the requirements for the exemption for nonpartisan materials and, thus, were prohibited by Section 441b.

A similar analysis applied to these television advertisements warrants a finding of reason to believe and further inquiry. Some of the ads characterized an incumbent's position on certain issues, all were directed to the incumbent's constitutents, and most urged the viewer to contact the incumbent to persuade him or her to the viewpoint advocated by the advertisements. Although none of the advertisements made any specific reference to any election or identified any incumbent as a candidate in any election, there is evidence that the sponsors intended for these advertisements to influence federal elections and may have paid for them with funds solicited expressly for such purpose. Furthermore, many of these advertisements were broadcast during the 1986 election year, some of them in proximity to various primary elections. The two advertisments paid for by Sentinel ("Does He Know?" and "Fact Checks") referred

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to specifc incumbent congressmen by name. The four advertisements paid for by ACT-SEF ("Freedom Can't Work," "Korean Airliner," "The Party's Over," and "Morning of Peace"), however, made no reference to any party, party affiliation, candidate, or officeholder other than President Reagan and were all broadcast in 1985. The Sentinel and ACT-SEF advertisements address the same subjects as NEPL's.

The complaint also alleges that NEPL developed a program for speaker(s) to appear "in each target district at least three times during the campaign." The complaint also included a Dallas Times-Herald news article that quoted Rep. Ronald Coleman, a Democrat from El Paso, as stating two Contra leaders (Alfonso Robelo and Arturo Cruz) "blasted" him in separate September news conferences and that Senor Robelo appeared at a rally for Rep. Coleman's Republican opponent, Roy Gillia. See Exhibits 12 and 16 of the Complaint. This Office examined the reports filed by Mr. Gillia's committee but could not identify any expenditures related to these appearances. The response includes NEPL press releases referring to appearances by "eight native Nicaraguan volunteers" in 36 southeastern cities, including El Paso. These press releases include references by name to several representatives of the Nicaraguan resistance, but do not include Senor Robelo or Senor Cruz as NEPL spokespersons, although all eight spokespersons are not identified.15/

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15/ The complaint also suggests that NEPL's activities may have been coordinated with persons in the White House and, if such were the case, further theorizes that NEPL's activities were (Footnote continued)

Therefore, if the payments for these advertisements and speakers were undertaken to influence a federal election, they would appear to have also qualified NEPL, and perhaps Sentinel and ACT-SEF, for political committee status. As such, these expenditures would not be subject to limitation unless they were made in cooperation, coordination, or consultation with (or authorized by) any federal candidate or authorized committee. Alternatively, treating these organizations as corporations, their payments for these activities would be prohibited corporate expenditures or corporate contributions if made in connection with a federal election. This Office does not at this time view these activities as coming within the exception carved out by the Supreme Court in MCFL for these reasons: (1) the IRS retroactively revoked NEPL's tax-exempt status, though there is no indication the tax-exempt status of Sentinel and ACT-SEF have been affected; and (2) we do not have any information regarding whether any of these organizations accept, or have accepted, corporate or labor union funding.

**F. Receipt of Prohibited Funds**

The complaint also alleges that ACT benefited as a political committee from the expenditures by NEPL and Sentinel as

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(Footnote continued)
thereby coordinated with Republican candidates and thus constitute in-kind contributions to such candidates. The complaint refers to several news articles (see Exhibit 16 of the complaint) that refer to alleged connections between certain persons in the White House and Mr. Channell and NEPL's fundraising activities but is not specific on how such alleged contacts demonstrate coordination with any congressional candidates.

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corporations and that ACT thus received prohibited corporate contributions. The complaint does not elaborate on this allegation.

A review of ACT's reports for 1985-86 shows that it made independent expenditures of $57,000 on behalf of Senators Hawkins and Denton and against Rep. Tim Wirth and made direct contributions of $4,000 to candidates.16/ Thus, it is not clear what relationship or intangible benefit the complaint is alleging between ACT's expenditures and contributions and NEPL's and Sentinel's ads.

**G. Affiliation of NEPL, Sentinel, and ACT**

The complaint further alleges that as political committees NEPL, Sentinel, and ACT are affiliated and, thus, subject to a single contribution limitation. In this regard, the complaint asserts that the three organizations are all established, financed, maintained, and controlled by a single individual (Carl R. Channell) and have engaged in similar, coordinated activity. Thus, this allegation suggests that ACT failed to disclose on its Statement of Organization that NEPL or other Channell organizations were affiliated committees or, if treated as corporations, as ACT's connected organization. See 2 U.S.C. §§ 431(7), 433(b)(2), and 441a(a)(5).

ACT registered with the Commission as a political committee in October 1983, and ACT and ACT-SEF were incorporated in October 1984. NEPL was incorporated in May 1984 and Sentinel in

16/ One candidate refunded his contribution in 1987.

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May 1985. The Channell Corporation was incorporated in 1982. Although these dates by themselves do not show that NEPL or another organization established ACT, it does appears that all of these organizations were established by the same individual, Carl R. Channell. Moreover, although the composition of the boards of directors varies from one organization to another (except for ACT and ACT-SEF), Carl R. Channell is the president of both NEPL and Sentinel and is chairman of both ACT and ACT-SEF. Thus, he appears to control all four organizations.

The facts presently available also indicate that these organizations have shared common offices and personnel and have been commonly administered and maintained. The facts are, however, incomplete regarding the financing of each organization. For instance, ACT's 1985 Year End Report discloses a $794.15 payment to NEPL for "interest and reimbursement of tax penalty." In February 1987, the Reports Analysis Division sent a request for additional information to ACT regarding its limited payments for administrative expenses disclosed in the 1986 Year End Report. ACT filed an amendment to this report on March 13, 1987, that disclosed debts totalling $40,986.50 to ACT-SEF for administrative expenses ($3,020.50 for rent, $10,818 for telephone, $25,283 for salaries, and $1,865 for office supplies).17/ The identity of the vendors or providers of these services are not known, nor is the method used to allocate these expenses between ACT and ACT-SEF.

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17/ The 1987 Mid Year Report discloses a $3,400 payment on these debts.

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These circumstances suggest that NEPL or another Channell-controlled organization has directly or indirectly established, administered, or financed ACT. See, e.g., MUR 1363. ACT has not disclosed any organization on its Statement of Organization as an affiliated committee or as its connected organization.

**H. Summary**

Based on the foregoing discussion, this Office recommends that the Commission find reason to believe that NEPL has violated 2 U.S.C. §§ 433, 434, and 441a(f) in that it has received contributions, or made expenditures, aggregating in excess of $1,000 in a calendar year and has failed to register and report as a political committee and has knowingly received contributions from individuals in excess of the limitations of Section 441a. We further recommend that the Commission find reason to believe that Sentinel and ACT-SEF have violated 2 U.S.C. §§ 433 and 434 in that they have made expenditures aggregating in excess of $1,000 in a calendar year and have failed to register and report as political committees. In addition, this Office recommends that the Commission find reason to believe that NEPL, Sentinel, and ACT-SEF have violated 2 U.S.C. § 441b(a) in that, as corporations, they have made contributions or expenditures in connection with a federal election. Furthermore, we recommend that the Commission find reason to believe Carl Russell Channell, as an officer or director of NEPL, Sentinel, and ACT-SEF, has consented to their contributions or expenditures in violation of Section 441b(a). This Office also recommends that the Commission

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find reason to believe ACT and Carl Russell Channell, as treasurer, violated 2 U.S.C. § 433(b)(2) for their failure to disclose NEPL or any other Channell organization as affiliated committee(s) or as a connected orgaization in ACT's Statement of Organization.

With respect to the findings, this Office recommends that the Commission approve the proposed interrogatories and requests for documents to the Respondents and to a selected group of contributors to NEPL. This group of contributors is made up of persons identified and, in some instances, interviewed in news reports or other sources as having contributed to NEPL. These contributors are being asked for information only regarding NEPL's solicitations and only as witnesses, not as respondents. The requests to these contributions seek their voluntary assistance and are not made as subpoenas. Finally, since the Respondents' activities may also be the subject of other investigations, this Office recommends that the Commission make an official request for information relating to possible violations of the Act by the Respondents to the Independent Counsel and to the Senate and House Select Committees.

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**III. RECOMMENDATIONS**

1. Find reason to believe the National Endowment for the Preservation of Liberty violated 2 U.S.C. §§ 433, 434, 441b(a), and 441a(f).

2. Find reason to believe Sentinel and the American Conservative Trust State Election Fund violated 2 U.S.C. §§ 433, 434, and 441b(a).

3. Find reason to believe Carl Russell Channell, as an officer and director of the National Endowment for the Preservation of

Liberty, Sentinel, and the American Conservative Trust State Election Fund, violated 2 U.S.C. § 441b(a).

4. Find reason to believe the American Conservative Trust and Carl Russell Channell, as treasurer, violated 2 U.S.C. § 433(b)(2).

5. Approve the attached letter, interrogatories and request for documents to the Respondents.

6. Approve the attached letters, interrogatories and requests for documents to twelve (12) witnesses.

7. Approve the attached letters to the Independent Counsel and the Senate and House Select Committees.

11/24/87
Date

Lawrence M. Noble
General Counsel

Attachments
1. Chronological Outline of Television Advertisements
2. Geographical Distribution of Television Advertisements
3. IRS news release
4. Criminal Information
5. Proposed letter, interrogatories, and request for documents to Respondents
6. Proposed Letters, interrogatories and requests for documents to witnesses
7. Proposed letters to the Independent Counsel and the Senate and House Select Committees

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FEDERAL ELECTION COMMISSION
WASHINGTON D.C. 20463

MEMORANDUM TO: LAWRENCE M. NOBLE
GENERAL COUNSEL

FROM: MARJORIE W. EMMONS/SUSAN GREENLEE S.G.

DATE: NOVEMBER 30, 1987

SUBJECT: OBJECTION TO MUR 2406: General Counsel's Report signed November 24, 1987

The above-captioned document was circulated to the Commission on Wednesday, November 25, 1987 at 4:00 P.M.

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

| | |
|---|---|
| Commissioner Aikens | X |
| Commissioner Elliott | X |
| Commissioner Josefiak | X |
| Commissioner McDonald | |
| Commissioner McGarry | |
| Commissioner Thomas | X |

This matter will be placed on the Executive Session agenda for December 8, 1987.

Please notify us who will represent your Division before the Commission on this matter.

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BEFORE THE FEDERAL ELECTION COMMISSION

| | | |
|---|---|---|
| In the Matter of | ) | |
| | ) | |
| National Endowment for the Preservation of Liberty | ) | |
| Sentinel | ) | |
| American Conservative Trust | ) | MUR 2406 |
| Carl Russell Channell | ) | |
| Unamed Members of the Board of Directors of the National Endowment for the Preservation of Liberty and Sentinel | ) | |

CERTIFICATION

I, Marjorie W. Emmons, recording secretary for the Federal Election Commission executive session of December 8, 1987, do hereby certify that the Commission decided by a vote of 4-2 to take the following actions in MUR 2406:

1. Find reason to believe the National Endowment for the Preservation of Liberty violated 2 U.S.C. §§ 433, 434, 441b(a), and 44la(f).

2. Find reason to believe Sentinel and the American Conservative Trust State Election Fund violated 2 U.S.C. §§ 433, 434, and 441b(a).

3. Find reason to believe Carl Russell Channell, as an officer and director of the National Endowment for the Preservation of Liberty, Sentinel, and the American Conservative Trust State Election Fund, violated 2 U.S.C. § 441b(a).

(continued)

4. Find reason to believe the American Conservative Trust and Carl Russell Channel, as treasurer, violated 2 U.S.C. § 433(b)(2).

5. Approve the letter, interrogatories and request for documents to the Respondents as recommended in the FEC General Counsel's report dated November 24, 1987.

6. Approve the letters, interrogatories and requests for documents to twelve (12) witnesses, as recommended in the General Counsel's report dated November 24, 1987.

7. Approve the letters to the Independent Counsel and the Senate and House Select Committees as recommended in the General Counsel's report dated November 24, 1987.

Commissioners Josefiak, McDonald, McGarry, and Thomas voted affirmatively for the decision; Commissioners Aikens and Elliott dissented.

Attest:

12-9-87
Date

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

0004075837

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

17 December 1987

**CERTIFIED MAIL**
**RETURN RECEIPT REQUESTED**

Lawrence E. Walsh
Office of the Independent Counsel
Suite 701
555 13th St., N.W.
Washington, D.C. 20004

Re: MUR 2406

Dear Mr. Walsh:

The Federal Election Commission has the statutory duty for the civil enforcement of the Federal Election Campaign Act of 1971, as amended. Pursuant to this responsibility, the Commission requests that the you provide, in such manner and at such time as you deem appropriate, any information relating to possible violations of the Federal Election Campaign Act of 1971, as amended, by the National Endowment for the Preservation of Liberty, Sentinel, the American Conservative Trust, and Carl Russell Channell.

Because this information is being sought as part of an investigation being conducted by the Commission, the confidentiality provision of 2 U.S.C. § 437g(a)(12)(A) applies. That section prohibits making public any investigation conducted by the Commission without the express written consent of the person with respect to whom the investigation is made. You are advised that no such consent has been given in this case.

If you have any questions, please direct them to Jonathan Levin, the attorney assigned to this matter, at (202) 376-5690.

Sincerely,

Lawrence M. Noble
General Counsel

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

17 December 1987

**CERTIFIED MAIL**
**RETURN RECEIPT REQUESTED**

Casey Miller
Executive Director
Select Committee to Investigate
Covert Arms Transactions with
Iran
Capitol Building, Room H-419
Washington, D.C. 20515

Re: MUR 2406

Dear Mr. Miller:

The Federal Election Commission has the statutory duty for the civil enforcement of the Federal Election Campaign Act of 1971, as amended. Pursuant to this responsibility, the Commission requests that the the Select Committee provide, in such manner and at such time as it deems appropriate, any information relating to possible violations of the Federal Election Campaign Act of 1971, as amended, by the National Endowment for the Preservation of Liberty, Sentinel, the American Conservative Trust, and Carl Russell Channell.

Because this information is being sought as part of an investigation being conducted by the Commission, the confidentiality provision of 2 U.S.C. § 437g(a)(12)(A) applies. That section prohibits making public any investigation conducted by the Commission without the express written consent of the person with respect to whom the investigation is made. You are advised that no such consent has been given in this case.

If you have any questions, please direct them to Jonathan Levin, the attorney assigned to this matter, at (202) 376-5690.

Sincerely,

Lawrence M. Noble
General Counsel

cc: Mary Jane Checchi

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

17 December 1987

**CERTIFIED MAIL**
**RETURN RECEIPT REQUESTED**

Mary Jane Checchi
Staff Director
Select Committee on Secret Military
Assistance to Iran and the Nicaragua
Opposition
901 Hart Senate Office Building
Washington, D.C. 20510

Re: MUR 2406

Dear Ms. Checchi:

The Federal Election Commission has the statutory duty for the civil enforcement of the Federal Election Campaign Act of 1971, as amended. Pursuant to this responsibility, the Commission requests that the the Select Committee provide, in such manner and at such time as it deems appropriate, any information relating to possible violations of the Federal Election Campaign Act of 1971, as amended, by the National Endowment for the Preservation of Liberty, Sentinel, the American Conservative Trust, and Carl Russell Channell.

Because this information is being sought as part of an investigation being conducted by the Commission, the confidentiality provision of 2 U.S.C. § 437g(a)(12)(A) applies. That section prohibits making public any investigation conducted by the Commission without the express written consent of the person with respect to whom the investigation is made. You are advised that no such consent has been given in this case.

If you have any questions, please direct them to Jonathan Levin, the attorney assigned to this matter, at (202) 376-5690.

Sincerely,

Lawrence M. Noble
General Counsel

cc: Casey Miller

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

17 December 1987

**CERTIFIED MAIL**
**RETURN RECEIPT REQUESTED**

Inman Brandon
3300 First National Bank Tower
Atlanta, GA 30303

Re: MUR 2406

Dear Mr. Brandon:

The Federal Election Commission has the statutory duty of enforcing the Federal Election Campaign Act of 1971, as amended. The Commission has issued the attached interrogatories and requests for documents in connection with an investigation it is conducting. The Commission does not consider you a respondent in this matter, but rather a witness only.

Because this information is being sought as part of an investigation being conducted by the Commission, the confidentiality provision of 2 U.S.C. § 437g(a)(12)(A) applies. That section prohibits making public any investigation conducted by the Commission without the express written consent of the person with respect to whom the investigation is made. You are advised that no such consent has been given in this case.

You may consult with an attorney and have an attorney assist you in the preparation of your responses to this request. However, you are required to submit the information under oath within 15 days of your receipt of this letter.

If you have any questions, please direct them to Michael Marinelli, the staff member handling this matter, at (202) 376-5690.

Sincerely,

Lawrence M. Noble
General Counsel

Enclosure
Interrogatories and Requests for Documents

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**BEFORE THE FEDERAL ELECTION COMMISSION**

In the Matter of )
) MUR 2406
)

**INTERROGATORIES AND REQUEST FOR PRODUCTION OF DOCUMENTS**

TO: Inman Brandon
3300 First National Bank Tower
Atlanta, GA 30303

In furtherance of its investigation in the above-captioned matter, the Federal Election Commission hereby requests that you submit answers in writing and under oath to the questions set forth below within 15 days of your receipt of this request. In addition, the Commission hereby requests that you produce the documents specified below, in their entirety, for inspection and copying at the Office of the General Counsel, Federal Election Commission, Room 659, 999 E Street, N.W., Washington, DC 20463, on or before the same deadline, and continue to produce those documents each day thereafter as may be necessary for counsel for the Commission to complete their examination and reproduction of those documents. Clear and legible copies or duplicates of the documents which, where applicable, show both sides of the documents may be submitted in lieu of the production of the originals.

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## INSTRUCTIONS

In answering these interrogatories and request for production of documents, furnish all documents and other information, however obtained, including hearsay, that is in your possession, known by or otherwise available to you, including documents and information appearing in your records.

Each answer is to be given separately and independently, and unless specifically stated in the particular discovery request, no answer shall be given solely by reference either to another answer or to an exhibit attached to your response.

If you cannot answer the following interrogatories in full after exercising due diligence to secure the full information to do so, answer to the extent possible and indicate your inability to answer the remainder, stating whatever information or knowledge you have concerning the unanswered portion and detailing what you did in attempting to secure the unknown information.

Should you claim a privilege with respect to any documents, communications, or other items about which information is requested by any of the following interrogatories and requests for production of documents, describe such items in sufficient detail to provide justification for the claim. Each claim of privilege must specify in detail all the grounds on which it rests.

Unless otherwise indicated, the interrogatories and requests shall refer to the time period from January 1, 1985, to December 31, 1986.

The following interrogatories and requests for production of documents are continuing in nature so as to require you to file supplementary responses or amendments during the course of this investigation if you obtain further or different information prior to or during the pendency of this matter. Include in any supplemental answers the date upon which and the manner in which such further or different information came to your attention.

## DEFINITIONS

For the purpose of these discovery requests, including the instructions thereto, the terms listed below are defined as follows:

"Persons" shall be deemed to include both singular and plural, and shall mean any natural person, partnership, committee, association, corporation, or any other type of organization or entity.

"Document" shall mean the original and all non-identical copies, including drafts, of all papers and records of every type in your possession, custody, or control, or known by you to exist. The term document includes, but is not limited to books, letters, contracts, notes, diaries, log sheets, records of telephone communications, transcripts, vouchers, accounting statements, ledgers, checks, money orders or other commercial paper, telegrams, telexes, pamphlets, circulars, leaflets, reports, memoranda, correspondence, surveys, tabulations, audio and video recordings, drawings, photographs, graphs, charts, diagrams, lists, computer print-outs, and all other writings and other data compilations from which information can be obtained.

"Identify" with respect to a document shall mean state the nature or type of document (e.g., letter, memorandum), the date, if any, appearing thereon, the date on which the document was prepared, the title of the document, the general subject matter of the document, the location of the document, the number of pages comprising the document.

"Identify" with respect to a person shall mean state the full name, the most recent business and residence addresses and telephone numbers, the present occupation or position of such person, the nature of the connection or association that person has to any party in this proceeding. If the person to be identified is not a natural person, provide the legal and trade names, the address and telephone number, and the full names of both the chief executive officer and the agent designated to receive service of process for such person.

"And" as well as "or" shall be construed disjunctively or conjunctively as necessary to bring within the scope of these interrogatories and requests for the production of documents any documents and materials which may otherwise be construed to be out of their scope.

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**INTERROGATORIES AND REQUESTS FOR DOCUMENTS**

1. State whether you made any gifts of money to the National Endowment for the Preservation of Liberty, Sentinel, the American Conservative Trust, or the American Conservative Trust State Election Fund in 1985 or 1986.

   a. If so, state the date and the amount and the payee of all such gifts.

   b. Provide a true copy of the front and back of all checks by which such gifts were made.

   c. Provide true copies of all correspondence and all other writings related to the making of these gifts.

2. State whether the National Endowment for the Preservation of Liberty, Sentinel, the American Conservative Trust, or the American Conservative Trust State Election Fund requested or solicited gifts of money from you in 1985 or 1986.

   a. If such request(s) or solicitation(s) was (were) made by telephone, state the date(s) of all such telephone calls, identify the person(s) who made the request(s) or solicitation(s) or call(s) and all other person(s) who participated in the telephone calls, identify the organization(s) on whose behalf the request(s) or solicitation(s) was (were) made, and describe in detail the content of all such telephone calls.

   b. If such request(s) or solicitation(s) was (were) written, provide true copies of all such requests or solicitations that you received.

   c. If such request(s) or solicitation(s) was (were) made personally or face to face, state the date and place of all such meetings, identify the person(s) participating in each meeting and the organization(s) on whose behalf the request(s) or solicitation(s) was (were) made, and describe in detail the content of all such meetings, and provide all documents relating to such request(s) or solicitation(s).

   d. If you are unable to provide a true copy of any written document, state each and every reason why you are unable to do so, identify the person(s) who signed the document and each organization on whose behalf it was made and the date of each document, and describe in detail the content of all such documents.

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e. If you are unable to provide any specific fact, state each and every reason why you are unable to do so.

3. State whether person(s) who requested or solicited gifts of money from you in 1985 or 1986 on behalf of the National Endowment for the Preservation of Liberty, Sentinel, the American Conservative Trust, or the American Conservative Trust State Election Fund, in any manner, informed you or represented to you that such gifts would be used to pay for the costs of television advertisements relating to the Nicaragua Freedom Fighters (or Contras) or the Strategic Defense Initiative. If so, identify the person(s) who so informed you and the organization(s) on whose behalf such funds were sought and the date(s) of all such communications and describe in detail what you were told.

4. State whether person(s) who requested or solicited gifts of money from you in 1985 or 1986 on behalf of the National Endowment for the Preservation of Liberty, Sentinel, the American Conservative Trust, the American Conservative Trust State Election Fund, in any manner, informed you or represented to you that such gifts were in connection with or for the purpose of influencing any election for Federal office (such as for the House of Representatives or the Senate). If so, identify the person(s) who so informed you or made such representations and the organization(s) on whose behalf such statements were made and the date(s) of all such communications and describe in detail what you were told. Provide copies of all documents relating to such statements or representations.

5. Identify all persons (other than your attorney) including the news media to whom you have made other statements, either written or oral, about gifts of money or solicitations or requests for such gifts you may have made to the National Endowment for the Preservation of Liberty, Sentinel, the American Conservative Trust, or the American Conservative Trust State Election Fund. State the date of all such statements and provide a copy of all written statements you have made to such persons or describe in detail the content of all such statements.

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

17 December 1987

**CERTIFIED MAIL**
**RETURN RECEIPT REQUESTED**

Barbara Newington
P.O. Box 1098
Greenwich, CT 06830

Re: MUR 2406

Dear Mrs. Newington:

The Federal Election Commission has the statutory duty of enforcing the Federal Election Campaign Act of 1971, as amended. The Commission has issued the attached interrogatories and requests for documents in connection with an investigation it is conducting. The Commission does not consider you a respondent in this matter, but rather a witness only.

Because this information is being sought as part of an investigation being conducted by the Commission, the confidentiality provision of 2 U.S.C. § 437g(a)(12)(A) applies. That section prohibits making public any investigation conducted by the Commission without the express written consent of the person with respect to whom the investigation is made. You are advised that no such consent has been given in this case.

You may consult with an attorney and have an attorney assist you in the preparation of your responses to this request. However, you are required to submit the information under oath within 15 days of your receipt of this letter.

If you have any questions, please direct them to Michael Marinelli, the staff member handling this matter, at (202) 376-5690.

Sincerely,

Lawrence M. Noble
General Counsel

Enclosure
Interrogatories and Requests for Documents

0040753880

**BEFORE THE FEDERAL ELECTION COMMISSION**

In the Matter of )
) MUR 2406
)

**INTERROGATORIES AND REQUEST FOR PRODUCTION OF DOCUMENTS**

TO: Barbara Newington
P.O. Box 1098
Greenwich, CT 06830

In furtherance of its investigation in the above-captioned matter, the Federal Election Commission hereby requests that you submit answers in writing and under oath to the questions set forth below within 15 days of your receipt of this request. In addition, the Commission hereby requests that you produce the documents specified below, in their entirety, for inspection and copying at the Office of the General Counsel, Federal Election Commission, Room 659, 999 E Street, N.W., Washington, DC 20463, on or before the same deadline, and continue to produce those documents each day thereafter as may be necessary for counsel for the Commission to complete their examination and reproduction of those documents. Clear and legible copies or duplicates of the documents which, where applicable, show both sides of the documents may be submitted in lieu of the production of the originals.

0040793887

## INSTRUCTIONS

In answering these interrogatories and request for production of documents, furnish all documents and other information, however obtained, including hearsay, that is in your possession, known by or otherwise available to you, including documents and information appearing in your records.

Each answer is to be given separately and independently, and unless specifically stated in the particular discovery request, no answer shall be given solely by reference either to another answer or to an exhibit attached to your response.

If you cannot answer the following interrogatories in full after exercising due diligence to secure the full information to do so, answer to the extent possible and indicate your inability to answer the remainder, stating whatever information or knowledge you have concerning the unanswered portion and detailing what you did in attempting to secure the unknown information.

Should you claim a privilege with respect to any documents, communications, or other items about which information is requested by any of the following interrogatories and requests for production of documents, describe such items in sufficient detail to provide justification for the claim. Each claim of privilege must specify in detail all the grounds on which it rests.

Unless otherwise indicated, the interrogatories and requests shall refer to the time period from January 1, 1985, to December 31, 1986.

The following interrogatories and requests for production of documents are continuing in nature so as to require you to file supplementary responses or amendments during the course of this investigation if you obtain further or different information prior to or during the pendency of this matter. Include in any supplemental answers the date upon which and the manner in which such further or different information came to your attention.

9004076383

**DEFINITIONS**

For the purpose of these discovery requests, including the instructions thereto, the terms listed below are defined as follows:

"Persons" shall be deemed to include both singular and plural, and shall mean any natural person, partnership, committee, association, corporation, or any other type of organization or entity.

"Document" shall mean the original and all non-identical copies, including drafts, of all papers and records of every type in your possession, custody, or control, or known by you to exist. The term document includes, but is not limited to books, letters, contracts, notes, diaries, log sheets, records of telephone communications, transcripts, vouchers, accounting statements, ledgers, checks, money orders or other commercial paper, telegrams, telexes, pamphlets, circulars, leaflets, reports, memoranda, correspondence, surveys, tabulations, audio and video recordings, drawings, photographs, graphs, charts, diagrams, lists, computer print-outs, and all other writings and other data compilations from which information can be obtained.

"Identify" with respect to a document shall mean state the nature or type of document (e.g., letter, memorandum), the date, if any, appearing thereon, the date on which the document was prepared, the title of the document, the general subject matter of the document, the location of the document, the number of pages comprising the document.

"Identify" with respect to a person shall mean state the full name, the most recent business and residence addresses and telephone numbers, the present occupation or position of such person, the nature of the connection or association that person has to any party in this proceeding. If the person to be identified is not a natural person, provide the legal and trade names, the address and telephone number, and the full names of both the chief executive officer and the agent designated to receive service of process for such person.

"And" as well as "or" shall be construed disjunctively or conjunctively as necessary to bring within the scope of these interrogatories and requests for the production of documents any documents and materials which may otherwise be construed to be out of their scope.

9004079389

**INTERROGATORIES AND REQUESTS FOR DOCUMENTS**

1. State whether you made any gifts of money to the National Endowment for the Preservation of Liberty, Sentinel, the American Conservative Trust, or the American Conservative Trust State Election Fund in 1985 or 1986.

   a. If so, state the date and the amount and the payee of all such gifts.

   b. Provide a true copy of the front and back of all checks by which such gifts were made.

   c. Provide true copies of all correspondence and all other writings related to the making of these gifts.

2. State whether the National Endowment for the Preservation of Liberty, Sentinel, the American Conservative Trust, or the American Conservative Trust State Election Fund requested or solicited gifts of money from you in 1985 or 1986.

   a. If such request(s) or solicitation(s) was (were) made by telephone, state the date(s) of all such telephone calls, identify the person(s) who made the request(s) or solicitation(s) or call(s) and all other person(s) who participated in the telephone calls, identify the organization(s) on whose behalf the request(s) or solicitation(s) was (were) made, and describe in detail the content of all such telephone calls.

   b. If such request(s) or solicitation(s) was (were) written, provide true copies of all such requests or solicitations that you received.

   c. If such request(s) or solicitation(s) was (were) made personally or face to face, state the date and place of all such meetings, identify the person(s) participating in each meeting and the organization(s) on whose behalf the request(s) or solicitation(s) was (were) made, and describe in detail the content of all such meetings, and provide all documents relating to such request(s) or solicitation(s).

   d. If you are unable to provide a true copy of any written document, state each and every reason why you are unable to do so, identify the person(s) who signed the document and each organization on whose behalf it was made and the date of each document, and describe in detail the content of all such documents.

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e. If you are unable to provide any specific fact, state each and every reason why you are unable to do so.

3. State whether person(s) who requested or solicited gifts of money from you in 1985 or 1986 on behalf of the National Endowment for the Preservation of Liberty, Sentinel, the American Conservative Trust, or the American Conservative Trust State Election Fund, in any manner, informed you or represented to you that such gifts would be used to pay for the costs of television advertisements relating to the Nicaragua Freedom Fighters (or Contras) or the Strategic Defense Initiative. If so, identify the person(s) who so informed you and the organization(s) on whose behalf such funds were sought and the date(s) of all such communications and describe in detail what you were told.

4. State whether person(s) who requested or solicited gifts of money from you in 1985 or 1986 on behalf of the National Endowment for the Preservation of Liberty, Sentinel, the American Conservative Trust, the American Conservative Trust State Election Fund, in any manner, informed you or represented to you that such gifts were in connection with or for the purpose of influencing any election for Federal office (such as for the House of Representatives or the Senate). If so, identify the person(s) who so informed you or made such representations and the organization(s) on whose behalf such statements were made and the date(s) of all such communications and describe in detail what you were told. Provide copies of all documents relating to such statements or representations.

5. Identify all persons (other than your attorney) including the news media to whom you have made other statements, either written or oral, about gifts of money or solicitations or requests for such gifts you may have made to the National Endowment for the Preservation of Liberty, Sentinel, the American Conservative Trust, or the American Conservative Trust State Election Fund. State the date of all such statements and provide a copy of all written statements you have made to such persons or describe in detail the content of all such statements.

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plm

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

17 December 1987

**CERTIFIED MAIL**
**RETURN RECEIPT REQUESTED**

Robert Mosbacher
Mosbacher Production Co.
Suite 2100
1300 Main Street
Houston, TX 77002

Re: MUR 2406

Dear Mr. Mosbacher:

The Federal Election Commission has the statutory duty of enforcing the Federal Election Campaign Act of 1971, as amended. The Commission has issued the attached interrogatories and requests for documents in connection with an investigation it is conducting. The Commission does not consider you a respondent in this matter, but rather a witness only.

Because this information is being sought as part of an investigation being conducted by the Commission, the confidentiality provision of 2 U.S.C. § 437g(a)(12)(A) applies. That section prohibits making public any investigation conducted by the Commission without the express written consent of the person with respect to whom the investigation is made. You are advised that no such consent has been given in this case.

You may consult with an attorney and have an attorney assist you in the preparation of your responses to this request. However, you are required to submit the information under oath within 15 days of your receipt of this letter.

If you have any questions, please direct them to Michael Marinelli, the staff member handling this matter, at (202) 376-5690.

Sincerely,

Lawrence M. Noble
General Counsel

Enclosure
Interrogatories and Requests for Documents

9004079389 2

**BEFORE THE FEDERAL ELECTION COMMISSION**

In the Matter of )
) MUR 2406
)

**INTERROGATORIES AND REQUEST FOR PRODUCTION OF DOCUMENTS**

TO: Robert Mosbacher
Mosbacher Production Co.
Suite 2100
1300 Main Street
Houston, TX 77002

In furtherance of its investigation in the above-captioned matter, the Federal Election Commission hereby requests that you submit answers in writing and under oath to the questions set forth below within 15 days of your receipt of this request. In addition, the Commission hereby requests that you produce the documents specified below, in their entirety, for inspection and copying at the Office of the General Counsel, Federal Election Commission, Room 659, 999 E Street, N.W., Washington, DC 20463, on or before the same deadline, and continue to produce those documents each day thereafter as may be necessary for counsel for the Commission to complete their examination and reproduction of those documents. Clear and legible copies or duplicates of the documents which, where applicable, show both sides of the documents may be submitted in lieu of the production of the originals.

2004079893

## INSTRUCTIONS

In answering these interrogatories and request for production of documents, furnish all documents and other information, however obtained, including hearsay, that is in your possession, known by or otherwise available to you, including documents and information appearing in your records.

Each answer is to be given separately and independently, and unless specifically stated in the particular discovery request, no answer shall be given solely by reference either to another answer or to an exhibit attached to your response.

If you cannot answer the following interrogatories in full after exercising due diligence to secure the full information to do so, answer to the extent possible and indicate your inability to answer the remainder, stating whatever information or knowledge you have concerning the unanswered portion and detailing what you did in attempting to secure the unknown information.

Should you claim a privilege with respect to any documents, communications, or other items about which information is requested by any of the following interrogatories and requests for production of documents, describe such items in sufficient detail to provide justification for the claim. Each claim of privilege must specify in detail all the grounds on which it rests.

Unless otherwise indicated, the interrogatories and requests shall refer to the time period from January 1, 1985, to December 31, 1986.

The following interrogatories and requests for production of documents are continuing in nature so as to require you to file supplementary responses or amendments during the course of this investigation if you obtain further or different information prior to or during the pendency of this matter. Include in any supplemental answers the date upon which and the manner in which such further or different information came to your attention.

9004079394

**DEFINITIONS**

For the purpose of these discovery requests, including the instructions thereto, the terms listed below are defined as follows:

"Persons" shall be deemed to include both singular and plural, and shall mean any natural person, partnership, committee, association, corporation, or any other type of organization or entity.

"Document" shall mean the original and all non-identical copies, including drafts, of all papers and records of every type in your possession, custody, or control, or known by you to exist. The term document includes, but is not limited to books, letters, contracts, notes, diaries, log sheets, records of telephone communications, transcripts, vouchers, accounting statements, ledgers, checks, money orders or other commercial paper, telegrams, telexes, pamphlets, circulars, leaflets, reports, memoranda, correspondence, surveys, tabulations, audio and video recordings, drawings, photographs, graphs, charts, diagrams, lists, computer print-outs, and all other writings and other data compilations from which information can be obtained.

"Identify" with respect to a document shall mean state the nature or type of document (e.g., letter, memorandum), the date, if any, appearing thereon, the date on which the document was prepared, the title of the document, the general subject matter of the document, the location of the document, the number of pages comprising the document.

"Identify" with respect to a person shall mean state the full name, the most recent business and residence addresses and telephone numbers, the present occupation or position of such person, the nature of the connection or association that person has to any party in this proceeding. If the person to be identified is not a natural person, provide the legal and trade names, the address and telephone number, and the full names of both the chief executive officer and the agent designated to receive service of process for such person.

"And" as well as "or" shall be construed disjunctively or conjunctively as necessary to bring within the scope of these interrogatories and requests for the production of documents any documents and materials which may otherwise be construed to be out of their scope.

0004076893

**INTERROGATORIES AND REQUESTS FOR DOCUMENTS**

1. State whether you made any gifts of money to the National Endowment for the Preservation of Liberty, Sentinel, the American Conservative Trust, or the American Conservative Trust State Election Fund in 1985 or 1986.

   a. If so, state the date and the amount and the payee of all such gifts.

   b. Provide a true copy of the front and back of all checks by which such gifts were made.

   c. Provide true copies of all correspondence and all other writings related to the making of these gifts.

2. State whether the National Endowment for the Preservation of Liberty, Sentinel, the American Conservative Trust, or the American Conservative Trust State Election Fund requested or solicited gifts of money from you in 1985 or 1986.

   a. If such request(s) or solicitation(s) was (were) made by telephone, state the date(s) of all such telephone calls, identify the person(s) who made the request(s) or solicitation(s) or call(s) and all other person(s) who participated in the telephone calls, identify the organization(s) on whose behalf the request(s) or solicitation(s) was (were) made, and describe in detail the content of all such telephone calls.

   b. If such request(s) or solicitation(s) was (were) written, provide true copies of all such requests or solicitations that you received.

   c. If such request(s) or solicitation(s) was (were) made personally or face to face, state the date and place of all such meetings, identify the person(s) participating in each meeting and the organization(s) on whose behalf the request(s) or solicitation(s) was (were) made, and describe in detail the content of all such meetings, and provide all documents relating to such request(s) or solicitation(s).

   d. If you are unable to provide a true copy of any written document, state each and every reason why you are unable to do so, identify the person(s) who signed the document and each organization on whose behalf it was made and the date of each document, and describe in detail the content of all such documents.

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e. If you are unable to provide any specific fact, state each and every reason why you are unable to do so.

3. State whether person(s) who requested or solicited gifts of money from you in 1985 or 1986 on behalf of the National Endowment for the Preservation of Liberty, Sentinel, the American Conservative Trust, or the American Conservative Trust State Election Fund, in any manner, informed you or represented to you that such gifts would be used to pay for the costs of television advertisements relating to the Nicaragua Freedom Fighters (or Contras) or the Strategic Defense Initiative. If so, identify the person(s) who so informed you and the organization(s) on whose behalf such funds were sought and the date(s) of all such communications and describe in detail what you were told.

4. State whether person(s) who requested or solicited gifts of money from you in 1985 or 1986 on behalf of the National Endowment for the Preservation of Liberty, Sentinel, the American Conservative Trust, the American Conservative Trust State Election Fund, in any manner, informed you or represented to you that such gifts were in connection with or for the purpose of influencing any election for Federal office (such as for the House of Representatives or the Senate). If so, identify the person(s) who so informed you or made such representations and the organization(s) on whose behalf such statements were made and the date(s) of all such communications and describe in detail what you were told. Provide copies of all documents relating to such statements or representations.

5. Identify all persons (other than your attorney) including the news media to whom you have made other statements, either written or oral, about gifts of money or solicitations or requests for such gifts you may have made to the National Endowment for the Preservation of Liberty, Sentinel, the American Conservative Trust, or the American Conservative Trust State Election Fund. State the date of all such statements and provide a copy of all written statements you have made to such persons or describe in detail the content of all such statements.

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plm

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

17 December 1987

**CERTIFIED MAIL**
**RETURN RECEIPT REQUESTED**

Barbara Bullitt Christian
Frogs Jump Skylight
3601 Axton Lane
Goshen, KY 40026

Re: MUR 2406

Dear Ms. Christian:

The Federal Election Commission has the statutory duty of enforcing the Federal Election Campaign Act of 1971, as amended. The Commission has issued the attached interrogatories and requests for documents in connection with an investigation it is conducting. The Commission does not consider you a respondent in this matter, but rather a witness only.

Because this information is being sought as part of an investigation being conducted by the Commission, the confidentiality provision of 2 U.S.C. § 437g(a)(12)(A) applies. That section prohibits making public any investigation conducted by the Commission without the express written consent of the person with respect to whom the investigation is made. You are advised that no such consent has been given in this case.

You may consult with an attorney and have an attorney assist you in the preparation of your responses to this request. However, you are required to submit the information under oath within 15 days of your receipt of this letter.

If you have any questions, please direct them to Michael Marinelli, the staff member handling this matter, at (202) 376-5690.

Sincerely,

Lawrence M. Noble
General Counsel

Enclosure
Interrogatories and Requests for Documents

0004074588

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of )
) MUR 2406
)

INTERROGATORIES AND REQUEST
FOR PRODUCTION OF DOCUMENTS

TO: Barbara Bullitt Christian
Frogs Jump Skylight
3601 Axton Lane
Goshen, KY 40026

In furtherance of its investigation in the above-captioned matter, the Federal Election Commission hereby requests that you submit answers in writing and under oath to the questions set forth below within 15 days of your receipt of this request. In addition, the Commission hereby requests that you produce the documents specified below, in their entirety, for inspection and copying at the Office of the General Counsel, Federal Election Commission, Room 659, 999 E Street, N.W., Washington, DC 20463, on or before the same deadline, and continue to produce those documents each day thereafter as may be necessary for counsel for the Commission to complete their examination and reproduction of those documents. Clear and legible copies or duplicates of the documents which, where applicable, show both sides of the documents may be submitted in lieu of the production of the originals.

0004073899

## INSTRUCTIONS

In answering these interrogatories and request for production of documents, furnish all documents and other information, however obtained, including hearsay, that is in your possession, known by or otherwise available to you, including documents and information appearing in your records.

Each answer is to be given separately and independently, and unless specifically stated in the particular discovery request, no answer shall be given solely by reference either to another answer or to an exhibit attached to your response.

If you cannot answer the following interrogatories in full after exercising due diligence to secure the full information to do so, answer to the extent possible and indicate your inability to answer the remainder, stating whatever information or knowledge you have concerning the unanswered portion and detailing what you did in attempting to secure the unknown information.

Should you claim a privilege with respect to any documents, communications, or other items about which information is requested by any of the following interrogatories and requests for production of documents, describe such items in sufficient detail to provide justification for the claim. Each claim of privilege must specify in detail all the grounds on which it rests.

Unless otherwise indicated, the interrogatories and requests shall refer to the time period from January 1, 1985, to December 31, 1986.

The following interrogatories and requests for production of documents are continuing in nature so as to require you to file supplementary responses or amendments during the course of this investigation if you obtain further or different information prior to or during the pendency of this matter. Include in any supplemental answers the date upon which and the manner in which such further or different information came to your attention.

0004076900

## DEFINITIONS

For the purpose of these discovery requests, including the instructions thereto, the terms listed below are defined as follows:

"Persons" shall be deemed to include both singular and plural, and shall mean any natural person, partnership, committee, association, corporation, or any other type of organization or entity.

"Document" shall mean the original and all non-identical copies, including drafts, of all papers and records of every type in your possession, custody, or control, or known by you to exist. The term document includes, but is not limited to books, letters, contracts, notes, diaries, log sheets, records of telephone communications, transcripts, vouchers, accounting statements, ledgers, checks, money orders or other commercial paper, telegrams, telexes, pamphlets, circulars, leaflets, reports, memoranda, correspondence, surveys, tabulations, audio and video recordings, drawings, photographs, graphs, charts, diagrams, lists, computer print-outs, and all other writings and other data compilations from which information can be obtained.

"Identify" with respect to a document shall mean state the nature or type of document (e.g., letter, memorandum), the date, if any, appearing thereon, the date on which the document was prepared, the title of the document, the general subject matter of the document, the location of the document, the number of pages comprising the document.

"Identify" with respect to a person shall mean state the full name, the most recent business and residence addresses and telephone numbers, the present occupation or position of such person, the nature of the connection or association that person has to any party in this proceeding. If the person to be identified is not a natural person, provide the legal and trade names, the address and telephone number, and the full names of both the chief executive officer and the agent designated to receive service of process for such person.

"And" as well as "or" shall be construed disjunctively or conjunctively as necessary to bring within the scope of these interrogatories and requests for the production of documents any documents and materials which may otherwise be construed to be out of their scope.

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**INTERROGATORIES AND REQUESTS FOR DOCUMENTS**

1. State whether you made any gifts of money to the National Endowment for the Preservation of Liberty, Sentinel, the American Conservative Trust, or the American Conservative Trust State Election Fund in 1985 or 1986.

   a. If so, state the date and the amount and the payee of all such gifts.

   b. Provide a true copy of the front and back of all checks by which such gifts were made.

   c. Provide true copies of all correspondence and all other writings related to the making of these gifts.

2. State whether the National Endowment for the Preservation of Liberty, Sentinel, the American Conservative Trust, or the American Conservative Trust State Election Fund requested or solicited gifts of money from you in 1985 or 1986.

   a. If such request(s) or solicitation(s) was (were) made by telephone, state the date(s) of all such telephone calls, identify the person(s) who made the request(s) or solicitation(s) or call(s) and all other person(s) who participated in the telephone calls, identify the organization(s) on whose behalf the request(s) or solicitation(s) was (were) made, and describe in detail the content of all such telephone calls.

   b. If such request(s) or solicitation(s) was (were) written, provide true copies of all such requests or solicitations that you received.

   c. If such request(s) or solicitation(s) was (were) made personally or face to face, state the date and place of all such meetings, identify the person(s) participating in each meeting and the organization(s) on whose behalf the request(s) or solicitation(s) was (were) made, and describe in detail the content of all such meetings, and provide all documents relating to such request(s) or solicitation(s).

   d. If you are unable to provide a true copy of any written document, state each and every reason why you are unable to do so, identify the person(s) who signed the document and each organization on whose behalf it was made and the date of each document, and describe in detail the content of all such documents.

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e. If you are unable to provide any specific fact, state each and every reason why you are unable to do so.

3. State whether person(s) who requested or solicited gifts of money from you in 1985 or 1986 on behalf of the National Endowment for the Preservation of Liberty, Sentinel, the American Conservative Trust, or the American Conservative Trust State Election Fund, in any manner, informed you or represented to you that such gifts would be used to pay for the costs of television advertisements relating to the Nicaragua Freedom Fighters (or Contras) or the Strategic Defense Initiative. If so, identify the person(s) who so informed you and the organization(s) on whose behalf such funds were sought and the date(s) of all such communications and describe in detail what you were told.

4. State whether person(s) who requested or solicited gifts of money from you in 1985 or 1986 on behalf of the National Endowment for the Preservation of Liberty, Sentinel, the American Conservative Trust, the American Conservative Trust State Election Fund, in any manner, informed you or represented to you that such gifts were in connection with or for the purpose of influencing any election for Federal office (such as for the House of Representatives or the Senate). If so, identify the person(s) who so informed you or made such representations and the organization(s) on whose behalf such statements were made and the date(s) of all such communications and describe in detail what you were told. Provide copies of all documents relating to such statements or representations.

5. Identify all persons (other than your attorney) including the news media to whom you have made other statements, either written or oral, about gifts of money or solicitations or requests for such gifts you may have made to the National Endowment for the Preservation of Liberty, Sentinel, the American Conservative Trust, or the American Conservative Trust State Election Fund. State the date of all such statements and provide a copy of all written statements you have made to such persons or describe in detail the content of all such statements.

0004079690

plm

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

17 December 1987

**CERTIFIED MAIL**
**RETURN RECEIPT REQUESTED**

Frank G. Darlington
24 Winding Road
Leetsdale, PA 15056

Re: MUR 2406

Dear Mr. Darlington:

The Federal Election Commission has the statutory duty of enforcing the Federal Election Campaign Act of 1971, as amended. The Commission has issued the attached interrogatories and requests for documents in connection with an investigation it is conducting. The Commission does not consider you a respondent in this matter, but rather a witness only.

Because this information is being sought as part of an investigation being conducted by the Commission, the confidentiality provision of 2 U.S.C. § 437g(a)(12)(A) applies. That section prohibits making public any investigation conducted by the Commission without the express written consent of the person with respect to whom the investigation is made. You are advised that no such consent has been given in this case.

You may consult with an attorney and have an attorney assist you in the preparation of your responses to this request. However, you are required to submit the information under oath within 15 days of your receipt of this letter.

If you have any questions, please direct them to Michael Marinelli, the staff member handling this matter, at (202) 376-5690.

Sincerely,

Lawrence M. Noble
General Counsel

Enclosure
Interrogatories and Requests for Documents

0004079904

**BEFORE THE FEDERAL ELECTION COMMISSION**

In the Matter of )
)
) MUR 2406
)

**INTERROGATORIES AND REQUEST FOR PRODUCTION OF DOCUMENTS**

TO: Frank G. Darlington
24 Winding Road
Leetsdale, PA 15056

In furtherance of its investigation in the above-captioned matter, the Federal Election Commission hereby requests that you submit answers in writing and under oath to the questions set forth below within 15 days of your receipt of this request. In addition, the Commission hereby requests that you produce the documents specified below, in their entirety, for inspection and copying at the Office of the General Counsel, Federal Election Commission, Room 659, 999 E Street, N.W., Washington, DC 20463, on or before the same deadline, and continue to produce those documents each day thereafter as may be necessary for counsel for the Commission to complete their examination and reproduction of those documents. Clear and legible copies or duplicates of the documents which, where applicable, show both sides of the documents may be submitted in lieu of the production of the originals.

0004079903

## INSTRUCTIONS

In answering these interrogatories and request for production of documents, furnish all documents and other information, however obtained, including hearsay, that is in your possession, known by or otherwise available to you, including documents and information appearing in your records.

Each answer is to be given separately and independently, and unless specifically stated in the particular discovery request, no answer shall be given solely by reference either to another answer or to an exhibit attached to your response.

If you cannot answer the following interrogatories in full after exercising due diligence to secure the full information to do so, answer to the extent possible and indicate your inability to answer the remainder, stating whatever information or knowledge you have concerning the unanswered portion and detailing what you did in attempting to secure the unknown information.

Should you claim a privilege with respect to any documents, communications, or other items about which information is requested by any of the following interrogatories and requests for production of documents, describe such items in sufficient detail to provide justification for the claim. Each claim of privilege must specify in detail all the grounds on which it rests.

Unless otherwise indicated, the interrogatories and requests shall refer to the time period from January 1, 1985, to December 31, 1986.

The following interrogatories and requests for production of documents are continuing in nature so as to require you to file supplementary responses or amendments during the course of this investigation if you obtain further or different information prior to or during the pendency of this matter. Include in any supplemental answers the date upon which and the manner in which such further or different information came to your attention.

0040769000

## DEFINITIONS

For the purpose of these discovery requests, including the instructions thereto, the terms listed below are defined as follows:

"Persons" shall be deemed to include both singular and plural, and shall mean any natural person, partnership, committee, association, corporation, or any other type of organization or entity.

"Document" shall mean the original and all non-identical copies, including drafts, of all papers and records of every type in your possession, custody, or control, or known by you to exist. The term document includes, but is not limited to books, letters, contracts, notes, diaries, log sheets, records of telephone communications, transcripts, vouchers, accounting statements, ledgers, checks, money orders or other commercial paper, telegrams, telexes, pamphlets, circulars, leaflets, reports, memoranda, correspondence, surveys, tabulations, audio and video recordings, drawings, photographs, graphs, charts, diagrams, lists, computer print-outs, and all other writings and other data compilations from which information can be obtained.

"Identify" with respect to a document shall mean state the nature or type of document (e.g., letter, memorandum), the date, if any, appearing thereon, the date on which the document was prepared, the title of the document, the general subject matter of the document, the location of the document, the number of pages comprising the document.

"Identify" with respect to a person shall mean state the full name, the most recent business and residence addresses and telephone numbers, the present occupation or position of such person, the nature of the connection or association that person has to any party in this proceeding. If the person to be identified is not a natural person, provide the legal and trade names, the address and telephone number, and the full names of both the chief executive officer and the agent designated to receive service of process for such person.

"And" as well as "or" shall be construed disjunctively or conjunctively as necessary to bring within the scope of these interrogatories and requests for the production of documents any documents and materials which may otherwise be construed to be out of their scope.

0004079907

**INTERROGATORIES AND REQUESTS FOR DOCUMENTS**

1. State whether you made any gifts of money to the National Endowment for the Preservation of Liberty, Sentinel, the American Conservative Trust, or the American Conservative Trust State Election Fund in 1985 or 1986.

   a. If so, state the date and the amount and the payee of all such gifts.

   b. Provide a true copy of the front and back of all checks by which such gifts were made.

   c. Provide true copies of all correspondence and all other writings related to the making of these gifts.

2. State whether the National Endowment for the Preservation of Liberty, Sentinel, the American Conservative Trust, or the American Conservative Trust State Election Fund requested or solicited gifts of money from you in 1985 or 1986.

   a. If such request(s) or solicitation(s) was (were) made by telephone, state the date(s) of all such telephone calls, identify the person(s) who made the request(s) or solicitation(s) or call(s) and all other person(s) who participated in the telephone calls, identify the organization(s) on whose behalf the request(s) or solicitation(s) was (were) made, and describe in detail the content of all such telephone calls.

   b. If such request(s) or solicitation(s) was (were) written, provide true copies of all such requests or solicitations that you received.

   c. If such request(s) or solicitation(s) was (were) made personally or face to face, state the date and place of all such meetings, identify the person(s) participating in each meeting and the organization(s) on whose behalf the request(s) or solicitation(s) was (were) made, and describe in detail the content of all such meetings, and provide all documents relating to such request(s) or solicitation(s).

   d. If you are unable to provide a true copy of any written document, state each and every reason why you are unable to do so, identify the person(s) who signed the document and each organization on whose behalf it was made and the date of each document, and describe in detail the content of all such documents.

9004079908

e. If you are unable to provide any specific fact, state each and every reason why you are unable to do so.

3. State whether person(s) who requested or solicited gifts of money from you in 1985 or 1986 on behalf of the National Endowment for the Preservation of Liberty, Sentinel, the American Conservative Trust, or the American Conservative Trust State Election Fund, in any manner, informed you or represented to you that such gifts would be used to pay for the costs of television advertisements relating to the Nicaragua Freedom Fighters (or Contras) or the Strategic Defense Initiative. If so, identify the person(s) who so informed you and the organization(s) on whose behalf such funds were sought and the date(s) of all such communications and describe in detail what you were told.

4. State whether person(s) who requested or solicited gifts of money from you in 1985 or 1986 on behalf of the National Endowment for the Preservation of Liberty, Sentinel, the American Conservative Trust, the American Conservative Trust State Election Fund, in any manner, informed you or represented to you that such gifts were in connection with or for the purpose of influencing any election for Federal office (such as for the House of Representatives or the Senate). If so, identify the person(s) who so informed you or made such representations and the organization(s) on whose behalf such statements were made and the date(s) of all such communications and describe in detail what you were told. Provide copies of all documents relating to such statements or representations.

5. Identify all persons (other than your attorney) including the news media to whom you have made other statements, either written or oral, about gifts of money or solicitations or requests for such gifts you may have made to the National Endowment for the Preservation of Liberty, Sentinel, the American Conservative Trust, or the American Conservative Trust State Election Fund. State the date of all such statements and provide a copy of all written statements you have made to such persons or describe in detail the content of all such statements.

0040796907

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

17 December 1987

**CERTIFIED MAIL**
**RETURN RECEIPT REQUESTED**

Melvin Salwasser
P.O. Box 548
Reedley, CA 93654

Re: MUR 2406

Dear Mr. Salwasser:

The Federal Election Commission has the statutory duty of enforcing the Federal Election Campaign Act of 1971, as amended. The Commission has issued the attached interrogatories and requests for documents in connection with an investigation it is conducting. The Commission does not consider you a respondent in this matter, but rather a witness only.

Because this information is being sought as part of an investigation being conducted by the Commission, the confidentiality provision of 2 U.S.C. § 437g(a)(12)(A) applies. That section prohibits making public any investigation conducted by the Commission without the express written consent of the person with respect to whom the investigation is made. You are advised that no such consent has been given in this case.

You may consult with an attorney and have an attorney assist you in the preparation of your responses to this request. However, you are required to submit the information under oath within 15 days of your receipt of this letter.

If you have any questions, please direct them to Michael Marinelli, the staff member handling this matter, at (202) 376-5690.

Sincerely,

Lawrence M. Noble
General Counsel

Enclosure
Interrogatories and Requests for Documents

9004079910

**BEFORE THE FEDERAL ELECTION COMMISSION**

In the Matter of )
) MUR 2406
)

**INTERROGATORIES AND REQUEST FOR PRODUCTION OF DOCUMENTS**

TO: Melvin Salwasser
P.O. Box 548
Reedley, CA 93654

In furtherance of its investigation in the above-captioned matter, the Federal Election Commission hereby requests that you submit answers in writing and under oath to the questions set forth below within 15 days of your receipt of this request. In addition, the Commission hereby requests that you produce the documents specified below, in their entirety, for inspection and copying at the Office of the General Counsel, Federal Election Commission, Room 659, 999 E Street, N.W., Washington, DC 20463, on or before the same deadline, and continue to produce those documents each day thereafter as may be necessary for counsel for the Commission to complete their examination and reproduction of those documents. Clear and legible copies or duplicates of the documents which, where applicable, show both sides of the documents may be submitted in lieu of the production of the originals.

0004076911

## INSTRUCTIONS

In answering these interrogatories and request for production of documents, furnish all documents and other information, however obtained, including hearsay, that is in your possession, known by or otherwise available to you, including documents and information appearing in your records.

Each answer is to be given separately and independently, and unless specifically stated in the particular discovery request, no answer shall be given solely by reference either to another answer or to an exhibit attached to your response.

If you cannot answer the following interrogatories in full after exercising due diligence to secure the full information to do so, answer to the extent possible and indicate your inability to answer the remainder, stating whatever information or knowledge you have concerning the unanswered portion and detailing what you did in attempting to secure the unknown information.

Should you claim a privilege with respect to any documents, communications, or other items about which information is requested by any of the following interrogatories and requests for production of documents, describe such items in sufficient detail to provide justification for the claim. Each claim of privilege must specify in detail all the grounds on which it rests.

Unless otherwise indicated, the interrogatories and requests shall refer to the time period from January 1, 1985, to December 31, 1986.

The following interrogatories and requests for production of documents are continuing in nature so as to require you to file supplementary responses or amendments during the course of this investigation if you obtain further or different information prior to or during the pendency of this matter. Include in any supplemental answers the date upon which and the manner in which such further or different information came to your attention.

0004079912

## DEFINITIONS

For the purpose of these discovery requests, including the instructions thereto, the terms listed below are defined as follows:

"Persons" shall be deemed to include both singular and plural, and shall mean any natural person, partnership, committee, association, corporation, or any other type of organization or entity.

"Document" shall mean the original and all non-identical copies, including drafts, of all papers and records of every type in your possession, custody, or control, or known by you to exist. The term document includes, but is not limited to books, letters, contracts, notes, diaries, log sheets, records of telephone communications, transcripts, vouchers, accounting statements, ledgers, checks, money orders or other commercial paper, telegrams, telexes, pamphlets, circulars, leaflets, reports, memoranda, correspondence, surveys, tabulations, audio and video recordings, drawings, photographs, graphs, charts, diagrams, lists, computer print-outs, and all other writings and other data compilations from which information can be obtained.

"Identify" with respect to a document shall mean state the nature or type of document (e.g., letter, memorandum), the date, if any, appearing thereon, the date on which the document was prepared, the title of the document, the general subject matter of the document, the location of the document, the number of pages comprising the document.

"Identify" with respect to a person shall mean state the full name, the most recent business and residence addresses and telephone numbers, the present occupation or position of such person, the nature of the connection or association that person has to any party in this proceeding. If the person to be identified is not a natural person, provide the legal and trade names, the address and telephone number, and the full names of both the chief executive officer and the agent designated to receive service of process for such person.

"And" as well as "or" shall be construed disjunctively or conjunctively as necessary to bring within the scope of these interrogatories and requests for the production of documents any documents and materials which may otherwise be construed to be out of their scope.

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**INTERROGATORIES AND REQUESTS FOR DOCUMENTS**

1. State whether you made any gifts of money to the National Endowment for the Preservation of Liberty, Sentinel, the American Conservative Trust, or the American Conservative Trust State Election Fund in 1985 or 1986.

   a. If so, state the date and the amount and the payee of all such gifts.

   b. Provide a true copy of the front and back of all checks by which such gifts were made.

   c. Provide true copies of all correspondence and all other writings related to the making of these gifts.

2. State whether the National Endowment for the Preservation of Liberty, Sentinel, the American Conservative Trust, or the American Conservative Trust State Election Fund requested or solicited gifts of money from you in 1985 or 1986.

   a. If such request(s) or solicitation(s) was (were) made by telephone, state the date(s) of all such telephone calls, identify the person(s) who made the request(s) or solicitation(s) or call(s) and all other person(s) who participated in the telephone calls, identify the organization(s) on whose behalf the request(s) or solicitation(s) was (were) made, and describe in detail the content of all such telephone calls.

   b. If such request(s) or solicitation(s) was (were) written, provide true copies of all such requests or solicitations that you received.

   c. If such request(s) or solicitation(s) was (were) made personally or face to face, state the date and place of all such meetings, identify the person(s) participating in each meeting and the organization(s) on whose behalf the request(s) or solicitation(s) was (were) made, and describe in detail the content of all such meetings, and provide all documents relating to such request(s) or solicitation(s).

   d. If you are unable to provide a true copy of any written document, state each and every reason why you are unable to do so, identify the person(s) who signed the document and each organization on whose behalf it was made and the date of each document, and describe in detail the content of all such documents.

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e. If you are unable to provide any specific fact, state each and every reason why you are unable to do so.

3. State whether person(s) who requested or solicited gifts of money from you in 1985 or 1986 on behalf of the National Endowment for the Preservation of Liberty, Sentinel, the American Conservative Trust, or the American Conservative Trust State Election Fund, in any manner, informed you or represented to you that such gifts would be used to pay for the costs of television advertisements relating to the Nicaragua Freedom Fighters (or Contras) or the Strategic Defense Initiative. If so, identify the person(s) who so informed you and the organization(s) on whose behalf such funds were sought and the date(s) of all such communications and describe in detail what you were told.

4. State whether person(s) who requested or solicited gifts of money from you in 1985 or 1986 on behalf of the National Endowment for the Preservation of Liberty, Sentinel, the American Conservative Trust, the American Conservative Trust State Election Fund, in any manner, informed you or represented to you that such gifts were in connection with or for the purpose of influencing any election for Federal office (such as for the House of Representatives or the Senate). If so, identify the person(s) who so informed you or made such representations and the organization(s) on whose behalf such statements were made and the date(s) of all such communications and describe in detail what you were told. Provide copies of all documents relating to such statements or representations.

5. Identify all persons (other than your attorney) including the news media to whom you have made other statements, either written or oral, about gifts of money or solicitations or requests for such gifts you may have made to the National Endowment for the Preservation of Liberty, Sentinel, the American Conservative Trust, or the American Conservative Trust State Election Fund. State the date of all such statements and provide a copy of all written statements you have made to such persons or describe in detail the content of all such statements.

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plm

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

17 December 1987

**CERTIFIED MAIL**
**RETURN RECEIPT REQUESTED**

Mrs. W.W. Lynch
4924 Briarwood Place
Dallas, TX 75209

Re: MUR 2406

Dear Mrs. Lynch:

The Federal Election Commission has the statutory duty of enforcing the Federal Election Campaign Act of 1971, as amended. The Commission has issued the attached interrogatories and requests for documents in connection with an investigation it is conducting. The Commission does not consider you a respondent in this matter, but rather a witness only.

Because this information is being sought as part of an investigation being conducted by the Commission, the confidentiality provision of 2 U.S.C. § 437g(a)(12)(A) applies. That section prohibits making public any investigation conducted by the Commission without the express written consent of the person with respect to whom the investigation is made. You are advised that no such consent has been given in this case.

You may consult with an attorney and have an attorney assist you in the preparation of your responses to this request. However, you are required to submit the information under oath within 15 days of your receipt of this letter.

If you have any questions, please direct them to Michael Marinelli, the staff member handling this matter, at (202) 376-5690.

Sincerely,

Lawrence M. Noble
General Counsel

Enclosure
Interrogatories and Requests for Documents

0004079390

**BEFORE THE FEDERAL ELECTION COMMISSION**

In the Matter of )
) MUR 2406
)

**INTERROGATORIES AND REQUEST FOR PRODUCTION OF DOCUMENTS**

TO: Mrs. W.W. Lynch
4924 Briarwood Place
Dallas, TX 75209

In furtherance of its investigation in the above-captioned matter, the Federal Election Commission hereby requests that you submit answers in writing and under oath to the questions set forth below within 15 days of your receipt of this request. In addition, the Commission hereby requests that you produce the documents specified below, in their entirety, for inspection and copying at the Office of the General Counsel, Federal Election Commission, Room 659, 999 E Street, N.W., Washington, DC 20463, on or before the same deadline, and continue to produce those documents each day thereafter as may be necessary for counsel for the Commission to complete their examination and reproduction of those documents. Clear and legible copies or duplicates of the documents which, where applicable, show both sides of the documents may be submitted in lieu of the production of the originals.

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## INSTRUCTIONS

In answering these interrogatories and request for production of documents, furnish all documents and other information, however obtained, including hearsay, that is in your possession, known by or otherwise available to you, including documents and information appearing in your records.

Each answer is to be given separately and independently, and unless specifically stated in the particular discovery request, no answer shall be given solely by reference either to another answer or to an exhibit attached to your response.

If you cannot answer the following interrogatories in full after exercising due diligence to secure the full information to do so, answer to the extent possible and indicate your inability to answer the remainder, stating whatever information or knowledge you have concerning the unanswered portion and detailing what you did in attempting to secure the unknown information.

Should you claim a privilege with respect to any documents, communications, or other items about which information is requested by any of the following interrogatories and requests for production of documents, describe such items in sufficient detail to provide justification for the claim. Each claim of privilege must specify in detail all the grounds on which it rests.

Unless otherwise indicated, the interrogatories and requests shall refer to the time period from January 1, 1985, to December 31, 1986.

The following interrogatories and requests for production of documents are continuing in nature so as to require you to file supplementary responses or amendments during the course of this investigation if you obtain further or different information prior to or during the pendency of this matter. Include in any supplemental answers the date upon which and the manner in which such further or different information came to your attention.

9004073918

**DEFINITIONS**

For the purpose of these discovery requests, including the instructions thereto, the terms listed below are defined as follows:

"Persons" shall be deemed to include both singular and plural, and shall mean any natural person, partnership, committee, association, corporation, or any other type of organization or entity.

"Document" shall mean the original and all non-identical copies, including drafts, of all papers and records of every type in your possession, custody, or control, or known by you to exist. The term document includes, but is not limited to books, letters, contracts, notes, diaries, log sheets, records of telephone communications, transcripts, vouchers, accounting statements, ledgers, checks, money orders or other commercial paper, telegrams, telexes, pamphlets, circulars, leaflets, reports, memoranda, correspondence, surveys, tabulations, audio and video recordings, drawings, photographs, graphs, charts, diagrams, lists, computer print-outs, and all other writings and other data compilations from which information can be obtained.

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"Identify" with respect to a person shall mean state the full name, the most recent business and residence addresses and telephone numbers, the present occupation or position of such person, the nature of the connection or association that person has to any party in this proceeding. If the person to be identified is not a natural person, provide the legal and trade names, the address and telephone number, and the full names of both the chief executive officer and the agent designated to receive service of process for such person.

"And" as well as "or" shall be construed disjunctively or conjunctively as necessary to bring within the scope of these interrogatories and requests for the production of documents any documents and materials which may otherwise be construed to be out of their scope.

0004079319

**INTERROGATORIES AND REQUESTS FOR DOCUMENTS**

1. State whether you made any gifts of money to the National Endowment for the Preservation of Liberty, Sentinel, the American Conservative Trust, or the American Conservative Trust State Election Fund in 1985 or 1986.

   a. If so, state the date and the amount and the payee of all such gifts.

   b. Provide a true copy of the front and back of all checks by which such gifts were made.

   c. Provide true copies of all correspondence and all other writings related to the making of these gifts.

2. State whether the National Endowment for the Preservation of Liberty, Sentinel, the American Conservative Trust, or the American Conservative Trust State Election Fund requested or solicited gifts of money from you in 1985 or 1986.

   a. If such request(s) or solicitation(s) was (were) made by telephone, state the date(s) of all such telephone calls, identify the person(s) who made the request(s) or solicitation(s) or call(s) and all other person(s) who participated in the telephone calls, identify the organization(s) on whose behalf the request(s) or solicitation(s) was (were) made, and describe in detail the content of all such telephone calls.

   b. If such request(s) or solicitation(s) was (were) written, provide true copies of all such requests or solicitations that you received.

   c. If such request(s) or solicitation(s) was (were) made personally or face to face, state the date and place of all such meetings, identify the person(s) participating in each meeting and the organization(s) on whose behalf the request(s) or solicitation(s) was (were) made, and describe in detail the content of all such meetings, and provide all documents relating to such request(s) or solicitation(s).

   d. If you are unable to provide a true copy of any written document, state each and every reason why you are unable to do so, identify the person(s) who signed the document and each organization on whose behalf it was made and the date of each document, and describe in detail the content of all such documents.

0004079920

e. If you are unable to provide any specific fact, state each and every reason why you are unable to do so.

3. State whether person(s) who requested or solicited gifts of money from you in 1985 or 1986 on behalf of the National Endowment for the Preservation of Liberty, Sentinel, the American Conservative Trust, or the American Conservative Trust State Election Fund, in any manner, informed you or represented to you that such gifts would be used to pay for the costs of television advertisements relating to the Nicaragua Freedom Fighters (or Contras) or the Strategic Defense Initiative. If so, identify the person(s) who so informed you and the organization(s) on whose behalf such funds were sought and the date(s) of all such communications and describe in detail what you were told.

4. State whether person(s) who requested or solicited gifts of money from you in 1985 or 1986 on behalf of the National Endowment for the Preservation of Liberty, Sentinel, the American Conservative Trust, the American Conservative Trust State Election Fund, in any manner, informed you or represented to you that such gifts were in connection with or for the purpose of influencing any election for Federal office (such as for the House of Representatives or the Senate). If so, identify the person(s) who so informed you or made such representations and the organization(s) on whose behalf such statements were made and the date(s) of all such communications and describe in detail what you were told. Provide copies of all documents relating to such statements or representations.

5. Identify all persons (other than your attorney) including the news media to whom you have made other statements, either written or oral, about gifts of money or solicitations or requests for such gifts you may have made to the National Endowment for the Preservation of Liberty, Sentinel, the American Conservative Trust, or the American Conservative Trust State Election Fund. State the date of all such statements and provide a copy of all written statements you have made to such persons or describe in detail the content of all such statements.

0004079921

plm

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

17 December 1987

**CERTIFIED MAIL**
**RETURN RECEIPT REQUESTED**

Edwin L. Weisl, Jr.
27 Wolvert Hollow Rd
Upper Brookville, NY 11545

Re: MUR 2406

Dear Mr. Weisl:

The Federal Election Commission has the statutory duty of enforcing the Federal Election Campaign Act of 1971, as amended. The Commission has issued the attached interrogatories and requests for documents in connection with an investigation it is conducting. The Commission does not consider you a respondent in this matter, but rather a witness only.

Because this information is being sought as part of an investigation being conducted by the Commission, the confidentiality provision of 2 U.S.C. § 437g(a)(12)(A) applies. That section prohibits making public any investigation conducted by the Commission without the express written consent of the person with respect to whom the investigation is made. You are advised that no such consent has been given in this case.

You may consult with an attorney and have an attorney assist you in the preparation of your responses to this request. However, you are required to submit the information under oath within 15 days of your receipt of this letter.

If you have any questions, please direct them to Michael Marinelli, the staff member handling this matter, at (202) 376-5690.

Sincerely,

Lawrence M. Noble
General Counsel

Enclosure
Interrogatories and Requests for Documents

0004079392

**BEFORE THE FEDERAL ELECTION COMMISSION**

In the Matter of )
)
) MUR 2406
)

**INTERROGATORIES AND REQUEST FOR PRODUCTION OF DOCUMENTS**

TO: Edwin L. Weisl, Jr.
27 Wolvert Hollow Rd
Upper Brookville, NY 11545

In furtherance of its investigation in the above-captioned matter, the Federal Election Commission hereby requests that you submit answers in writing and under oath to the questions set forth below within 15 days of your receipt of this request. In addition, the Commission hereby requests that you produce the documents specified below, in their entirety, for inspection and copying at the Office of the General Counsel, Federal Election Commission, Room 659, 999 E Street, N.W., Washington, DC 20463, on or before the same deadline, and continue to produce those documents each day thereafter as may be necessary for counsel for the Commission to complete their examination and reproduction of those documents. Clear and legible copies or duplicates of the documents which, where applicable, show both sides of the documents may be submitted in lieu of the production of the originals.

9004079923

## INSTRUCTIONS

In answering these interrogatories and request for production of documents, furnish all documents and other information, however obtained, including hearsay, that is in your possession, known by or otherwise available to you, including documents and information appearing in your records.

Each answer is to be given separately and independently, and unless specifically stated in the particular discovery request, no answer shall be given solely by reference either to another answer or to an exhibit attached to your response.

If you cannot answer the following interrogatories in full after exercising due diligence to secure the full information to do so, answer to the extent possible and indicate your inability to answer the remainder, stating whatever information or knowledge you have concerning the unanswered portion and detailing what you did in attempting to secure the unknown information.

Should you claim a privilege with respect to any documents, communications, or other items about which information is requested by any of the following interrogatories and requests for production of documents, describe such items in sufficient detail to provide justification for the claim. Each claim of privilege must specify in detail all the grounds on which it rests.

Unless otherwise indicated, the interrogatories and requests shall refer to the time period from January 1, 1985, to December 31, 1986.

The following interrogatories and requests for production of documents are continuing in nature so as to require you to file supplementary responses or amendments during the course of this investigation if you obtain further or different information prior to or during the pendency of this matter. Include in any supplemental answers the date upon which and the manner in which such further or different information came to your attention.

9004079924

**DEFINITIONS**

For the purpose of these discovery requests, including the instructions thereto, the terms listed below are defined as follows:

"Persons" shall be deemed to include both singular and plural, and shall mean any natural person, partnership, committee, association, corporation, or any other type of organization or entity.

"Document" shall mean the original and all non-identical copies, including drafts, of all papers and records of every type in your possession, custody, or control, or known by you to exist. The term document includes, but is not limited to books, letters, contracts, notes, diaries, log sheets, records of telephone communications, transcripts, vouchers, accounting statements, ledgers, checks, money orders or other commercial paper, telegrams, telexes, pamphlets, circulars, leaflets, reports, memoranda, correspondence, surveys, tabulations, audio and video recordings, drawings, photographs, graphs, charts, diagrams, lists, computer print-outs, and all other writings and other data compilations from which information can be obtained.

"Identify" with respect to a document shall mean state the nature or type of document (e.g., letter, memorandum), the date, if any, appearing thereon, the date on which the document was prepared, the title of the document, the general subject matter of the document, the location of the document, the number of pages comprising the document.

"Identify" with respect to a person shall mean state the full name, the most recent business and residence addresses and telephone numbers, the present occupation or position of such person, the nature of the connection or association that person has to any party in this proceeding. If the person to be identified is not a natural person, provide the legal and trade names, the address and telephone number, and the full names of both the chief executive officer and the agent designated to receive service of process for such person.

"And" as well as "or" shall be construed disjunctively or conjunctively as necessary to bring within the scope of these interrogatories and requests for the production of documents any documents and materials which may otherwise be construed to be out of their scope.

9004079592

**INTERROGATORIES AND REQUESTS FOR DOCUMENTS**

1. State whether you made any gifts of money to the National Endowment for the Preservation of Liberty, Sentinel, the American Conservative Trust, or the American Conservative Trust State Election Fund in 1985 or 1986.

   a. If so, state the date and the amount and the payee of all such gifts.

   b. Provide a true copy of the front and back of all checks by which such gifts were made.

   c. Provide true copies of all correspondence and all other writings related to the making of these gifts.

2. State whether the National Endowment for the Preservation of Liberty, Sentinel, the American Conservative Trust, or the American Conservative Trust State Election Fund requested or solicited gifts of money from you in 1985 or 1986.

   a. If such request(s) or solicitation(s) was (were) made by telephone, state the date(s) of all such telephone calls, identify the person(s) who made the request(s) or solicitation(s) or call(s) and all other person(s) who participated in the telephone calls, identify the organization(s) on whose behalf the request(s) or solicitation(s) was (were) made, and describe in detail the content of all such telephone calls.

   b. If such request(s) or solicitation(s) was (were) written, provide true copies of all such requests or solicitations that you received.

   c. If such request(s) or solicitation(s) was (were) made personally or face to face, state the date and place of all such meetings, identify the person(s) participating in each meeting and the organization(s) on whose behalf the request(s) or solicitation(s) was (were) made, and describe in detail the content of all such meetings, and provide all documents relating to such request(s) or solicitation(s).

   d. If you are unable to provide a true copy of any written document, state each and every reason why you are unable to do so, identify the person(s) who signed the document and each organization on whose behalf it was made and the date of each document, and describe in detail the content of all such documents.

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e. If you are unable to provide any specific fact, state each and every reason why you are unable to do so.

3. State whether person(s) who requested or solicited gifts of money from you in 1985 or 1986 on behalf of the National Endowment for the Preservation of Liberty, Sentinel, the American Conservative Trust, or the American Conservative Trust State Election Fund, in any manner, informed you or represented to you that such gifts would be used to pay for the costs of television advertisements relating to the Nicaragua Freedom Fighters (or Contras) or the Strategic Defense Initiative. If so, identify the person(s) who so informed you and the organization(s) on whose behalf such funds were sought and the date(s) of all such communications and describe in detail what you were told.

4. State whether person(s) who requested or solicited gifts of money from you in 1985 or 1986 on behalf of the National Endowment for the Preservation of Liberty, Sentinel, the American Conservative Trust, the American Conservative Trust State Election Fund, in any manner, informed you or represented to you that such gifts were in connection with or for the purpose of influencing any election for Federal office (such as for the House of Representatives or the Senate). If so, identify the person(s) who so informed you or made such representations and the organization(s) on whose behalf such statements were made and the date(s) of all such communications and describe in detail what you were told. Provide copies of all documents relating to such statements or representations.

5. Identify all persons (other than your attorney) including the news media to whom you have made other statements, either written or oral, about gifts of money or solicitations or requests for such gifts you may have made to the National Endowment for the Preservation of Liberty, Sentinel, the American Conservative Trust, or the American Conservative Trust State Election Fund. State the date of all such statements and provide a copy of all written statements you have made to such persons or describe in detail the content of all such statements.

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

17 December 1987

**CERTIFIED MAIL**
**RETURN RECEIPT REQUESTED**

Mary Jo Pentecost
Sanco Rt.
Robert Lee, TX 76945

**Re: MUR 2406**

Dear Ms. Pentecost:

The Federal Election Commission has the statutory duty of enforcing the Federal Election Campaign Act of 1971, as amended. The Commission has issued the attached interrogatories and requests for documents in connection with an investigation it is conducting. The Commission does not consider you a respondent in this matter, but rather a witness only.

Because this information is being sought as part of an investigation being conducted by the Commission, the confidentiality provision of 2 U.S.C. § 437g(a)(12)(A) applies. That section prohibits making public any investigation conducted by the Commission without the express written consent of the person with respect to whom the investigation is made. You are advised that no such consent has been given in this case.

You may consult with an attorney and have an attorney assist you in the preparation of your responses to this request. However, you are required to submit the information under oath within 15 days of your receipt of this letter.

If you have any questions, please direct them to Michael Marinelli, the staff member handling this matter, at (202) 376-5690.

Sincerely,

Lawrence M. Noble
General Counsel

Enclosure
Interrogatories and Requests for Documents

0004079928

**BEFORE THE FEDERAL ELECTION COMMISSION**

In the Matter of )
) MUR 2406
)

**INTERROGATORIES AND REQUEST FOR PRODUCTION OF DOCUMENTS**

TO: Mary Jo Pentecost
Sanco Rt.
Robert Lee, TX 76945

In furtherance of its investigation in the above-captioned matter, the Federal Election Commission hereby requests that you submit answers in writing and under oath to the questions set forth below within 15 days of your receipt of this request. In addition, the Commission hereby requests that you produce the documents specified below, in their entirety, for inspection and copying at the Office of the General Counsel, Federal Election Commission, Room 659, 999 E Street, N.W., Washington, DC 20463, on or before the same deadline, and continue to produce those documents each day thereafter as may be necessary for counsel for the Commission to complete their examination and reproduction of those documents. Clear and legible copies or duplicates of the documents which, where applicable, show both sides of the documents may be submitted in lieu of the production of the originals.

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## INSTRUCTIONS

In answering these interrogatories and request for production of documents, furnish all documents and other information, however obtained, including hearsay, that is in your possession, known by or otherwise available to you, including documents and information appearing in your records.

Each answer is to be given separately and independently, and unless specifically stated in the particular discovery request, no answer shall be given solely by reference either to another answer or to an exhibit attached to your response.

If you cannot answer the following interrogatories in full after exercising due diligence to secure the full information to do so, answer to the extent possible and indicate your inability to answer the remainder, stating whatever information or knowledge you have concerning the unanswered portion and detailing what you did in attempting to secure the unknown information.

Should you claim a privilege with respect to any documents, communications, or other items about which information is requested by any of the following interrogatories and requests for production of documents, describe such items in sufficient detail to provide justification for the claim. Each claim of privilege must specify in detail all the grounds on which it rests.

Unless otherwise indicated, the interrogatories and requests shall refer to the time period from January 1, 1985, to December 31, 1986.

The following interrogatories and requests for production of documents are continuing in nature so as to require you to file supplementary responses or amendments during the course of this investigation if you obtain further or different information prior to or during the pendency of this matter. Include in any supplemental answers the date upon which and the manner in which such further or different information came to your attention.

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## DEFINITIONS

For the purpose of these discovery requests, including the instructions thereto, the terms listed below are defined as follows:

"Persons" shall be deemed to include both singular and plural, and shall mean any natural person, partnership, committee, association, corporation, or any other type of organization or entity.

"Document" shall mean the original and all non-identical copies, including drafts, of all papers and records of every type in your possession, custody, or control, or known by you to exist. The term document includes, but is not limited to books, letters, contracts, notes, diaries, log sheets, records of telephone communications, transcripts, vouchers, accounting statements, ledgers, checks, money orders or other commercial paper, telegrams, telexes, pamphlets, circulars, leaflets, reports, memoranda, correspondence, surveys, tabulations, audio and video recordings, drawings, photographs, graphs, charts, diagrams, lists, computer print-outs, and all other writings and other data compilations from which information can be obtained.

"Identify" with respect to a document shall mean state the nature or type of document (e.g., letter, memorandum), the date, if any, appearing thereon, the date on which the document was prepared, the title of the document, the general subject matter of the document, the location of the document, the number of pages comprising the document.

"Identify" with respect to a person shall mean state the full name, the most recent business and residence addresses and telephone numbers, the present occupation or position of such person, the nature of the connection or association that person has to any party in this proceeding. If the person to be identified is not a natural person, provide the legal and trade names, the address and telephone number, and the full names of both the chief executive officer and the agent designated to receive service of process for such person.

"And" as well as "or" shall be construed disjunctively or conjunctively as necessary to bring within the scope of these interrogatories and requests for the production of documents any documents and materials which may otherwise be construed to be out of their scope.

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**INTERROGATORIES AND REQUESTS FOR DOCUMENTS**

1. State whether you made any gifts of money to the National Endowment for the Preservation of Liberty, Sentinel, the American Conservative Trust, or the American Conservative Trust State Election Fund in 1985 or 1986.

   a. If so, state the date and the amount and the payee of all such gifts.

   b. Provide a true copy of the front and back of all checks by which such gifts were made.

   c. Provide true copies of all correspondence and all other writings related to the making of these gifts.

2. State whether the National Endowment for the Preservation of Liberty, Sentinel, the American Conservative Trust, or the American Conservative Trust State Election Fund requested or solicited gifts of money from you in 1985 or 1986.

   a. If such request(s) or solicitation(s) was (were) made by telephone, state the date(s) of all such telephone calls, identify the person(s) who made the request(s) or solicitation(s) or call(s) and all other person(s) who participated in the telephone calls, identify the organization(s) on whose behalf the request(s) or solicitation(s) was (were) made, and describe in detail the content of all such telephone calls.

   b. If such request(s) or solicitation(s) was (were) written, provide true copies of all such requests or solicitations that you received.

   c. If such request(s) or solicitation(s) was (were) made personally or face to face, state the date and place of all such meetings, identify the person(s) participating in each meeting and the organization(s) on whose behalf the request(s) or solicitation(s) was (were) made, and describe in detail the content of all such meetings, and provide all documents relating to such request(s) or solicitation(s).

   d. If you are unable to provide a true copy of any written document, state each and every reason why you are unable to do so, identify the person(s) who signed the document and each organization on whose behalf it was made and the date of each document, and describe in detail the content of all such documents.

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e. If you are unable to provide any specific fact, state each and every reason why you are unable to do so.

3. State whether person(s) who requested or solicited gifts of money from you in 1985 or 1986 on behalf of the National Endowment for the Preservation of Liberty, Sentinel, the American Conservative Trust, or the American Conservative Trust State Election Fund, in any manner, informed you or represented to you that such gifts would be used to pay for the costs of television advertisements relating to the Nicaragua Freedom Fighters (or Contras) or the Strategic Defense Initiative. If so, identify the person(s) who so informed you and the organization(s) on whose behalf such funds were sought and the date(s) of all such communications and describe in detail what you were told.

4. State whether person(s) who requested or solicited gifts of money from you in 1985 or 1986 on behalf of the National Endowment for the Preservation of Liberty, Sentinel, the American Conservative Trust, the American Conservative Trust State Election Fund, in any manner, informed you or represented to you that such gifts were in connection with or for the purpose of influencing any election for Federal office (such as for the House of Representatives or the Senate). If so, identify the person(s) who so informed you or made such representations and the organization(s) on whose behalf such statements were made and the date(s) of all such communications and describe in detail what you were told. Provide copies of all documents relating to such statements or representations.

5. Identify all persons (other than your attorney) including the news media to whom you have made other statements, either written or oral, about gifts of money or solicitations or requests for such gifts you may have made to the National Endowment for the Preservation of Liberty, Sentinel, the American Conservative Trust, or the American Conservative Trust State Election Fund. State the date of all such statements and provide a copy of all written statements you have made to such persons or describe in detail the content of all such statements.

0004079393

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

17 December 1987

**CERTIFIED MAIL**
**RETURN RECEIPT REQUESTED**

Mary J. Adamkiewicz
P.O. Box 7
Milford, DE 19963

Re: MUR 2406

Dear Ms. Adamkiewicz:

The Federal Election Commission has the statutory duty of enforcing the Federal Election Campaign Act of 1971, as amended. The Commission has issued the attached interrogatories and requests for documents in connection with an investigation it is conducting. The Commission does not consider you a respondent in this matter, but rather a witness only.

Because this information is being sought as part of an investigation being conducted by the Commission, the confidentiality provision of 2 U.S.C. § 437g(a)(12)(A) applies. That section prohibits making public any investigation conducted by the Commission without the express written consent of the person with respect to whom the investigation is made. You are advised that no such consent has been given in this case.

You may consult with an attorney and have an attorney assist you in the preparation of your responses to this request. However, you are required to submit the information under oath within 15 days of your receipt of this letter.

If you have any questions, please direct them to Michael Marinelli, the staff member handling this matter, at (202) 376-5690.

Sincerely,

Lawrence M. Noble
General Counsel

Enclosure
Interrogatories and Requests for Documents

0004079934

**BEFORE THE FEDERAL ELECTION COMMISSION**

In the Matter of )
)
) MUR 2406
)

**INTERROGATORIES AND REQUEST FOR PRODUCTION OF DOCUMENTS**

TO: Mary J. Adamkiewicz
P.O. Box 7
Milford, DE 19963

In furtherance of its investigation in the above-captioned matter, the Federal Election Commission hereby requests that you submit answers in writing and under oath to the questions set forth below within 15 days of your receipt of this request. In addition, the Commission hereby requests that you produce the documents specified below, in their entirety, for inspection and copying at the Office of the General Counsel, Federal Election Commission, Room 659, 999 E Street, N.W., Washington, DC 20463, on or before the same deadline, and continue to produce those documents each day thereafter as may be necessary for counsel for the Commission to complete their examination and reproduction of those documents. Clear and legible copies or duplicates of the documents which, where applicable, show both sides of the documents may be submitted in lieu of the production of the originals.

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## INSTRUCTIONS

In answering these interrogatories and request for production of documents, furnish all documents and other information, however obtained, including hearsay, that is in your possession, known by or otherwise available to you, including documents and information appearing in your records.

Each answer is to be given separately and independently, and unless specifically stated in the particular discovery request, no answer shall be given solely by reference either to another answer or to an exhibit attached to your response.

If you cannot answer the following interrogatories in full after exercising due diligence to secure the full information to do so, answer to the extent possible and indicate your inability to answer the remainder, stating whatever information or knowledge you have concerning the unanswered portion and detailing what you did in attempting to secure the unknown information.

Should you claim a privilege with respect to any documents, communications, or other items about which information is requested by any of the following interrogatories and requests for production of documents, describe such items in sufficient detail to provide justification for the claim. Each claim of privilege must specify in detail all the grounds on which it rests.

Unless otherwise indicated, the interrogatories and requests shall refer to the time period from January 1, 1985, to December 31, 1986.

The following interrogatories and requests for production of documents are continuing in nature so as to require you to file supplementary responses or amendments during the course of this investigation if you obtain further or different information prior to or during the pendency of this matter. Include in any supplemental answers the date upon which and the manner in which such further or different information came to your attention.

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**DEFINITIONS**

For the purpose of these discovery requests, including the instructions thereto, the terms listed below are defined as follows:

"Persons" shall be deemed to include both singular and plural, and shall mean any natural person, partnership, committee, association, corporation, or any other type of organization or entity.

"Document" shall mean the original and all non-identical copies, including drafts, of all papers and records of every type in your possession, custody, or control, or known by you to exist. The term document includes, but is not limited to books, letters, contracts, notes, diaries, log sheets, records of telephone communications, transcripts, vouchers, accounting statements, ledgers, checks, money orders or other commercial paper, telegrams, telexes, pamphlets, circulars, leaflets, reports, memoranda, correspondence, surveys, tabulations, audio and video recordings, drawings, photographs, graphs, charts, diagrams, lists, computer print-outs, and all other writings and other data compilations from which information can be obtained.

"Identify" with respect to a document shall mean state the nature or type of document (e.g., letter, memorandum), the date, if any, appearing thereon, the date on which the document was prepared, the title of the document, the general subject matter of the document, the location of the document, the number of pages comprising the document.

"Identify" with respect to a person shall mean state the full name, the most recent business and residence addresses and telephone numbers, the present occupation or position of such person, the nature of the connection or association that person has to any party in this proceeding. If the person to be identified is not a natural person, provide the legal and trade names, the address and telephone number, and the full names of both the chief executive officer and the agent designated to receive service of process for such person.

"And" as well as "or" shall be construed disjunctively or conjunctively as necessary to bring within the scope of these interrogatories and requests for the production of documents any documents and materials which may otherwise be construed to be out of their scope.

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**INTERROGATORIES AND REQUESTS FOR DOCUMENTS**

1. State whether you made any gifts of money to the National Endowment for the Preservation of Liberty, Sentinel, the American Conservative Trust, or the American Conservative Trust State Election Fund in 1985 or 1986.

   a. If so, state the date and the amount and the payee of all such gifts.

   b. Provide a true copy of the front and back of all checks by which such gifts were made.

   c. Provide true copies of all correspondence and all other writings related to the making of these gifts.

2. State whether the National Endowment for the Preservation of Liberty, Sentinel, the American Conservative Trust, or the American Conservative Trust State Election Fund requested or solicited gifts of money from you in 1985 or 1986.

   a. If such request(s) or solicitation(s) was (were) made by telephone, state the date(s) of all such telephone calls, identify the person(s) who made the request(s) or solicitation(s) or call(s) and all other person(s) who participated in the telephone calls, identify the organization(s) on whose behalf the request(s) or solicitation(s) was (were) made, and describe in detail the content of all such telephone calls.

   b. If such request(s) or solicitation(s) was (were) written, provide true copies of all such requests or solicitations that you received.

   c. If such request(s) or solicitation(s) was (were) made personally or face to face, state the date and place of all such meetings, identify the person(s) participating in each meeting and the organization(s) on whose behalf the request(s) or solicitation(s) was (were) made, and describe in detail the content of all such meetings, and provide all documents relating to such request(s) or solicitation(s).

   d. If you are unable to provide a true copy of any written document, state each and every reason why you are unable to do so, identify the person(s) who signed the document and each organization on whose behalf it was made and the date of each document, and describe in detail the content of all such documents.

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e. If you are unable to provide any specific fact, state each and every reason why you are unable to do so.

3. State whether person(s) who requested or solicited gifts of money from you in 1985 or 1986 on behalf of the National Endowment for the Preservation of Liberty, Sentinel, the American Conservative Trust, or the American Conservative Trust State Election Fund, in any manner, informed you or represented to you that such gifts would be used to pay for the costs of television advertisements relating to the Nicaragua Freedom Fighters (or Contras) or the Strategic Defense Initiative. If so, identify the person(s) who so informed you and the organization(s) on whose behalf such funds were sought and the date(s) of all such communications and describe in detail what you were told.

4. State whether person(s) who requested or solicited gifts of money from you in 1985 or 1986 on behalf of the National Endowment for the Preservation of Liberty, Sentinel, the American Conservative Trust, the American Conservative Trust State Election Fund, in any manner, informed you or represented to you that such gifts were in connection with or for the purpose of influencing any election for Federal office (such as for the House of Representatives or the Senate). If so, identify the person(s) who so informed you or made such representations and the organization(s) on whose behalf such statements were made and the date(s) of all such communications and describe in detail what you were told. Provide copies of all documents relating to such statements or representations.

5. Identify all persons (other than your attorney) including the news media to whom you have made other statements, either written or oral, about gifts of money or solicitations or requests for such gifts you may have made to the National Endowment for the Preservation of Liberty, Sentinel, the American Conservative Trust, or the American Conservative Trust State Election Fund. State the date of all such statements and provide a copy of all written statements you have made to such persons or describe in detail the content of all such statements.

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

17 December 1987

**CERTIFIED MAIL**
**RETURN RECEIPT REQUESTED**

Jane and Robert Driscoll
345 Roaring Brook Rd
Chappaqua, NY 10514

Re: MUR 2406

Dear Mr. and Mrs. Driscoll:

The Federal Election Commission has the statutory duty of enforcing the Federal Election Campaign Act of 1971, as amended. The Commission has issued the attached interrogatories and requests for documents in connection with an investigation it is conducting. The Commission does not consider you a respondent in this matter, but rather a witness only.

Because this information is being sought as part of an investigation being conducted by the Commission, the confidentiality provision of 2 U.S.C. § 437g(a)(12)(A) applies. That section prohibits making public any investigation conducted by the Commission without the express written consent of the person with respect to whom the investigation is made. You are advised that no such consent has been given in this case.

You may consult with an attorney and have an attorney assist you in the preparation of your responses to this request. However, you are required to submit the information under oath within 15 days of your receipt of this letter.

If you have any questions, please direct them to Michael Marinelli, the staff member handling this matter, at (202) 376-5690.

Sincerely,

Lawrence M. Noble
General Counsel

Enclosure
Interrogatories and Requests for Documents

9004079940

**BEFORE THE FEDERAL ELECTION COMMISSION**

In the Matter of )
) MUR 2406
)

**INTERROGATORIES AND REQUEST FOR PRODUCTION OF DOCUMENTS**

TO: Jane and Robert Driscoll
345 Roaring Brook Rd
Chappaqua, NY 10514

In furtherance of its investigation in the above-captioned matter, the Federal Election Commission hereby requests that you submit answers in writing and under oath to the questions set forth below within 15 days of your receipt of this request. In addition, the Commission hereby requests that you produce the documents specified below, in their entirety, for inspection and copying at the Office of the General Counsel, Federal Election Commission, Room 659, 999 E Street, N.W., Washington, DC 20463, on or before the same deadline, and continue to produce those documents each day thereafter as may be necessary for counsel for the Commission to complete their examination and reproduction of those documents. Clear and legible copies or duplicates of the documents which, where applicable, show both sides of the documents may be submitted in lieu of the production of the originals.

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## INSTRUCTIONS

In answering these interrogatories and request for production of documents, furnish all documents and other information, however obtained, including hearsay, that is in your possession, known by or otherwise available to you, including documents and information appearing in your records.

Each answer is to be given separately and independently, and unless specifically stated in the particular discovery request, no answer shall be given solely by reference either to another answer or to an exhibit attached to your response.

If you cannot answer the following interrogatories in full after exercising due diligence to secure the full information to do so, answer to the extent possible and indicate your inability to answer the remainder, stating whatever information or knowledge you have concerning the unanswered portion and detailing what you did in attempting to secure the unknown information.

Should you claim a privilege with respect to any documents, communications, or other items about which information is requested by any of the following interrogatories and requests for production of documents, describe such items in sufficient detail to provide justification for the claim. Each claim of privilege must specify in detail all the grounds on which it rests.

Unless otherwise indicated, the interrogatories and requests shall refer to the time period from January 1, 1985, to December 31, 1986.

The following interrogatories and requests for production of documents are continuing in nature so as to require you to file supplementary responses or amendments during the course of this investigation if you obtain further or different information prior to or during the pendency of this matter. Include in any supplemental answers the date upon which and the manner in which such further or different information came to your attention.

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**DEFINITIONS**

For the purpose of these discovery requests, including the instructions thereto, the terms listed below are defined as follows:

"Persons" shall be deemed to include both singular and plural, and shall mean any natural person, partnership, committee, association, corporation, or any other type of organization or entity.

"Document" shall mean the original and all non-identical copies, including drafts, of all papers and records of every type in your possession, custody, or control, or known by you to exist. The term document includes, but is not limited to books, letters, contracts, notes, diaries, log sheets, records of telephone communications, transcripts, vouchers, accounting statements, ledgers, checks, money orders or other commercial paper, telegrams, telexes, pamphlets, circulars, leaflets, reports, memoranda, correspondence, surveys, tabulations, audio and video recordings, drawings, photographs, graphs, charts, diagrams, lists, computer print-outs, and all other writings and other data compilations from which information can be obtained.

"Identify" with respect to a document shall mean state the nature or type of document (e.g., letter, memorandum), the date, if any, appearing thereon, the date on which the document was prepared, the title of the document, the general subject matter of the document, the location of the document, the number of pages comprising the document.

"Identify" with respect to a person shall mean state the full name, the most recent business and residence addresses and telephone numbers, the present occupation or position of such person, the nature of the connection or association that person has to any party in this proceeding. If the person to be identified is not a natural person, provide the legal and trade names, the address and telephone number, and the full names of both the chief executive officer and the agent designated to receive service of process for such person.

"And" as well as "or" shall be construed disjunctively or conjunctively as necessary to bring within the scope of these interrogatories and requests for the production of documents any documents and materials which may otherwise be construed to be out of their scope.

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**INTERROGATORIES AND REQUESTS FOR DOCUMENTS**

1. State whether you made any gifts of money to the National Endowment for the Preservation of Liberty, Sentinel, the American Conservative Trust, or the American Conservative Trust State Election Fund in 1985 or 1986.

   a. If so, state the date and the amount and the payee of all such gifts.

   b. Provide a true copy of the front and back of all checks by which such gifts were made.

   c. Provide true copies of all correspondence and all other writings related to the making of these gifts.

2. State whether the National Endowment for the Preservation of Liberty, Sentinel, the American Conservative Trust, or the American Conservative Trust State Election Fund requested or solicited gifts of money from you in 1985 or 1986.

   a. If such request(s) or solicitation(s) was (were) made by telephone, state the date(s) of all such telephone calls, identify the person(s) who made the request(s) or solicitation(s) or call(s) and all other person(s) who participated in the telephone calls, identify the organization(s) on whose behalf the request(s) or solicitation(s) was (were) made, and describe in detail the content of all such telephone calls.

   b. If such request(s) or solicitation(s) was (were) written, provide true copies of all such requests or solicitations that you received.

   c. If such request(s) or solicitation(s) was (were) made personally or face to face, state the date and place of all such meetings, identify the person(s) participating in each meeting and the organization(s) on whose behalf the request(s) or solicitation(s) was (were) made, and describe in detail the content of all such meetings, and provide all documents relating to such request(s) or solicitation(s).

   d. If you are unable to provide a true copy of any written document, state each and every reason why you are unable to do so, identify the person(s) who signed the document and each organization on whose behalf it was made and the date of each document, and describe in detail the content of all such documents.

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e. If you are unable to provide any specific fact, state each and every reason why you are unable to do so.

3. State whether person(s) who requested or solicited gifts of money from you in 1985 or 1986 on behalf of the National Endowment for the Preservation of Liberty, Sentinel, the American Conservative Trust, or the American Conservative Trust State Election Fund, in any manner, informed you or represented to you that such gifts would be used to pay for the costs of television advertisements relating to the Nicaragua Freedom Fighters (or Contras) or the Strategic Defense Initiative. If so, identify the person(s) who so informed you and the organization(s) on whose behalf such funds were sought and the date(s) of all such communications and describe in detail what you were told.

4. State whether person(s) who requested or solicited gifts of money from you in 1985 or 1986 on behalf of the National Endowment for the Preservation of Liberty, Sentinel, the American Conservative Trust, the American Conservative Trust State Election Fund, in any manner, informed you or represented to you that such gifts were in connection with or for the purpose of influencing any election for Federal office (such as for the House of Representatives or the Senate). If so, identify the person(s) who so informed you or made such representations and the organization(s) on whose behalf such statements were made and the date(s) of all such communications and describe in detail what you were told. Provide copies of all documents relating to such statements or representations.

5. Identify all persons (other than your attorney) including the news media to whom you have made other statements, either written or oral, about gifts of money or solicitations or requests for such gifts you may have made to the National Endowment for the Preservation of Liberty, Sentinel, the American Conservative Trust, or the American Conservative Trust State Election Fund. State the date of all such statements and provide a copy of all written statements you have made to such persons or describe in detail the content of all such statements.

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

17 December 1987

J. Curtis Herge, Esquire
Herge, Sparks, Christopher & Biondi
Suite 200
8201 Greensboro Drive
McLean, VA 22102

RE: MUR 2406
National Endowment for the Preservation of Liberty; Sentinel; American Conservative Trust; American Conservative Trust State Election Fund; Carl Russell Channell

Dear Mr. Herge:

On May 5, 1987, the Federal Election Commission notified your clients of a complaint alleging violations of certain sections of the Federal Election Campaign Act of 1971, as amended ("the Act"). A copy of the complaint was forwarded to your clients at that time.

Upon further review of the allegations contained in the complaint, and information supplied by you, the Commission, on December 8 , 1987, found that there is reason to believe the National Endowment for the Preservation of Liberty, Sentinel, and the American Conservative Trust State Election Fund violated 2 U.S.C. §§ 433, 434, and 441b(a); the National Endowment for the Preservation of Liberty violated 2 U.S.C. § 441a(f); Carl Russell Channell violated 2 U.S.C. § 441b(a); and the American Conservative Trust and Carl Russell Channell, as treasurer, violated 2 U.S.C. § 433(b)(2). Specifically, it appears that the National Endowment for the Preservation of Liberty, Sentinel, and ACT-SEF have received contributions, or made expenditures, aggregating in excess of $1,000 in a calendar year and have failed to register and report as political committees and that the National Endowment for the Preservation of Liberty as a political committee has knowingly received contributions from individuals in excess of the limitations of 2 U.S.C. § 441a. It further appears that the National Endowment for the Preservation of

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Liberty, Sentinel, and the American Conservative Trust State Election Fund, as corporations, have made contributions or expenditures in connection with a federal election. It also appears that Carl Russell Channell, as an officer and director of the National Endowment for the Preservation of Liberty, Sentinel, and the American Conservative Trust State Election Fund, has consented to these corporate expenditures in connection with a federal election. Finally, it appears that the American Conservative Trust and Carl Russell Channell, as treasurer, have failed to disclose any connected organization or affiliated committee on its Statement of Organization.

Under the Act you have an opportunity to demonstrate that no action should be taken against your clients. You may submit any factual or legal materials that you believe are relevant to the Commission's consideration of this matter. Please submit such materials to the General Counsel's Office along with answers to the enclosed interrogatories and request for documents within 15 days of receipt of this letter. Where appropriate, statements should be submitted under oath.

In the absence of any additional information demonstrating that no further action should be taken against your clients, the Commission may find probable cause to believe that a violation has occurred and proceed with conciliation.

If you are interested in pursuing pre-probable cause conciliation, you should so request in writing. See 11 C.F.R. § 111.18(d). Upon receipt of the request, the Office of the General Counsel will make recommendations to the Commission either proposing an agreement in settlement of the matter or recommending declining that pre-probable cause conciliation be pursued. The Office of the General Counsel may recommend that pre-probable cause conciliation not be entered into at this time so that it may complete its investigation of the matter. Further, the Commission will not entertain requests for pre-probable cause conciliation after briefs on probable cause have been mailed to the respondent.

Requests for extensions of time will not be routinely granted. Requests must be made in writing at least five days prior to the due date of the response and specific good cause must be demonstrated. In addition, the Office of the General Counsel ordinarily will not give extensions beyond 20 days.

0004079947

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 have any questions, please contact Susan Beard, the attorney handling this matter, at (202) 376-8200.

Sincerely,

Scott E. Thomas
Chairman

Enclosures
Interrogatories and Request
for Documents

9004007939

**BEFORE THE FEDERAL ELECTION COMMISSION**

In the Matter of )
) MUR 2406
)

**INTERROGATORIES AND REQUEST FOR PRODUCTION OF DOCUMENTS**

TO: Carl Russell Channell
National Endowment for the Preservation of Liberty
Sentinel
American Conservative Trust State Election Fund
American Conservative Trust, Inc.
c/o J. Curtis Herge, Esquire
Herge, Sparks, Christopher & Biondi
Suite 200
8201 Greensboro Drive
McLean, VA 22102

In furtherance of its investigation in the above-captioned matter, the Federal Election Commission hereby requests that you submit answers in writing and under oath to the questions set forth below within 15 days of your receipt of this request. In addition, the Commission hereby requests that you produce the documents specified below, in their entirety, for inspection and copying at the Office of the General Counsel, Federal Election Commission, Room 659, 999 E Street, N.W., Washington, DC 20463, on or before the same deadline, and continue to produce those documents each day thereafter as may be necessary for counsel for the Commission to complete their examination and reproduction of those documents. Clear and legible copies or duplicates of the documents which, where applicable, show both sides of the documents may be submitted in lieu of the production of the originals.

2004079949

## INSTRUCTIONS

In answering these interrogatories and request for production of documents, furnish all documents and other information, however obtained, including hearsay, that is in your possession, or is known by or otherwise available to you, including documents and information appearing in your records.

Each answer is to be given separately and independently, and unless specifically stated in the particular discovery request, no answer shall be given solely by reference either to another answer or to an exhibit attached to your response.

The response to each interrogatory propounded herein shall set forth separately the identification of each person capable of furnishing testimony concerning the response given, denoting separately those individuals who provided informational, documentary or other input, and those who assisted in drafting the interrogatory response.

If you cannot answer the following interrogatories in full after exercising due diligence to secure the full information to do so, answer to the extent possible and indicate your inability to answer the remainder, stating whatever information or knowledge you have concerning the unanswered portion and detailing what you did in attempting to secure the unknown information.

Should you claim a privilege with respect to any documents, communications, or other items about which information is requested by any of the following interrogatories and requests for production of documents, describe such items in sufficient detail to provide justification for the claim. Each claim of privilege must specify in detail all the grounds on which it rests.

Unless otherwise indicated, the interrogatories and requests shall refer to the time period from January 1, 1985, to the present.

The following interrogatories and requests for production of documents are continuing in nature so as to require you to file supplementary responses or amendments during the course of this investigation if you obtain further or different information prior to or during the pendency of this matter. Include in any supplemental answers the date upon which and the manner in which such further or different information came to your attention.

9004079350

## DEFINITIONS

For the purpose of these discovery requests, including the instructions thereto, the terms listed below are defined as follows:

"You" shall mean the named respondents in this action to whom these discovery requests are addressed, including all officers, employees, agents or attorneys thereof.

"Persons" shall be deemed to include both singular and plural, and shall mean any natural person, partnership, committee, association, corporation, or any other type of organization or entity.

"Document" shall mean the original and all non-identical copies, including drafts, of all papers and records of every type in your possession, custody, or control, or known by you to exist. The term document includes, but is not limited to books, letters, contracts, notes, diaries, log sheets, records of telephone communications, transcripts, vouchers, accounting statements, ledgers, checks, money orders or other commercial paper, telegrams, telexes, pamphlets, circulars, leaflets, reports, memoranda, correspondence, surveys, tabulations, audio and video recordings, drawings, photographs, graphs, charts, diagrams, lists, computer print-outs, and all other writings and other data compilations from which information can be obtained.

"Identify" with respect to a document shall mean state the nature or type of document (e.g., letter, memorandum), the date, if any, appearing thereon, the date on which the document was prepared, the title of the document, the general subject matter of the document, the location of the document, the number of pages comprising the document.

"Identify" with respect to a person shall mean state the full name, the most recent business and residence addresses and telephone numbers, the present occupation or position of such person, the nature of the connection or association that person has to any party in this proceeding. If the person to be identified is not a natural person, provide the legal and trade names, the address and telephone number, and the full names of both the chief executive officer and the agent designated to receive service of process for such person.

"And" as well as "or" shall be construed disjunctively or conjunctively as necessary to bring within the scope of these interrogatories and requests for the production of documents any documents and materials which may otherwise be construed to be out of their scope.

0004079351

**INTERROGATORIES AND
REQUESTS FOR DOCUMENTS
MUR 2406**

1. (a) Provide a true copy of the articles of incorporation and by-laws for each of the following organizations:

1. National Endowment for the Preservation of Liberty;

2. Sentinel;

3. American Conservative Trust State Election Fund; and

4. American Conservative Trust.

(b) Identify the person(s) who incorporated or established each of the organizations listed in question 1(a).

(c) State all addresses for each of the organizations listed in question 1(a) since their incorporation or establishment and the dates during which the respective organizations were located at these addresses.

2. (a) With regard to each address at which the American Conservative Trust ("ACT") has been located since its inception, state the amount of rent paid for each location, to whom it was paid, and the amount paid by ACT. If only a portion of the rent was paid by ACT, state the portion paid for by ACT and the portion paid for by any other organization(s) and the method and basis used for allocating a portion of the rent to ACT.

(b) State whether ACT used office equipment or supplies owned, leased, or paid for by the National Endowment for the Preservation of Liberty ("NEPL") or Sentinel or any other organization. If so, state whether ACT paid or reimbursed NEPL or Sentinel or any other organization(s) for the use of such equipment or supplies, the method used to determine ACT's costs, the dates when such payments by ACT were made, and the reports in which ACT disclosed such payments.

3. (a) State whether any persons who received compensation from NEPL or Sentinel or any other organization performed any service(s) during normal working hours on behalf of or for ACT. If so, identify the person(s), the type of service(s) performed, the period of time (month, year) in which the services were performed, and whether ACT paid for or reimbursed NEPL or Sentinel or any other organization(s) for such services, the dates and amounts of such payments, the method and basis used to allocate such costs, and the reports in which ACT disclosed such payments.

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(b) Provide an organizational chart for 1985 and 1986, including the names of all employed persons, for NEPL, Sentinel, and ACT, and the American Conservative Trust State Election Fund, and the Channell Corporation.

4. (a) Describe all methods(s) by which ACT solicited contributions.

(b) Itemize the costs of ACT's solicitations and state from what account(s) and by what organization(s) these costs were paid and the person(s) who authorized or approved such payments.

(c) State whether ACT received contributor lists or contributor information from NEPL, Sentinel, the American Conservative Trust State Election Fund ("ACT-SEF"), or any other organization. If so, describe such lists or information, from whom and when they were obtained, and the use which ACT made of such lists or information.

(d) State whether NEPL, Sentinel, ACT, or ACT-SEF purchased or rented contributor information from the Federal Election Commission or from any other organization or firm, including but not limited to Washington On-Line or Legi-Tech, that had purchased, rented, or obtained such information from reports filed with the Commission. If so, state the date and amount of such purchases or rentals and the organization(s) making the purchase(s) or rentals, describe in detail the information purchased or rented and how such information was used by NEPL, Sentinel, ACT, or ACT-SEF. Provide copies of all invoices and checks and any other documents or correspondence relating to such purchases or rentals.

5. (a) Identify the person(s) who had authority to make, approve, or determine the disbursement of funds by ACT, NEPL, and Sentinel respectively.

(b) Identify the person(s) who had authority to determine the day-to day operations of ACT, NEPL, and Sentinel respectively.

6. (a) State whether ACT, NEPL, Sentinel, and ACT-SEF maintained separate bank accounts. If so state the institution at which all such accounts were established in 1985 and 1986, the account numbers for all such accounts, and the total amount of deposits and withdrawals in each account for the calendar years of 1985 or 1986.

(b) State whether ACT's, NEPL's, Sentinel's, and ACT-SEF's receipts and disbursements were separately accounted for and who maintained such accounts.

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(c) State whether any transfers were made from accounts maintained by or for NEPL to Sentinel, ACT-SEF, or ACT. If so, state the date and amount of each such transfer and the account(s) from which each transfer was made.

(d) State whether any audit has been made of NEPL, Sentinel, ACT-SEF, or ACT. If so, provide copies of all such audit reports.

(e) Identify the present treasurer and the present custodian of records for NEPL, Sentinel, and ACT-SEF.

7. The complaint has attached to it as Exhibit 8 a transcript of a NEPL fundraisers' meeting held of May 23, 1986.

(a) State whether a NEPL, Sentinel, ACT, or ACT-SEF fundraisers' meeting took place or on or about May 23, 1986. If so, state the date and location of such meeting and identify all persons who attended such meeting.

(b) State whether a tape recording was made of any fundraisers' meeting occurring on or about May 23, 1986. If so, provide a copy of such tape, or a verified transcript of such tape.

(c) State whether Exhibit 8 of the complaint is an accurate transcript of any fundraisers' meeting occurring on or about May 23, 1986. If not, describe in detail any errors or omissions in this transcript. Identify the person(s) whose remarks have been transcribed in Exhibit 8.

(d) State whether NEPL, Sentinel, ACT, or ACT-SEF held any other fundraisers' meetings in 1985 and 1986. If so, state the date and place of all such meetings, identify the organization(s) holding such meetings and the persons attending such meetings. Provide copies of all minutes, transcripts, tape recordings, and any other type of document relating to all such meetings.

8. (a) State whether NEPL, Sentinel, ACT, ACT-SEF, or anyone on their behalf made any written solicitation(s) for funds in 1985 and 1986 for the purpose of financing television advertisements. If so, provide copies of each version of all such written solicitations.

(b) State whether NEPL, Sentinel, ACT, ACT-SEF, or anyone on their behalf made any telephone or face-to-face solicitation(s) for funds for the purpose of financing television advertisements in 1985 and 1986. If so, identify the person(s) making such solicitations and the organization(s) on behalf of which such solicitations were made and provide copies of all scripts, instructions, transcripts, notes, or memoranda relating to such telephone or face-to-face solicitations.

0004079954

(c) Provide copies of all solicitation or fundraising materials, instructions, manuals, forms used by NEPL, Sentinel, ACT, ACT-SEF, or anyone on their behalf to solicit or raise funds for the purpose of financing television advertisements in 1985 and 1986 that have not been provided in response to question 8(a) and 8(b).

9. Identify all persons or organizations that made gifts of money to NEPL, Sentinel, and ACT-SEF for the purpose of financing television advertisements in 1985 and 1986 and state the date(s) and amount(s) and identity of the donors for all such donations.

10. (a) With regard to the television advertisements described in your response to the complaint, describe in detail the basis on which the media markets were selected for the broadcast of these advertisements and identify all sources of information used in selecting these media markets and all person(s) who participated in the selection of these markets.

(b) State whether any polling data were used in the selection of these media markets. If so, identify who conducted such poll(s) and who paid for it (them) and describe in detail the content of all such polls and when such polls were made. Provide copies of all such polls (including all questions) used in selecting these media markets.

11. (a) Identify the firm(s) who created, produced, or placed each television advertisement described in your response to the complaint and the key person(s) at each firm with whom NEPL, Sentinel, ACT, ACT-SEF, or anyone on their behalf dealt, and state the date(s) and amount(s) of all payments to such firm(s) for these advertisements and the organization(s) which made each payment.

(b) Provide copies of all invoices and all checks relating to these advertisements.

(c) Provide copies of all correspondence, memoranda, instructions, and draft scripts and storyboards relating to these advertisements.

(d) Identify all persons employed by NEPL, Sentinel, ACT, or ACT-SEF who participated in the creation, production, or placement of these television advertisements or who coordinated with any firm(s) which performed such functions and describe in detail the nature of each person's participation or role.

12. (a) State whether any of these advertisements were shown to or previewed by any person(s) prior to being broadcast. If so, state the date and place of all such showings or previews, the identity of each advertisement shown or previewed, and the identity of all persons who attended such showings or previews.

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(b) Identify all contacts, whether written or oral, between NEPL, Sentinel, ACT, ACT-SEF, or anyone on their behalf with all political committees, whether authorized or unauthorized, all candidates for Federal office or any person acting on behalf of any such candidate, or all organization(s) or its(their) representatives that sponsors or supports any political committee, or all other organization(s) which was(were) related in any way to the television advertisements described in your response or related in any way to the primary or general elections for Federal office in 1986.

(c) State the date and place of all such contacts described in question 12(b), identify all persons who participated in such contact, and describe in detail the content and purpose of such contacts.

(d) Identify all other persons with whom NEPL, Sentinel, ACT, ACT-SEF, or anyone on their behalf consulted in any manner regarding these television advertisements, state the date and place of all such consultations, and describe in detail the nature and purpose of such consultations.

(e) Provide copies of all documents relating to all such contacts and consultations.

13. (a) State whether NEPL, Sentinel, ACT, ACT-SEF, or anyone on their behalf arranged for any person(s) to appear on behalf of candidate(s) for Federal office in 1986 or paid for expenses related to appearances by person(s) on behalf of candidate(s) for Federal office in 1986. If so, state the date and place of all such appearances and the amount(s) of expenses related to such appearances and the person(s) or organization(s) that paid for such expenses, and identify the person(s) making such appearances and the candidate(s) on whose behalf such appearances were made.

(b) Provide copies of all documents, including invoices and checks, relating to such appearances.

14. (a) State whether ACT-SEF files reports of its receipts and disbursements with any governmental agency for public disclosure. If so, provide a copy of all such reports.

(b) If not, provide an accounting of ACT-SEF's receipts and disbursements and itemize all receipts and disbursements in excess of $200 in accordance with 2 U.S.C. § 434(b).

15. (a) Provide copies of all reports filed by Sentinel with all governmental bodies regarding its receipts and disbursements.

(b) Provide copies of all reports filed by NEPL with all governmental bodies regarding its receipts and disbursements.

0004079350

gdg3192/office/corres/federal.el
Thu Dec 24 11:29:15 1987

GCC # 5008

# REED SMITH SHAW & McCLAY

MAILING ADDRESS:
P.O. BOX 2009
PITTSBURGH, PA 15230

TELEX 277871
FAX 412-288-3063

WRITER'S DIRECT DIAL NUMBER

MELLON SQUARE
435 SIXTH AVENUE
PITTSBURGH, PA 15219-1886

412-288-3131

WASHINGTON, DC
PHILADELPHIA, PA
HARRISBURG, PA
McLEAN, VA

REED SMITH & CHAPIN
DELRAY BEACH, FL

(412) 288-3192

December 24, 1987

Federal Election Commission
Washington, DC 20463

Attn: Micheal Marinelli

Re: MUR 2406

Gentlemen:

As counsel for Frank G. Darlington, I have your interrogatories. Regrettably, Mr. Darlington is over 92 years of age and his records are in some disarray.

The purpose of this letter is to request an extension of time until January 20, 1988 to file a response to your interrogatories.

Thank you for your consideration on this matter.

Sincerely,

G. Donald Gerlach

GDG/rem

9004079057

plm

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

December 30, 1987

Donald Gerlach
Reed, Smith, Shaw & McClay
Mellon Square
433 Sixth Avenue
Pittsburgh, PA 15219-1886

RE: MUR 2406

Dear Mr. Gerlach:

This is in response to your letter dated December 24, 1987, which we received on December 29, 1987, requesting an extension of 15 days until January 20, 1988, to respond to interrogatories sent to your client. After considering the circumstances presented in your letter, I have granted the requested extension. Accordingly, your response is due by close of business on January 20, 1988.

If you have any questions, please contact Michael Marinelli, the staff member assigned to this matter, at (202) 376-5690.

Sincerely,

Lawrence M. Noble
General Counsel

Lois G. Lerner

BY: Lois G. Lerner
Associate General Counsel

9004079956

MUR 2406 #5041

RECEIVED
FEDERAL ELECTION COMMISSION
MAIL ROOM

88 JAN -4 AM 10:28

LAW OFFICES OF
WINTHROP, STIMSON, PUTNAM & ROBERTS
FINANCIAL CENTRE
695 EAST MAIN STREET
POST OFFICE BOX 6760
STAMFORD, CONNECTICUT 06904-6760
TELEPHONE: (203) 348-2300
TELECOPIER: (203) 327-6623

RECEIVED
FEDERAL ELECTION COMMISSION
OFFICE OF GENERAL COUNSEL

88 JAN -4 PM 1:21

December 29, 1987

Michael Marinelli, Esq.
Federal Election Commission
999 E Street, N.W.
Washington, DC 20463

Re: MUR 2406

Dear Mr. Marinelli:

I am writing to confirm our telephone conversation this morning in which I advised you that this firm represents Mrs. Barbara Newington of Greenwich, Connecticut.

On December 21, 1987 Mrs. Newington received by certified mail a set of Interrogatories and Request for Production of Documents dated December 17, 1987 from Lawrence M. Noble, Esq., General Counsel of the Federal Election Commission. As I explained on the telephone, I am the attorney who will assist Mrs. Newington in the preparation of her responses and, because of prior committments and the time required to complete our responses, we will need more than the fifteen days set forth in Mr. Noble's letter dated December 17, 1987. During our telephone conversation you indicated that you would be agreeable to an extension until January 21, 1988 but, upon reflection and reviewing again your Interrogatories and Request, I have concluded that we will need until January 29, 1988 to complete our response.

Accordingly, on behalf of Mrs. Newington, I hereby request an extension until January 29, 1988 to respond to your Interrogatories and Request. Mrs. Newington intends to cooperate and to respond fully to your Interrogatories and Request, but the additional time will be necessary to enable us to do so.

Thank you for your cooperation in agreeing to the requested extension.

Sincerely,

Richard A. Horgan

RAH/crk

2004079954

HAND DELIVERED

RECEIVED
FEDERAL ELECTION COMMISSION
MAIL ROOM

87 DEC 31 AM 10:18


SMITH AND SMITH
ATTORNEYS
400 NORTH, FIRST TRUST CENTRE
200 SOUTH FIFTH STREET
LOUISVILLE, KENTUCKY 40202

TELEPHONE
587-0761
AREA CODE 502

JAMES U. SMITH, JR.
1914-1977
S. RUSSELL SMITH
1921-1973

JOSEPH A. WORTHINGTON
JAMES U. SMITH III
ANDREW J. RUSSELL
S. RUSSELL SMITH, JR.
W. KEVIN SMITH
ROBERT J. SCHUMACHER


December 30, 1987

Mr. Michael Marinelli
Office of the General Counsel
Federal Election Commission
Room 659
999 E Street, N.W.
Washington, D.C. 20463

Re: Barbara Bullitt Christian;
Interrogatories And Request
For Production of Documents;
In the Matter Of: MUR 2406

Dear Mr. Marinelli:

This letter will confirm our telephone conversation of this date during which I requested, on behalf of our client, Barbara Bullitt Christian, a fifteen (15) day extension of time in which to respond to the above-referenced Interrogatories And Request.

Our client was served with these Interrogatories And Request on December 21, 1987, and the original fifteen (15) day answering period would mean that her response needs to be provided to your commission on January 6, 1988. The foregoing request for an extension of time in this matter, if granted, would mean that our client's response will be due by the close of business on Thursday, January 21, 1988.

Thank you for your early attention to our request for an extension of time in this matter.

Sincerely yours,

S. Russell Smith, Jr.

S. Russell Smith, Jr.

SRS/kmp

cc Barbara Bullitt Christian

0 0 0 4 0 3 7 9 3 9 6 0

MUR #2071

RECEIVED
FEDERAL ELECTION COMMISSION
OFFICE OF GENERAL COUNSEL
88 JAN -6 PM 4:24

HERGE, SPARKS, CHRISTOPHER & BIONDI
ATTORNEYS AT LAW
SUITE 200
8201 GREENSBORO DRIVE
McLEAN, VIRGINIA 22102
(703) 848-4700

J. CURTIS HERGE
ROBERT R. SPARKS, JR.
A. MARK CHRISTOPHER
GEORGE V. BIONDI
DONNA LYNN MILLER
CARRIE LEE GLASER

TELECOPIER NUMBER
(703) 893-7371

December 30, 1987

RECEIVED
FEDERAL ELECTION COMMISSION
SECRETARIAT
88 JAN -6 AM 11:51

3004079961

The Honorable Scott E. Thomas
Chairman
Federal Election Commission
999 E Street, N.W.
Washington, D. C. 20463

Attention: Susan Beard, Esq.
Office of General Counsel

Re: MUR 2406

Dear Mr. Chairman:

By letter dated December 17, 1987, which was received by me on December 21, 1987, you notified me that the Federal Election Commission found reason to believe that the National Endowment for the Preservation of Liberty, Sentinel, American Conservative Trust State Election Fund, Carl Russell Channell and American Conservative Trust and Carl Russell Channell, as treasurer, may have violated certain provisions of the Federal Election Campaign Act of 1971, as amended. You requested that the respondents submit certain materials to the Office of General Counsel, including answers to interrogatories and requested documents, within fifteen days of the date I received your letter.

Upon the date I received your letter, I attempted to contact our clients and was advised that the principals were on holiday and would not return to the area until January 4, 1987. Therefore, it will not be possible to submit the materials you requested by January 5, 1987, the response date dictated by your letter. Therefore, to provide me an opportunity to consult with my clients and to determine their views in this matter, I

respectfully request an extension until January 25, 1987, an additional twenty days, within which to respond.

Sincerely yours,

J. Curtis Herge
Counsel to National Endowment for the Preservation of Liberty; Sentinel; American Conservative Trust; American Conservative Trust State Election Fund; Carl Russell Channell

:sbl

9004079396 2

**MORRIS A. MARKS**
ATTORNEY AT LAW

56 BREWSTER ROAD
SCARSDALE, N. Y. 10583

AREA CODE 914
725-2492

December 29, 1987

FEDERAL ELECTION COMMISSION
Washington, D.C. 20463
Att.: Lawrence M. Noble,
General Counsel

In Re: MUR 2406

Gentlemen:

The undersigned is counsel to Jane Word Driscoll, widow of the late Robert S. Driscoll, who died on January 13, 1987.

At the time of his death Mr. Driscoll resided at 345 Roaring Brook Road, Chappaqua, N.Y. 10514.

Mr. Driscoll's Will was duly admitted to probate in the Surrogates Court, Westchester County on March 9th, 1987; # 0410-1987.

The attorneys for the estate are Dewey, Ballantine, Bushby, Palmer & Wood
140 Broadway, N.Y.C.
Mr. William B. Warren, Esq.
Tel. 212-820-1420, is the attorney in charge of administration of the estate.

The Executors of the estate are:

Robert S. Driscoll IV
5121 Remington Drive
Alexandria, Virginia 22309

Steven S. Driscoll
2705 91 Place, N.E.
Bellevue, Washington 98004

David C. Driscoll
1040 South West 10th Avenue
Boca Raton, Florida 33486-5470

3004076563

Mrs. Driscoll in her affidavit sworn to December 29, 1987, original enclosed herewith, declares and affirms that she does not have in her possession, custody of control of any of the records or documents pertaining to the "INTERROGATORIES AND REQUESTS FOR DOCUMENTS" described and referred to in your letter of December 17, 1987 and does not have any information and did not participate in the events described in the "Interrogatories".

Mrs. Driscoll will avail herself, on advice of counsel, of all matters of confidentiality, arising out of her relationship with Robert S. Driscoll, her late husband.

Very truly yours,

Morris A. Marks

MORRIS A. MARKS

Copies to:

Robert S. Driscoll IV
5121 Remington Drive
Alexandria, Virginia 22309

Steven S. Driscoll
2705 91 Place, N.E.
Bellevue, Washington 98004

David C. Driscoll
1040 South West 10th Avenue
Boca Raton, Florida 33486-5470

William B. Warren, Esq.
Dewey, Ballantine, Bushby, Palmer & Wood
140 Broadway
New York City, New York

9004079964

MCC#5045
RECEIVED
FEDERAL ELECTION COMMISSION
MAIL ROOM
88 JAN -4 AM 9:47

BEFORE THE FEDERAL ELECTION COMMISSION

In Re: MUR 2406

RECEIVED
FEDERAL ELECTION COMMISSION
OFFICE OF GENERAL COUNSEL
88 JAN -4 PM 1:20

STATE OF NEW YORK )
COUNTY OF WESTCHESTER ) ss.:

JANE WORD DRISCOLL, being duly sworn deposes and says that she resides at 345 Roaring Brook Road, Chappaqua, New York 10514. Your deponent is the widow of the late ROBERT S. DRISCOLL, who died on January 13, 1987 and whose Will was duly admitted for probate in the Surrogates Court, Westchester County on March 9th, 1987.

Your deponent does not have in her custody, possession or control of any of the records or documents pertaining to the "INTERROGATORIES AND REQUESTS FOR DOCUMENTS" in the above captioned proceeding. Your deponent has no information relating to and did not paritcipate in the events described in the "Interrogatories" relating to this proceeding.

Your deponent, on advice of counsel, will avail herself of all matters of confidentiality arising out of her relationship with her late husband, ROBERT S. DRISCOLL.

Jane Word Driscoll
Jane Word Driscoll

Sworn to before me this
29th day of December 1987.

Barbara Powers
BARBARA POWERS
Notary Public, State of New York
Qual. in Westchester Co. No. 60 4743122
Term Expires 10-31-89

0014027436955

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

January 6, 1988

Richard A. Horgan
Financial Centre
695 East Main Street
Post Office Box 6760
Stamford, CT 06904-6760

RE: MUR 2406

Dear Mr. Horgan:

This is in response to your letter dated December 29, 1987, which we received on January 4, 1988, requesting an extension until January 29, 1988, to respond to interrogatories sent to your client. After considering the circumstances presented in your letter, I have granted the requested extension. Accordingly, your response is due by close of business on January 29, 1988.

If you have any questions, please contact Michael Marinelli, the staff member assigned to this matter, at (202) 376-5690.

Sincerely,

Lawrence M. Noble
General Counsel

By: Lois G. Lerner
Associate General Counsel

0004075960

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

January 5, 1988

S. Russell Smith, Jr., Esquire
Smith and Smith
400 North, First Trust Centre
200 South Fifth Street
Louisville, Kentucky 40202

RE: MUR 2406

Dear Mr. Smith:

This is in response to your letter dated December 30, 1987, which we received on December 31, 1987, requesting an extension until January 21, 1988, to respond to interrogatories and a request for production of documents. After considering the circumstances presented in your letter, I have granted the requested extension. Accordingly, your response is due by close of business on January 21, 1988.

If you have any questions, please contact Michael Marinelli, the staff member assigned to this matter, at (202) 376-5690.

Sincerely,

Lawrence M. Noble
General Counsel

By: Lois G. Lerner
Associate General Counsel

9004079569

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

January 11, 1988

J. Curtis Herge, Esquire
Herge, Sparks, Christopher & Biondi
8201 Greensboro Drive
McLean, VA 22102

RE: MUR 2406
National Endowment for the Preservation of Liberty; Sentinel; American Conservative Trust; American Conservative Trust State Election Fund; Carl Russell Channell

Dear Mr. Herge:

This is in response to your letter dated December 30, 1987, which we received on January 6, 1988, requesting an extension until January 25 to respond to the interrogatories and requests for documents in the above matter. After considering the circumstances presented in your letter, I have granted the requested extension. Accordingly, your response is due by close of business on January 25, 1988.

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

Sincerely,

Lawrence M. Noble
General Counsel

By: Lois G. Lerner
Associate General Counsel

0004074596 8

RECEIVED
FEDERAL ELECTION COMMISSION
MAIL ROOM

88 FEB 11 AM 12:50

#1261. Box 344
Robert Lee, Texas 76945

January 4, 1988
GCC# 5098
- Non 2406

RECEIVED
FEDERAL ELECTION COMMISSION
OFFICE OF GENERAL COUNSEL
88 JAN 11 PM 3:42

Mr. Lawrence M. Noble
General Counsel
Federal Election Commission
Washington, D.C. 20463

Dear Mr. Noble:

I have answered the questions you asked in your enclosed papers honestly and truthfully and to the best of my ability. I hope the information I have given will be satisfactory. I am enclosing the checks you asked for which are the only documents I have.

In the papers you enclosed with the questions, I was asked several times to "Identify" certain persons. The only ones that I really talked about or had any dealings with were "Spitz" Channel and Cliff Smith. I believe "Spitz" Channel's real name is Carl Channel, but I knew him as "Spitz". I do not know his present address.

00040759564

Cliff Smith

F. C. (Cliff) Smith Jr.
4849 Connecticut Avenue, N.W.
No. 721
Washington, D. C. 20008

If I can be any further help, I shall try.

Yours sincerely,

Mary Jo Pentecost
(Mrs. R. C. Pentecost)

0004079970

in 1985 ● ● 1986 ● ●

1. Yes, I made gifts of money to the National Endowment for the Preservation of Liberty, to Sentinel and to the American Conservative Trust, I thought perhaps I had given something to the American Trust State Election Fund in 1985 or 1986; but I don't find checks to show that I did, so I suppose that I did not.

   a. I absolutely cannot remember the date, the amount nor the name of the organization to which I made gifts.

   b. We are sending copies of the fronts and backs of all checks by which such gifts were made. Every gift I made was made by check so these copies should give you the dates, the amounts and the names of the organizations that you asked for in "a".

   c. I do not have copies of any correspondence or other writings related to the makings of these gifts. What little correspondence I had I threw away. I made no attempt to keep any correspondence, and there was very little of it to start with.

2. Yes, I think the National Endowment for the Preservation of Liberty, Sentinel and the

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American Conservative Trust requested money from me in 1985 or 1986.

a. I do not remember the date of telephone calls. I did not make any kind of notes in regard to phone calls so it is impassible for me to remember the dates. Cliff Smith made most of the calls to me. "Spitz" Channel made one or two or possibly three or four of the calls to me, but Cliff Smith called me the majority of the times. He called me in behalf of different ones of the Organizations for different reasons or projects, but I can't tell you how many times I was called, the dates of the calls or for which organization they were made. I made no effort to keep up with the dates, amounts or specific purpose for each call. And I cannot describe in detail the content of all such telephone calls.

b. Most all solicitations to me were made by telephone. I believe I might have received some kind of letter a time or two, but I don't keep my letters of this type. I couldn't. I get stacks of mail

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from vario[redacted] political, ed[redacted]tional, and Charitable etc. organizations day after day. I would need a large building to keep files of all such letters. Neither can I keep copies of all contributions I make. I make a good many contributions. Most of them are relatively small, but some in the past have been fairly large. But I would need a staff of people to help me keep records if I had to record every transaction including phone calls. I am only one individual with many other duties so I can't keep so many records. My checks are about all the records I keep.

C. We were in Washington two or three times in 1985 and 1986 - four times I believe. We saw and talked with Cliff Smith and "Spitz Channel" for a few minutes almost every trip. I don't believe there was any solicitation made on these trips of any consequence with the exception of one time Cliff Smith asked for some more help for the "Contras". We had tried to help some with food, clothes, medicine, shoes etc. for them, and he asked me for further help which I was unable to give at that time. I believe we were staying at the Hay-Adams Hotel that

particular to. There was other time that ~~that~~ Mr. Channel came to our Motel Room and asked for more help for the "Contras". That was the trip that we made to help sponsor the big banquet that ~~the President~~ a number of people helped sponsor in honor of President Reagan to raise money for Nicaraguan Refugees. After the banquet Mr. Channel came to our motel (where my husband and I were staying) and asked for more help. That was a day or two after the banquet.

The first time I ever met "Spitz" Channel or Cliff Smith, they flew to San Angelo, Texas to ask me to help sponsor the banquet that I mentioned above. And a part of the sponsoring the banquet was to contribute to the cause, and I did contribute $5,000. My husband and I met with Mr. Channel and Mr. Smith and took them from the airport to the Southern Sea Restuarant in San Angelo where we had a meal and talked for a relatively short time. Then we took them back to the Airport, I do not recall the date of this meeting. I think it was in the early Spring of 1985.

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d. I don't [redacted] know of any written documents involved in any of our dealings with any of the organizations headed by Cliff Smith or "Spitz" Channel. Of course you understand that Mr. Channel was the head of the Organizations and Mr. Smith was his assistant or worked under him. At this time I do not recall any documents involved. The checks are the only documents I remember. Mr. Channel gave us a book about Nicaragua and one or two pieces of information in regard to Nicaragua once or twice, but they had nothing to do with any of our personal dealings with him.

e. Any facts that I am unable to give you is simply because I did not keep records on the activities pertaining to my contributions, and I can't remember all the specific things you have asked.

3. I believe that sometime during 1985 or 1986 I was asked to contribute some amount of money to the National Endowment for

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the Preservation of Liberty, or to Sentinel, Conservative
or to the American Trust Fund or to the
American Conservative Trust State Election Fund
for putting some television advertisements on
in certain States to try to influence some
members of Congress (the House of Representatives)
to vote in favor of Congressional aid to the
Freedom Fighters or "Contras". I don't recall
exactly which one of the Organizations
was going to handle it. It might have
been Sentinel, but I am not sure. I
didn't pay much attention to what
Organization was doing what. I can't
swear that it was during these two years
that I was asked for money for that
reason, but I think it was. "Spitz" Channel
or Cliff Smith one or the other called
me, but I can't swear as to which one.
I knew they worked together so I didn't
especially try to remember which one
called. And I couldn't remember all the
names of their Organizations half of the
time. I just knew these two men, I
liked them and I trusted them and
I had confidence in what they were

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trying to do. I gave to their work because I had talked with them and we seemed to agree in practically all of the big issues. They were trying to do some things I wanted done so I tried to help them. They were trying to help the Freedom Fighters and I wanted to help the Freedom Fighters so I gave to the things they were trying to do. I didn't pay much attention to each organization as such. I gave to a cause and through men I trusted and I paid little attention to the organization or to which man I talked with. Again I have to say that I can't recall the ~~dates~~ date or dates. I didn't try to remember them. I never thought I'd ever be called on to remember them.

4. As I recall I think I was asked by Mr. Channel to help some in the election against Michael Barnes and also to try to help a Mrs. Chavez. I was very much against Mr. Barnes since I knew he was one of the men that the Communist Leader Ortega had called his friend and said had been helping them.

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I thought that it was ridiculous for one of our Congress to be helping the leader of the Communist take over in Nicaragua and I still think it is, so I was eager to do anything possible to get Mr. Barnes out of office. And I wanted a Conservative patriot in his place so I was eager to help Mrs. Chavez. I don't remember what organization was doing this. And I can't swear as to which man called me, but I rather believe that it was "Spitz." And I don't remember anything about the date. I think maybe I did give something for the purpose I have explained. I wasn't told much detail in regard to this. I was mainly just told that there was a chance to get rid of Michael Barnes and a slim chance to elect a Conservative in his place.

5. I talked with various members of the News Media, and I was asked lots of questions, but I didn't tell them but very little about any gifts of money to any of Spitz's Organizations. Some of the News Media I refused to talk

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. with and I didn't answer any questions to amount to anything for the ones I did talk with. I mostly talked to them about my feelings that we as a Nation should be helping the Freedom Fighters. I also told them I felt they should be investigating the Communists running loose in our Nation rather than trying to persecute such men as Col. North, "Spitz" Channel, Cliff Smith etc.

An investigator from the House of Representatives Committee from the called me and told me I had to talk with him or be supoened to Washington. So I talked with him on the phone. Then the F.B.I. sent a man to my home, and I talked with him. I don't recall these men's names. I did write their names down and I had their names and addresses for a time, but I don't know where to lay my hands on them now. They required us to send copies of my checks to them so we did. I don't remember the dates when I talked with these men. I guess I may have said some little something or other to some of my friends in regard to gifts I made, but I do know that I

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talked very very little about my giving. And I can't recall any specific statements I have made. I have never made any statement in writing concerning any of these contributions. I think maybe the F.B.I. man made a few notes as he talked with me, but I didn't write anything myself.

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COPIES OF PERSONAL CHECKS
SUBMITTED WITH THIS RESPONSE
HAVE BEEN REMOVED FROM THE PUBLIC FILE

9004079981

gdg3192/darlington/corres/federal.le
Thu Jan 14 14:20:03 1988

GCC#5153

RECEIVED
FEDERAL ELECTION COMMISSION
MAIL ROOM

88 JAN 19 AM 9:44

REED SMITH SHAW & McCLAY

MAILING ADDRESS:
P.O. BOX 2009
PITTSBURGH, PA 15230

TELEX 277871
FAX 412-288-3063

WRITER'S DIRECT DIAL NUMBER

MELLON SQUARE
435 SIXTH AVENUE
PITTSBURGH, PA 15219-1886

412-288-3131

WASHINGTON, DC
PHILADELPHIA, PA
HARRISBURG, PA
McLEAN, VA

REED SMITH & CHAPIN
DELRAY BEACH, FL

(412) 288-3192

January 14, 1988

RECEIVED
FEDERAL ELECTION COMMISSION
OFFICE OF GENERAL COUNSEL

88 JAN 19 PM 2:30

Federal Election Commission
999 E. Street, N.W.
Washington, DC 20463

Attn: Michael Marinelli

Re: MUR 2406

Gentlemen:

As requested, I am returning to you herewith a response of Frank G. Darlington to interrogatories filed by the Commission.

You should be advised that Mr. Darlington is 96 years of age and in somewhat poor health with the result that all communications to him should be forwarded to me.

Sincerely,

G. Donald Gerlach

GDG/rem

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**ANSWERS TO INTERROGATORIES**
**FILED BY FRANK DARLINGTON**

1. State whether you made gifts of money to the National Endowment for the Preservation of Liberty, Sentinel, The American Conservative Trust or the American Conservative Trust State Election Fund in 1985 and 1986.

Gifts were made on September 6, October 29, November 12 November 15, 1985 and November 9, 1986, in the respective amounts of $5,000.00, $23,000.00 $12,000.00, $1,000.00 and $5,000.00, to the National Endowment for the Preservation of Liberty. Attached hereto and marked Exhibit "A" are copies of the front and back sides of the pertinent checks.

In addition, gifts were made on March 12, 1985 and April 16, 1985, in the respective amounts of $1,000.00 and $8,000.00, to the American Conservative Trust. Attached hereto and marked Exhibit "B" are copies of both sides of the pertinent checks.

2. State whether the National Endowment for the Preservation of Liberty, Sentinel, the American Conservative Trust or the American Conservative Trust State Election Fund requested or solicited gifts of money from you in 1985 or 1986.

No records are available to determine how requests for gifts were made. The only records on hand are the cancelled checks referred to above. These are endorsed by rubber stamp and in no case bear the signature of any individual.

3. State whether person(s) who requested or solicited gifts of money from you in 1985

or 1986 on behalf of the National Endowment the Preservation of Liberty, Sentinel, the American Conservative Trust or the American Conservative Trust State Election Fund, in any manner, informed you or represented to you that such gifts would be used to pay for the costs of television advertisements relating to the Nicaragua Freedom Fighters (or Contras) or the Strategic Defense Initiative. If so, identify the person(s) who so informed you and the organization(s) on whose behalf such funds were sought and the date(s) of all such communications and in detail what you were told.

There is no information available to indicate any such information or representation.

4. State whether person(s) who requested or solicited gifts of money from you in 1985 and 1986 on behalf of the National Endowment for the Preservation of Liberty, Sentinel, the American Conservative Trust, the American Conservative Trust State Election Fund, in any manner, informed you or represented to you that such gifts were in connection with or for the purpose of influencing any election for Federal office (such as for the House of Representatives or the Senate). If so, identify the person(s) who so informed you or made such representations and the organization(s) on whose behalf such statements were made and the date(s) of all such communications and describe in detail what you were told. Provide copies of all documents relating to such statements or representations.

There is no information available to indicate any such information or representation.

5. Identify all persons (other than your attorney) including the news media to whom you have made other statements, either written or oral, about gifts you may have made to the National



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Endowment for the Preservation of Liberty Sentinel, the American Conservative Trust or the American Conservative Trust Election Fund. State the date of all such statements and provide a copy of all written statements you have made to such persons or describe in detail the content of all such statements.

Mr. Darlington made a statement to the *Pittsburgh Post-Gazette* on Wednesday July 15, 1987 when questioned about a thank-you note he received from Oliver North regarding a gift to the National Endowment for the Preservation of Liberty. Mr. Darlington said he would not respond to the question. Attached hereto and marked Exhibit "C" is a copy of the pertinent newspaper article.

WITNESS:

Frank G. Darlington

0004075939

**ACKNOWLEDGMENT**

I, FRANK G. DARLINGTON, do hereby acknowledge that I signed and executed the foregoing Answers to Interrogeratories; that I signed willingly and as my free and voluntary act.

Frank G. Darlington

Frank G. Darlington

COMMONWEALTH OF PENNSYLVANIA )
) SS:
COUNTY OF ALLEGHENY )

On this the 12th day of January, 1988 before me, the undersigned officer, personally appeared G. DONALD GERLACH, known by me to be a member of the Supreme Court of Pennsylvania and certified that he was personally present when the foregoing was signed by Frank G. Darlington.

IN WITNESS WHEREOF I set my hand and official seal.

Nancy R. Lewis (Seal)

NANCY R. LEWIS, Notary Public
Pittsburgh, Allegheny County, Pa.
My Commission Expires Jan. 29, 1988

0 0 4 0 7 5 9 8 0

COPIES OF PERSONAL CHECKS
SUBMITTED WITH THIS RESPONSE
HAVE BEEN REMOVED FROM THE PUBLIC FILE

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Pittsburgh Post-Gazette

Final Edition
7-15-87/10

VOL. 60 - NO. 299

WEDNESDAY, JULY 15, 1987

25 CENTS

# Walsh investigating city investor's gift

By James O'Toole
Post-Gazette Washington Correspondent

WASHINGTON — The special prosecutor's office examining the Iran-Contra affair plans to question a Ligonier lawyer about a $100,000 contribution from a Pittsburgh businessman that was apparently funneled to an overseas bank account set up at the direction of Lt. Col. Oliver North.

Clyde H. "Terry" Slease, a former attorney for Richard M. Scaife, said yesterday that he had been contacted by the office of Independent Counsel Lawrence Walsh after evidence about the contribution emerged in the course of North's appearance before the congressional committee whose inquiry parallels Walsh's criminal probe.

Slease said he agreed to be interviewed by the counsel's staff and expects to meet with them in the near future. Asked if he believed that he himself was a target of the investigation, Slease said, "Heavens, no. Not in any way, shape or form."

During North's appearance before the congressional committee Monday, he was asked about a 1985 White House meeting involving Slease, Roy Godson, an NSC consultant, and Robert McFarlane, the former national security adviser to President Reagan. North acknowledged that the session had taken place but did not provide any details of it.

The questioning then turned to the contribution from John Donahue, a Pittsburgh businessman who is president of Federated Investors. North said he could not recall Donahue's name.

CONTINUED ON PAGE 2

# Donahue gift to be investigated

□ FROM PAGE 1

An official of the Heritage Foundation told the Washington Post, however, that Slease had referred Donahue to the foundation in 1985. After receiving the money, the conservative think tank turned it over to another foundation headed by Richard Miller and Frank Gomez.

The Heritage Foundation reportedly expected that the funds would be used to support research on Central America. Documents released by the Iran-Contra panel indicated, however, that at least part of the money ended up in a Cayman Islands bank account that was used as a conduit for funds for the Contras.

Donahue has not been available for comment and there has been no evidence that he knew of the ultimate destination of his contribution.

Miller has pleaded guilty to conspiracy charges based on his solicitations of tax-free contributions that were used to support the Contras.

Documents released by the committee also included a 1983 NSC memorandum suggesting that Faith Ryan Whittlesey, a former White House aide who is now the U.S. ambassador to Switzerland, had identified Slease as a contact person for fund-raising from the "Mellon-Scaife" organization.

Slease said yesterday that reports of the memo "came at me out of the blue." He said he has no recollection of any conversations with Whittlesey about soliciting funds from Scaife for the Contras.

Slease and Scaife, an heir to the Mellon family fortune and publisher of the Greensburg Tribune-Review, said in a statement released earlier this week that Scaife had no knowledge of Slease's White House meeting or reported contacts with Donahue.

Donahue, 62, became a millionaire through his work at Federated Investors, which he founded in 1955.

Federated, which was purchased in 1982 by Aetna Life and Casualty Co. in a deal valued at nearly $200 million, now is the nation's third largest money management firm.

A Pittsburgh native and resident, Donahue graduated from Central Catholic High School in 1942. He continued his education at the U.S. Military Academy, where he graduated in 1946 with University of Pittsburgh Presi nt Wer'e Posvar. Posvar later served on Federated's board of directors.

Donahue, a registered Democrat, also is very active in the Roman Catholic Church and serves on the board of directors at Duquesne University. He is a member of the Duquesne Club and is considered by some to be a fiscal conservative.

He lives in Point Breeze with his wife and family.

The exhibits released by the congressional committee Monday included a reference to another Pittsburgh figure, retired industrialist Frank Darlington.

In a letter last June, North thanked Darlington for a contribution to the National Endowment for the Preservation of Liberty. That group was headed by Carl "Spitz" Channell who, like Miller, has pleaded guilty to conspiracy charges stemming from Contra fund-raising. His indictment named North as a co-conspirator.

Darlington, 95, a retired Leetsdale resident, said he had no comment on the report that North had written him a thank-you note. The note, one of a few samples taken from among hundreds that North said he sent, said, "During 1985, the hope of freedom and democracy in Nicaragua was kept alive with the help of the National Endowment for the Preservation of Liberty and fine Americans such as you."

Darlington, reached yesterday by telephone at his summer residence in Hyannisport, Mass., said, "I will not respond to that."

Citing Federal Election Commission reports, United Press International reported in December that Darlington last year contributed $5,000 to the Anti-Terrorism American Committee and $3,000 to the American Conservative Trust.

Darlington said then, "Did I send them money? I don't know. They asked me to. I'm all alone. I'm sick ... I can't give anymore, I gave too much. I'm sick with two incurable diseases and I need the money for myself."

Both political action committees, managed by Channell, spent millions of dollars in advertising to persuade Congress to fund Nicaraguan rebels, UPI reported.

*Post-Gazette Staff Writers Sarah Bohrer and Mark Belko contributed to this report.*

EXHIBIT "C"

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

January 19, 1988

**CERTIFIED MAIL**
**RETURN RECEIPT REQUESTED**

Robert Mosbacher
Mosbacher Energy Co.
Suite 2200
Texas Commerce Bank Building
712 Main Street
Houston, TX 77002

Re: MUR 2406

Dear Mr. Mosbacher:

The Federal Election Commission has the statutory duty of enforcing the Federal Election Campaign Act of 1971, as amended. The Commission has issued the attached interrogatories and requests for documents in connection with an investigation it is conducting. The Commission does not consider you a respondent in this matter, but rather a witness only.

Because this information is being sought as part of an investigation being conducted by the Commission, the confidentiality provision of 2 U.S.C. § 437g(a)(12)(A) applies. That section prohibits making public any investigation conducted by the Commission without the express written consent of the person with respect to whom the investigation is made. You are advised that no such consent has been given in this case.

You may consult with an attorney and have an attorney assist you in the preparation of your responses to this request. However, you are required to submit the information under oath within 15 days of your receipt of this letter.

If you have any questions, please direct them to Michael Marinelli, the staff member handling this matter, at (202) 376-5690.

Sincerely,

Lawrence M. Noble (by)

Lawrence M. Noble
General Counsel

Enclosure
Interrogatories and Requests for Documents

0004079989

**BEFORE THE FEDERAL ELECTION COMMISSION**

In the Matter of )
) MUR 2406
)

**INTERROGATORIES AND REQUEST FOR PRODUCTION OF DOCUMENTS**

TO: Robert Mosbacher
Mosbacher Energy Co.
Suite 2200
Texas Commerce Bank Building
712 Main Street
Houston, TX 77002

In furtherance of its investigation in the above-captioned matter, the Federal Election Commission hereby requests that you submit answers in writing and under oath to the questions set forth below within 15 days of your receipt of this request. In addition, the Commission hereby requests that you produce the documents specified below, in their entirety, for inspection and copying at the Office of the General Counsel, Federal Election Commission, Room 659, 999 E Street, N.W., Washington, DC 20463, on or before the same deadline, and continue to produce those documents each day thereafter as may be necessary for counsel for the Commission to complete their examination and reproduction of those documents. Clear and legible copies or duplicates of the documents which, where applicable, show both sides of the documents may be submitted in lieu of the production of the originals.

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## INSTRUCTIONS

In answering these interrogatories and request for production of documents, furnish all documents and other information, however obtained, including hearsay, that is in your possession, known by or otherwise available to you, including documents and information appearing in your records.

Each answer is to be given separately and independently, and unless specifically stated in the particular discovery request, no answer shall be given solely by reference either to another answer or to an exhibit attached to your response.

If you cannot answer the following interrogatories in full after exercising due diligence to secure the full information to do so, answer to the extent possible and indicate your inability to answer the remainder, stating whatever information or knowledge you have concerning the unanswered portion and detailing what you did in attempting to secure the unknown information.

Should you claim a privilege with respect to any documents, communications, or other items about which information is requested by any of the following interrogatories and requests for production of documents, describe such items in sufficient detail to provide justification for the claim. Each claim of privilege must specify in detail all the grounds on which it rests.

Unless otherwise indicated, the interrogatories and requests shall refer to the time period from January 1, 1985, to December 31, 1986.

The following interrogatories and requests for production of documents are continuing in nature so as to require you to file supplementary responses or amendments during the course of this investigation if you obtain further or different information prior to or during the pendency of this matter. Include in any supplemental answers the date upon which and the manner in which such further or different information came to your attention.

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**DEFINITIONS**

For the purpose of these discovery requests, including the instructions thereto, the terms listed below are defined as follows:

"Persons" shall be deemed to include both singular and plural, and shall mean any natural person, partnership, committee, association, corporation, or any other type of organization or entity.

"Document" shall mean the original and all non-identical copies, including drafts, of all papers and records of every type in your possession, custody, or control, or known by you to exist. The term document includes, but is not limited to books, letters, contracts, notes, diaries, log sheets, records of telephone communications, transcripts, vouchers, accounting statements, ledgers, checks, money orders or other commercial paper, telegrams, telexes, pamphlets, circulars, leaflets, reports, memoranda, correspondence, surveys, tabulations, audio and video recordings, drawings, photographs, graphs, charts, diagrams, lists, computer print-outs, and all other writings and other data compilations from which information can be obtained.

"Identify" with respect to a document shall mean state the nature or type of document (e.g., letter, memorandum), the date, if any, appearing thereon, the date on which the document was prepared, the title of the document, the general subject matter of the document, the location of the document, the number of pages comprising the document.

"Identify" with respect to a person shall mean state the full name, the most recent business and residence addresses and telephone numbers, the present occupation or position of such person, the nature of the connection or association that person has to any party in this proceeding. If the person to be identified is not a natural person, provide the legal and trade names, the address and telephone number, and the full names of both the chief executive officer and the agent designated to receive service of process for such person.

"And" as well as "or" shall be construed disjunctively or conjunctively as necessary to bring within the scope of these interrogatories and requests for the production of documents any documents and materials which may otherwise be construed to be out of their scope.

0004073992

**INTERROGATORIES AND REQUESTS FOR DOCUMENTS**

1. State whether you made any gifts of money to the National Endowment for the Preservation of Liberty, Sentinel, the American Conservative Trust, or the American Conservative Trust State Election Fund in 1985 or 1986.

   a. If so, state the date and the amount and the payee of all such gifts.

   b. Provide a true copy of the front and back of all checks by which such gifts were made.

   c. Provide true copies of all correspondence and all other writings related to the making of these gifts.

2. State whether the National Endowment for the Preservation of Liberty, Sentinel, the American Conservative Trust, or the American Conservative Trust State Election Fund requested or solicited gifts of money from you in 1985 or 1986.

   a. If such request(s) or solicitation(s) was (were) made by telephone, state the date(s) of all such telephone calls, identify the person(s) who made the request(s) or solicitation(s) or call(s) and all other person(s) who participated in the telephone calls, identify the organization(s) on whose behalf the request(s) or solicitation(s) was (were) made, and describe in detail the content of all such telephone calls.

   b. If such request(s) or solicitation(s) was (were) written, provide true copies of all such requests or solicitations that you received.

   c. If such request(s) or solicitation(s) was (were) made personally or face to face, state the date and place of all such meetings, identify the person(s) participating in each meeting and the organization(s) on whose behalf the request(s) or solicitation(s) was (were) made, and describe in detail the content of all such meetings, and provide all documents relating to such request(s) or solicitation(s).

   d. If you are unable to provide a true copy of any written document, state each and every reason why you are unable to do so, identify the person(s) who signed the document and each organization on whose behalf it was made and the date of each document, and describe in detail the content of all such documents.

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e. If you are unable to provide any specific fact, state each and every reason why you are unable to do so.

3. State whether person(s) who requested or solicited gifts of money from you in 1985 or 1986 on behalf of the National Endowment for the Preservation of Liberty, Sentinel, the American Conservative Trust, or the American Conservative Trust State Election Fund, in any manner, informed you or represented to you that such gifts would be used to pay for the costs of television advertisements relating to the Nicaragua Freedom Fighters (or Contras) or the Strategic Defense Initiative. If so, identify the person(s) who so informed you and the organization(s) on whose behalf such funds were sought and the date(s) of all such communications and describe in detail what you were told.

4. State whether person(s) who requested or solicited gifts of money from you in 1985 or 1986 on behalf of the National Endowment for the Preservation of Liberty, Sentinel, the American Conservative Trust, the American Conservative Trust State Election Fund, in any manner, informed you or represented to you that such gifts were in connection with or for the purpose of influencing any election for Federal office (such as for the House of Representatives or the Senate). If so, identify the person(s) who so informed you or made such representations and the organization(s) on whose behalf such statements were made and the date(s) of all such communications and describe in detail what you were told. Provide copies of all documents relating to such statements or representations.

5. Identify all persons (other than your attorney) including the news media to whom you have made other statements, either written or oral, about gifts of money or solicitations or requests for such gifts you may have made to the National Endowment for the Preservation of Liberty, Sentinel, the American Conservative Trust, or the American Conservative Trust State Election Fund. State the date of all such statements and provide a copy of all written statements you have made to such persons or describe in detail the content of all such statements.

0004079994

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

January 19, 1988

**CERTIFIED MAIL**
**RETURN RECEIPT REQUESTED**

Jane Driscoll
345 Roaring Brook Road
Chappaqua, New York 10514

RE: MUR 2406

Dear Mrs. Driscoll:

As requested, enclosed is the April 12, 1987 New York Times article which prompted the interest of the Federal Election Commission. The questions and request for documents sent to you on December 17, 1987, seek to substantiate and further amplify the facts presented in the article.

This information is requested as part of an investigation into possible violations of Federal election campaign law. You are considered a witness and not the subject of the investigation.

We would appreciate if you would submit the requested information under oath within 15 days of receipt of this letter.

If you have any questions, please direct them to Michael Marinelli, the staff member handling this matter, at (202) 376-5690.

Sincerely,

Lawrence M. Noble
General Counsel

By: Lois G. Lerner
Associate General Counsel

0014079393

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

January 19, 1988

**CERTIFIED MAIL**
**RETURN RECEIPT REQUESTED**

Morris A. Marks, Esquire
56 Brewster Road
Scarsdale, New York 10583

RE: MUR 2406

Dear Mr. Marks:

As requested, enclosed is the April 12, 1987 New York Times article which prompted the interest of the Federal Election Commission. The questions and request for documents sent to your client, Jane Driscoll, on December 17, 1987, seek to substantiate and further amplify the facts presented in the article.

This information is requested as part of an investigation into possible violations of Federal election campaign law. Your client is considered a witness and not the subject of the investigation.

We would appreciate if you would submit the requested information under oath within 15 days of receipt of this letter.

If you have any questions, please direct them to Michael Marinelli, the staff member handling this matter, at (202) 376-5690.

Sincerely,

Lawrence M. Noble
General Counsel

By: Lois G. Lerner
Associate General Counsel

0004076990

CCC#5155

RECEIVED
FEDERAL ELECTION COMMISSION
MAIL ROOM

88 JAN 19 AM 9:11

MRS. MARTHA H. LYNCH

RECEIVED
FEDERAL ELECTION COMMISSION
OFFICE OF GENERAL COUNSEL

88 JAN 19 PM 2:27

January 14, 1988

Mr. Lawrence M. Noble
General Counsel
Federal Election Commission
999 E. Street, N.W.
Washington, D. C. 20463

Re: MUR 2406

Dear Mr. Noble:

In response to your letter of December 17, 1987, we have duly researched our files for gifts of money to the National Endowment for the Preservation of Liberty. Enclosed are copies of the following checks:

| Check No. | Date | Name | Amount |
|---|---|---|---|
| 1293 | 3/3/86 | NEPL | $ 25,000.00 |
| 1631 | 4/1/86 | " | 5,000.00 |
| 1828 | 8/21/86 | " | 4,000.00 |
| 1452 | 9/23/86 | " | 3,000.00 |
| | | | $ 37,000.00 |

Copies of 1985 checks totaling $45,000.00 are not available. We are also enclosing copies of correspondence relating to the National Endowment for the Preservation of Liberty.

We trust the above is the information you require.

Sincerely,

Martha H. Lynch Jr.

Martha H. Lynch

Enclosures

1845 Woodall Rodgers Freeway • Suite 1600, LB-16 • Dallas, Texas 75201 • (214) 871-2400

COPIES OF PERSONAL CHECKS
SUBMITTED WITH THIS RESPONSE
HAVE BEEN REMOVED FROM THE PUBLIC FILE

9004079998

THE WHITE HOUSE

WASHINGTON

October 10, 1985

Dear Mr. Channell:

On August 30, I signed Executive Order 12530 authorizing the provision of $27 million in humanitarian assistance to the freedom fighters in Nicaragua. This week the Nicaraguan Humanitarian Assistance Office (NHAO) commenced work on the distribution of food, clothing, and medical supplies so desperately needed by the men and women who struggle for liberty in Nicaragua.

Passage of the legislation, which made my Executive Order and the NHAO possible, was a significant victory for the cause of freedom in Central America. It would not have been achieved without the help of the American Conservative Trust and its supporters. Your organization's effort to go to the public via television in support of this program was a significant factor in helping people to understand this issue.

You and your organization have made a remarkable contribution to the course of democracy in Central America. Keep up the good work.

Sincerely,

Ronald Reagan

Mr. Carl Russell Channell
President
The American Conservative Trust
305 Fourth Street, N.E.
Washington, D.C. 20002

00407696

Meeting held on 10-31-85 with Cliff Smith and Dan Conrad of the American Conservative Trust, ("ACT"), and the National Endowment for the Preservation of Liberty, ("NEPL"). These two charitable organizations have been in existance for about eighteen months.

Cliff Smith and Dan Conrad are two of six employees of the ACT. The President is Mr. Carl Russell "Spitz" Channell. Other personnel at ACT include Angela Davis, Roger Wilkins, and Chris Littledale. Their offices are located at 305 Fourth Street, N.E., Washington, D.C. 20002. Their contacts within the Regan administration include Oliver L. North, Deputy Director Political-Military Affairs and Patrick Buchannon.

Cliff Smith told us that the ACT has raised up to a million dollars so far in 1985. They have over 300 donors. Contributions to the ACT are limited to $5,000.00 but NEPL has no limit on the size of donations.

ACT's program for Nicaragua has been funded by 50 or more people. ACT's two principal activities are (i) purchasing Maul aircraft at $60,000.00 each to be used for delivering supplies to the Contras fighting within Nicaragua and (ii) leasing DC3 aircraft for carrying supplies.

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GOVT RM 87 OEOB
THE WHITE HOUSE
DC 20500 23AM

Western Union Mailgram

1-224103U023042 01/23/86 ICS WA08186 DALA
00047 MLTN VA 01/23/86 JN05141

MR. WILLIAM LYNCH
VICE PRESIDENT
LYNCH PROPERTIES
1845 WOODALL RODGERS FREEWAY
#1600, LB-16
DALLAS, TX 75201

9004079401

YOU ARE CORDIALLY INVITED TO A SPECIAL WHITE HOUSE BRIEFING ON U. S. POLICY IN CENTRAL AMERICA FOR THE NATIONAL ENDOWMENT FOR THE PRESERVATION OF LIBERTY.

THE BRIEFING BEGINS AT 2:30 P.M. ON THURSDAY, JANUARY 30, 1986, IN THE ROOSEVELT ROOM OF THE WEST WING OF THE WHITE HOUSE. THE PROGRAM WILL INCLUDE A WELCOME BY DONALD REGAN, WHITE HOUSE CHIEF OF STAFF; AND PAT BUCHANAN, ASSISTANT TO THE PRESIDENT FOR COMMUNICATIONS; A BRIEFING BY JOHN POINDEXTER, THE PRESIDENT'S NATIONAL SECURITY ADVISOR; AND REMARKS BY THE PRESIDENT.

IF YOU ARE ABLE TO ATTEND, PLEASE HAVE YOUR OFFICE CALL MR. CARL RUSSELL CHANNELL AT 202/547-1985 BY 5:00 P.M. EST ON JANUARY 28, AND PROVIDE YOUR NAME (AS IT APPEARS ON YOUR PHOTO IDENTIFICATION), SOCIAL SECURITY NUMBER AND DATE OF BIRTH.

PLEASE PLAN TO ARRIVE AT THE NORTHWEST GATE OF THE WHITE HOUSE BY 2:15 P.M. PLEASE BE SURE TO BRING PHOTO IDENTIFICATION (DRIVER'S LICENSE OR PASSPORT) AS IT WILL BE REQUIRED FOR ADMITTANCE.

I LOOK FORWARD TO YOUR PARTICIPATION.

SINCERELY,

LINDA CHAVEZ, DEPUTY ASSISTANT TO THE
PRESIDENT AND DIRECTOR OF THE OFFICE OF
PUBLIC LIAISON

14:52 EST

MGMCOMP

5241 (R 7/82)

TO REPLY BY MAILGRAM MESSAGE, SEE REVERSE SIDE FOR WESTERN UNION'S TOLL - FREE PHONE NUMBERS

THE WHITE HOUSE

WASHINGTON

December 27, 1985

Dear Mr. Channell:

Thank you for writing as you did and for your generous words.

You were more than kind to tell me of the messages the National Endowment for the Preservation of Liberty sponsored in support of our efforts at the Geneva Summit. I am convinced that we have made real progress toward a fresh start in the pursuit of peace, the reduction of arms, the advocacy of human rights, and the defense of freedom. Support like yours is the surest guarantee that we will continue to move forward toward our goals. I'm truly grateful to you and the friends you mentioned.

Nancy joins me in sending you and your colleagues our very best wishes.

Sincerely,

Ronald Reagan

Mr. Carl Russell Channell
President
National Endowment for the
Preservation of Liberty
Suite 1000
305 Fourth Street, N.E.
Washington, D.C. 20002

9004077400 2

THE WHITE HOUSE

WASHINGTON

October 10, 1985

Dear Mr. Channell:

On August 30, I signed Executive Order 12530 authorizing the provision of $27 million in humanitarian assistance to the freedom fighters in Nicaragua. This week the Nicaraguan Humanitarian Assistance Office (NHAO) commenced work on the distribution of food, clothing, and medical supplies so desperately needed by the men and women who struggle for liberty in Nicaragua.

Passage of the legislation, which made my Executive Order and the NHAO possible, was a significant victory for the cause of freedom in Central America. It would not have been achieved without the help of the American Conservative Trust and its supporters. Your organization's effort to go to the public via television in support of this program was a significant factor in helping people to understand this issue.

You and your organization have made a remarkable contribution to the course of democracy in Central America. Keep up the good work.

Sincerely,

Ronald Reagan

Mr. Carl Russell Channell
President
The American Conservative Trust
305 Fourth Street, N.E.
Washington, D.C. 20002

THE WHITE HOUSE

WASHINGTON

December 18, 1985

Dear Spitz:

I want you to know what a wonderful welcome home present it was to see your messages on television on our return from Geneva.

Our mission in Geneva would not have been the success it was without the support of Americans such as you. There is a great journey ahead of us in this quest for a safer world. In Geneva we made a fresh start toward a more secure world. You and your foundation have my heartfelt thanks for your unique support.

Please keep us in your hearts and prayers this holiday season as we will keep you in ours. God bless you.

Sincerely,

Ronald Reagan

Mr. Carl Russell Channell
President
National Endowment for the
Preservation of Liberty
305 Fourth Street, N.E.
Washington, D.C. 20002

0040074004

THE WHITE HOUSE

WASHINGTON

December 18, 1985

Dear Spitz:

I want to thank you for the fine series of television messages you broadcast three weeks before we left for Geneva. "Morning of Peace" captured the true spirit of my dream, our Strategic Defense Initiative, a shield to protect our children and their children from the threat of nuclear war. I firmly believe that we can achieve this goal and end the insanity of the arms race.

Your televised messages and the steadfast support in a variety of foreign policy areas of the American Conservative Trust means a great deal to me. Please keep up the good work. With your continued help I know we can succeed for the next generation, and for all the generations to come. Nancy joins me in wishing you and your associates all the joys of the Season. God bless you.

Sincerely,

Ronald Reagan

Mr. Carl Russell Channell
President
The American Conservative Trust
305 Fourth Street, N.E.
Washington, D.C. 20002

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THE WHITE HOUSE

WASHINGTON

June 25, 1985

Dear Mr. Channell:

Thank you for your letter concerning the American Conservative Trust and your television messages.

It is indeed critical that the American people are informed about the current situation in Nicaragua. Thank you for the work you are doing in this regard.

The President greatly appreciates your efforts in support of his policies.

Sincerely,

Ed Rollins

Edward J. Rollins
Assistant to the President
for Political and
Governmental Affairs

Mr. Carl Russell Channell
President
American Conservative Trust
305 4th Street, N.E.
Suite 210
Washington, D.C. 20002

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For Henry

# Central American Freedom Program

## Introduction

1986 is destined to be a landmark year in the advancement of freedom throughout the world. After a generation of increasing tyranny and authoritarianism, the winds of change are rising. These winds are carrying freedom movements on four continents toward a victory over communist domination. And Ronald Reagan, leading a rejuvenated America, has caught these winds of change and is dramatically aligning American policy, resources, and moral support with the force of that gathering storm which is destined to overthrow communist tyranny in Afghanistan, Angola, Mozambique, Kampuchea and, most important, Nicaragua.

America's relationship with communist Nicaragua experienced an absolute moral and political reversal when Ronald Reagan became President of the United States.

The Carter Administration, like millions of Nicaraguans, had been fooled by the communists who captured the leadership of the anti-Somoza revolution in 1979. Once in power, the communist junta began systematically lying to the world about the true policies and purposes of their revolutionary government.

But Ronald Reagan was not fooled. So, moved by new leadership, American policy toward Nicaragua's communist government changed sharply in 1981 and declared support for the Nicaraguan Freedom Fighters began.

Since 1981, opposition to the communist-controlled Nicaraguan regime has gradually become a very powerful internal democratic movement. It claims the support of over 25,000 well armed Nicaraguans and literally hundreds of thousands of ordinary Nicaraguans. The democratic forces have not only endured years of conflict with a communist army easily six times their number, but have steadily increased their ranks in the midst of the struggle. These democratic forces continued to gain strength even during the year and a half that United States aid was suspended.

1986 finds the democratic forces stronger than ever. But so is their communist enemy. Ronald Reagan, however, is preparing to offer decisive assistance to the democratic forces which, if fully endorsed by the Congress, could in fact carry them to victory over communism in Nicaragua this year. When victory does in fact occur, it will have historic and political significance throughout the Western Hemisphere. Its impact will be felt by every Freedom Fighter in the world. Its possibility will haunt every communist dictator. Finally, Ronald Reagan's actions will herald a new dynamic American policy of materially supporting freedom movements struggling to overthrow communist regimes.

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## Description of the Problem

If Ronald Reagan is to succeed in meeting the needs of the Freedom Fighter movements for years to come, it will be necessary to create a deep reservoir of support for the Freedom Fighters and the President's policy. Such public support will come only if the American people truly understand the stakes and the opportunities the Reagan policies embody. The memories of Vietnam, however inapplicable, remain fresh, as does the urge to have America fight for clearly recognizable just causes. So President Reagan, if he is to be successful, must carry into this foreign policy arena the unified support of the American people.

Notwithstanding the headlines and the debates during the last five years, the American public remains woefully ignorant about Nicaragua and the clear threat it poses to vital American security interests. A 1985 public opinion poll showed that more than one-third of those surveyed did not know which side the United States supports, and 20 percent thought we support the government. A later poll found that among those aware of U.S. policy, 58 percent said we should not be giving aid to the Democratic Opposition.

That so many people are ill-informed, and that a majority oppose our policies is tragic but not surprising, for the American public is the victim of an intense, sophisticated multi-million dollar disinformation campaign conducted by opponents of the President. Abusing freedoms they deny to their own people, the Sandinistas have a Washington law firm and two public relations firms under contract to spread disinformation. They are aided by the Soviet Union and Cuba (who spend millions to shape public policy in America) and a vast network of communist and leftist activist sympathizers. These people operate at the grass-roots level and in Washington, using the media and all the tools at their disposal to undermine the policies of our elected government.

This is why President Reagan needs the support and cooperation of clear-thinking, patriotic Americans: to counter the disinformation and to educate the public on the policies, the players, the dangers and the realities.

The National Endowment for the Preservation of Liberty is helping the President do just that.

## Solution

The National Endowment for the Preservation of Liberty has undertaken a nationwide program of indefinite duration known as the CENTRAL AMERICAN FREEDOM PROGRAM. The overriding goal of this program is to educate the American people and political elites about the realities of communism in Nicaragua and the threat to U.S. national security.

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We have chosen television as the major vehicle we believe will be most successful in carrying our educational and informative messages to the public.

The CENTRAL AMERICAN FREEDOM PROGRAM will require the National Endowment for the Preservation of Liberty to spend over one million, four hundred thousand dollars in the next ninety days. This means allocation of over one hundred thousand dollars every week for public education and information on the issue of Nicaragua. A longer, two-million dollar program is planned in detail if the vote in Congress is delayed until late spring.

When our program achieves its public awareness goals, it will become a useful model for similar activities by others in the future. Our program is truly unique. It has become the pioneering effort in this area.

## Central American Freedom Program

The National Endowment for the Preservation of Liberty is focussing its education program on seven issues. They are:

1) Nicaraguan communist persecution of its citizens;

2) Denial of religious and political rights;

3) The creation of an aggressive armed Soviet satellite on the North American continent;

4) The creation of Cuban bases inside Nicaragua;

5) The threat Nicaragua now poses to its neighbors both through state terrorism and outright aggression;

6) Support for revolution in El Salvador;

7) Betrayal of the true anti-Somoza democratic revolution by the Nicaraguan communists.

The issues listed above represent the principal points our programs will make in the minds of Americans. We are also emphasizing other issues such as the origin, nature, organization and objectives of the Freedom Fighters. We are developing the images of the UNO leadership. We are graphically showing the situation facing over three hundred thousand Nicaraguan refugees. And we are presenting the political and human rights goals of the Freedom Fighters themselves.

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## Public Affairs Components

## Central American Freedom Program

The Sandinistas have two public relations firms and two law firms either registered as foreign agents or working sub rosa in the United States. They have a combined budget of two million dollars and are concentrating on the districts of Congressmen who have opposed aid to the Freedom Fighters. They have also stepped up the use of Op-Eds and articles in national newspapers written by sympathetic Americans, as well as the planting of disinformation such as recent articles accusing the FDN of drug trafficking.

An ignorant and misinformed public is one of the principal objectives of the communists, for they recognize that ignorance and apathy in local communities across America leaves the doors wide open to the opponents of Administration policy. And given the activism of those opponents, they are the ones who are often visible to members of Congress. A legislator who only hears from the critics can ignore logic and danger, and vote to deny U.S. assistance to those on the front lines in the battle against communism in our hemisphere. This is why the public must be better informed.

The public is quite unaware of the true nature of the Sandinistas as well as the existence of a viable democratic alternative. They do not support efforts to overthrow any government and fear U.S. involvement in another Vietnam. This ignorance and the isolationism it produces have been the Sandinista's principal advantages in the debate. We intend to evaporate those advantages through the use of truth.

## Objectives

With the Congressional debate heating up on this issue, we should expect the Sandinistas, their foreign agents and liberal sympathizers to give it all they have. We are in the last weeks of a national campaign to be decided by the American public. If the public remains apathetic, Congress will defeat the President's democratic initiative. If we are successful, America will have a policy that sounds the death knell of America's post-Vietnam feeling of impotency and its retreat from her responsbilities as the leader of the free world.

To accomplish this the National Endowment for the Preservation of Liberty is addressing four audiences using specifically targeted communications strategies:

The public - Through the use of strong negative images of the Sandinistas recently reported in the media.

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The Congress - Through issues now associated with America's leadership role in supporting democracy in the region.

Policymakers - Democratic leadership issues provide the groundwork for more challenging arguments that can influence liberals and moderates.

Freedom Fighter Leadership - Without a sound belief in the capabilities of the resistance's leadership, no policy can succeed in Congress.

## Program Elements

The National Endowment for the Preservation of Liberty is approaching this program with the understanding that we are under considerable time constraints and are fighting for public support in areas widely dispersed across the United States. Therefore, we are treating this as a national political campaign, with March 15 as our target. Using the methodology of national political campaigns, we are seeking to utilize our opponents' negatives, debate the unclaimed issues to our advantage and reinforce our positive public perceptions.

We are using advertising and public affairs programs for each of the four program objectives listed above. They are being handled as follows:

The Public - The public has been exposed recently to several negative images or impressions of the Sandinistas. We use these images to reinforce the public perception that the Sandinistas are communists and tyrannical dictators. We employ the following techniques;

Television advertising - following research into the Congressional votes cast on the last aid package, we are producing materials that can be used by Robert Goodman and Associates for spots which focus on:

1) Daniel Ortega's trip to Moscow and the $220 million commitment he received from the Soviets for offensive military weaponry.

2) The recent crackdown on human rights directed against the entire Nicaraguan population.

3) Ortega's purchase of $3,500 in designer eyeglasses while his people starve.

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4) The communist militarization of Nicaragua through Soviet, Libyan, East German, Cuban and other advisors, and the use of Nicaragua as a command center for subversion of her democratic neighbors.

5) That Cubans are now proved to be actively involved in combat.

6) That Nicaragua has become a lair and a refuge for international terrorists, notably Libyans, the PLO, Colombia's M-19 and others, and that the Sandinistas abet terrorism and narcotics trafficking.

7) The humiliation of Pope John II when he was spat upon and heckled when he tried to say Mass in Managua.

Spokesman program - using the prototype program already underway, NEPL is placing speakers in 50 markets between now and March 15, 1986. These speakers are booked into a civic club or professional organization in a market and then scheduled for television, radio and newspaper interviews. The speakers come from the ranks of the UNO leadership and are capable of defending all UNO participants.

They focus on Sandinista excesses and UNO as the democratic alternative. The principal concentration for these speakers are the southern and western states.

Battlefield Videotape - Sandinista state security agents rigidly control the movements of foreign correspondents, especially television journalists in or visiting Nicaragua. That control is exercised through:

1) Escort "guides" and interpreters;

2) Denial of access to selected parts of the country;

3) Imposition of "taboo" themes;

4) Screening and censorship of footage for export;

5) Monitoring of telephones and telex;

6) Expulsion or denial of entry to any offenders.

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At the same time, coverage from the northern border is extremely arduous and far from the areas where the Resistance is operating. The result is timid, selective, highly censored and heavily biased television coverage. battle zones are only presented from the Sandinista perspective.

We are providing major media outlets and local television stations with never-seen-before videotape from the field, including combat footage and evidence of Sandinista atrocities. We will also provide footage and commentary on events inside Managua and other major population centers.

This footage will be used in three ways:

1) An experienced advertising agency is producing advertising for distribution in as many as 50 selected markets across the United States.

2) A satellite feed will be edited and fed each time new footage is obtained. These feeds will reach approximately 200 television stations in the U.S. Usage reports will be received daily.

3) A new documentary on the face of communism in Nicaragua and the use of internal repression will be produced. This theme will be countered with a segment showing the Freedom Fighters as the logical outgrowth of Sandinista tyranny.

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Congress - Given the compressed time frame, Congress can be best reached through an effort that is visible in Washington and the national media. The issues used to reach Congress should be centered on America's leadership responsibilities in this hemisphere. The primary effort focussed in Congressional districts, but we are reinforcing this effort with a public affairs and education program including:

A. Articles and Op-Eds written by prominent American leaders on Nicaragua as a center of terrorism. Using recent revelations of Nicaraguan arms being used in the Colombian Supreme Court assaults and Libyan, PLO and Iranian terrorists working in Nicaragua, we will producing articles for paid distribution, single placement in national newspapers and general media distribution.

B. Religious persecution of all faiths can be used to touch and educate the public, producing a positive effect on the Congress. Jewish, Catholic and Protestant organization publications are being approached to interview defectors and religious figures who know the persecution firsthand. The National Endowment for the Preservation of Liberty is arranging a series of meetings with religious leaders and journalists. We will also help to produce an article by a prominent American religious figure for paid distribution.

C. Another Cuba on the North American Continent is unacceptable to almost all Americans. If the issue is picked up by constituents it would be a strong message for Congress. The National Endowment for the Preservation of Liberty is utilizing these arguments in the speakers program already underway. An American exiled Cuban has been commissioned to write an article for paid distribution throughout the U.S. A Cuban exile leader has been added to the spokesmen program.

D. Drugs and politics are a bad mix. Nicaragua's support for and role in narcotics traficking are issues with which no one can publicly disagree. We propose to ask that Don Johnson of "Miami Vice", or a strong anti-drug figure such as Rosie Greer, be given a briefing on the drug trafficking evidence the Administration has on the Sandinistas. That person would be asked to write an Op-Ed piece for national distribution through paid and direct placements. The National Endowment for the Preservation of Liberty would seek to get this super-spokesman on major television shows such as TODAY and GOOD MORNING AMERICA. We would also produce a news spot for satellite distribution.

E. The Sandinistas are violating human rights at an unprecedented level in this hemisphere. The National Endowment for the Preservation of Liberty is providing radio, television and newspaper interviews with two researchers who have compiled a report on Sandinista human rights violations. They are being commissioned to do an update on their report with a trip to Honduras and Costa Rica. On their return they will hold a Washington news conference and issue a report to Congress through a respected Senator or Congressman.

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F. The Revolution of 1979 has been betrayed by the Sandinistas. The National Endowment for the Preservation of Liberty will produce a news spot for satellite distribution on the lives of three former Sandinistas who now fight with the FDN/UNO.

Policymakers - We expect to reach this group primarily through the media we will be using for Congress. However, special briefings, either set up by the National Endowment for the Preservation of Liberty or arranged through a grant to another organization, will be used to educate specific target audiences within this group. Briefings may feature drug enforcement experts or political scientists who have studied Cuban expansionism.

Freedom Fighter Leadership - The National Endowment for the Preservation of Liberty has begun to provide spokesmen training for the leadership and provide information feedback to reinforce that training. UNO figures will be provided with analyses that can help shape their public pronouncements. When possible, NEPL is incorporating the UNO leadership in events and briefings that further their image of unity. NEPL is weaving this theme of unity into all advertising, Op-Ed articles and paid distributions.

## Conclusion

Without an opportunity to see the truth about the Sandinistas, the American public and its elected representatives will defeat democracy in Nicaragua. Through its public education program, NEPL will give the President a chance to free this continent of communism and strike a decisive blow for democracy.

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# CENTRAL AMERICAN FREEDOM PROGRAM BUDGET

1. Television field projects

Personnel

-field producer
-camera man
-sound man
-correspondent

Equipment

-six cameras
-sound package
-editing machines
-character generators

Transportation

-airfares
-ground transportation
-local travel

Travel expenses

-in-country expenses
-U.S. travel for editing

Representations

-local gratuities

Studio time

-in-country studio for editing
-U.S. production facilities

Tapes supplies

-tape stock
-battery packs
-lights and reflectors

($25,000 per month for 5 months) $ 125,000

2. Marketing of field TV programs

(5 projects at $18,600) 96,875

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3. Speaking tour program

Tour to include:

-speaking engagements
-editorial board meetings
-television interviews
-radio interviews
-newspaper interviews
-elites briefings for church, business, labor, political, and college organization leaders

Costs for tours

(January to March 15, 1986)

| | | |
|---|---|---|
| Travel | | |
| (7 weeks, 2 speakers, each week $6,900) | $100,625 | |
| Per diem for speakers | | |
| ($170 per day, 5 days per trip, 7 weeks for 2 speakers per week) | 13,125 | |
| Expenses | | |
| (ground transportation, phones, tips, $625 per trip, for 14 one week schedules) | 8,750 | |
| Subtotal | | 122,500 |

4. Supplementary services, including:

-postage
-telephones
-telex
-couriers
-translations

($4,700 per month for 5 months) 27,750

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5. Administration/Coordination, including:

Professional staff:

-2 senior partners
-1 VP for grass roots
-1 Program Coordinator
-1 Senior Writer
-2 Account Executives
-1 Media Coordinator

Verification of Placement

-clipping retrievel
-polling data assembling
-monitoring network feedback

($21,250 for 2 months, January to March 15) 42,500

5. Advertising and paid media

Television advertising:

| | | |
|---|---|---|
| Production of 4 TV messages | $ 62,500 | |
| D.C. media buys | 180,000 | |
| Nationwide market buys | 625,000 | |
| Subtotal | | 875,000 |

6. National Media Placement

-Network and syndicated TV and Radio
-National newspapers
-National periodicals 125,000

7. Polling and research,

-national
-local 62,500

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| | | |
|---|---|---|
| 8. Lobbying activities through registered lobbyist | | |
| Professional retainer (2 months) | 75,000 | |
| Honoraria and fees for lobby events | 48,000 | |
| Subtotal | | 125,000 |
| GRAND TOTAL | | $1,598,125 |

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For Bill

# Central American Freedom Program

## Introduction

1986 is destined to be a landmark year in the advancement of freedom throughout the world. After a generation of increasing tyranny and authoritarianism, the winds of change are rising. These winds are carrying freedom movements on four continents toward a victory over communist domination. And Ronald Reagan, leading a rejuvenated America, has caught these winds of change and is dramatically aligning American policy, resources, and moral support with the force of that gathering storm which is destined to overthrow communist tyranny in Afghanistan, Angola, Mozambique, Kampuchea and, most important, Nicaragua.

America's relationship with communist Nicaragua experienced an absolute moral and political reversal when Ronald Reagan became President of the United States.

The Carter Administration, like millions of Nicaraguans, had been fooled by the communists who captured the leadership of the anti-Somoza revolution in 1979. Once in power, the communist junta began systematically lying to the world about the true policies and purposes of their revolutionary government.

But Ronald Reagan was not fooled. So, moved by new leadership, American policy toward Nicaragua's communist government changed sharply in 1981 and declared support for the Nicaraguan Freedom Fighters began.

Since 1981, opposition to the communist-controlled Nicaraguan regime has gradually become a very powerful internal democratic movement. It claims the support of over 25,000 well armed Nicaraguans and literally hundreds of thousands of ordinary Nicaraguans. The democratic forces have not only endured years of conflict with a communist army easily six times their number, but have steadily increased their ranks in the midst of the struggle. These democratic forces continued to gain strength even during the year and a half that United States aid was suspended.

1986 finds the democratic forces stronger than ever. But so is their communist enemy. Ronald Reagan, however, is preparing to offer decisive assistance to the democratic forces which, if fully endorsed by the Congress, could in fact carry them to victory over communism in Nicaragua this year. When victory does in fact occur, it will have historic and political significance throughout the Western Hemisphere. Its impact will be felt by every Freedom Fighter in the world. Its possibility will haunt every communist dictator. Finally, Ronald Reagan's actions will herald a new dynamic American policy of materially supporting freedom movements struggling to overthrow communist regimes.

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## Description of the Problem

If Ronald Reagan is to succeed in meeting the needs of the Freedom Fighter movements for years to come, it will be necessary to create a deep reservoir of support for the Freedom Fighters and the President's policy. Such public support will come only if the American people truly understand the stakes and the opportunities the Reagan policies embody. The memories of Vietnam, however inapplicable, remain fresh, as does the urge to have America fight for clearly recognizable just causes. So President Reagan, if he is to be successful, must carry into this foreign policy arena the unified support of the American people.

Notwithstanding the headlines and the debates during the last five years, the American public remains woefully ignorant about Nicaragua and the clear threat it poses to vital American security interests. A 1985 public opinion poll showed that more than one-third of those surveyed did not know which side the United States supports, and 20 percent thought we support the government. A later poll found that among those aware of U.S. policy, 58 percent said we should not be giving aid to the Democratic Opposition.

That so many people are ill-informed, and that a majority oppose our policies is tragic but not surprising, for the American public is the victim of an intense, sophisticated multi-million dollar disinformation campaign conducted by opponents of the President. Abusing freedoms they deny to their own people, the Sandinistas have a Washington law firm and two public relations firms under contract to spread disinformation. They are aided by the Soviet Union and Cuba (who spend millions to shape public policy in America) and a vast network of communist and leftist activist sympathizers. These people operate at the grass-roots level and in Washington, using the media and all the tools at their disposal to undermine the policies of our elected government.

This is why President Reagan needs the support and cooperation of clear-thinking, patriotic Americans: to counter the disinformation and to educate the public on the policies, the players, the dangers and the realities.

The National Endowment for the Preservation of Liberty is helping the President do just that.

## Solution

The National Endowment for the Preservation of Liberty has undertaken a nationwide program of indefinite duration known as the CENTRAL AMERICAN FREEDOM PROGRAM. The overriding goal of this program is to educate the American people and political elites about the realities of communism in Nicaragua and the threat to U.S. national security.

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We have chosen television as the major vehicle we believe will be most successful in carrying our educational and informative messages to the public.

The CENTRAL AMERICAN FREEDOM PROGRAM will require the National Endowment for the Preservation of Liberty to spend over one million, four hundred thousand dollars in the next ninety days. This means allocation of over one hundred thousand dollars every week for public education and information on the issue of Nicaragua. A longer, two-million dollar program is planned in detail if the vote in Congress is delayed until late spring.

When our program achieves its public awareness goals, it will become a useful model for similar activities by others in the future. Our program is truly unique. It has become the pioneering effort in this area.

## Central American Freedom Program

The National Endowment for the Preservation of Liberty is focussing its education program on seven issues. They are:

1) Nicaraguan communist persecution of its citizens;

2) Denial of religious and political rights;

3) The creation of an aggressive armed Soviet satellite on the North American continent;

4) The creation of Cuban bases inside Nicaragua;

5) The threat Nicaragua now poses to its neighbors both through state terrorism and outright aggression;

6) Support for revolution in El Salvador;

7) Betrayal of the true anti-Somoza democratic revolution by the Nicaraguan communists.

The issues listed above represent the principal points our programs will make in the minds of Americans. We are also emphasizing other issues such as the origin, nature, organization and objectives of the Freedom Fighters. We are developing the images of the UNO leadership. We are graphically showing the situation facing over three hundred thousand Nicaraguan refugees. And we are presenting the political and human rights goals of the Freedom Fighters themselves.

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## Public Affairs Components

### Central American Freedom Program

The Sandinistas have two public relations firms and two law firms either registered as foreign agents or working sub rosa in the United States. They have a combined budget of two million dollars and are concentrating on the districts of Congressmen who have opposed aid to the Freedom Fighters. They have also stepped up the use of Op-Eds and articles in national newspapers written by sympathetic Americans, as well as the planting of disinformation such as recent articles accusing the FDN of drug trafficking.

An ignorant and misinformed public is one of the principal objectives of the communists, for they recognize that ignorance and apathy in local communities across America leaves the doors wide open to the opponents of Administration policy. And given the activism of those opponents, they are the ones who are often visible to members of Congress. A legislator who only hears from the critics can ignore logic and danger, and vote to deny U.S. assistance to those on the front lines in the battle against communism in our hemisphere. This is why the public must be better informed.

The public is quite unaware of the true nature of the Sandinistas as well as the existence of a viable democratic alternative. They do not support efforts to overthrow any government and fear U.S. involvement in another Vietnam. This ignorance and the isolationism it produces have been the Sandinista's principal advantages in the debate. We intend to evaporate those advantages through the use of truth.

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### Objectives

With the Congressional debate heating up on this issue, we should expect the Sandinistas, their foreign agents and liberal sympathizers to give it all they have. We are in the last weeks of a national campaign to be decided by the American public. If the public remains apathetic, Congress will defeat the President's democratic initiative. If we are successful, America will have a policy that sounds the death knell of America's post-Vietnam feeling of impotency and its retreat from her responsbilities as the leader of the free world.

To accomplish this the National Endowment for the Preservation of Liberty is addressing four audiences using specifically targeted communications strategies:

The public - Through the use of strong negative images of the Sandinistas recently reported in the media.

The Congress - Through issues now associated with America's leadership role in supporting democracy in the region.

Policymakers - Democratic leadership issues provide the groundwork for more challenging arguments that can influence liberals and moderates.

Freedom Fighter Leadership - Without a sound belief in the capabilities of the resistance's leadership, no policy can succeed in Congress.

## Program Elements

The National Endowment for the Preservation of Liberty is approaching this program with the understanding that we are under considerable time constraints and are fighting for public support in areas widely dispersed across the United States. Therefore, we are treating this as a national political campaign, with March 15 as our target. Using the methodology of national political campaigns, we are seeking to utilize our opponents' negatives, debate the unclaimed issues to our advantage and reinforce our positive public perceptions.

We are using advertising and public affairs programs for each of the four program objectives listed above. They are being handled as follows:

The Public - The public has been exposed recently to several negative images or impressions of the Sandinistas. We use these images to reinforce the public perception that the Sandinistas are communists and tyrannical dictators. We employ the following techniques;

Television advertising - following research into the Congressional votes cast on the last aid package, we are producing materials that can be used by Robert Goodman and Associates for spots which focus on:

1) Daniel Ortega's trip to Moscow and the $220 million commitment he received from the Soviets for offensive military weaponry.

2) The recent crackdown on human rights directed against the entire Nicaraguan population.

3) Ortega's purchase of $3,500 in designer eyeglasses while his people starve.

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4) The communist militarization of Nicaragua through Soviet, Libyan, East German, Cuban and other advisors, and the use of Nicaragua as a command center for subversion of her democratic neighbors.

5) That Cubans are now proved to be actively involved in combat.

6) That Nicaragua has become a lair and a refuge for international terrorists, notably Libyans, the PLO, Colombia's M-19 and others, and that the Sandinistas abet terrorism and narcotics trafficking.

7) The humiliation of Pope John II when he was spat upon and heckled when he tried to say Mass in Managua.

Spokesman program - using the prototype program already underway, NEPL is placing speakers in 50 markets between now and March 15, 1986. These speakers are booked into a civic club or professional organization in a market and then scheduled for television, radio and newspaper interviews. The speakers come from the ranks of the UNO leadership and are capable of defending all UNO participants.

They focus on Sandinista excesses and UNO as the democratic alternative. The principal concentration for these speakers are the southern and western states.

Battlefield Videotape - Sandinista state security agents rigidly control the movements of foreign correspondents, especially television journalists in or visiting Nicaragua. That control is exercised through:

1) Escort "guides" and interpreters;

2) Denial of access to selected parts of the country;

3) Imposition of "taboo" themes;

4) Screening and censorship of footage for export;

5) Monitoring of telephones and telex;

6) Expulsion or denial of entry to any offenders.

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At the same time, coverage from the northern border is extremely arduous and far from the areas where the Resistance is operating. The result is timid, selective, highly censored and heavily biased television coverage. battle zones are only presented from the Sandinista perspective.

We are providing major media outlets and local television stations with never-seen-before videotape from the field, including combat footage and evidence of Sandinista atrocities. We will also provide footage and commentary on events inside Managua and other major population centers.

This footage will be used in three ways:

1) An experienced advertising agency is producing advertising for distribution in as many as 50 selected markets across the United States.

2) A satellite feed will be edited and fed each time new footage is obtained. These feeds will reach approximately 200 television stations in the U.S. Usage reports will be received daily.

3) A new documentary on the face of communism in Nicaragua and the use of internal repression will be produced. This theme will be countered with a segment showing the Freedom Fighters as the logical outgrowth of Sandinista tyranny.

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Congress - Given the compressed time frame, Congress can be best reached through an effort that is visible in Washington and the national media. The issues used to reach Congress should be centered on America's leadership responsibilities in this hemisphere. The primary effort focussed in Congressional districts, but we are reinforcing this effort with a public affairs and education program including:

A. Articles and Op-Eds written by prominent American leaders on Nicaragua as a center of terrorism. Using recent revelations of Nicaraguan arms being used in the Colombian Supreme Court assaults and Libyan, PLO and Iranian terrorists working in Nicaragua, we will producing articles for paid distribution, single placement in national newspapers and general media distribution.

B. Religious persecution of all faiths can be used to touch and educate the public, producing a positive effect on the Congress. Jewish, Catholic and Protestant organization publications are being approached to interview defectors and religious figures who know the persecution firsthand. The National Endowment for the Preservation of Liberty is arranging a series of meetings with religious leaders and journalists. We will also help to produce an article by a prominent American religious figure for paid distribution.

C. Another Cuba on the North American Continent is unacceptable to almost all Americans. If the issue is picked up by constituents it would be a strong message for Congress. The National Endowment for the Preservation of Liberty is utilizing these arguments in the speakers program already underway. An American exiled Cuban has been commissioned to write an article for paid distribution throughout the U.S. A Cuban exile leader has been added to the spokesmen program.

D. Drugs and politics are a bad mix. Nicaragua's support for and role in narcotics traficking are issues with which no one can publicly disagree. We propose to ask that Don Johnson of "Miami Vice", or a strong anti-drug figure such as Rosie Greer, be given a briefing on the drug trafficking evidence the Administration has on the Sandinistas. That person would be asked to write an Op-Ed piece for national distribution through paid and direct placements. The National Endowment for the Preservation of Liberty would seek to get this super-spokesman on major television shows such as TODAY and GOOD MORNING AMERICA. We would also produce a news spot for satellite distribution.

E. The Sandinistas are violating human rights at an unprecedented level in this hemisphere. The National Endowment for the Preservation of Liberty is providing radio, television and newspaper interviews with two researchers who have compiled a report on Sandinista human rights violations. They are being commissioned to do an update on their report with a trip to Honduras and Costa Rica. On their return they will hold a Washington news conference and issue a report to Congress through a respected Senator or Congressman.

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F. The Revolution of 1979 has been betrayed by the Sandinistas. The National Endowment for the Preservation of Liberty will produce a news spot for satellite distribution on the lives of three former Sandinistas who now fight with the FDN/UNO.

Policymakers - We expect to reach this group primarily through the media we will be using for Congress. However, special briefings, either set up by the National Endowment for the Preservation of Liberty or arranged through a grant to another organization, will be used to educate specific target audiences within this group. Briefings may feature drug enforcement experts or political scientists who have studied Cuban expansionism.

Freedom Fighter Leadership - The National Endowment for the Preservation of Liberty has begun to provide spokesmen training for the leadership and provide information feedback to reinforce that training. UNO figures will be provided with analyses that can help shape their public pronouncements. When possible, NEPL is incorporating the UNO leadership in events and briefings that further their image of unity. NEPL is weaving this theme of unity into all advertising, Op-Ed articles and paid distributions.

## Conclusion

Without an opportunity to see the truth about the Sandinistas, the American public and its elected representatives will defeat democracy in Nicaragua. Through its public education program, NEPL will give the President a chance to free this continent of communism and strike a decisive blow for democracy.

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# CENTRAL AMERICAN FREEDOM PROGRAM BUDGET

1. Television field projects

Personnel

-field producer
-camera man
-sound man
-correspondent

Equipment

-six cameras
-sound package
-editing machines
-character generators

Transportation

-airfares
-ground transportation
-local travel

Travel expenses

-in-country expenses
-U.S. travel for editing

Representations

-local gratuities

Studio time

-in-country studio for editing
-U.S. production facilities

Tapes supplies

-tape stock
-battery packs
-lights and reflectors

($25,000 per month for 5 months) $ 125,000

2. Marketing of field TV programs

(5 projects at $18,600) 96,875

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3. Speaking tour program

Tour to include:

-speaking engagements
-editorial board meetings
-television interviews
-radio interviews
-newspaper interviews
-elites briefings for church, business, labor, political, and college organization leaders

Costs for tours

(January to March 15, 1986)

Travel

(7 weeks, 2 speakers, each week $6,900) $100,625

Per diem for speakers

($170 per day, 5 days per trip, 7 weeks for 2 speakers per week) 13,125

Expenses

(ground transportation, phones, tips, $625 per trip, for 14 one week schedules) 8,750

Subtotal 122,500

4. Supplementary services, including:

-postage
-telephones
-telex
-couriers
-translations

($4,700 per month for 5 months) 27,750

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5. Administration/Coordination, including:

Professional staff:

-2 senior partners
-1 VP for grass roots
-1 Program Coordinator
-1 Senior Writer
-2 Account Executives
-1 Media Coordinator

Verification of Placement

-clipping retrievel
-polling data assembling
-monitoring network feedback

($21,250 for 2 months, January to March 15) 42,500

5. Advertising and paid media

Television advertising:

| | | |
|---|---|---|
| Production of 4 TV messages | $ 62,500 | |
| D.C. media buys | 180,000 | |
| Nationwide market buys | 625,000 | |
| **Subtotal** | | 875,000 |

6. National Media Placement

-Network and syndicated TV and Radio
-National newspapers
-National periodicals 125,000

7. Polling and research,

-national
-local 62,500

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| | | |
|---|---|---|
| 8. Lobbying activities through registered lobbyist | | |
| Professional retainer (2 months) | 75,000 | |
| Honoraria and fees for lobby events | 48,000 | |
| Subtotal | | 125,000 |
| GRAND TOTAL | | $1,598,125 |

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For Bill Lynch

This report was produced under an unrestricted grant from the National Endowment for the Preservation of Liberty.

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## INTRODUCTION

This report is an update of an original report entitled Nicaragua which was published April 1984. Information for this update was collected during the last two years. Interviews were conducted during a recent visit to Costa Rica and Honduras in February 1986 as well as a trip to Nicaragua and Honduras in August 1985.

Over 500 Nicaraguans, inside and outside Nicaragua, have been interviewed. These interviews were conducted without any assistance from relief agencies, government organizations, or international groups. We believe that the interviews were conducted in an unbiased manner and the information we received reflects the true experiences of the people interviewed.

The majority of the interviews were gathered from refugees living in Costa Rica and Honduras. Most of these refugees are farmers who lived in the rural areas of Nicaragua. However, there is a sufficient number of representatives of other sectors of Nicaraguan society to enable us to draw reliable conclusions about the difficulties faced by all Nicaraguans.

The interviews we conducted inside Nicaragua have added support and legitimacy to claims made by Nicaraguans living outside the country. Because so many similar reports were gathered, we believe that the ones which appear in this report accurately represent all Nicaraguans living inside and outside the country.

The Nicaraguan conflict is a very complex issue. To include every incident which has taken place over the last three years would be confusing and counterproductive to understanding the reality of the Nicaraguan crisis. Therefore, this report focuses on the major conflict in Nicaragua today. By examining the major events in Nicaragua's recent past we can more accurately understand what is happening to the country of Nicaragua and its people.

Many people we contacted did not want their real names to appear in this report fearing for the safety of their families still living in Nicaragua. However, they were willing to give detailed information about themselves and their experiences. Except for the names, the places, dates, and specific events are printed as they were gathered from the people.

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## METHODOLOGY

In conducting this report, neither the Sandinista Government nor the rebel groups (known as Contras) were used in obtaining information. Each one of those groups has documented numerous cases of human rights abuses. However, it was our intent to avoid using accounts from interested parties in order to insure the truthfulness and impartiality of the accounts. Therefore, Nicaraguan civilians are the sole persons whose accounts appear in this report.

Assuming that either side is systematically involved in human rights abuses, it would be naive to think that Nicaraguans living in those respective areas would criticize the group under which they live. For example, it would be difficult to imagine Nicaraguans living within the control of the Sandinista Government to denounce that government of human rights violations--assuming they were violating such human rights. It would be equally incorrect to think people would denounce the Contra forces while living under control of the Contras.

This is necessary to understand because the overwhelming majority of the people we interviewed spoke of abuses committed by the Sandinista Government. However, none of these testimonies were gathered in areas controlled by the rebel forces. Most were gathered in refugee camps in Honduras and Costa Rica. These camps are directed by the United Nations and are far removed from areas of control of the rebel forces. Therefore, these people were able to speak freely about what had happened to them in Nicaragua. Another 25 percent of the testimonies were gathered inside Nicaragua in areas of complete Sandinista control, such as Managua, Matagalpa, and Masaya. These accounts of Sandinista abuse carry an additional weight due to the fact that these people ran a great risk to their personal safety by speaking out against their government while still under it's control. They asked that their names be witheld, but were willing to speak in order to help others understand the severity of the situation in Nicaragua.

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The Nicaraguans interviewed in this report were picked at random. While inside Nicaragua we contacted no government agency to help us in our search for people who had experienced violations of human rights. In the refugee camps in Costa Rica and Honduras the refugees were interviewed randomly and most of the accounts were corroraborated from other refugees who had lived in the same areas in Nicaragua, but were located in different refugee camps. This insured the independence of the accounts received in the refugee camps. It is important to remember that although there are under 100 personal accounts included in this report they represent tens of thousands of similar abuses. Neither time nor funding permitted a study which would document all cases of human rights abuses taking place in Nicaragua. However, our method of gathering information on human rights from the Nicaraguan people insures the validity and accuracy of this report.

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## FINDINGS

The Nicaraguan campesino and the youth have been most affected by changes in Nicaragua since the 1979 revolution. The Agrarian Reform laws of the Nicaraguan Government have displaced large numbers of peasant farmers. The current war with the rebel forces has involved a nationwide military draft and equally encompassing resistance to it among the nation's youth.

The economy has plummetted and all Nicaraguans have felt the difficulty of earning enough to feed and clothe themselves. However, that was not the major concern of the Nicaraguans living inside the country, nor was it the major reason the refugee gave for having left Nicaragua.

Our investigations indicated that the main reason for the mass exodus from Nicaragua and the internal conflict of that nation is that the Nicaraguan people find their condition intolerable. The following conditions were among those most commonly experienced by those we interviewed.

1. **Unwarranted imprisonment by the Sandinista Government**
2. **Physical and psychological torture while imprisoned**
3. **Beatings, torture, imprisonment, and summary executions by the Sandinista Government against those not willing to support the policies of the Sandinistas**
4. **Relocation of the campesino into guarded internment camps**
5. **Confiscation and destruction of land owned by the Nicaraguan peasantry**
6. **Forced military recruitment of Nicaragua's youth**
7. **Forced labor on government run cooperatives**
8. **Harassment, physical threats, and imprisonment for one's religion**

They believe these conditions have not only been instituted by the Sandinista Government, but are supported and perpetuated by it as well.

The people we interviewed seldom blamed the rebel groups for causing the problems which the country faces. Few of those interviewed had any tolerance for the actions of the Sandinista regime, because they see no rationale for their behavior. Although they understand the complexities of war--in which the Sandinistas and Contras are involved--they believe the Sandinistas are the cause of the problems, the war being one of those problems.

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## IMPRISONMENT -PRISONER MISTREATMENT

According to testimony gathered, it has become the policy of the Sandinista army, and police forces to use systematic means of torture to extract information from prisoners, intimidate those who oppose the government, and weaken the resistance of the opposition.

The subjects of capricious imprisonment, and mistreatment of prisoners are being dealt with jointly, because in nearly all cases people who had been imprisoned for political motives were either physically or psychologically abused by State Security forces. Instances of torture and capricious imprisonment are so numerous they could not all be listed here. For that reason we have chosen only those which were satisfactorily substantiated by other independent claims.

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### TOTAL NUMBER OF POLITICAL PRISONERS

It was extremely difficult to formulate an accurate estimation of political prisoners inside Nicaragua because of the abundance of clandestine prisons spread throughout the country. Approximately 70 percent of all male refugees interviewed had at one time been detained, interrogated, imprisoned, or tortured by officials of the Sandinista military or State Police.

Estimates of political prisoners held by the Sandinistas range from 4,000 to as many as 20,000 at any given time. Due

to the nature and duration of some of these imprisonments it is apparent that Sandinista statistics regarding political prisoners are misleading. Most refugees and people who had been imprisoned said that any opposition to the Sandinista regime was considered a criminal act. They were, therefore, treated as other criminals, with additional maltreatment for being "enemies of the state".

We estimate there are from 13,000 to 15,000 political prisoners in Nicaragua. These estimates were calculated from testimony of prisoners, former Sandinista soldiers defense lawyers still inside Nicaragua, and the Nicaraguan Red Cross. These prisoners range from 4,500 former members of the Somoza Guard to people who were imprisoned for selling grain on the open market.

The following is a list of only some of the prisons and their locations. As mentioned earlier, there is no possible way of telling the exact number of prisoners. Estimates are made based on testimonies of Nicaraguans who had been in specific prison systems.

La Quinta Ye, Leon
La Chacara, Esteli
La Barranca, Esteli
La Zona Franca, Managua
El Chipote, Managua
Palo Alto, Managua
El Sistema, Chinandega
La Tejas, Matagalpa

**EXTRACT INFORMATION**

Mauricio Arlola Sequeira, Nueva Guinea, Department of Zelaya South, left Nicaragua in December 1985. Since his brother had



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been a member of one of the rebel groups he was taken prisoner and interrogated by the State Security.

> My brother was with the Contras so they accused me of being with them also. They took me to the Central Command post in Nueva Guinea. The first night there they interrogated me and started threatening me. They said if I didn't tell them where my brother was they would kill me. They hit me in the ribs and hit me on the head with the butt of a pistol. After that they put the pistol in my mouth and hit my teeth with the barrel of the pistol. They were very drunk and continued doing this for what seemed like two hours. The next day I was taken to the State Security cell and they put me into "La Chiquita" with eight others. The cell was about six feet by six feet. They kept us there five days without food. There was no light in the cell. After this first five days they put us into individual cells farther underneath the ground. After about 2 or 3 minutes we thought we were suffocating and began banging on the walls of the cells. They then took us out and once again interrogated me. I was there with another person I knew and so they interviewed both of us in different rooms and tried to get us to denounce the other. When that didn't work I was thrown back into "La Chiquita" and the next day was put into a larger cell. After two months I opted to join the militia instead of staying in prison. I escaped and hid in Juigalpa where a few days later I fled to Costa Rica.

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It is important to emphasize that most of these testimonies are from people who have been imprisoned for not supporting certain policies of the Sandinistas. Vendors in the Eastern Market in Managua have received up to 20 years imprisonment for refusing to buy their goods through channels of the Sandinista government. Peasants are imprisoned for selling their grain

on the open market instead of to the government run cooperatives MICOIN, which regulates the flow of food within the country.

We have one instance of a woman from the Eastern Market who has been imprisoned 11 times within the last 9 months for selling prohibited items on specific days, such as milk or cheese. Our information indicates that the Sandinista government has used imprisonment systematically to squelch individual and group opposition to it's policies.

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**NICARAGUAN PERMANENT COMMISSION ON HUMAN RIGHTS**

The CPDH estimates that over 95 percent of those convicted by the People's Anti-Somoza Tribunals were convicted by accusations against themselves while in State Security prisons. Of that 95 percent nearly all have been tortured into accusing themselves. On the average, those accused spend more than 6 months in prison before going before the Tribunals. Those brought before the Tribunals are condemned by evidence gathered in three ways.

1) **Confessions of prisoners against themselves while in State Security cells.**
2) **Confessions of prisoners against other prisoners.**
3) **Testimonies of State Police interrogators who heard prisoners confessions during interrogations.**

In the majority of the cases the peasants were accused of giving food or logistical aid to the contras. The following is part of an interview with Lino Hernandez of the CPDH in January 1985.

> In principle every person who arrives at the State Security prisons is declared guilty. They have a method for each person. We have received testimonies of tortures that don't leave marks or scars. While in State Security they are subject to isolation in dark cells without any light They are not given food either. We have received information that they use both physical and psychological torture.

Accounts we gathered of torture and interrogations of prisoners support the claims made by the CPDH. However, it also becomes evident that very small numbers of prisoners are ever actually being brought before a judge. Refugees imprisoned during 1982 and 1983 mentioned judicial processes of release. The majority of the refugees imprisoned during 1984 and 1985 had neither communication with the outside nor exposure to any aspect of the judicial process.

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## RELIGIOUS PERSECUTION

Our investigations show that during 1984 and 1985 religious persecution increased dramatically. Within the last few years nearly all religions not openly professing their support for the Sandinista government are accused of counterrevolutionary activities. Their churches have been confiscated, leaders imprisoned, and members intimidated.

Since June of 1985 the Catholic church has been under renewed attacks from the government. This more subtle repression of the Catholic Church has not received much media attention, but still represents a violation of freedom of expression and worship.

Sofonias Cisneros was imprisoned on May 14, 1985. As director of a parent-church group called The Assembly of Parents of the Family, involved in selecting the curriculum for the parochial schools in Nicaragua, he had openly criticized the Sandinista regime for their insistence on placing pro-Marxist materials in the classroom.

Because of his remarks he was taken to prison by State Security police and beaten by the Managua Chief of Police, Lenin Cerna. We were able to secure a personal interview with him to clarify his report made to the Nicaraguan Permanent Commission on Human Rights, CPDH.

> On May 14, 1985 I was arrested by men in uniforms who arrived at my house. I was taken to a place known as "El Chipote" which



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is behind the Intercontinental Hotel there in Managua. They took me there in a military jeep. When I arrived there I was made to take off all my clothes. I was eventually approached in a room by several military people. Since I didn't have my glasses on I couldn't tell who they were until one asked me who he was. When I responded that I didn't know he told me he was commander Lenin Cerna and that I was going to die before I ever got out of that place. I was kicked and hit several times while detained. They also hit my head against the wall by grabbing my hair. They finally released me after having tortured me in this way.

In late July 1985, 15 catechists, members of a Catholic youth organization, were doing missionary work in the southern part of Nicaragua in a comarca called San Vicente near the town of Diriamba. There were 7 girls ranging from 15 to 17 years old in the group.

They were raped by eight Sandinista soldiers while they slept in one of the houses in Diriamba. The 8 boys who were with the group were badly beaten and were later accused by the same group of soldiers of having raped the young women. When the incident was reported to the Sandinista authorities it was publicly denied. However, our investigations revealed that a secret investigation was being conducted within the government to find those responsible for the raping incident. Father Pena Rojas is a Nicaraguan Catholic Priest. The neighborhood over which he has jurisdiction is located close to the Eastern Market in Managua. He has personally been the object of Sandinista persecution and has witnessed the persecution of his parishioners.

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> The persecution of members of my church has increased dramatically during this year [1985] and last. Since a lot of my members work in the Eastern Market they are subjected to harassment by the government when they attend the masses conducted here or at the Eastern Market. Many times throughout the months of June, July and August of this year [1985] the people who came to my mass were not permitted to buy meat. They must buy there meat from the government who is the sole supplier and they were simply told there was none. We knew they were lying because others were able to get the meat during the same day.

Father Pena and Father Mondragon led large groups of people to see Cardenal Obando y Bravo return from his ordination in the Spring of 1985. They were pushed back by Sandinista police. When they finally arrived at the airport a large group of men were randomly singled out and arrested. They were youth who had been holding anti-communist pro-catholic signs to greet the arrival of the Cardenal.

The most severe religious persecution occurs in the rural areas of Nicaragua, where access to media and communication lines is practically non-existent. Religious campesinos have told us that unless they are willing to fight for the Sandinistas as well as God, then they are accused of counterrevolutionary activities. We have received numerous reports that during mass meetings which the Sandinista Army regularly holds in these remote regions, Sandinista officials threaten those campesinos who openly profess their religion.



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Desiderio Centeno (47 years) is from Bana in the department of Jinotega. He fled Nicaragua on April 28, 1984. While in the country he was repeatedly harassed by State Security forces trying to prevent him from preaching the "word" as he called it.

People like Desiderio are common among the peasant class. Over 50 similar accounts like his were collected during our investigations. His story should be emphasized because it represents the religious persecution of the peasantry inside Nicaragua.

> They don't want you going around preaching the word because they say we are just preaching politics and preaching about the counter-revolution. They would gather us together in the town plaza there in Bana Centro and humiliate us about our religious beliefs. They said that if we really loved God then we not only had to have the bible in one hand but a rifle in the other. We had to atttend these meetings because it was a direct order from the State Police. We had to attend these gatherings 4 or 5 times a week up until the time I left with my family. The State Security privately interrogated me a total of three times. They always threatened me during these interrogations and on one occasion he struck me in the face with his fist.

From reports gathered, those religious groups and individuals who openly support the Sandinista government and its policies do not receive threats, intimidation or harassment. However, those who openly or even individually espouse Christian ideals run the risk of Sandinista reprisal.

## RELOCATION

In March of 1984 the Sandinista National Directorate decreed certain areas along the southern and nothern borders as military zones. This decree resulted in the forced relocation of large numbers of peasant farmers from their homes in the rural countryside to central, more populated regions.

Although the government officially decreed such a program in March of 1984, testimonies gathered indicate that such a policy was instituted as early as January of 1983 in Nueva Segovia. The relocation of these population groups does not include the relocation of Miskito Indians from the Atlantic Coast Regions. That issue will be discussed in another section.

We estimate there are 90,000 Nicaraguans living in these relocation camps against their will. From reports of people who escaped such camps, as well as those who lived near them, the Sandinista government is violating the rights of these people in the following ways:

1. Moving them from local communities to an alien environment
2. Prohibiting their freedom of movement
3. Restricting their availability of food
4. Forcing them to carry weapons while working for the government
5. Forcing them to work on the governmnet run cooperatives

The Sandinista government enacted such a relocation policy on the grounds that the campesinos live in danger of attack

by the Contras. However, from hundreds of accounts we received a different version of this story. The campesino's experiences indicate that the Sandinistas are relocating them for three different purposes: 1) creat a free-fire zone along the borders 2) break the independence of the campesino 3) remove any possible food sources for rebel groups. The refugees mentioned they did not feel endangered by Contra movements in their areas except for the risk of being caught in a crossfire or ambush.

About 10 percent of the refugees felt they were caught in the middle of two opposing forces, but felt no direct danger from the Contra forces. Over 50 percent said relocation efforts were begun and continued in their areas even though little or no rebel activity was present.

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**CREATE FREE FIRE ZONE**

In nearly all instances of relocations, campesinos are repeatedly ordered to specific meetings prior to their relocation. These meetings generaly occur once a week and are conducted by military officials of the Sandinista government. When the campesinos are gathered together the officials assign a date and place where the farmers and their families are to relocate. In other cases no mention is given to a precise date for relocation, but campesinos are threatened that their farms and houses would be bombed whether they had left them or not.

**BREAK INDEPENDENCE OF CAMPESINO**

Through the relocation program, instituted by the Ministry of Agrarian Reform, the campesino was to be compensated for his land, property, livestock, etc. He was to be either paid for his property or be relocated to comparable land closer to the interior of the country. However, systematic abuses have occurred under this program of relocation.

Personal witnesses of such abuses indicate that the relocation effort is not that which it claims to be, but rather is being used to break the independence of the campesino population, and consequently gain more direct control over them.

**REMOVE FOOD SOURCE OF REBEL GROUPS**

The southern and northern borders of Nicaragua, as well as the Atlantic Coast region, is populated principally by peasant farmers and Miskito Indians. These areas are also used by the rebel groups fighting the Sandinistas. By removing the campesino from an area of combat and destroying all livestock and plant life, the Sandinista Government has been able to take away the food supply of Contra groups working deep inside the country.

When the Sandinista army moves through an area to gather up all the people, houses are usually burned or ransacked. Any fruit bearing trees are cut down and destroyed, livestock are carried off or killed and crops are burned. [see Confiscation of Property]

In addition to the accusations which we gathered, the Nicaraguan Permanent Commission on Human Rights, CPDH, has registered numerous accusations which support these claims. Most campesinos who experienced certain aspects of the relocation effort had received explanations and warnings concerning any attempt on their part in helping to supply the Contras with food.

**ACCOUNTS OF RELOCATION CAMPS**

Desiderio Centeno, Murra, Nueva Segovia, left Nicaragua April 28, 1984. As a farmer he was not willing to go to the relocation camp assigned to his area. Most of the farmers from Murra fled the country when the relocation effort in that Comaraca began.

> Being a delegate of the word I was not willing to take up arms. They started rounding up the people to relocate them into the government camps so we were forced to leave. They had told us in previous meetings, and we already knew from what they did on the cooperatives, that we would be forced to carry weapons while we farmed their land. The camp they took the people to is about 4 kilometers from Bana to the north. It has about 400 people in it.

Segundo Martinez Chavarria, El Mapa, 20 kilometers from Murra.

> The people from our region were sent to a camp near Jicaro. They first gathered all the people from Murra, but we fled before they arrived at our farm. They must have gathered over 2,000 people because they took them out of their farms from all over the municipality. They took them from El

Guanito, El Rosario, Zacateras, Quebrada Negra, Paraisito, San Pablo Arriba, El Mapa, La Viata, La Victoria, Palo Alto, El Trabon, Los Encinos, Las Dantas, La Paz, Petaton. They arrived in IFA [troop transport] trucks and when they couldn't go into the valleys any longer on IFA the patrols went on foot routing the people out of the houses. We had to leave with just the clothes on our back. All the things of the farm; cows, pigs, crops, fell into the hands of the Sandinistas.

Maria del Carmen Mejilla, 64, from San Carlos, Department Rio San Juan, Left Nicaragua April 4, 1985.

The camp near San Carlos has about 800 tents, but I don't know the number of people. It is a big camp. There are three in our area of which I knew. They are nicknamed "La Esperanza", "La Asucena", and "La Gloria". "La Gloria" is a camp near the small-town of Sabalo. It is about three hours walking distance from Sabalo as you walk up the river.

Ovett Mejia Reyes belongs to the evenagelical church in San Carlos, Rio San Juan. With his father he traveled extensively through that region in 1982-83 meeting with other church leaders inside the camps.

In these camps the people are not given any freedom at all. Once you are in the camps it is very difficult to get out unless you get permission from the administrator. It isn't that they have the camps guarded all the time, but nearly all the camps around San Carlos are near Sandinista military bases. It is very dangerous to attempt



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to escape, because if you do they'll kill you.

Ovett, and five other witnesses located several camps near San Carlos. According to their reports, the people are in desperate conditions within the camps. Food is minimal and freedom of movement is prohibited. In addition they are constantly moved because of the activities of the Contras in that region. Juan Reyes Espinoza was a pastor of the Church of Christ. In 1983 and beginning of 1984 he came in contact with several camps between Acoyapa and San Miguel, Department Rio San Juan. The following is a description of his observations.

> If you attempt to escape from these camps they will kill you. Senor Duartes decided to attempt to leave the area instead of relocating to the camps and he was caught and killed while heading toward Las Colinas. There are people relocated in the camps of Las Colinas, Buena Vista, El Roble, Las Palomas, Monte Verde--near Morrio. Las Colinas is on the north side of the Sabalo River and El Roble and Cruz Verde are near Morrio. Las Palomas is closer to San Miguel.

Valentina Martinez is from Murra, Department of Nueva Segovia. She was living in Jalapa in 1985 and came in contact with people who worked out in the relocation camps.

> There are two camps. One in Jalapa and the other in Murra. On the road from Jalapa to Ocotal there are several state run cooper-

atives. One of them has been made into a camp about 15 kilometers from Jalapa known as "La Mia". It is a refugee camp as big as Guasimo [refugee camp in Honduras] and must have 2,500 people in it. They're also constructing a camp right outside Jalapa that has 3 to 4 galleries about 80 meters long and 15 wide. The camp in Murra is called "La Casa Campesina" and is located on the road that leads to Jicaro. They had taken all the people of my area of Murra and had relocated them in Jalapa which is close to 80 kilometers away. Those not willing to relocate who didn't escape were put into the prison "La Chacara" in Esteli.

The following is a list of only a few of the camps and estimated numbers of Nicaraguans within those camps. More will be listed in the revised edition, along with their geographical location.

| NAME | NUMBER OF PEOPLE |
|---|---|
| La Gloria | 2000 |
| La Esperanza | 100 |
| El Pijivay | 300 |
| La Azucena | 400 |
| Las Colinas | 400 |
| Cruz Verde | 300 |
| Buena Vista | 400 |
| Las Palomas | 500 |
| El Roble | 600 |

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## KILLINGS AND TORTURE

The most prevalent abuses documented on torture and killing of civilians occurred during military operations by the Sandinista government. However, specific information taken from testimony indicates most victims were not involved nor located in areas of direct military conflict. This leads us to conclude that such abuses were not incidental accidents of war.

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**MASSACRE**

On June 20, 1985, 1,200 Sandinista regulars conducted a sweep through the southern region of the Department of Zelaya, in a place near Pueblo Nuevo. According to reports, the operation lasted 3 days and resulted in 21 civilian deaths.

> The Sandinista army moved into Boca Tapada on June 21st and rounded up 13 individuals. Later that day they gathered another ten from Pueblo Nuevo and placed them all in a house in Boca Tapada. However, that night Mercedes Reyes Perez and Daniel Gonzalez escaped and made it to Pueblo Nuevo where they related their story to us [Lusian Morales Hernandez and Augustin Dias Ocampo. They said they had been taken prisoner but none had been harmed. By now the people in the valleys nearby had been warned and everyone was in hiding. When the Sandinistas pulled out we arrived in Boca Tapada on the 27th and found that all of the prisoners had been shot. Their bodies were placed in a pile and had begun to decompose.

Those who died from Pueblo Nuevo were:

1. Saturdino Dias
2. Francisco Gomez
3. Salvador Granados
4. Ignacio Jiron Lopez
5. Avelino Alvarado
6. Rufino Laguna
7. Manuel Garcia
8. Tomas Castillo
9. Pablo Almanze

The Sandinista army moved into what is called the port of Atlanta on June 24 and killed:

1. Santiago Guzman-Catholic delegate
2. Elvin Guzman
3. Andres Guzman
4. Rafael Savallo

Herlinda Dias Quintero and Carlos Lanza Bravo [husband and wife] crossed the Nicaraguan border into Costa Rica on February 4, 1986 after spending two months hiding in the mountains of Nicaragua.

> In June of 1985 the militia came by our farm. I saw them coming and was able to get away with the three children. However, they caught my husband because he was returning from the field and did not see them. He was later released. He had been hit in the chest and ribs, but was fortunately still alive.

Leonora Calero witnessed the arrest of her father on June 30, 1985. The Sandinista military were conducting maneuvers in the area and took her father and two other men from her house. The following is a personal account of the rest of her story.

After the Sandinistas mortared our house and my husband and six children escaped, the Sandinistas approached the house. They surrounded it and then started threatening us with their guns. They took my father, a man who was visiting us and another man, a Catholic delgate who lived about 50 yards from our house. He had also been wounded in his right arm. I thought they were going to take them to the prison in Nueva Guinea. I didn't know that my father and the others had been killed until four days later when my husband returned from the mountains. Some of our neighbors had smelled something terrible and we then found out it was my father and the other two men. They had been stabbed several times.

Rebel soldiers or people suspected of aiding rebel groups have been victims of torture and execution. The abuses reported do not include any deaths occurring during military activities or when the victims were armed or presented any threat to Sandinista forces.

Juan Sandoval Fernandez escaped Nicaragua in January 1986. He was living in Punta Gorda when the above incident took place. Since the incident had occurred in the morning, they had received verification that Orlando Peregome had been taken prisoner.

However, one of the other prisoners had escaped and later that day reported the execution of Orlando. Although they had both previously been members of the ARDE rebel forces, during this time neither of them was carrying weapons as they returned from Orlando's farm.

## INDISCRIMINATE SHELLING

Indiscriminate government shelling of villages has continued inside Nicaragua throughout 1984 and 1985. Some of the following stories have already been included in previous reports, but were published here because of additional information gathered from other independent witnesses.

We have received testimony of specific bombings in the areas near Mosonte, Department of Nueva Segovia; Las Piedras, Department of Jinotega; Juanblan, near Piedras; and 19th of July, Nueva Guinea, Zelaya. Other areas were mentioned but these were the ones where we were able to speak to actual witnesses of the bombings in these areas.

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### BOMBING IN OCOTAL

Near Ocotal there has been intensive activity by both the Sandinistas and the Contras. Witnesses say that the presence of the Contras in that area has prompted an increase in Sandinista military operations. However, the Sandinistas have been involved in extensive indiscriminate bombing of the area around Ocotal.

Close to 30 individual accounts were received from people living in the towns of Juanblan, Mosonte, Los Arados, Dipilto, Pedregalosa and San Miguel. The rocket and aerial bombardments began in June of 1983 and have continued up until the present. The most intense bombardments occurred in December of 1984 near

an area called Los Arados. Since the last report,a large segment of the population had fled from this area because of continual bombardment.

**BOMBING IN JUANBLAN**

Juan Alberto Gonzalez left Juanblan April 27, 1984 when their area was bombed by the Sandinistas.

> The Sandinistas had had several encounters with the Contras in our area so they started to heavily bombard Juanblan. There were plenty of civilians still living in that area, but it didn't matter to the Sandinistas because they bombed anyway. They set up their mortars from Juanblan and were shooting them into the hills around the town.

Apolonio Flores lived near the town of Mosonte. He left in January 1984 a week after the Sandinistas mortared near his home. The mortars were launched from a mountain called Pedregalosa and the mortar bombardments were carried out on three separate occasions.

Leonora Castillo Calero is from the town 19th of July, Nueva Guinea, Deptartment of Zelaya. She left Nicaragua in September 1984. On June 30, 1984 a mortar dropped on her house, all eight people inside received shrapnel wounds. We examined her child and identified at least four shrapnel wounds on her legs as well as several pieces of shrapnel in her buttocks.

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We could see them [Sandinista militia] coming up to our farm. They started shooting their AK's [machine guns] into the house and then a mortar fell on the house. It completely destroyed everything and my children and I were wounded with shrapnel. My husband ran away as did six of my children but the two youngest stayed with me. As the Sandinistas approached the house they yelled out asking where the contras were hiding. There were no Contras around our farm and so they left.

**INDISCRIMINATE MINING OF BORDERS**

The Sandinista government has placed unmarked land mines in areas along both the southern and norther borders leading out of the country. These landmines have been buried along mountain passes and trails. They have posed a great danger to Nicaraguans leaving the country through these mountain passes and trails. On the northern border of Nicaragua they have specifically mined the areas of Tapachi, La Balzado, Boca de Poteque, Las Piedras, Guanblan, Mollejones, Bolenqui, Banco Grande and Boca de Plis.

We have received numerous stories of refugees finding landmines along their journey to Honduras. They say certains paths are strewn with carcasses of animals which accidently stepped on them.

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## CONFISCATION AND DESTRUCTION OF PROPERTY

An integral part of the relocation program has been to make the farming land useless, not only to the rebel groups operating in those areas but to the farmer who has been either relocated or has fled into the mountains.

The most severe instances of property destruction and confiscation have come during Sandinista military operations which includes people being herded together and lands burned.

Most abuses of this type occur in the rural areas along the northern and southern borders. The magnitude of confiscation and destruction of property has increased with the institution of the relocation policy by the Sandinista government in the Spring of 1985.

Adolfo Juapan lived along the southern border of Nicaragua near a place called Los Almendros. He arrived in Costa Rica in the first week of January 1986.

> In the zone where we lived the Sandinista military was involved in several operations. In the area known as Los Almendros I have seen many houses that were burned out by the Sandinistas. The destruction has been great, especially in a place known as El Fajardo, Rio San Juan, where the people were forced out of their homes for no crime of theirs. These were people who worked in the mountains and they were taken away. The Sandinistas said they were Contras and took away their chickens, pigs, cows and every other kind of animal you can think of. Their crops were thrown out and all

the food in their houses was destroyed. My family was also taken out during this time.

Refugees reported how the peasants farmland in most areas along the northern border has been devastated by the burning conducted by the Sandinista army as they moved through valleys. Fruit trees were destroyed, houses burned, and land mines placed indiscriminately around the properties.

Julia Silva was a victim of property destruction by the Sandinistas in August of 1985. She lived in Nueva Guinea, Department of Zelaya, in a small village called Cano Chiquito.

> We left because they [Sandinistas] made us hide in the mountains. While in the mountains they burned a little house we had and took all of our cows with them. In total there were 25 houses that were burned there in Cano Chiquito.

Since the destruction of rural communities and the confiscation of their property is such an integral part of the relocation efforts of the Sandinista government, more information on that is included in the section intitled **RELOCATION.**

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## THE MISKITO ISSUE

Since the spring of 1985 there has been a great deal of publicity and media attention focused on the release of large numbers of Miskito Indians from their relocation camps by the Sandinista government. However, there has been very little media attention to the circumstances of those Miskitos who were permitted to return to their homes.

We were not able to get out to La Mosquitia in Honduras to speak with any of the new refugees. Therefore, we have no first hand accounts of what happened to these Miskitos in the towns of Kum and Bilwascarma. These towns are located near the Coco and Juanis rivers and are only a few of the many towns affected by this policy.

Hundreds of Miskito Indians have been crossing the Coco River into Honduras within the last 6 months. They report that upon returning to their farms they were not able to grow anything. The Sandinistas had placed land mines in locations throughout the area where the Miskitos lived and they were prohibited from planting any new crops. They found themselves in such desperate circumstances that they decided to leave the area and seek refuge in Honduras.

Carmen Winkler is the Director of Friends of the Americas, a relief organization which distributes food and clothing to thousands of Miskitos who live in the vast southeastern coast

region of Honduras known as the Mosquitia. She has had extensive contact with the Miskito people, including many of the refugees who have arrived in Honduras recently. Her report follows:

> Within the last 9 months we have registered hundreds of new arrivals into the Mosquitia. In the last few months of the summer of 1985 we registered only 6 new Miskitos who had recently crossed the border. However, every month after that the numbers began to grow. Within the last three months we have registered over 650 Miskito Indians. The majority of these are those who were released from the relocation camps at the beginning of last summer. They have given me numerous accounts of continued harrassment when they returned to their homes. They said that mines had been placed in many locations and that several had accidently exploded. The Sandinista military cordoned off the area to keep them from leaving, but many have still been able to escape. The reports now coming out of the border are that a large group numbering in the thousands is heading for the border and wants to seek refuge here in Honduras. There are no exact estimations on the number but the reports indicate they number in the thousands.

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Modesto Watson is the former Director of the Miskito refugee camp in Limon, Costa Rica. He is closely involved with the plight of the Miskito inside Nicaragua and deals directly with the Miskito religious leaders still in the country. He has been receiving reports which corroborate those given by Carmen Winkler and others. The following is a section of the interview we conducted with him.

> Last spring the Miskito people were released from what the government calls "relocation" camps so they could return to their homes. When they returned they were allowed to plant their crops but they have since been intimidated into not harvesting them. The military has cordoned off many areas where the Miskitos are living to prevent them from leaving the country. They are currently living just as they did when in the relocation camps except now they even have less food than they did then.

Those few Miskitos we interviewed in Costa Rica who had recently crossed the border were not those recently released from relocation camps. They reported large numbers of Miskitos living in the mountains. They were not crossing the border because of the great distance to the San Juan river from their locations in the interior.

We were not able to visit La Mosquitia during our recent visit to Honduras. Therefore we did not gather any primary source material on this topic of the Miskito's release from the relocation camps.

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# NICARAGUAN HUMAN RIGHTS ABUSES:

# AN UPDATE

BY

WESLEY SMITH

FEBRUARY 18, 1986

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## INTRODUCTION

This report is an update of an original report entitled Nicaragua which was published April 1984. Information for this update was collected during the last two years. Interviews were conducted during a recent visit to Costa Rica and Honduras in February 1986 as well as a trip to Nicaragua and Honduras in August 1985.

Over 500 Nicaraguans, inside and outside Nicaragua, have been interviewed. These interviews were conducted without any assistance from relief agencies, government organizations, or international groups. We believe that the interviews were conducted in an unbiased manner and the information we received reflects the true experiences of the people interviewed.

The majority of the interviews were gathered from refugees living in Costa Rica and Honduras. Most of these refugees are farmers who lived in the rural areas of Nicaragua. However, there is a sufficient number of representatives of other sectors of Nicaraguan society to enable us to draw reliable conclusions about the difficulties faced by all Nicaraguans.

The interviews we conducted inside Nicaragua have added support and legitimacy to claims made by Nicaraguans living outside the country. Because so many similar reports were gathered, we believe that the ones which appear in this report accurately represent all Nicaraguans living inside and outside the country.

The Nicaraguan conflict is a very complex issue. To include every incident which has taken place over the last three years would be confusing and counterproductive to understanding the reality of the Nicaraguan crisis. Therefore, this report focuses on the major conflict in Nicaragua today. By examining the major events in Nicaragua's recent past we can more accurately understand what is happening to the country of Nicaragua and its people.

Many people we contacted did not want their real names to appear in this report fearing for the safety of their families still living in Nicaragua. However, they were willing to give detailed information about themselves and their experiences. Except for the names, the places, dates, and specific events are printed as they were gathered from the people.

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## METHODOLOGY

In conducting this report, neither the Sandinista Government nor the rebel groups (known as Contras) were used in obtaining information. Each one of those groups has documented numerous cases of human rights abuses. However, it was our intent to avoid using accounts from interested parties in order to insure the truthfulness and impartiality of the accounts. Therefore, Nicaraguan civilians are the sole persons whose accounts appear in this report.

Assuming that either side is systematically involved in human rights abuses, it would be naive to think that Nicaraguans living in those respective areas would criticize the group under which they live. For example, it would be difficult to imagine Nicaraguans living within the control of the Sandinista Government to denounce that government of human rights violations--assuming they were violating such human rights. It would be equally incorrect to think people would denounce the Contra forces while living under control of the Contras.

This is necessary to understand because the overwhelming majority of the people we interviewed spoke of abuses committed by the Sandinista Government. However, none of these testimonies were gathered in areas controlled by the rebel forces. Most were gathered in refugee camps in Honduras and Costa Rica. These camps are directed by the United Nations and are far removed from areas of control of the rebel forces. Therefore, these people were able to speak freely about what had happened to them in Nicaragua. Another 25 percent of the testimonies were gathered inside Nicaragua in areas of complete Sandinista control, such as Managua, Matagalpa, and Masaya. These accounts of Sandinista abuse carry an additional weight due to the fact that these people ran a great risk to their personal safety by speaking out against their government while still under it's control. They asked that their names be witheld, but were willing to speak in order to help others understand the severity of the situation in Nicaragua.

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The Nicaraguans interviewed in this report were picked at random. While inside Nicaragua we contacted no government agency to help us in our search for people who had experienced violations of human rights. In the refugee camps in Costa Rica and Honduras the refugees were interviewed randomly and most of the accounts were corroraborated from other refugees who had lived in the same areas in Nicaragua, but were located in different refugee camps. This insured the independence of the accounts received in the refugee camps. It is important to remember that although there are under 100 personal accounts included in this report they represent tens of thousands of similar abuses. Neither time nor funding permitted a study which would document all cases of human rights abuses taking place in Nicaragua. However, our method of gathering information on human rights from the Nicaraguan people insures the validity and accuracy of this report.

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## FINDINGS

The Nicaraguan campesino and the youth have been most affected by changes in Nicaragua since the 1979 revolution. The Agrarian Reform laws of the Nicaraguan Government have displaced large numbers of peasant farmers. The current war with the rebel forces has involved a nationwide military draft and equally encompassing resistance to it among the nation's youth.

The economy has plummetted and all Nicaraguans have felt the difficulty of earning enough to feed and clothe themselves. However, that was not the major concern of the Nicaraguans living inside the country, nor was it the major reason the refugee gave for having left Nicaragua.

Our investigations indicated that the main reason for the mass exodus from Nicaragua and the internal conflict of that nation is that the Nicaraguan people find their condition intolerable. The following conditions were among those most commonly experienced by those we interviewed.

1. **Unwarranted imprisonment by the Sandinista Government**
2. **Physical and psychological torture while imprisoned**
3. **Beatings, torture, imprisonment, and summary executions by the Sandinista Government against those not willing to support the policies of the Sandinistas**
4. **Relocation of the campesino into guarded internment camps**
5. **Confiscation and destruction of land owned by the Nicaraguan peasantry**
6. **Forced military recruitment of Nicaragua's youth**
7. **Forced labor on government run cooperatives**
8. **Harassment, physical threats, and imprisonment for one's religion**

They believe these conditions have not only been instituted by the Sandinista Government, but are supported and perpetuated by it as well.

The people we interviewed seldom blamed the rebel groups for causing the problems which the country faces. Few of those interviewed had any tolerance for the actions of the Sandinista regime, because they see no rationale for their behavior. Although they understand the complexities of war--in which the Sandinistas and Contras are involved--they believe the Sandinistas are the cause of the problems, the war being one of those problems.

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## IMPRISONMENT -PRISONER MISTREATMENT

According to testimony gathered, it has become the policy of the Sandinista army, and police forces to use systematic means of torture to extract information from prisoners, intimidate those who oppose the government, and weaken the resistance of the opposition.

The subjects of capricious imprisonment, and mistreatment of prisoners are being dealt with jointly, because in nearly all cases people who had been imprisoned for political motives were either physically or psychologically abused by State Security forces. Instances of torture and capricious imprisonment are so numerous they could not all be listed here. For that reason we have chosen only those which were satisfactorily substantiated by other independent claims.

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### TOTAL NUMBER OF POLITICAL PRISONERS

It was extremely difficult to formulate an accurate estimation of political prisoners inside Nicaragua because of the abundance of clandestine prisons spread throughout the country. Approximately 70 percent of all male refugees interviewed had at one time been detained, interrogated, imprisoned, or tortured by officials of the Sandinista military or State Police.

Estimates of political prisoners held by the Sandinistas range from 4,000 to as many as 20,000 at any given time. Due

to the nature and duration of some of these imprisonments it is apparent that Sandinista statistics regarding political prisoners are misleading. Most refugees and people who had been imprisoned said that any opposition to the Sandinista regime was considered a criminal act. They were, therefore, treated as other criminals, with additional maltreatment for being "enemies of the state".

We estimate there are from 13,000 to 15,000 political prisoners in Nicaragua. These estimates were calculated from testimony of prisoners, former Sandinista soldiers defense lawyers still inside Nicaragua, and the Nicaraguan Red Cross. These prisoners range from 4,500 former members of the Somoza Guard to people who were imprisoned for selling grain on the open market.

The following is a list of only some of the prisons and their locations. As mentioned earlier, there is no possible way of telling the exact number of prisoners. Estimates are made based on testimonies of Nicaraguans who had been in specific prison systems.

La Quinta Ye, Leon
La Chacara, Esteli
La Barranca, Esteli
La Zona Franca, Managua
El Chipote, Managua
Palo Alto, Managua
El Sistema, Chinandega
La Tejas, Matagalpa

**EXTRACT INFORMATION**

Mauricio Arlola Sequeira, Nueva Guinea, Department of Zelaya South, left Nicaragua in December 1985. Since his brother had

been a member of one of the rebel groups he was taken prisoner and interrogated by the State Security.

> My brother was with the Contras so they accused me of being with them also. They took me to the Central Command post in Nueva Guinea. The first night there they interrogated me and started threatening me. They said if I didn't tell them where my brother was they would kill me. They hit me in the ribs and hit me on the head with the butt of a pistol. After that they put the pistol in my mouth and hit my teeth with the barrel of the pistol. They were very drunk and continued doing this for what seemed like two hours. The next day I was taken to the State Security cell and they put me into "La Chiquita" with eight others. The cell was about six feet by six feet. They kept us there five days without food. There was no light in the cell. After this first five days they put us into individual cells farther underneath the ground. After about 2 or 3 minutes we thought we were suffocating and began banging on the walls of the cells. They then took us out and once again interrogated me. I was there with another person I knew and so they interviewed both of us in different rooms and tried to get us to denounce the other. When that didn't work I was thrown back into "La Chiquita" and the next day was put into a larger cell. After two months I opted to join the militia instead of staying in prison. I escaped and hid in Juigalpa where a few days later I fled to Costa Rica.

It is important to emphasize that most of these testimonies are from people who have been imprisoned for not supporting certain policies of the Sandinistas. Vendors in the Eastern Market in Managua have received up to 20 years imprisonment for refusing to buy their goods through channels of the Sandinista government. Peasants are imprisoned for selling their grain



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on the open market instead of to the government run cooperatives MICOIN, which regulates the flow of food within the country.

We have one instance of a woman from the Eastern Market who has been imprisoned 11 times within the last 9 months for selling prohibited items on specific days, such as milk or cheese. Our information indicates that the Sandinista government has used imprisonment systematically to squelch individual and group opposition to it's policies.

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**NICARAGUAN PERMANENT COMMISSION ON HUMAN RIGHTS**

The CPDH estimates that over 95 percent of those convicted by the People's Anti-Somoza Tribunals were convicted by accusations against themselves while in State Security prisons. Of that 95 percent nearly all have been tortured into accusing themselves. On the average, those accused spend more than 6 months in prison before going before the Tribunals. Those brought before the Tribunals are condemned by evidence gathered in three ways.

1) **Confessions of prisoners against themselves while in State Security cells.**
2) **Confessions of prisoners against other prisoners.**
3) **Testimonies of State Police interrogators who heard prisoners confessions during interrogations.**

In the majority of the cases the peasants were accused of giving food or logistical aid to the contras. The following is part of an interview with Lino Hernandez of the CPDH in January 1985.

> In principle every person who arrives at the State Security prisons is declared guilty. They have a method for each person. We have received testimonies of tortures that don't leave marks or scars. While in State Security they are subject to isolation in dark cells without any light They are not given food either. We have received information that they use both physical and psychological torture.

Accounts we gathered of torture and interrogations of prisoners support the claims made by the CPDH. However, it also becomes evident that very small numbers of prisoners are ever actually being brought before a judge. Refugees imprisoned during 1982 and 1983 mentioned judicial processes of release. The majority of the refugees imprisoned during 1984 and 1985 had neither communication with the outside nor exposure to any aspect of the judicial process.

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## RELIGIOUS PERSECUTION

Our investigations show that during 1984 and 1985 religious persecution increased dramatically. Within the last few years nearly all religions not openly professing their support for the Sandinista government are accused of counterrevolutionary activities. Their churches have been confiscated, leaders imprisoned, and members intimidated.

Since June of 1985 the Catholic church has been under renewed attacks from the government. This more subtle repression of the Catholic Church has not received much media attention, but still represents a violation of freedom of expression and worship.

Sofonias Cisneros was imprisoned on May 14, 1985. As director of a parent-church group called The Assembly of Parents of the Family, involved in selecting the curriculum for the parochial schools in Nicaragua, he had openly criticized the Sandinista regime for their insistence on placing pro-Marxist materials in the classroom.

Because of his remarks he was taken to prison by State Security police and beaten by the Managua Chief of Police, Lenin Cerna. We were able to secure a personal interview with him to clarify his report made to the Nicaraguan Permanent Commission on Human Rights, CPDH.

> On May 14, 1985 I was arrested by men in uniforms who arrived at my house. I was taken to a place known as "El Chipote" which



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is behind the Intercontinental Hotel there in Managua. They took me there in a military jeep. When I arrived there I was made to take off all my clothes. I was eventually approached in a room by several military people. Since I didn't have my glasses on I couldn't tell who they were until one asked me who he was. When I responded that I didn't know he told me he was commander Lenin Cerna and that I was going to die before I ever got out of that place. I was kicked and hit several times while detained. They also hit my head against the wall by grabbing my hair. They finally released me after having tortured me in this way.

In late July 1985, 15 catechists, members of a Catholic youth organization, were doing missionary work in the southern part of Nicaragua in a comarca called San Vicente near the town of Diriamba. There were 7 girls ranging from 15 to 17 years old in the group.

They were raped by eight Sandinista soldiers while they slept in one of the houses in Diriamba. The 8 boys who were with the group were badly beaten and were later accused by the same group of soldiers of having raped the young women. When the incident was reported to the Sandinista authorities it was publicly denied. However, our investigations revealed that a secret investigation was being conducted within the government to find those responsible for the raping incident. Father Pena Rojas is a Nicaraguan Catholic Priest. The neighborhood over which he has jurisdiction is located close to the Eastern Market in Managua. He has personally been the object of Sandinista persecution and has witnessed the persecution of his parishioners.

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> The persecution of members of my church has increased dramatically during this year [1985] and last. Since a lot of my members work in the Eastern Market they are subjected to harassment by the government when they attend the masses conducted here or at the Eastern Market. Many times throughout the months of June, July and August of this year [1985] the people who came to my mass were not permitted to buy meat. They must buy there meat from the government who is the sole supplier and they were simply told there was none. We knew they were lying because others were able to get the meat during the same day.

Father Pena and Father Mondragon led large groups of people to see Cardenal Obando y Bravo return from his ordination in the Spring of 1985. They were pushed back by Sandinista police. When they finally arrived at the airport a large group of men were randomly singled out and arrested. They were youth who had been holding anti-communist pro-catholic signs to greet the arrival of the Cardenal.

The most severe religious persecution occurs in the rural areas of Nicaragua, where access to media and communication lines is practically non-existent. Religious campesinos have told us that unless they are willing to fight for the Sandinistas as well as God, then they are accused of counterrevolutionary activities. We have received numerous reports that during mass meetings which the Sandinista Army regularly holds in these remote regions, Sandinista officials threaten those campesinos who openly profess their religion.

Desiderio Centeno (47 years) is from Bana in the department of Jinotega. He fled Nicaragua on April 28, 1984. While in the country he was repeatedly harassed by State Security forces trying to prevent him from preaching the "word" as he called it.

People like Desiderio are common among the peasant class. Over 50 similar accounts like his were collected during our investigations. His story should be emphasized because it represents the religious persecution of the peasantry inside Nicaragua.

> They don't want you going around preaching the word because they say we are just preaching politics and preaching about the counter-revolution. They would gather us together in the town plaza there in Bana Centro and humiliate us about our religious beliefs. They said that if we really loved God then we not only had to have the bible in one hand but a rifle in the other. We had to atttend these meetings because it was a direct order from the State Police. We had to attend these gatherings 4 or 5 times a week up until the time I left with my family. The State Security privately interrogated me a total of three times. They always threatened me during these interrogations and on one occasion he struck me in the face with his fist.

From reports gathered, those religious groups and individuals who openly support the Sandinista government and its policies do not receive threats, intimidation or harassment. However, those who openly or even individually espouse Christian ideals run the risk of Sandinista reprisal.

## RELOCATION

In March of 1984 the Sandinista National Directorate decreed certain areas along the southern and nothern borders as military zones. This decree resulted in the forced relocation of large numbers of peasant farmers from their homes in the rural countryside to central, more populated regions.

Although the government officially decreed such a program in March of 1984, testimonies gathered indicate that such a policy was instituted as early as January of 1983 in Nueva Segovia. The relocation of these population groups does not include the relocation of Miskito Indians from the Atlantic Coast Regions. That issue will be discussed in another section.

We estimate there are 90,000 Nicaraguans living in these relocation camps against their will. From reports of people who escaped such camps, as well as those who lived near them, the Sandinista government is violating the rights of these people in the following ways:

1. Moving them from local communities to an alien environment
2. Prohibiting their freedom of movement
3. Restricting their availability of food
4. Forcing them to carry weapons while working for the government
5. Forcing them to work on the governmnet run cooperatives

The Sandinista government enacted such a relocation policy on the grounds that the campesinos live in danger of attack

by the Contras. However, from hundreds of accounts we received a different version of this story. The campesino's experiences indicate that the Sandinistas are relocating them for three different purposes: **1) creat a free-fire zone along the borders 2) break the independence of the campesino 3) remove any possible food sources for rebel groups.** The refugees mentioned they did not feel endangered by Contra movements in their areas except for the risk of being caught in a crossfire or ambush.

About 10 percent of the refugees felt they were caught in the middle of two opposing forces, but felt no direct danger from the Contra forces. Over 50 percent said relocation efforts were begun and continued in their areas even though little or no rebel activity was present.

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**CREATE FREE FIRE ZONE**

In nearly all instances of relocations, campesinos are repeatedly ordered to specific meetings prior to their relocation. These meetings generaly occur once a week and are conducted by military officials of the Sandinista government. When the campesinos are gathered together the officials assign a date and place where the farmers and their families are to relocate. In other cases no mention is given to a precise date for relocation, but campesinos are threatened that their farms and houses would be bombed whether they had left them or not.

**BREAK INDEPENDENCE OF CAMPESINO**

Through the relocation program, instituted by the Ministry of Agrarian Reform, the campesino was to be compensated for his land, property, livestock, etc. He was to be either paid for his property or be relocated to comparable land closer to the interior of the country. However, systematic abuses have occurred under this program of relocation.

Personal witnesses of such abuses indicate that the relocation effort is not that which it claims to be, but rather is being used to break the independence of the campesino population, and consequently gain more direct control over them.

**REMOVE FOOD SOURCE OF REBEL GROUPS**

The southern and northern borders of Nicaragua, as well as the Atlantic Coast region, is populated principally by peasant farmers and Miskito Indians. These areas are also used by the rebel groups fighting the Sandinistas. By removing the campesino from an area of combat and destroying all livestock and plant life, the Sandinista Government has been able to take away the food supply of Contra groups working deep inside the country.

When the Sandinista army moves through an area to gather up all the people, houses are usually burned or ransacked. Any fruit bearing trees are cut down and destroyed, livestock are carried off or killed and crops are burned. [see Confiscation of Property]

In addition to the accusations which we gathered, the Nicaraguan Permanent Commission on Human Rights, CPDH, has registered numerous accusations which support these claims. Most campesinos who experienced certain aspects of the relocation effort had received explanations and warnings concerning any attempt on their part in helping to supply the Contras with food.

**ACCOUNTS OF RELOCATION CAMPS**

Desiderio Centeno, Murra, Nueva Segovia, left Nicaragua April 28, 1984. As a farmer he was not willing to go to the relocation camp assigned to his area. Most of the farmers from Murra fled the country when the relocation effort in that Comaraca began.

> Being a delegate of the word I was not willing to take up arms. They started rounding up the people to relocate them into the government camps so we were forced to leave. They had told us in previous meetings, and we already knew from what they did on the cooperatives, that we would be forced to carry weapons while we farmed their land. The camp they took the people to is about 4 kilometers from Bana to the north. It has about 400 people in it.

Segundo Martinez Chavarria, El Mapa, 20 kilometers from Murra.

> The people from our region were sent to a camp near Jicaro. They first gathered all the people from Murra, but we fled before they arrived at our farm. They must have gathered over 2,000 people because they took them out of their farms from all over the municipality. They took them from El



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> Guanito, El Rosario, Zacateras, Quebrada Negra, Paraisito, San Pablo Arriba, El Mapa, La Viata, La Victoria, Palo Alto, El Trabon, Los Encinos, Las Dantas, La Paz, Petaton. They arrived in IFA [troop transport] trucks and when they couldn't go into the valleys any longer on IFA the patrols went on foot routing the people out of the houses. We had to leave with just the clothes on our back. All the things of the farm; cows, pigs, crops, fell into the hands of the Sandinistas.

Maria del Carmen Mejilla, 64, from San Carlos, Department Rio San Juan, Left Nicaragua April 4, 1985.

> The camp near San Carlos has about 800 tents, but I don't know the number of people. It is a big camp. There are three in our area of which I knew. They are nicknamed "La Esperanza", "La Asucena", and "La Gloria". "La Gloria" is a camp near the small town of Sabalo. It is about three hours walking distance from Sabalo as you walk up the river.

Ovett Mejia Reyes belongs to the evenagelical church in San Carlos, Rio San Juan. With his father he traveled extensively through that region in 1982-83 meeting with other church leaders inside the camps.

> In these camps the people are not given any freedom at all. Once you are in the camps it is very difficult to get out unless you get permission from the administrator. It isn't that they have the camps guarded all the time, but nearly all the camps around San Carlos are near Sandinista military bases. It is very dangerous to attempt

to escape, because if you do they'll kill you.

Ovett, and five other witnesses located several camps near San Carlos. According to their reports, the people are in desperate conditions within the camps. Food is minimal and freedom of movement is prohibited. In addition they are constantly moved because of the activities of the Contras in that region. Juan Reyes Espinoza was a pastor of the Church of Christ. In 1983 and beginning of 1984 he came in contact with several camps between Acoyapa and San Miguel, Department Rio San Juan. The following is a description of his observations.

> If you attempt to escape from these camps they will kill you. Senor Duartes decided to attempt to leave the area instead of relocating to the camps and he was caught and killed while heading toward Las Colinas. There are people relocated in the camps of Las Colinas, Buena Vista, El Roble, Las Palomas, Monte Verde--near Morrio. Las Colinas is on the north side of the Sabalo River and El Roble and Cruz Verde are near Morrio. Las Palomas is closer to San Miguel.

Valentina Martinez is from Murra, Department of Nueva Segovia. She was living in Jalapa in 1985 and came in contact with people who worked out in the relocation camps.

> There are two camps. One in Jalapa and the other in Murra. On the road from Jalapa to Ocotal there are several state run cooper-

atives. One of them has been made into a camp about 15 kilometers from Jalapa known as "La Mia". It is a refugee camp as big as Guasimo [refugee camp in Honduras] and must have 2,500 people in it. They're also constructing a camp right outside Jalapa that has 3 to 4 galleries about 80 meters long and 15 wide. The camp in Murra is called "La Casa Campesina" and is located on the road that leads to Jicaro. They had taken all the people of my area of Murra and had relocated them in Jalapa which is close to 80 kilometers away. Those not willing to relocate who didn't escape were put into the prison "La Chacara" in Esteli.

The following is a list of only a few of the camps and estimated numbers of Nicaraguans within those camps. More will be listed in the revised edition, along with their geographical location.

| NAME | NUMBER OF PEOPLE |
|---|---|
| La Gloria | 2000 |
| La Esperanza | 100 |
| El Pijivay | 300 |
| La Azucena | 400 |
| Las Colinas | 400 |
| Cruz Verde | 300 |
| Buena Vista | 400 |
| Las Palomas | 500 |
| El Roble | 600 |

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## KILLINGS AND TORTURE

The most prevalent abuses documented on torture and killing of civilians occurred during military operations by the Sandinista government. However, specific information taken from testimony indicates most victims were not involved nor located in areas of direct military conflict. This leads us to conclude that such abuses were not incidental accidents of war.

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### MASSACRE

On June 20, 1985, 1,200 Sandinista regulars conducted a sweep through the southern region of the Department of Zelaya, in a place near Pueblo Nuevo. According to reports, the operation lasted 3 days and resulted in 21 civilian deaths.

> The Sandinista army moved into Boca Tapada on June 21st and rounded up 13 individuals. Later that day they gathered another ten from Pueblo Nuevo and placed them all in a house in Boca Tapada. However, that night Mercedes Reyes Perez and Daniel Gonzalez escaped and made it to Pueblo Nuevo where they related their story to us [Lusian Morales Hernandez and Augustin Dias Ocampo. They said they had been taken prisoner but none had been harmed. By now the people in the valleys nearby had been warned and everyone was in hiding. When the Sandinistas pulled out we arrived in Boca Tapada on the 27th and found that all of the prisoners had been shot. Their bodies were placed in a pile and had begun to decompose.

Those who died from Pueblo Nuevo were:

1. Saturdino Dias
2. Francisco Gomez
3. Salvador Granados
4. Ignacio Jiron Lopez
5. Avelino Alvarado
6. Rufino Laguna
7. Manuel Garcia
8. Tomas Castillo
9. Pablo Almanze

The Sandinista army moved into what is called the port of Atlanta on June 24 and killed:

1. Santiago Guzman-Catholic delegate
2. Elvin Guzman
3. Andres Guzman
4. Rafael Savallo

Herlinda Dias Quintero and Carlos Lanza Bravo [husband and wife] crossed the Nicaraguan border into Costa Rica on February 4, 1986 after spending two months hiding in the mountains of Nicaragua.

> In June of 1985 the militia came by our farm. I saw them coming and was able to get away with the three children. However, they caught my husband because he was returning from the field and did not see them. He was later released. He had been hit in the chest and ribs, but was fortunately still alive.

Leonora Calero witnessed the arrest of her father on June 30, 1985. The Sandinista military were conducting maneuvers in the area and took her father and two other men from her house. The following is a personal account of the rest of her story.

> After the Sandinistas mortared our house and my husband and six children escaped, the Sandinistas approached the house. They surrounded it and then started threatening us with their guns. They took my father, a man who was visiting us and another man, a Catholic delgate who lived about 50 yards from our house. He had also been wounded in his right arm. I thought they were going to take them to the prison in Nueva Guinea. I didn't know that my father and the others had been killed until four days later when my husband returned from the mountains. Some of our neighbors had smelled something terrible and we then found out it was my father and the other two men. They had been stabbed several times.

Rebel soldiers or people suspected of aiding rebel groups have been victims of torture and execution. The abuses reported do not include any deaths occurring during military activities or when the victims were armed or presented any threat to Sandinista forces.

Juan Sandoval Fernandez escaped Nicaragua in January 1986. He was living in Punta Gorda when the above incident took place. Since the incident had occurred in the morning, they had received verification that Orlando Peregome had been taken prisoner.

However, one of the other prisoners had escaped and later that day reported the execution of Orlando. Although they had both previously been members of the ARDE rebel forces, during this time neither of them was carrying weapons as they returned from Orlando's farm.

## INDISCRIMINATE SHELLING

Indiscriminate government shelling of villages has continued inside Nicaragua throughout 1984 and 1985. Some of the following stories have already been included in previous reports, but were published here because of additional information gathered from other independent witnesses.

We have received testimony of specific bombings in the areas near Mosonte, Department of Nueva Segovia; Las Piedras, Department of Jinotega; Juanblan, near Piedras; and 19th of July, Nueva Guinea, Zelaya. Other areas were mentioned but these were the ones where we were able to speak to actual witnesses of the bombings in these areas.

### BOMBING IN OCOTAL

Near Ocotal there has been intensive activity by both the Sandinistas and the Contras. Witnesses say that the presence of the Contras in that area has prompted an increase in Sandinista military operations. However, the Sandinistas have been involved in extensive indiscriminate bombing of the area around Ocotal.

Close to 30 individual accounts were received from people living in the towns of Juanblan, Mosonte, Los Arados, Dipilto, Pedregalosa and San Miguel. The rocket and aerial bombardments began in June of 1983 and have continued up until the present. The most intense bombardments occurred in December of 1984 near

an area called Los Arados. Since the last report,a large segment of the population had fled from this area because of continual bombardment.

**BOMBING IN JUANBLAN**

Juan Alberto Gonzalez left Juanblan April 27, 1984 when their area was bombed by the Sandinistas.

> The Sandinistas had had several encounters with the Contras in our area so they started to heavily bombard Juanblan. There were plenty of civilians still living in that area, but it didn't matter to the Sandinistas because they bombed anyway. They set up their mortars from Juanblan and were shooting them into the hills around the town.

Apolonio Flores lived near the town of Mosonte. He left in January 1984 a week after the Sandinistas mortared near his home. The mortars were launched from a mountain called Pedregalosa and the mortar bombardments were carried out on three separate occasions.

Leonora Castillo Calero is from the town 19th of July, Nueva Guinea, Deptartment of Zelaya. She left Nicaragua in September 1984. On June 30, 1984 a mortar dropped on her house, all eight people inside received shrapnel wounds. We examined her child and identified at least four shrapnel wounds on her legs as well as several pieces of shrapnel in her buttocks.

We could see them [Sandinista militia] coming up to our farm. They started shooting their AK's [machine guns] into the house and then a mortar fell on the house. It completely destroyed everything and my children and I were wounded with shrapnel. My husband ran away as did six of my children but the two youngest stayed with me. As the Sandinistas approached the house they yelled out asking where the contras were hiding. There were no Contras around our farm and so they left.

**INDISCRIMINATE MINING OF BORDERS**

The Sandinista government has placed unmarked land mines in areas along both the southern and norther borders leading out of the country. These landmines have been buried along mountain passes and trails. They have posed a great danger to Nicaraguans leaving the country through these mountain passes and trails. On the northern border of Nicaragua they have specifically mined the areas of Tapachi, La Balzado, Boca de Poteque, Las Piedras, Guanblan, Mollejones, Bolenqui, Banco Grande and Boca de Plis.

We have received numerous stories of refugees finding landmines along their journey to Honduras. They say certains paths are strewn with carcasses of animals which accidently stepped on them.

## CONFISCATION AND DESTRUCTION OF PROPERTY

An integral part of the relocation program has been to make the farming land useless, not only to the rebel groups operating in those areas but to the farmer who has been either relocated or has fled into the mountains.

The most severe instances of property destruction and confiscation have come during Sandinista military operations which includes people being herded together and lands burned.

Most abuses of this type occur in the rural areas along the northern and southern borders. The magnitude of confiscation and destruction of property has increased with the institution of the relocation policy by the Sandinista government in the Spring of 1985.

Adolfo Juapan lived along the southern border of Nicaragua near a place called Los Almendros. He arrived in Costa Rica in the first week of January 1986.

> In the zone where we lived the Sandinista military was involved in several operations. In the area known as Los Almendros I have seen many houses that were burned out by the Sandinistas. The destruction has been great, especially in a place known as El Fajardo, Rio San Juan, where the people were forced out of their homes for no crime of theirs. These were people who worked in the mountains and they were taken away. The Sandinistas said they were Contras and took away their chickens, pigs, cows and every other kind of animal you can think of. Their crops were thrown out and all

the food in their houses was destroyed. My family was also taken out during this time.

Refugees reported how the peasants farmland in most areas along the northern border has been devastated by the burning conducted by the Sandinista army as they moved through valleys. Fruit trees were destroyed, houses burned, and land mines placed indiscriminately around the properties.

Julia Silva was a victim of property destruction by the Sandinistas in August of 1985. She lived in Nueva Guinea, Department of Zelaya, in a small village called Cano Chiquito.

> We left because they [Sandinistas] made us hide in the mountains. While in the mountains they burned a little house we had and took all of our cows with them. In total there were 25 houses that were burned there in Cano Chiquito.

Since the destruction of rural communities and the confiscation of their property is such an integral part of the relocation efforts of the Sandinista government, more information on that is included in the section intitled **RELOCATION.**

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## THE MISKITO ISSUE

Since the spring of 1985 there has been a great deal of publicity and media attention focused on the release of large numbers of Miskito Indians from their relocation camps by the Sandinista government. However, there has been very little media attention to the circumstances of those Miskitos who were permitted to return to their homes.

We were not able to get out to La Mosquitia in Honduras to speak with any of the new refugees. Therefore, we have no first hand accounts of what happened to these Miskitos in the towns of Kum and Bilwascarma. These towns are located near the Coco and Juanis rivers and are only a few of the many towns affected by this policy.

Hundreds of Miskito Indians have been crossing the Coco River into Honduras within the last 6 months. They report that upon returning to their farms they were not able to grow anything. The Sandinistas had placed land mines in locations throughout the area where the Miskitos lived and they were prohibited from planting any new crops. They found themselves in such desperate circumstances that they decided to leave the area and seek refuge in Honduras.

Carmen Winkler is the Director of Friends of the Americas, a relief organization which distributes food and clothing to thousands of Miskitos who live in the vast southeastern coast

region of Honduras known as the Mosquitia. She has had extensive contact with the Miskito people, including many of the refugees who have arrived in Honduras recently. Her report follows:

> Within the last 9 months we have registered hundreds of new arrivals into the Mosquitia. In the last few months of the summer of 1985 we registered only 6 new Miskitos who had recently crossed the border. However, every month after that the numbers began to grow. Within the last three months we have registered over 650 Miskito Indians. The majority of these are those who were released from the relocation camps at the beginning of last summer. They have given me numerous accounts of continued harrassment when they returned to their homes. They said that mines had been placed in many locations and that several had accidently exploded. The Sandinista military cordoned off the area to keep them from leaving, but many have still been able to escape. The reports now coming out of the border are that a large group numbering in the thousands is heading for the border and wants to seek refuge here in Honduras. There are no exact estimations on the number but the reports indicate they number in the thousands.

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Modesto Watson is the former Director of the Miskito refugee camp in Limon, Costa Rica. He is closely involved with the plight of the Miskito inside Nicaragua and deals directly with the Miskito religious leaders still in the country. He has been receiving reports which corroborate those given by Carmen Winkler and others. The following is a section of the interview we conducted with him.

> Last spring the Miskito people were released from what the government calls "relocation" camps so they could return to their homes. When they returned they were allowed to plant their crops but they have since been intimidated into not harvesting them. The military has cordoned off many areas where the Miskitos are living to prevent them from leaving the country. They are currently living just as they did when in the relocation camps except now they even have less food than they did then.

Those few Miskitos we interviewed in Costa Rica who had recently crossed the border were not those recently released from relocation camps. They reported large numbers of Miskitos living in the mountains. They were not crossing the border because of the great distance to the San Juan river from their locations in the interior.

We were not able to visit La Mosquitia during our recent visit to Honduras. Therefore we did not gather any primary source material on this topic of the Miskito's release from the relocation camps.

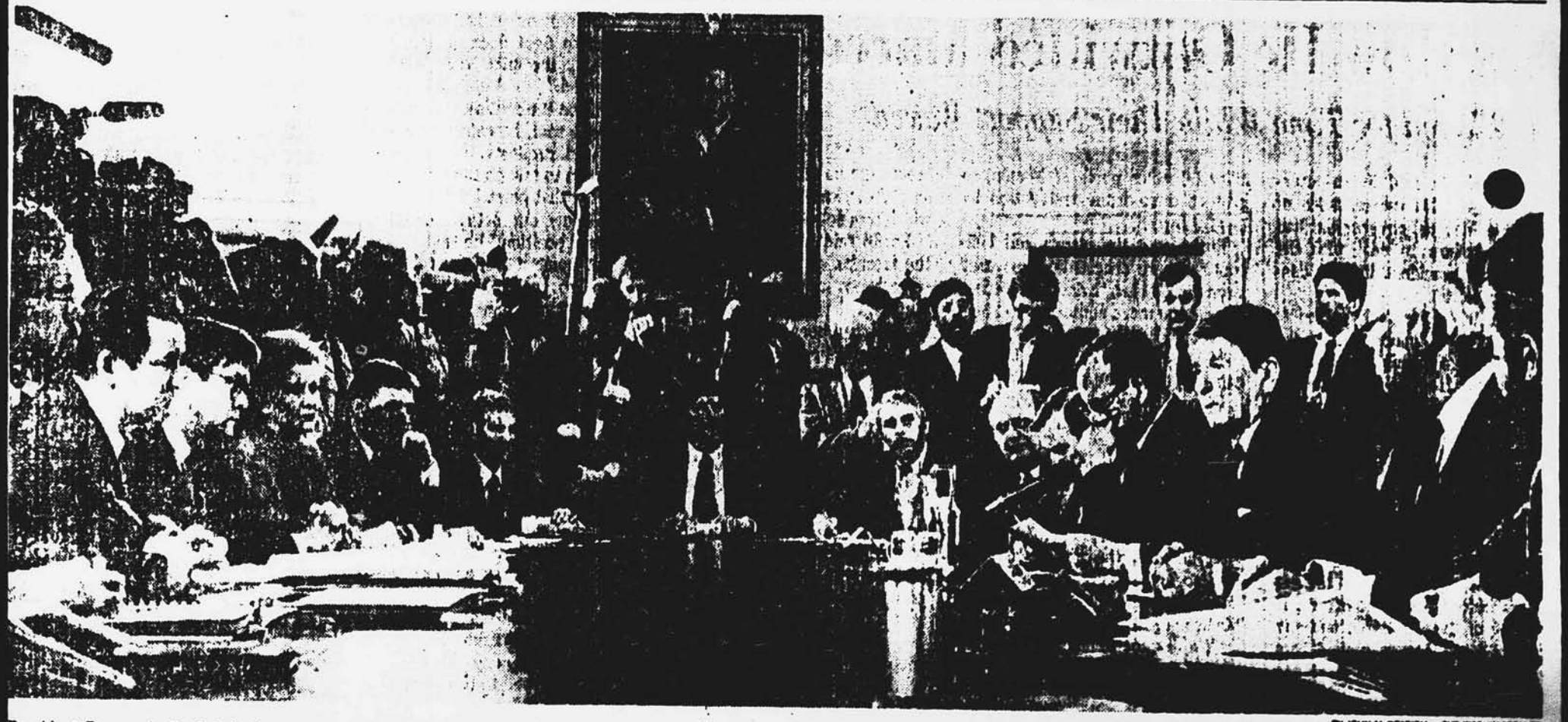
0007941042

This report was produced under an unrestricted grant from the National Endowment for the Preservation of Liberty.

0004079410

3/4 The Washington Post p3 A21 7 4 1 0 4

THE WASHINGTON POST



BY JOHN McDONNELL—THE WASHINGTON PO

President Reagan is flanked by Nicaraguan contra leaders at yesterday's White House meeting on aiding rebels fighting the Sandinistas. At Reagan's right is Arturo Cruz; at his left is Adolfo Calero.

# Reagan Warns of Disaster if Hill Bars $100 Million Contra Aid

By Lou Cannon and Joanne Omang
Washington Post Staff Writers

President Reagan, trying to drum up support for a $100 million aid package for the Nicaraguan rebels, met yesterday with three rebel leaders and warned that the United States faces a "strategic disaster" of great magnitude and a "vast migration" of refugees if Congress turns down his request.

"Defeat for the contras would mean a second Cuba on the mainland of North America," Reagan said at the White House meeting. "It would be a major defeat in the quest for democracy in our hemisphere. And it would mean consolidation of a privileged sanctuary for terrorists and subversives just two days' driving time from Harlingen, Tex.," a city near the Mexican border.

With the leaders of the United Nicaraguan Opposition at his side, the president warned that "congressional defeat of this aid proposal could well deliver Nicaragua permanently to the communist bloc."

Meanwhile, Secretary of State George P. Shultz added a new note in the administration's campaign for aid to the contras, warning that the alternative is "a vision of two, three, many Nicaraguas—a hemisphere of burning churches, suppressed newspapers and crushed opposition."

State Department officials said the "burning churches" statement apparently referred to the burning of Miskito Indian villages in 1981-82 by Sandinista forces in an effort to force the inhabitants out of a contested coastal area.

Despite the intensity of the rhetoric from Reagan and Shultz, administration political strategists acknowledge that the odds are against them in their efforts to win the $70 million in military aid that the president said is an essential part of the package. Prospects are considered brighter for the $30 million in humanitarian aid.

On Capitol Hill, Senate Assistant Majority Leader Alan K. Simpson (R-Wyo.) said there is a "good prospect" for the aid package if Reagan goes all out for it with a nationally televised speech, which his aides have said is likely.

But Rep. Dave McCurdy (D-Okla.), considered a key swing vote, announced that he will oppose the package and said he is "fairly confident" that 30 other congressmen who supported last year's decision to grant $27 million in humanitarian aid will agree with him. He expressed anger at both the administration and House Democratic leaders for demanding a quick vote "for political reasons, while there are those of us in the middle who are concerned about policy."

Another swing voter, Rep. Charles E. Bennett (D-Fla.), said he will support the aid request and was reassured by Reagan's pledge not to use U.S. troops in Nicaragua and his reaffirmation of U.S. treaty commitments.

Votes are now expected in both houses of Congress during the third week of March. A senior White House official said yesterday that "this gives us less time than we may need to build the pressure," particularly in the House.

McCurdy said he has been working on a compromise proposal with Senate leaders that would call for renewed diplomatic efforts and a restructuring of contra leadership to broaden and democratize it. And Sen. Jim Sasser (D-Tenn.) proposed putting the aid in escrow for six months while the United States negotiates with Nicaragua toward a peace settlement, a position the administration has rejected in the past.

The president and the rebel leaders insisted that they have actively sought a diplomatic solution but that the Sandinistas aren't interested.

"We want a real two-track approach that will seek a political solution," said Alfonzo Robelo, one of the three rebel leaders who met with Reagan. "But the Sandinistas will never look into the poli[illegible]sit uation seriously unless they hav[illegible] the pressure."

Reagan said that a Sandinista victory over the contras would enabl[illegible] them to turn their attention t[illegible] overthrowing neighboring democracies.

"I think it would place in jeopard[illegible] the survival of each of those sma[illegible] and fragile democracies now in Cen[illegible]tral America, open up the possibilit[illegible] of Soviet military bases on Amer[illegible]ica's doorstep, could threaten th[illegible] security of the Panama Canal [and] inaugurate a vast migration north[illegible]ward to the United States of hun[illegible]dreds of thousands of refugees," th[illegible] president said. "And th[illegible]wh[illegible] would invite this strategic [illegible]ste[illegible] . . . will be held fully accountable b[illegible] history."

The Nicaraguan government re[illegible]sponded to the White House meet[illegible]ing and Shultz's speech by sayin[illegible] those actions were "addition[illegible] proof" of the administration's "com[illegible]mitment to a military solution [illegible] Central America."

SPONSOR: The National Endowment for the Preservation of Liberty

**TITLE: "Refugees"** **TIME: 30 seconds**

**This is Nicaragua's leading export. People. One of every six Nicaraguans has already become a refugee.**

**They escape from what we now know is the pattern of every communist takeover in the world.**

In Nicaragua today, the religious are persecuted...

....opponents executed...

...dissenters imprisoned. And a population of hundreds of thousands...

...cannot go home again. Here is terrorism we *can* do something about. If...we support the President on Nicaragua.

SPONSOR: The National Endowment for the Preservation of Liberty

TITLE: "Terrorist Influence" TIME: 30 seconds

Muammar Kaddafi has plans for America.

He's already threatened to strike at "American citizens in their own streets". Kaddafi used to be far away...

...but now he sits on our doorstep — supplying arms and terrorist experts

to the communists in Nicaragua, only two hours away from our borders,

where training also comes from the P.L.O. terrorists of Yassir Arafat.

Here is terrorism we *can* do something about. If...we support the President on Nicaragua.

SPONSOR: The Nat[redacted]al Endowment for the Prese[redacted]tion of Liberty

**TITLE: "Facts"** TIME: 30 seconds

A synagogue is defaced and burned.

A racial minority is forcibly removed from its villages. Many are murdered.

The Catholic Church is silenced, priests expelled.

Pope John Paul is harassed by mobs and is spat upon. Evangelicals arrested and tortured.

These are facts now coming to light — not in Nazi Germany — but in communist-led Nicaragua today.

For the facts, write:

"Liberty"
305 Fourth Street, Northeast
Washington

Bill
(from Ms Lynch)

THE WHITE HOUSE
**February 21, 1986**

Dear Spitz:

The National Endowment for the Preservation of Liberty is serving a unique and vital role in its Central American Freedom Program.

Your efforts to educate the American public on the true nature of the Communist regime in Nicaragua are critically important. I am confident that your work will make clear to all that we face a choice between Communism on the North American continent and support for the Nicaraguan freedom fighters. There is no doubt that we must champion the cause of freedom.

Your Central American Freedom Program is a vital link in the effort to forge a democratic outcome in Nicaragua. The Sandinistas have gone to New York not just to buy designer glasses, they have also gone to Madison Avenue to hire a public relations firm. The Sandinistas have retained teams of lawyers and public relations experts, who are registered with our Justice Department as foreign agents, to spread their propaganda across the United States. They hope to directly influence members of Congress in their home districts to confuse the issue. The Sandinista propaganda barrage, which cynically uses our freedoms while denying the same free expression to the Nicaraguan people, cannot go unanswered.

In the next few weeks we will initiate an historic effort to achieve Congressional support for the cause of the freedom fighters in Nicaragua. If this effort is successful, it will herald the first light of a new dawn of freedom in Nicaragua. Your Central American Freedom Program puts you on "America's

C0040749107

Front Line" in the battle for democracy. Courageous Americans have saved this nation countless times in the past by holding truth as our shield against the distortions of dictators.

Best wishes and may God bless you.

Sincerely,

Ronald Reagan

Mr. Carl Russell Channell
President
National Endowment for the
Preservation of Liberty
305 Fourth Street, N.E.
Washington, D.C. 20002

C0040074110

THE WHITE HOUSE

February 21, 1986

Dear Spitz:

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Your efforts to educate the American public on the true nature of the Communist regime in Nicaragua are critically important. I am confident that your work will make clear to all that we face a choice between Communism on the North American continent and support for the Nicaraguan freedom fighters. There is no doubt that we must champion the cause of freedom.

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Front Line" in the battle for democracy. Courageous Americans have saved this nation countless times in the past by holding truth as our shield against the distortions of dictators.

Best wishes and may God bless you.

Sincerely,

Ronald Reagan

Mr. Carl Russell Channell
President
National Endowment for the
Preservation of Liberty
305 Fourth Street, N.E.
Washington, D.C. 20002

C0040794114

Internal Revenue Service
District Director

Department of the Treasury

Date: DEC 12 198[illegible]

Employer Identification Number:

Accounting Period Ending:
DECEMBER 31

Foundation Status Classification:
509(a)(1) AND 170(b)(1)(A)(vi)

Advance Ruling Period Ends:
DECEMBER 31, 1986

Person to Contact:
R D MORRIS

Contact Telephone Number:
488-3100

NATIONAL ENDOWMENT FOR THE
PRESERVATION OF LIBERTY
305 FOURTH STREET, N.E. SUITE 100
WASHINGTON, D.C. 20002

Dear Applicant:

Based on information supplied, and assuming your operations will be as stated in your application for recognition of exemption, we have determined you are exempt from Federal income tax under section 501(c)(3) of the Internal Revenue Code.

Because you are a newly created organization, we are not now making a final determination of your foundation status under section 509(a) of the Code. However, we have determined that you can reasonably be expected to be a publicly supported organization described in sections 509(a)(1) AND 170(b)(1)(A)(vi)*

Accordingly, you will be treated as a publicly supported organization, and not as a private foundation, during an advance ruling period. This advance ruling period begins on the date of your inception and ends on the date shown above.

Within 90 days after the end of your advance ruling period, you must submit to us information needed to determine whether you have met the requirements of the applicable support test during the advance ruling period. If you establish that you have been a publicly supported organization, you will be classified as a section 509(a)(1) or 509(a)(2) organization as long as you continue to meet the requirements of the applicable support test. If you do not meet the public support requirements during the advance ruling period, you will be classified as a private foundation for future periods. Also, if you are classified as a private foundation, you will be treated as a private foundation from the date of your inception for purposes of sections 507(d) and 4940.

Grantors and donors may rely on the determination that you are not a private foundation until 90 days after the end of your advance ruling period. If you submit the required information within the 90 days, grantors and donors may continue to rely on the advance determination until the Service makes a final determination of your foundation status. However, if notice that you will no longer be treated as a section * organization is published in the Internal Revenue Bulletin, grantors and donors may not rely on this determination after the date of such publication. Also, a grantor or donor may not rely on this determination if he or she was in part responsible for, or was aware of, the act or failure to act that resulted in your loss of section * status, or acquired knowledge that the Internal Revenue Service had given notice that you would be removed from classification as a section * organization.

(over)

31 Hopkins Plaza, Baltimore, MD 21201

Letter 1045(DO) (Rev 10-

If your sources of support, or your purposes, character, or method of operation change, please let us know so we can consider the effect of the change on your exempt status and foundation status. Also, you should inform us of all changes in your name or address.

As of January 1, 1984, you are liable for taxes under the Federal Insurance Contributions Act (social security taxes) on remuneration of $100 or more you pay to each of your employees during a calendar year. You are not liable for the tax imposed under the Federal Unemployment Tax Act (FUTA).

Organizations that are not private foundations are not subject to the excise taxes under Chapter 42 of the Code. However, you are not automatically exempt from other Federal excise taxes. If you have any questions about excise, employment, or other Federal taxes, please let us know.

Donors may deduct contributions to you as provided in section 170 of the Code. Bequests, legacies, devises, transfers, or gifts to you or for your use are deductible for Federal estate and gift tax purposes if they meet the applicable provisions of sections 2055, 2106, and 2522 of the Code.

You are required to file Form 990, Return of Organization Exempt from Income Tax, only if your gross receipts each year are normally more than $25,000. If a return is required, it must be filed by the 15th day of the fifth month after the end of your annual accounting period. The law imposes a penalty of $10 a day, up to a maximum of $5,000, when a return is filed late, unless there is reasonable cause for the delay.

You are not required to file Federal income tax returns unless you are subject to the tax on unrelated business income under section 511 of the Code. If you are subject to this tax, you must file an income tax return on Form 990-T, Exempt Organization Business Income Tax Return. In this letter, we are not determining whether any of your present or proposed activities are unrelated trade or business as defined in section 513 of the Code.

You need an employer identification number even if you have no employees. If an employer identification number was not entered on your application, a number will be assigned to you and you will be advised of it. Please use that number on all returns you file and in all correspondence with the Internal Revenue Service.

Because this letter could help resolve any questions about your exempt status and foundation status, you should keep it in your permanent records.

If you have any questions, please contact the person whose name and telephone number are shown in the heading of this letter.

Sincerely yours,

Holly A. Paul

District Director

Power of Attorney

J. Curtis Herge
P. Mark Cinciarelli
Sheppard & Herge
Suite 1100
[illegible]
[illegible]

**the robert goodman agency, inc.** TELEVISIO
2201 OLD COURT ROAD. BALTIMORE. MARYLAND. 21208 (301) 296-5330

CLIENT: NATIONAL ENDOWMENT OF PRESERVATION OF LIBERTY
PRODUCT:
JOB NO.:
DATE: R-2/19/86

COMML. NO.: 86-130 30- (SECS)
TITLE "TERRORIST INFLUENCE"
PROGRAM:
AIR DATE

LIVE ☐
FILM ☐
TAPE ☐

| VIDEO | AUDIO |
|---|---|
| | Muammar Kaddafi has plans for America. He's already threatened to strike at "American citizens in their own streets. Kaddafi used to be far away, but now he sits on our doorstep—supplying arms and terrorist experts to the Communists in Nicaragua, only two hours away from our borders. Where training also comes from the P.L.O. terrorists of Yasser Arafat. Here is terrorism we <u>can</u> do something about. If...we support the President on Nicaragua. |

C00407941-5

**the robert goodman agency, inc. TELEVISION**
2201 OLD COURT ROAD. BALTIMORE. MARYLAND. 21208 (301) 296-5330

CLIENT: NATIONAL ENDOWMENT FOR PRESERVATION OF LIBERTY
PRODUCT:
JOB NO.:
DATE: R-2/19/86

COMML. NO.: 86-430 30-(SECS)
TITLE "REFUGEES"
PROGRAM:
AIR DATE

LIVE ☐
FILM ☐
TAPE ☐

| VIDEO | | AUDIO |
|---|---|---|
| Show zoom to Nicaraguan refugees waiting at river crossing. | 1 | This...is Nicaragua's leading export. |
| | 2 | People. One of every six Nicaraguans |
| Group of faces | 3 | has already become a refugee. They escap |
| | 4 | from what we now know is the pattern of |
| | 5 | every communist takeover in the world. |
| Individual faces. | 6 | In Nicaragua today, the religious are |
| | 7 | persecuted, opponents executed, dissente |
| | 8 | imprisoned...and a population of hundred |
| | 9 | of thousands cannot go home again. |
| Widen to original picture. Graphic over: Now that we know.. Support President Reagan on Nicaragua. | 10 | Here is terrorism we <u>can</u> do something |
| | 11 | about if we support the President on |
| presented and paid for by The National Endowment for the Preservation of Liberty. | 12 | Nicaragua. |
| | 13 | |
| | 14 | |
| | 15 | |
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| | 17 | |
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| | 19 | |
| | 20 | |
| | 21 | |
| | 22 | |
| | 23 | |
| | 24 | |

0 0 0 4 7 9 4 1 0

**the robert goodman agency, inc.** TELEVISIO
2201 OLD COURT ROAD. BALTIMORE. MARYLAND. 21208 (301) 296-5330

| | | | |
|---|---|---|---|
| CLIENT: NATIONAL ENDOWMENT FOR THE PRESERVATION OF | COMML. NO.: 86-540 30- (SECS) | LIVE ☐ |
| PRODUCT: LIBERTY | TITLE "FACTS" | |
| JOB NO.: | PROGRAM: | FILM ☐ |
| DATE: 2/20/86 | AIR DATE | TAPE ☐ |

| VIDEO | | AUDIO |
|---|---|---|
| Star of David, with flames behind | 1 | A synogogue is defaced and burned. |
| | 2 | |
| Face of Moskito Indian dissolving in flames | 3 | A racial minority is forcibly removed |
| Cross w/Jesus seen in light has sudden shadow cast over it along with sound of clanking of cell door closing shut. | 4 | from its villages. Many are murdered. |
| | 5 | The Catholic church is silenced, priests |
| | 6 | expelled, Pope John Paul is harassed by |
| Quick cut to VTR of frantic mobs, along with sound | 7 | mobs and is spat upon. |
| | 8 | Evangelicals, arrested and tortured. |
| Flames return. Graphic over: | 9 | These are facts now coming to light— |
| GENOCIDE IN NICARAGUA? | 10 | <u>not</u> in Nazi Germany—but in communist-le |
| Write: N.E.P.L. | 11 | Nicaragua <u>now</u>. Write for the facts: |
| 305 4th St, NE Washington, D.C.,20002 | 12 | N.E.P.L., 305 4th Street, Northeast, |
| paid for by the National Endowment for the Preservation of Liberty. | 14 | Washington. |
| | 15 | |
| | 16 | |
| | 17 | |
| | 18 | |
| | 19 | |
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| | 21 | |
| | 22 | |
| | 23 | |

0040747

THE WHITE HOUSE

WASHINGTON

**CENTRAL AMERICA BRIEFING**

**FOR THE AMERICAN CONSERVATIVE TRUST AND THE**

**NATIONAL ENDOWMENT FOR THE PRESERVATION OF LIBERTY**

January 30, 1986, 2:30 p.m. -- The Roosevelt Room

* * *

| | |
|---|---|
| 2:30 p.m. | Welcome -- Linas Kojelis, Special Assistant to the President for Public Liaison |
| | Remarks -- Linda Chavez, Deputy Assistant to the President for Public Liaison |
| | "Central American Overview: An Update" -- Elliott Abrams, Assistant Secretary of State for Latin America |
| 3:15 p.m. | Remarks -- The President |
| | "Report on Nicaragua" -- Oliver North, Deputy Director, Political-Military Affairs, National Security Council |

* * *

C0040794118

6004 5202

RECEIVED
FEDERAL ELECTION COMMISSION
MAIL ROOM

88 JAN 21 AM 11:15

STANIFORD, HARRIS & LOOMIS
ATTORNEYS AT LAW
1221 VAN NESS AVENUE
SUITE 310
FRESNO, CALIFORNIA 93721
TELEPHONE: (209) 233-6162

JOHN E. LOOMIS
JOANNE SANOIAN

CLIFTON G. HARRIS
OF COUNSEL
PAUL STANIFORD
(1924-1981)

January 18, 1988

Office of the General Counsel
Federal Elections Commission
Room 659
999 "E" Street N.W.
Washington, D.C. 20463

FEDERAL ELECTION COMMISSION
OFFICE OF GENERAL COUNSEL
88 JAN 21 PM 12:54

Re: MUR 2406

Gentlemen:

In response to your letter dated December 17, 1987 to Melvin Salwasser, we enclose Answers to Interrogatories and attached documents requested.

If any further inquiry is required, we suggest that you contact this office.

Thank you for your courtesies and cooperation.

Very truly yours,

John E. Loomis

John E. Loomis, For
STANIFORD, HARRIS & LOOMIS

JEL:jdn

Enc.

0004074117

JOHN E. LOOMIS - 021292
STANIFORD, HARRIS & LOOMIS
1221 Van Ness, Suite 310
Fresno, California 93721
(209) 233-6152

Attorney for MELVIN SALWASSER

BEFORE THE FEDERAL ELECTION COMMISSION

| | | |
|---|---|---|
| In the Matter of | ) | Case No. MUR 2406 |
| | ) | |
| | ) | ANSWER TO INTERROGATORIES |
| | ) | |
| | ) | |

In answer to Interrogatories and Request for Production of Documents, Respondent, MELVIN L. SALWASSER, answers as follows:

INTERROGATORY NO. 1

State whether you made any gifts of money to the National Endowment for the Preservation of Liberty, Sentinel, the American Conservative Trust, or the American Conservative Trust State Election Fund in 1985 or 1986.

ANSWER

Yes.

INTERROGATORY NO. 1a

If so, state the date and the amount and the payee of all such gifts.

**Answer**

**August 28, 1985 $500.00 to National Endowment for the Preservation of Liberty; September 8, 1985 $1,000.00 to the National Endowment for the Preservation of Liberty; November 1, 1985 $5,000.00 to the National Endowment for the Preservation of Liberty; April 14, 1986 $20,000.00 to the National Endowment for the Preservation of Liberty; May 8, 1986 $1,000.00 to Anti-Terrorism American Committee; September 15, 1986 $20,000.00 to the National Endowment for the Preservation of Liberty; October 14, 1986 $410.00 to the National Endowment for the Preservation of Liberty; October 27, 1986 $2,000.00 to the Emergency Committee to Save the Reagan Revolution (American Conservative Trust); October 31, 1986 $3,000.00 to the American Conservative Trust.**

INTERROGATORY NO. 1b

Provide a true copy of the front and back of all checks by which such gifts were made.

ANSWER

Copies attached.

INTERROGATORY NO. 1c

Provide true copies of all correspondence and all other writings related to the making of these gifts.

ANSWER

Copies attached.

INTERROGATORY NO. 2

State whether the National Endowment for the Preservation of Liberty, Sentinel, the American Conservative



0 0 0 4 0 7 9 4 1 2 1

Trust, or the American Conservative Trust State Election Fund requested or solicited gifts of money from you in 1985 or 1986.

ANSWER

Yes; namely, the National Endowment for the Preservation of Liberty and the American Conservative Trust.

INTERROGATORY NO. 2a

If such request(s) or solicitation(s) was (were) made by telephone, state the date(s) of all such telephone calls, identify the person(s) who made the request(s) or solicitation(s) or call(s) and all other person(s) who participated in the telephone calls, identify the organization(s) on whose behalf the request(s) or solicitation(s) was (were) made, and describe in detail the content of all such telephone calls.

ANSWER

Solicitations were made by telephone. I can approximate the dates only and I am unable to recall the number of calls. I received one or more calls between making the contribution on August 28, 1985 and November 1, 1985. I believe more than one call was received by me. The call or calls were placed by Kris Littledale on behalf of the National Endowment for the Preservation of Liberty. I do not recall the detail and content of all of the calls except in a general way in that it was consistent with the correspondence of July 9, 1985 and November 6, 1985.

The contribution of April 14, 1986 was solicited by Kris Littledale on behalf of the National Endowment for the

Preservation of Liberty and made as outlined in my letter to Kris Littledale dated April 14, 1986. The conversation was consistent with the letter. I was told that this donation was to be used for educational films and for lobbying efforts to persuade congressmen to support the $100 million Contra aid package soon to come up for vote in Congress. Also this donation was to help the Contras to survive until help could come from the U.S. Government. Some reference was made in phone calls that the Contras were able to purchase SAM 7 missiles from Israel but it was never clear to me how the National Endowment group was involved.

The contribution of May 8, 1986 was made in response to a telephone call from Kris Littledale on behalf of the Antiterrorism Committee some days prior to May 8, 1986. In addition to the matters set forth in his letter to me, I recall that he told me at that time the contribution would be used for political purposes and would not be tax deductible. I believe that, in connection with this donation, Mr. Littledale stated it would be used to advise the public in certain congressional areas of legislators who were not backing President Reagan's proposed $100 million aid package for the Contras.

The contribution of October 14, 1986 was solicited by telephone on behalf of the National Endowment for the Preservation of Liberty by Kris Littledale some days prior to the writing of the check. The check was to the National Endowment for the Preservation of Liberty. Mr. Littledale

requested this amount for the printing of pamphlets to attempt to counteract public demonstrations which were taking place in front of a hotel in Washington where a liberal group was having a dinner meeting.

The contribution made October 27, 1986 was made in response to a telephone call from Kris Littledale on behalf of the Emergency Committee for the Reagan Revolution which, in conversation, I understood was to be used to attempt to defeat liberal congressmen and to help reelect Senator Steve Symms and other conservative political candidates whose names I do not recall.

The donation of October 31, 1986 was also a result of a phone call from Kris Littledale but I do not recall at this date its intent. I believe it was to help conservatives win their elections.

INTERROGATORY NO. 2b

If such request(s) or solicitation(s) was (were) written, provide true copies of all such requests or solicitations that you received.

ANSWER

Copies attached.

INTERROGATORY NO. 2c

If such request(s) or solicitation(s) was (were) made personally or face to face, state the date and place of all such meetings, identify the person(s) participating in each meeting and the organization(s) on whose behalf the request(s) or solicitation(s) was (were) made, and describe in detail the

content of all such meetings, and provide all documents relating to such request(s) or solicitation(s).

ANSWER

A solicitation took place face to face on February 15, 1986 when I had dinner with Kris Littledale and others at a restaurant in Lancaster, Pennsylvania. Mr. Littledale was soliciting on behalf of the National Endowment for the Preservation of Liberty. No documents were involved and the general conversation had to do with raising funds to create an atmosphere in which Congress would provide more aid to the Contras.

I also had a meeting on September 4, 1986 with Spitz Channell, Kris Littledale and Colonel Oliver North in Colonel North's office in Washington, D.C. My son, Brent, was also with me. The substance of the meeting was an explanation by Colonel North with regard to efforts by the administration to provide aid to the Contras and to thank me for supporting the National Endowment for the Preservation of Liberty. Colonel North described some needs for the Contras in lieu of receiving supplies from the U.S. government, such as food, clothing and radar systems, repair of an airplane and he explained from a map where the major support for the Contras was in Nicaragua. Following the meeting with Colonel North, Spitz Channell, Kris Littledale, my son Brent and I had a late breakfast at a hotel restaurant in Washington, D.C. I do not know the name of the hotel. Spitz Channell solicited a donation which I followed up with a donation of $20,000.00 on September 15, 1986.

0040794125

INTERROGATORY NO. 2d

If you are unable to provide a true copy of any written document, state each and every reason why you are unable to do so, identify the person(s) who signed the document and each organization on whose behalf it was made and the date of each document, and describe in detail the content of all such documents.

ANSWER

I am unaware of any document relating to the above matters which is not attached hereto except the incomplete documents attached to letters entitled "Sentinel" and "Public Report of the Vice President's Task Force on Combatting Terrorism". I do not know the whereabouts of the balance of these two documents nor do I recall their content.

INTERROGATORY NO. 2e

If you are unable to provide any specific fact, state each and every reason why you are unable to do so.

ANSWER

I am unable to provide all the specific facts and details of the numerous telephone conversations and meetings because I do not remember the details.

INTERROGATORY NO. 3

State whether person(s) who requested or solicited gifts of money from you in 1985 or 1986 on behalf of the National Endowment for the Preservation of Liberty, Sentinel, the American Conservative Trust, or the American Conservative Trust State Election Fund, in any manner, informed you or



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represented to you that such gifts would be used to pay for the costs of television advertisements relating to the Nicaragua Freedom Fighters (or Contras) or the Strategic Defense Initiative. If so, identify the person(s) who so informed you and the organization(s) on whose behalf such funds were sought and the date(s) of all such communications and describe in detail what you were told.

ANSWER

Yes, I was informed that such gifts would be used to pay for the costs of television advertisements relating to the Nicaragua Freedom Fighters (or Contras) or the Strategic Defense Initiative. The persons who so informed me were Kris Littledale and Spitz Channell. The organizations on whose behalf such funds were sought were the National Endowment for the Preservation of Liberty and the American Conservative Trust. The dates of all of such communications to the best of my recollection and the details thereto are as follows:

1. I received the letter of solicitation dated July 9, 1985 together with the attachments. In response to that letter I sent a check for $500.00 to the National Endowment for the Preservation of Liberty. Subsequently I received one or more telephone calls from Kris Littledale soliciting additional funds for this cause. Accordingly, on September 8, 1985, I sent a check for $1,000.00 to the National Endowment for the Preservation of Liberty and on November 1, 1985 I sent a money order for an additional $5,000.00. I understood from the material sent to me and the conversations that the purpose of



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the funds was to provide educational TV announcements and advertisements to support the Contras. The contribution on April 14, 1986 was again for the same purpose. It was solicited by Kris Littledale and the contribution made May 8, 1986 was solicited by a telephone call followed by a letter from Kris Littledale. As I recall, I was told that the check should be made to the Antiterrorism American Committee and that it was a political contribution. The solicitation for the $20,000.00 given on September 15, 1986 followed the meeting in Colonel North's office and the breakfast meeting with Spitz Channell and Kris Littledale and the purpose stated was to aid the Contras until help could arrive from the U.S. Government.

The $410.00 solicited by Kris Littledale on October 14, 1986 was to pay for the printing of pamphlets to be distributed in Washington, D.C. to attempt to counteract picketing against the Contras which was taking place in front of a hotel in Washington, D.C.. The remaining contributions ($2,000.00 and $3,000.00) were not solicited for TV advertising. They were to aid political campaigns and were declared to be nondeductible.

INTERROGATORY NO. 4

State whether person(s) who requested or solicited gifts of money from you in 1985 or 1986 on behalf of the National Endowment for the Preservation of Liberty, Sentinel, the American Conservative Trust, the American Conservative Trust State Election Fund, in any manner, informed you or represented to you that such gifts were in connection with or for the



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purpose of influencing any election for Federal office (such as for the House of Representatives or the Senate). If so, identify the person(s) who so informed you or made such representations and the organization(s) on whose behalf such statements were made and the date(s) of all such communications and describe in detail what you were told. Provide copies of all documents relating to such statements or representations.

ANSWER

The person who solicited gifts for money on behalf of the American Conservative Trust informed me that the gifts were being solicited to help defeat liberal Congressmen and help conservatives, particularly with respect to the solicitation of October 27, 1986, to help Senator Symms' reelection campaign. Kris Littledale took part in these solicitations. I was told that these were political contributions and were not tax deductible. Copies attached.

INTERROGATORY NO. 5

Identify all persons (other than your attorney) including the news media to whom you have made other statements, either written or oral, about gifts of money or solicitations or requests for such gifts you may have made to the National Endowment for the Preservation of Liberty, Sentinel, the American Conservative Trust, or the American conservative Trust State Election Fund. State the date of all such statements and provide a copy of all written statements you have made to such persons or describe in detail the content of all such statements.

**ANSWER**

All persons, to the best of my recollection, other than my attorney and persons named above, including news media to whom I have made other statements, either written or oral, about gifts of money or solicitations or requests for such gifts as I have made to the named groups, are: Michael R. Bromwich and an IRS representative on March 25, 1987; Federal Grand Jury No. 1 on March 25, 1987; my accountant, Kenneth Just; members of my family, namely my wife, Margaret Salwasser; my sons, Dennis Salwasser and Brent Salwasser; my brother Leslie Salwasser; and my office manager, Stanley Reimer. I am aware of no written statements made by me to these people or any of them, all such statements having been either with regard to preparing my income tax returns or conversational or reporting contributions on behalf of the company to the company's officers. I do not recall when such statements were made other than statements to the accountant were made at the time he was preparing tax returns for me and statements to company officers were made contemporaneously with donations made by the company.

The addresses for said persons are as follows:

Spitz Channell
1331 Pennsylvania Ave., NW, Ste. 370
Washington, D.C. 20004

Kris Littledale
1331 Pennsylvania Ave., NW, Ste. 370
Washington, D.C. 20004

Michael R. Bromwich
Office of Independent Counsel
555 Thirteenth Street NW, Ste. 701
Washington, D.C. 20004

///



0004074130

Federal Grand Jury No. 1
United States Courthouse
3rd Street and Constitution Avenue, N.W.
Washington, D.C. 20001

Kenneth L. Just, CPA
P.O. Box 1085
Reedley, California 93654

Margaret Salwasser
Salwasser Manufacturing Co.
P.O. Box 548
Reedley, California 93654

Dennis Salwasser
Salwasser Manufacturing Co.
P.O. Box 548
Reedley, California 93654

Brent Salwasser
Salwasser Manufacturing Co.
P.O. Box 548
Reedley, California 93654

Leslie Salwasser
Salwasser Manufacturing Co.
P.O. Box 548
Reedley, California 93654

Stanley Reimer
Salwasser Manufacturing Co.
P.O. Box 548
Reedley, California 93654

Dated: Jan 15, 1988

Melvin Salwasser
MELVIN SALWASSER

STATE OF CALIFORNIA )
)ss
COUNTY OF FRESNO )

OFFICIAL SEAL
JOAN NESSLING
NOTARY PUBLIC-CALIFORNIA
NOTARY BOND FILED IN
FRESNO COUNTY
My Commission Expires October 2, 1990

Subscribed and sworn to before me this 15th day of January, 1988.

Joan Nessling

# NATIONAL ENDOWMENT FOR THE PRESERVATION OF LIBERTY

305 FOURTH ST., N.E.
SUITE 1000
WASHINGTON, D.C. 20002

July 9, 1985

Mr. Melvin Salwasser
Salwasser Manufacturing Company, Inc.
P.O. Box 548
Reedley, CA 93654

Dear Mr. Salwasser:

Do you remember where you were on August 14, 1945?

On that day, World War II came to an end. On that day, America stood supreme in the world and in world history. August 14, 1945 marked the end of Nazi fascism and Japanese tyranny in the world.

And by liberating enslaved nations, America offered the priceless gift of freedom to hundreds of millions of people. This gift was carried across the world by men such as Douglas MacArthur and General George Patton who have become heroes for freedom.

We also offered our economic strength and abundance to these liberated populations. We used our gifts to feed, finance and rebuild their shattered societies. And remember, we gave our abundance to friends and foe alike.

On August 14, 1945 America was the supreme military, economic and financial power on earth. But we used this power in a unique way. It was so unique that much of the devastated world recovered in just a few years. The destruction of World War II was so great that, without our help, it would have taken over a generation to recover.

We did something unique in all history. We were incredibly generous. Our policies literally brought renewed life, liberty, and prosperity to billions.

Historic conquerors like Caesar and Napoleon would have shaken their heads in disbelief. After all, we could have instantly created their dream: a world empire. Every citizen in every country of the world would have been our silent, impotent, compliant subject. We had the power to impose our will worldwide.

Instead, we created freedom across the world.

Yet, the two generations--the one hundred million Americans--born after 1945 know precious little of their parents' unique achievement in the name of freedom and democracy.

In fact, they only know of America as the financial power behind despicable dictators. They only know of America as the military support behind the selfish arab oil nations. They only know of America as the prime guilty party behind millions of deaths and firey destruction in Southeast Asia.

These images have been created and repeated by a biased liberal American press and television media for twenty years. They've been repeated by at least one President of the United States.

They've also been repeated by scores of media-conscious ministers. And they've been repeated by thousands of teachers and professors.

For the last twenty years, these influential liberals have consistently tried to convince the younger generations that the values of traditional America must be changed.

They say we should change our values of sacrifice, hard work, family, traditional ideals and religious faith. They say that our values are out of date and that we must change them before we can ask the loyalty of our young citizens. They say we should change our values before we can command the respect of the new nations of the world.

The younger generation has far different images of the time they were growing up. They see police beating blacks. They see National Guardsmen shooting students. They see Vietnam engulfed in flames and blood.

Enter Ronald Reagan.

He's having an incredible influence on American thinking. His beliefs and his faith in the moral good of America are a bright and clear contrast to others.

They are a public contrast to a generation of the negative warnings of liberalism. These warnings said the values of America were dead. They said the values that lead to the vanquishing of tyranny were dead.

In fact, Ronald Reagan's America was at its shining best on August 14, 1945. And it's about time the younger generation knew that. The generation of 1945 gave selflessly, in the best American tradition, to one billion of the world's people.

It's time to herald that fact. So, from August 14 to August 28th we plan to tell the world about this great achievement.

In that time, the National Endowment for the Preservation of Liberty (NEPL) will broadcast a series of 30-second television messages called "Freedom Spots" throughout America. The cost is $500,000. Over 140 million people will have the opportunity to see these spots every night for two weeks.

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Our purpose is to inform and educate the 100 million Americans born since 1945.

Our goal is to teach our citizens that Americans have sacrificed selflessly. That we have given generously. That we have fought courageously. hat we have brought freedom, peace, security, and prosperity to much of the world. That we have brought these gifts to a world incapable of saving itself.

Our "Freedom Spots" carry a clear message: America is worthy of the respect, sacrifice, and loyalty of the generations born since 1945.

These "Freedom Spots" tell a story of America the younger generation's never heard. They create a new, positive, and moral image in the minds of millions.

These "Freedom Spots" celebrate the historic contribution of the people who were adults in 1945. Specifically, they spread freedom and destroyed evil throughout the world.

The "Freedom Spots" dramatize this perfectly. They show General Douglas MacArthur giving the Japanese a democratic constitution which he wrote himself. This document was to become the political force which has made Japan the preeminent power in Asia in just 30 years.

These "Freedom Spots" also show General MacArthur returning to the Phillipines. He and America had kept their promise to the Phillipine people.

Another spot shows the deeply moving and inspiring raising of the American flag on Mount Suribachi on the island of Iwo Jima where nearly 10,000 men died fighting tyranny.

Several spots will interview military personnel and flyers who fought for years in the Pacific, in North Africa, and across Europe. They fought to destroy fascism and imperialism. All these spots and more will commemorate worldwide victory of freedom. But more important, to the two generations born since the war, these spots will celebrate the dedication of the generation of 1945 to carrying the ideals of liberty, justice, and freedom across the world in a selfless manner.

You'd be amazed, and probably shocked, at the ignorance about the American wartime achievements and sacrifices which those 40 years old and under display.

It's sad, it's troubling, and it's very disturbing for our future.

In this case, it is true that those who do not know history are condemned to repeat it.

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Ignorance of American achievements and sacrifices, ignorance of Nazism, tyranny, Russian lies, and the destruction of entire nationalities make it easier for the generations born since 1945 to be duped by anti-American propaganda. Nuclear freeze advocates, America-haters, and those interest groups and television media that continually blame America for everything unjust in the world are greatly strengthened by playing on the ignorance of the 100 million Americans born since 1945.

Now it's time to do something about it. Now we have a unique opportunity and a very special occasion to educate, tell of the American achievements, and inform our young people of the noble five-year sacrifice by Americans to bring tyranny to an end in the name of freedom. The 40th anniversary of the American victory in Japan is just the time to do it.

But we need your help to bring this project to life.

Won't you devote some of your resources to telling millions of Americans about the American achievements at the end of World War II?

Now is our chance to awaken patriotism in millions of people for two weeks in August. Your personal or corporate participation in your local area is crucial in telling the story of freedom. Here's how you can help.

Our nationwide budget is $500,000. This amount will fund the broadcast of several hundred messages in the top media markets in the country before television audiences numbering 100 million viewers. These messages will be telecast for up to 14 days throughout the latter part of August. The first message will appear on the 40th anniversary of the Japanese surrender to the United States, ending all the conflicts of World War II.

These messages will be both timely and educational for millions of viewers.

The liberal media will not have total dominance of television at this time to push their biased anti-American viewpoint.

To bring our messages to life to tell the younger generation about the selfless achievements of Douglas MacArthur, George Patton, Navy fliers, and others, we need your assistance now. I would be deeply grateful if you would contribute $1,000 to this program. Your contribution is totally tax-deductible.

Your investment will support a nationwide drive to educate young Americans on the 40th anniversary of the victory of America and freedom over godless tyranny.

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Your investment will create a new image of America in the minds of millions of young people.

Your support will be greatly appreciated by the President who has, from his first day in office, sought to bring out the best that is America. We want very much to help him succeed at this important moment.

Please act soon. As you know, television spots must be prepaid. If we miss this 40th anniversary, we must wait 10 more years for another timely occasion.

I hope you will help in this great endeavor. Let's tell all Americans about the good that the American generation of 1945 brought to hundreds of millions of people across the globe.

I look forward to hearing from you soon. Your response is very, very important.

Very sincerely,

Spitz Channell
President

Enclosures

CRC/rw

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"Freedom Spots" Television
Placement Profile: Costs & Options

August, 1985

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I. TARGETED MARKETS: Coverage & Costs

| Market | TV Market Ranking | % of U.S. Television | Estimated Cost per GRP* |
|---|---|---|---|
| NEW YORK | 1 | 7.72% | $ 300. |
| DALLAS/FT. WORTH | 8 | 1.77 | 145. |
| WASHINGTON, D.C. | 9 | 1.75 | 93. |
| HOUSTON | 10 | 1.69 | 125. |
| MIAMI/ FT. LAUDERDALE | 14 | 1.36 | 106. |
| HARTFORD/NEW HAVEN | 22 | .94 | 80. |
| SAN ANTONIO | 44 | .62 | 44. |
| RICHMOND/ CHARLOTTESVILLE | 55 | .52 | 28. |
| AUSTIN | 81 | .34 | 27. |
| JACKSON | 84 | .32 | 18. |
| Totals: | | 17.03%** | $ 966. |

*Cost estimates are based on projected third quarter television spot rates using the following sample schedule formula:

10% Daytime (9A-4:30P, M-F)
20% Early Evening (4:30-7:30P, non-news, M-F)
20% Early News (5-7P, M-F)
20% Prime Time (8-11P, M-Sa; 7-11P, Sun.)
20% Late News (11-11:30P, M-F)
10% Late Night (11:30P-1A, M-F)

**This percentage of the nation's television viewers translates into 38,054,046 people (NOTE: Without New York, we would still reach 17,250,572 viewers...)

II. PLACEMENT BUDGET OPTIONS: Costs & Frequencies

A. Preferred Plan -- All Markets -- 300 GRPs (approx. 25-30, 60-second spots per market)

| | |
|---|---|
| New York | $ 180,000. |
| Dallas/Ft. Worth | 87,000. |
| Washington, D.C. | 55,800. |
| Houston | 75,000. |
| Miami/Ft. Lauder. | 63,600. |
| Hartford/N. Haven | 48,000. |
| San Antonio | 26,400. |
| Richmond/C'ville | 16,800. |
| Austin | 16,200. |
| Jackson | 10,800. |
| | $ 579,600. |

***Frequency Distribution per Market:

1X --- 93%
2X --- 67%
3X --- 45%
4X --- 30%
5X --- 20%

***This refers to the number of times an average viewer in a particular market sees a spot or series of spots... In the frequency table above, reflecting a TV buy of 300 GRPs in each of the ten selected Markets, 93% of the total audience in each market will see our spot one time(1X); 67% of the audience will see it twice(2X); 45% three times(3X); and so on...

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# NATIONAL ENDOWMENT FOR THE PRESERVATION OF LIBERTY

305 FOURTH ST. N.E.
SUITE 1000
WASHINGTON, D C. 20002

Dear Spitz:

☒ I'm pleased to help broadcast the "Freedom Spots" beginning on the 40th anniversary of V-J Day.

☒ I enclose my personal or corporate totally tax-deductible check for ~~$1,000~~ 500.00 to place messages on nationwide television beginning the evening of V-J Day.

For our records, please complete the following:

NAME _____

ADDRESS _____

_____

CITY, STATE _____

ZIP _____

TELEPHONE _____ _____

ALL CONTRIBUTIONS ARE TOTALLY TAX-DEDUCTIBLE.

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COPIES OF PERSONAL CHECKS
SUBMITTED WITH THIS RESPONSE
HAVE BEEN REMOVED FROM THE PUBLIC FILE

90040794140

MAILGRAM SERVICE CENTER
MIDDLETOWN, VA. 22645
06 AM

Western Union Mailgram

1-0005100310 11/06/85 ICS IPMNANA WSH FSOB
10058 MGMCHNASHINGTON DC 350 11-05 700P EST

MELVIN SALWASSER, SALWASSER MFG CO
PO BOX 548
REEDLEY CA 93654

DEAR MR SALWASSER
THE PRESIDENT HAS MADE A PUBLIC REQUEST THAT PATRIOTIC AMERICANS SUPPORT THE GROWTH OF FREEDOM AND DEMOCRACY IN EMBATTLED NICARAGUA. TO ASSIST THE PRESIDENT THE NATIONAL ENDOWMENT FOR THE PRESERVATION OF LIBERTY IS SPONSORING ITS SECOND CENTRAL AMERICAN FREEDOM PROGRAM. THE PROGRAM WILL INCLUDE A WHITE HOUSE SPECIAL SELECT BRIEFING ON PRESIDENTIAL POLICY GOALS TOWARD NICARAGUA AND CENTRAL AMERICA IN GENERAL AT 6:00 ON THE 14TH OF NOVEMBER. THE HONORABLE GEORGE BUSH, VICE-PRESIDENT OF THE UNITED STATES, HAS EXPRESSED GREAT SUPPORT FOR THIS PROGRAM AND IS EXPECTED TO MEET WITH AND ADDRESS THE SPECIAL GATHERING. YOU ARE HEREBY INVITED TO BE ONE OF THE TWENTY-FIVE PARTICIPANTS. OTHER FOREIGN POLICY SPECIALISTS WILL BRIEF THE PARTICIPANTS AFTER THE VICE-PRESIDENT HAS DEPARTED. FOLLOWING THE WHITE HOUSE BRIEFING THE GROUP WILL CONVENE AT THE HAY-ADAMS HOTEL FOR A PRIVATE RECEPTION AND WORKING DINNER HOSTED BY THE NATIONAL ENDOWMENT FOR THE PRESERVATION OF LIBERTY AND FEATURING ADOLPHO CALERO, LEADER OF THE NICARAGUAN FREEDOM FIGHTERS. DURING AND AFTER THE DINNER A SPECIAL PROJECT TO SPECIFICALLY SUPPORT THE PRESIDENT'S GOALS IN REGARD TO NICARAGUA WILL BE DISCUSSED. AND UNDERTAKEN BY THE GROUP. THE PROJECT IS VERY URGENT.
WE SINCERELY HOPE YOU WILL SUPPORT THE PRESIDENT BY ATTENDING AND PARTICIPATING IN THIS CRUCIAL PROJECT WHICH IS SO CLOSE TO HIS HEART. PARTICIPATION IS SEVERELY LIMITED. ONLY TWENTY-FIVE INDIVIDUALS CAN BE ACCOMMODATED. NO PUBLICITY IS ALLOWED. CONFIDENTIALITY IS IMPORTANT. THE URGENCY OF THE SITUATION REQUIRES ME TO CALL YOU FOR CONFIRMATION AND WHITE HOUSE SECURITY CLEARANCE INFORMATION IN THE NEXT 72 HOURS. YOUR DINNER AND ACCOMMODATIONS AT THE HAY-ADAMS HOTEL ON LAFAYETTE SQUARE IN WASHINGTON ARE COMPLIMENTARY ON THE NIGHT OF NOVEMBER 14, 1985. YOUR PARTICIPATION AND SUPPORT ARE VERY IMPORTANT TO EVERYONE INVOLVED.

WITH VERY WARM REGARDS

KRIS LITTLEDALE
NATIONAL ENDOWMENT FOR THE PRESERVATION OF LIBERTY
202-543-6137

Western Union Mailgram

0106 EST

MGMCOMP MGM

0004079411 42

Friends of Freedom

November 6, 1985

Mr. Melvin Salwasser
P.O. Box 548
Reedley, CA 93654

Dear Mr. Salwasser:

Thank you for your support for the Freedom Fighters in Nicaragua. As we discussed, their needs are very great.

Our project, "Friends of Freedom" is specifically designed to support the Freedom Fighters. "Friends of Freedom" is a project of our organization, the National Endowment for the Preservation of Liberty (NEPL). Both The National Endowment for the Preservation of Liberty and our associated Political Action Committee, The American Conservative Trust, have been very active in supporting President Reagan's policy to bring Freedom and Democracy to Nicaragua.

The National Endowment for the Preservation of Liberty is a non-profit, tax exempt organization. It is classified as a 501(c)3 organization and was chartered in May 1984. Contributions are deductible to 50% of adjusted gross income.

It is critical that support from patriotic Americans like yourself continue during the coming months if we are to eliminate this communist threat here on our own shores.

Again, thank you for your generous support.

Sincerely,

Kris S. Littledale

KSL/ajd

Enclosure

305 Fourth Street N.E. Washington D.C. 20002 (202) 543-6137

NATIONAL SECURITY COUNCIL
WASHINGTON, D.C. 20506

December 17, 1985

Dear Mr. Salwasser:

In supporting the President's policy on Nicaragua, the National Endowment for the Preservation of Liberty does all Americans a great service.

Your support of their efforts and the cause of freedom in Nicaragua will bring success in the struggle for democracy throughout Central America. Freedom is worth sacrificing for and young men and women do so everyday in Nicaragua. We salute you for your sacrifices to help achieve democracy. May God bless you.

Sincerely,

Oliver L. North
Deputy Director,
Political Military Affairs

Mr. Melvin Salwasser
Salwasser Manufacturing Company, Inc.
P.O. Box 548
Reedly, CA 93654

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# NATIONAL ENDOWMENT FOR THE PRESERVATION OF LIBERTY

305 FOURTH ST., N.E.
SUITE 1000
WASHINGTON, D.C. 20002

December 31, 1985

Mr. Melvin Salwasser
P.O. Box 548
Reedley, CA 93654

Dear Mr. Salwasser:

As 1985 draws to a close, I wish to thank you for all you have done to help strengthen America, President Reagan and his policies in the past year.

It is truly a privilege for me to be able to serve the President's goals for a stronger America through our unique work here at the National Endowment for the Preservation of Liberty. Your support in the past year has made this possible.

I've included copies of letters from President Reagan, sent to Spitz Channell, President of the National Endowment for the Preservation of Liberty, and the American Conservative Trust, our affiliated political action committee, thanking us for our work in support of his policies in Central America and the Strategic Defense Initiative. Truly these letters are meant for you, for making our work possible.

With warm wishes for a great 1986.

Sincerely,

Kris

Kris S. Littledale

KSL/ajd

Enclosures

THE WHITE HOUSE

WASHINGTON

December 18, 1985

Dear Spitz:

I want you to know what a wonderful welcome home present it was to see your messages on television on our return from Geneva.

Our mission in Geneva would not have been the success it was without the support of Americans such as you. There is a great journey ahead of us in this quest for a safer world. In Geneva we made a fresh start toward a more secure world. You and your foundation have my heartfelt thanks for your unique support.

Please keep us in your hearts and prayers this holiday season as we will keep you in ours. God bless you.

Sincerely,

Ronald Reagan

Mr. Carl Russell Channell
President
National Endowment for the
Preservation of Liberty
305 Fourth Street, N.E.
Washington, D.C. 20002

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THE WHITE HOUSE

WASHINGTON

December 18, 1985

Dear Spitz:

I want to thank you for the fine series of television messages you broadcast three weeks before we left for Geneva. "Morning of Peace" captured the true spirit of my dream, our Strategic Defense Initiative, a shield to protect our children and their children from the threat of nuclear war. I firmly believe that we can achieve this goal and end the insanity of the arms race.

Your televised messages and the steadfast support in a variety of foreign policy areas of the American Conservative Trust means a great deal to me. Please keep up the good work. With your continued help I know we can succeed for the next generation, and for all the generations to come. Nancy joins me in wishing you and your associates all the joys of the Season. God bless you.

Sincerely,

Ronald Reagan

Mr. Carl Russell Channell
President
The American Conservative Trust
305 Fourth Street, N.E.
Washington, D.C. 20002

9004079417

THE WHITE HOUSE

WASHINGTON

October 10, 1985

Dear Mr. Channell:

On August 30, I signed Executive Order 12530 authorizing the provision of $27 million in humanitarian assistance to the freedom fighters in Nicaragua. This week the Nicaraguan Humanitarian Assistance Office (NHAO) commenced work on the distribution of food, clothing, and medical supplies so desperately needed by the men and women who struggle for liberty in Nicaragua.

Passage of the legislation, which made my Executive Order and the NHAO possible, was a significant victory for the cause of freedom in Central America. It would not have been achieved without the help of the American Conservative Trust and its supporters. Your organization's effort to go to the public via television in support of this program was a significant factor in helping people to understand this issue.

You and your organization have made a remarkable contribution to the course of democracy in Central America. Keep up the good work.

Sincerely,

Ronald Reagan

Mr. Carl Russell Channell
President
The American Conservative Trust
305 Fourth Street, N.E.
Washington, D.C. 20002

9004079148

SINCE 1949
Salwasser
MANUFACTURING CO., INC.
Main Office & Plant: 20075 E. Manning Ave. / P.O. Box 548 / Reedley, California 93654 / Ph. (209) 638-8484

April 14, 1986

Mr. Kris Littledale
NATIONAL ENDOWMENT FOR THE
PRESERVATION OF LIBERTY
305 Fourth Street, N.E.
Suite 1000
Washington, D.C. 20002

Dear Kris:

As a follow up to our phone conversation just now and the meeting we had in Lancaster, Pennsylvania, we enclose our check for the assistance to preserve freedom in our western hemisphere. I only wish it could be more, but it seems private business and now the independent oil producers are under an attack just as freedom is under an attack in Nicaragua. Yes, call it a conspiracy because that's exactly what it is. Frankly, Kris, even though President Reagan does seem to be sincere on aid to the Contras, I have trouble trusting him. But, I won't get into that.

All we can do is keep trying to preserve freedom as best we can even though our Washington, D.C. is in a sad sad state of affairs. Thank God, we have people as you and your organization, Kris, that we can trust and put our faith in. Thank you for all of your endeavors for the cause of freedom and liberty.

Best regards,

SALWASSER MANUFACTURING CO., INC.

Melvin Salwasser

MS:an

Enclosure: Check No. 16498

0004079419

| INVOICE DATE | DESCRIPTION | GROSS AMOUNT | DISCOUNT | NET AMOUNT |
|---|---|---|---|---|
| | NATIONAL ENDOWMENT FOR THE PRESERVATION OF LIBERTY | 20,000.00 | CHECK DATE 04-14-86 | 20,000.00 |
| CHECK NO. 16498 | TOTALS | 20,000.00 | | 20,000.00 |

SALWASSER MANUFACTURING CO., INC. REEDLEY, CALIFORNIA

CROCKER NATIONAL BANK
1603 11TH STREET
REEDLEY, CALIFORNIA 93654

11-8
1210

**SALWASSER MANUFACTURING CO., INC.**

P.O. BOX 548
REEDLEY, CALIFORNIA 93654

| CHECK DATE | CHECK NUMBER |
|---|---|
| 04-14-86 | 16498 |

16498

| CHECK AMOUNT |
|---|
| $********20,000.00 |

PAY TO THE ORDER OF

NATIONAL ENDOWMENT FOR THE PRESERVATION OF LIBERTY

AUTHORIZED SIGNATURE

"016498" :121000086: 073080118"3333

Friends of Liberty

NATIONAL SECURITY COUNCIL
WASHINGTON, D.C. 20506

May 2, 1986

Dear Mel:

Here is the situation today. Congressman Bob Michel, Republican Leader of the House of Representatives, persuaded a majority of the House to vote overwhelmingly for a bill which got the President's Freedom Fighter package away from being included as a supplement to a huge Democrat-sponsored spending bill.

This spending bill, if passed, faced an almost certain veto by President Reagan. Michel's adroit leadership has now effectively saved the Freedom Fighter aid bill, intact, for what we hope will be a final vote during the week of June 9. He is determined to emerge victorious, even if he must doggedly wear down the opposition.

You are obviously supporting the President for the long term as well. I want to thank you so very much for all you are doing to support President Reagan and to help assure a victory for freedom in Central America.

We are entering a critical period now in the legislative struggle. The President is chipping away at the opposition and gaining solid momentum for a clear victory in the next three weeks. This is due in no small way to your support of the ongoing Central American Freedom Program of the National Endowment for the Preservation of Liberty.

I hope you will remain steadfast with the President as he leads this effort. I know personally that he values your help very much. We must continue to work together for the success of the President's policy. It's been a long struggle -- we're almost there. Please maintain your invaluable, strong support.

Sincerely,

Oliver L. North
Deputy Director,
Political-Military Affairs

Mr. Mel Salwasser
20075 East Manning Avenue
Reedley, CA 93654

1,000 ?
Personal check sent May 86

**ATAC**
**Anti-Terrorism American Committee**
**1718 P Street, N.W.**
**Suite 915**
**Washington, D.C. 20036**

LIBERTY

May 8, 1986

Mr. Melvin Salwasser
P.O. Box 548
Reedley, CA 93654

Dear Mel:

Speaking with you is always a pleasure. Few Americans see so clearly the real threats to the freedoms we all hold dear. Liberals and fellow travelers backed by the media daily invade our privacy and curtail our rights.

Liberals in the congress try at every turn to weaken our defenses and increase the pace of surrender. As you well know, on many key issues private citizens have had to take over the job our congress should be doing. This is necessitated by the failure of patriotic Americans to replace ultra-liberals in the congress with better people.

This has not been through lack of desire, but rather our inability to pin them to the real stands against America that they have taken. The public's tremendous support for the President's action against Libya offers us just such an opportunity.

Our new organization, the Anti-Terrorism American Committee, has been formed to do just that. We are going to go after in a tough, political way the accommodationists, appeasers and the "blame America firsters". This issue of terrorism and their desire to do nothing about it can and will defeat them at the polls.

I want to thank you for agreeing to help achieve this important goal. Your contribution represents critical seed money. I look forward to calling you on election night in November to tell you just how many of these liberals you have helped defeat.

Sincerely

Kris

Kris Littledale

P.S. As soon as the first add is Produced I'll send you a copy.

0004079415 4

Gallasser Manufacturing Company, Inc.
P. O. Box 548
REEDLEY, CALIFORNIA 93654

(209) 638-8484

DATE May 9 - 86

TO

Kris Littledale
NATIONAL ENDOWMENT FOR THE
PRESERVATION OF LIBERTY
305 Fourth Street, N.E.
Suite 1000
Washington, D.C. 20002

SUBJECT

DEAR KRIS

Enclosed is my check to help you kick off your new "Anti Traitor in Washington D.C." organization.

Hope it works Kris. All we can do is keep trying.

Best Regards
Carl

☐ PLEASE REPLY ☐ NO REPLY NECESSARY

SIGNED

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Melvin Salwasser

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00563 MGM CHWASHINGTON DC 300 06-13 547P EDT

MR MRLVIN SALWASSER
SALWASSER MANUFACTURING
20075 EAST MANNING AVE
REEDLEY CA 93654

DEAR MR SALWASSER

AT LONG LAST, AFTER WHAT SEEMS LIKE A DECADE TO US, THE FAINT RAYS OF THE SUN ARE PENETRATING THE DARKNESS OF CONGRESSIONAL INDECISION TO CREATE A BRIGHT DAY OF VICTORY FOR AMERICA, THE FREEDOM FIGHTERS OF NICARAGUA, RONALD REAGAN, AND THOSE SPECIAL FEW, LIKE YOU, WHO HAVE LABORED SO HONORABLY AND COURAGEOUSLY IN THE BATTLEFIELD OF FREEDOM.

A BILL TO IMMEDIATELY AID THE FREEDOM FIGHTERS IN MILITARY, ECONOMIC, AND HUMANITARIAN ASSISTANCE IS BEING FASHIONED BY DEMOCRATS AND REPUBLICANS AT THIS VERY MOMENT.

A CONGRESSIONAL VOTE ON NICARAGUA THE WEEK OF THE 23RD OF JUNE WILL BRING VICTORY WHEN JUST A FEW REMAINING UNDECIDED VOTES MOVE TOWARDS THE PRESIDENT. I TRULY BELIEVE THIS IS HAPPENING NOW.

WHY IS VICTORY IN SIGHT? THE ANSWER IS SIMPLE. YOU, THROUGH YOUR STEADFAST AND CONTINUING SUPPORT, HAVE KEPT THIS ISSUE, THE FREEDOM FIGHTERS, AND THE PRESIDENT'S DETERMINATION ALIVE.

CONTRARY TO THE EFFORTS OF TIP O'NEILL, THIS ISSUE WILL NOT DISAPPEAR. YOU, THROUGH YOUR AID, CONTINUE TO BREATHE LIFE INTO THIS CRITICAL ISSUE. YOU ARE THE REASON VICTORY IS APPROACHING. I REALIZE THAT ONLY VICTORY IN THE CONGRESS WILL MAKE YOU KNOW JUST HOW WORTHWHILE YOUR SUPPORT HAS BEEN. FOR MY PART, I AM WORKING AS HARD AS I CAN FOR FREEDOM'S VICTORY, BUT WANTED TO TAKE A MOMENT IN THE MIDST OF THIS FINAL BATTLE TO THANK YOU SO VERY MUCH FOR GIVING ME THE OPPORTUNITY AND THE RESOURCES TO ENGAGE IN THIS BATTLE FOR FREEDOM. IT IS SO VERY EXHILARATING TO BE INVOLVED IN SUCH A WORTHY AND NOBLE CAUSE AT THIS TIME.

VERY SINCERELY,
KRIS S LITTLEDALE
NATIONAL ENDOWMENT FOR THE
PRESERVATION OF LIBERTY
(202) 543-6137

1753 EST

MGMCOMP MGM

00040794153

MIDDLETOWN, VA. 226
26AM

Western Union Mailgram

1-012301A177 06/26/86 ICS IPMWGWJ WSH FSOA
00678 MGM CHWASHINGTON DC 200 06-26 435P EDT

MR MELVIN SALWASSER
SALWASSER MANUFACTURING CO
POB 548
REEDLEY CA 93654

DEAR MR SALWASSER

PRESIDENT RONALD REAGAN'S SPLENDID BOLD VICTORY ON NICARAGUAN FREEDOM FIGHTER AID IS IN LARGE MEASURE ATTRIBUTABLE TO YOU THROUGH YOUR YEAR LONG PRESEVERANCE, UNFLINCHING DEDICATION, AND EXTRAORDINARY GENEROSITY. THE IMMENSE WORTH OF YOUR EFFORT IS NOW CLEAR FOR ALL TO SEE.

CONSERVATIVES HAVE BEEN SEVERELY TESTED DURING THIS LONG STRUGGLE FOR VICTORY. LIBERALS BELIEVED THAT IF THEY DRAGGED OUT THE DEBATE THAT WE WOULD GIVE UP, LOSE INTEREST, BECOME FRUSTRATED WITH OUR PRESIDENT AND ULTIMATELY SETTLE FOR MUCH LESS. THIS VICTORY PROVES JUST THE OPPOSITE. IT ALSO SIGNIFIES AN HISTORIC POST VIETNAM TURNING POINT IN AMERICAN FOREIGN POLICY.
THROUGH YOUR INDISPENSABLE EFFORTS, AMERICA TODAY HAS AN UNMISTAKABLE OPEN NATIONAL POLICY ADVANCING THE CAUSE OF FREEDOM AND DEMOCRACY. ALL FREEDOM FIGHTERS ACROSS THE WORLD WILL NOW TAKE HEART. I AM IMMENSELY GRATEFUL TO YOU, AS IS THE PRESIDENT. YOU HAVE MADE IT HAPPEN.

WITH VERY WARM REGARDS,

SPITZ CHANNELL

1620 EST

MGMCOMP MGM

MONTGOMERY
THE Journal
Montgomery County's daily newspaper

...14 NO.7 2 sections
...Journal Newspapers Inc. June 17, 1986 25 cents

# TV ads slam Barnes on opposition to Contras

By BOB JENSEN

Television ads slamming U.S. Rep. Michael Barnes for opposing aid to the Nicaraguan Contras are scheduled to begin running today on Washington stations, the latest attack by conservative groups on the Montgomery County congressman's Central America policy.

The Barnes ads are the centerpiece of a $200,000 campaign by Sentinel, a conservative foreign policy lobbying group, to win support for President Reagan's proposal for $100 million in military aid for the rebels fighting the Sandinista regime.

In addition to the anti-Barnes ads, Sentinel will run ads in the districts of 10 other congressmen who have not made up their minds on the president's proposal.

Sentinel will run both one-minute and 10-second spots on at least one Washington station and is negotiating with two others, said Carl Russell "Spitz" Channell, president of the group. About $50,000 will be spent on the Barnes ads, which may also be run on Baltimore stations, he said.

Channell said the ads are designed to win support for the president in Congress, not to hurt Barnes' campaign for the Democratic nomination for the U.S. Senate.

But Channell said his group was considering "a public education campaign" to let the state's voters know about Barnes' liberal voting record.

"Congressmen like Mike Barnes now must risk paying a political price for their votes and actions," Channell said.

Barnes said in a statement that the ads were "another obvious attempt by a right-wing group and Republicans from Maryland to influence the outcome of the U.S. Senate race in Maryland."

In March Barnes was criticized in pro-Contra newspaper ads run by the National Endowment for the Preservation of Liberty, another conservative group headed by Channell. He has also been attacked by the Maryland Young Republicans and some of his conservative colleagues in the House for his Nicaraguan position.

Barnes said he is working toward a diplomatic solution to problems in Central America, "rather than funding a war based on corruption."

Barnes, chairman of the House Foreign Affairs subcommittee on Western Hemisphere affairs, has been at the forefront of the House's opposition to Contra aid, which was voted down in March. Last month Barnes chaired hearings about allegations that U.S. funds had been stolen and abused by the Contra rebels.

Another vote on the president's proposal could come as early as next week, a Barnes aide said.

The one-minute ad flashes a picture of Barnes and his office phone number on the screen, and urges his constituents to "wake him up" to the facts about the Sandinista's military buildup.

Channell acknowledged that Barnes is a liberal representative from a liberal district and said he did not expect Barnes to change his position on Contra aid.

Spitz wanted you to see this.
Thanks for your help!
Dan Conrad

4 5 1 7 4 2 0 0 0 0

The Washington Post

THURSDAY, JUNE 26, 1986

# House Reverses Vote, Approves

# Reagan Plan for Aid to the Contras

By Edward Walsh
Washington Post Staff Writer

President Reagan's embattled policy in Central America cleared a key hurdle last night as the Democratic-controlled House approved an administration-backed package of aid for the Nicaraguan rebels.

The 221-to-209 vote reversed a House vote of 222 to 210 in March that rejected Reagan's plan to provide $70 million in military aid and $30 million in nonlethal "humanitarian" assistance to the counter-revolutionary rebels, or contras.

After beating back two Democratic efforts to overturn or limit the aid package, the House voted 249 to 174 late last night to send the measure to the Republican-controlled Senate.

The plan could still face difficulty in the Senate, but the main obstacle to Reagan's policy has always been the House.

Last night's vote represented a strong turnabout from the March rejection in what was seen as possibly Reagan's last chance to keep a contra aid package alive this year. The battle was preceded by intensive lobbying by administration officials, including the president, who made a televised appeal for support Tuesday and talked by telephone with lawmakers until shortly before the key vote.

The House's reversal, accomplished with the help of 51 Democrats, thus rescued Reagan's policy from what appeared to be near extinction three months ago, leading to forecasts last night that it will soon be implemented.

"There is no question of a clear consensus on the Senate side for some immediate military aid to the contras," House Minority Leader Robert H. Michel (R-Ill.) said in predicting eventual enactment of the package.

Speaking to a Las Vegas fund-raiser last night, Reagan said the vote was "only Round One—but oh boy, what a round."

Upon his arrival in California, where he will be vacationing for five days, Reagan said the vote "signals a step forward in bipartisan consensus in American foreign policy . . . Once again, members of both parties stand united in resisting totalitarian expansionism and promoting the cause of democracy."

In winning one of his toughest congressional tests, Reagan picked up since the March vote the support of five additional Republicans and six extra Democrats for his version of the contra aid package. The margin in the critical vote was larger than either side had predicted.

Rep. Albert G. Bustamante (D-Tex.), one of the lawmakers who switched sides, said he became convinced during a recent trip to the region that "there will be no peace in Central America until internal reform is forced" on Nicaragua's Sandinista government.

"I came away convinced we need to continue to pressure the Sandinistas," he said.

The other lawmakers who came over to the administration side were Democrats Les Aspin (Wis.), Mario Biaggi (N.Y.), Carroll Hubbard Jr. (Ky.), Marilyn Lloyd (Tenn.) and Richard B. Ray (Ga.), and Republicans Bill Frenzel (Minn.), Larry J. Hopkins (Ky.) John G. Rowland (Conn.), Olympia J. Snowe (Maine) and Chalmers P. Wylie (Ohio).

The aid package, which the House adopted as an amendment to the fiscal 1987 military construction appropriations bill, would provide $40 million in aid to the contras, including military funds that would be available beginning Sept. 1. It would also provide $20 million in aid on Oct. 15 and a final installment of $40 million next Feb. 15.

The three installments would total $70 million in military funds and $30 million in humanitarian assistance, the amounts Reagan initially sought in March. The measure would also lift a congressional ban on covert activities by U.S. intelligence agencies against Nicaragua, and provide $300 million in economic development funds to four Central American democracies.

The administration-backed plan, sponsored by Reps. Mickey Edwards (R-Okla.) and Ike Skelton (D-Mo.), was adopted as a substitute to an aid package crafted by Rep. Dave McCurdy (D-Okla.) and other moderate Democrats.

The McCurdy plan, strongly opposed by the White House, would have provided $30 million in humanitarian aid to the contras immediately, but made the $70 million in

military assistance subject to a second vote in Congress on Oct. 1 or later.

The only skirmish that Democratic opponents won during the long debate was the narrow adoption of an amendment to the aid package that would bar U.S. personnel from entering Honduras or Costa Rica within 20 miles of the Nicaraguan border to train or otherwise aid the contra forces.

The prolonged debate over the issue reached an emotional peak early last night as Rep. George M. [illegible] (R-Ill.), who is suffering from cancer, was brought to the House floor in a wheelchair to cast a vote for the Reagan aid plan. His presence, and Reagan's intense lobbying, were signs of the administration's determination to win.

The floor debate that preceded the critical vote raged over familiar arguments on Central America policy that have been heard in Congress almost from the outset of the Reagan administration.

Supporters of the administration package said military aid to the contras was vital to prevent Nicaragua's Sandinista government from consolidating a Soviet-backed base in the heart of Central America. Delaying military aid until a second congressional vote in the fall, they argued, could doom the contras and encourage Nicaraguan pressure on neighboring democratic states.

"Once the contras are gone, there won't be any other solutions for the American government except diplomatic protests or the insertion of American troops" into the region, Rep. Dick Cheney (R-Wyo.) said.

"Let's end the vacillation," Michel said. "Systematic delay is not a policy, it's paralysis. Let's have the guts to fight communism and nurture democracy in our hemisphere now, not later."

Critics of administration policy described the contras as an ineffective "ragtag force," and zeroed in on a recent General Accounting Office report that suggested the possible misuse of much of the $27 million in humanitarian aid Congress approved for the contras last year.

"We are being asked to vote to send $100 million to drug dealers, gunrunners and embezzlers," Rep. David E. Bonior (D-Mich.) said.

House Majority Whip Thomas S. Foley (D-Wash.) said the House was being asked to support a "proxy war" against another government and predicted that this would lead to a "tragic and irreversible" course toward the introduction of U.S. troops in Central America.

The vote climaxed an intense, three-month struggle during which the House Democratic leadership made tactical compromises in an attempt to hold together a majority coalition against military aid to the contras.

When the House rejected Reagan's original proposal in March, Speaker Thomas P. (Tip) O'Neill Jr. (D-Mass.) kept McCurdy and other wavering moderate Democrats on board by promising them a second chance to vote for a contra aid package that they crafted as an alternative to the administration plan. The second chance was set for April 16, but never took place. House Republicans, charging that the procedures for that showdown were stacked against them, resorted to a parliamentary maneuver that in effect prevented the McCurdy plan from coming to a vote on the floor.

O'Neill, however, was still bound by his promise to the Democratic moderates, setting up the climactic third test on the issue yesterday. But before the struggle came to a head on the floor, the Democratic leadership made one more tactical retreat, in effect conceding defeat on the question of humanitarian aid to the contras in an effort to delay if not kill outright the military assistance portion of the package.

The leadership did this by striking a deal with McCurdy that incorporated his aid plan into the military construction appropriations bill. Thus, the only way to prevent some contra aid package from clearing the House would be to adopt a substitute proposal by Rep. Lee Hamilton (D-Ind.), providing only refugee relief funds, or to reject the entire appropriations measure on final passage.

This maneuver angered Democratic liberals who opposed any aid for the contras. Demonstrating their displeasure, 122 Democrats voted against adoption of the ground rules for the debate under which the McCurdy plan was made a part of the appropriations bill.

"I believe we've been compromised too much," said Rep. Tony P. Hall (D-Ohio), but most Republicans supported the arrangement. "At least we get one clear, fair shot" to adopt the Republican-backed aid package, Minority Whip Trent Lott (R-Miss.) said.

In the end, the House rejected the Hamilton proposal 245 to 183. It also rejected, 225 to 198, an attempt by Rep. Michael D. Barnes (D-Md.) to bar the release of any funds to the contras until the administration provided a full accounting of the $27 million in humanitarian aid that was approved last year.

The administration also made some concessions leading up to yesterday's vote. It agreed to delay delivery of "heavy weapons" to the contras until February and to provide economic assistance funds to Nicaragua's democratic neighbors.

But there was no compromise on making release of the military funds subject to a later vote by Congress, the key difference between the Edwards and McCurdy aid packages.

The Washington Times

# The Contras bag a big one

JUNE 26, 1986

ita M. Williams
Mary Belcher
WASHINGTON TIMES

liott Abrams — the Reagan administration point man on aid to the ...raguan resistance — charged in ...of the Capitol yesterday, ...th a list of potential con-

...ghout the day, the assistant ...y of state for inter-...an affairs worked the phones ...e House minority leader's of-

...alked from one House build-... another, meeting members ...ere still undecided in what ...xpected to be an excruciat-...close vote.

...g after Mr. Reagan and his top ... boarded Air Force One at 3 ...or a five-day visit to California, ...brams toiled on.

... spent much of his time trying ...ell concerns about recent al-...ns that some of last year's $27 ... rebel aid package could not ...ounted for.

...e end, the effort was worth it. The House approved the Reagan-backed plan to send $100 million in aid to the Nicaraguan resistance, 221-209.

Rep. Richard Ray, a Georgia Democrat who voted against rebel aid last time around, said he decided to reverse his vote after meeting with the leaders of the United Nicaraguan Opposition in Miami and examining their accounts at an outpost in Honduras.

Mr. Ray spent yesterday trying to convince three of his Democratic colleagues — Wes Watkins of Oklahoma, Tim Valentine of North Carolina and Alan Mollohan of West Virginia — to vote with him on the Reagan-backed plan.

"You've got to take some risks for what is right," he told Mr. Valentine, who met with the president at the White House two days ago.

Despite Mr. Ray's appeal, Mr. Valentine and Mr. Mollohan voted no. Mr. Watkins voted for the aid package.

Another congressman helping line up votes for the administration was Buddy Roemer, a Louisiana Democrat. He said some members were responding well to the provision of the Reagan-backed plan that would provide $300 million in economic aid to El Salvador, Guatemala, Honduras and Costa Rica.

"One of the criticisms of the past is that bullets alone won't help," Mr. Roemer said. "This plan works inside through the Contras and outside through pressure" from the other Central American democracies.

Rep. Olympia Snowe, Maine Republican, said she changed her mind and decided to vote in favor of rebel aid after visiting Nicaragua in June.

On that trip, she said, it became apparent to her that Sandinista leader Daniel Ortega "was not negotiating in good faith a treaty" with Central American nations.

"Before, we were taking a wait-and-see approach, but it now looks unlikely much is going to change," Mrs. Snowe said, explaining why she favored the Reagan-backed plan to send the Nicaraguan rebels military aid immediately. "We cannot underestimate the importance of time. That's key."

President Reagan's last-minute efforts to influence congressional votes on issues of major importance to the White House have become almost routine, and yesterday's vote was no exception.

He postponed by a day a scheduled trip to California and delivered a message to Congress on television, after House Speaker Thomas P. O'Neill Jr. denied him a chance to address the House in person.

Mr. Reagan made phone calls to Capitol Hill and ushered select members of Congress into the Oval Office. Some members switched their votes on the spot, while others promised to reconsider their past objections to the aid package.

One senior administration official pointed out that no one said "no" to the president.

Mr. O'Neill said before yesterday's vote that there was "no question" the president's lobbying made a difference.

"One of our Democrats had a personal call from the president and changed his vote," Mr. O'Neill sa... declining to name the congressma... "He had never talked to a preside... head to head and he told us, 'I was ... thrilled, I thought I was talking ... the pope.'"

Mr. Valentine of North Caroli... was one of a handful of congressm... who were invited to discuss the... concerns about Contra aid in priva... meetings with Mr. Reagan at t... White House this week.

"That's a pretty heady pla... that's a very persuasive gentlema... Mr. Valentine said after meeti... with the president Tuesday. "I'm n... going to kid you that I'm not inf... enced by ... what my president s... to me in a one-on-one session."

Larry Hopkins, a Kentucky R... publican who ultimately voted ... the administration-backed pl... after meeting with Mr. Reagan t... days ago, also conceded t... president's considerable powers ... persuasion. Besides, Mr. Hopki... said following his White House vi... his father in Wingo, Ky., would pr... ably "whoop him" if he voted agai... the president of the United State...

The Washington Post

THURSDAY, JUNE 26, 1986

# House Roll Call on Contra Assistance

Associated Press

***The 221-to-209 vote by which the House approved $100 million in aid to the Nicaraguan rebels. A "yes" vote is in favor of the aid package. "X" denotes those not voting.***

**Alabama**—DEMOCRATS: Bevill, yes; Erdreich, yes; Flippo, yes; Nichols, yes; Shelby, yes. REPUBLICANS: Callahan, yes; Dickinson, yes.

**Alaska**—REPUBLICAN: Young, yes.

**Arizona**—DEMOCRAT: Udall, no. REPUBLICANS: Kolbe, yes; McCain, yes; Rudd, yes; Stump, yes.

**Arkansas**—DEMOCRATS: Alexander, no; Anthony, no; Robinson, yes. REPUBLICAN: Hammerschmidt, yes.

**California**—DEMOCRATS: Anderson, no; Bates, no; Beilenson, no; Berman, no; Bosco, no; Boxer, no; Brown, no; Burton, no; Coelho, no; Dellums, no; Dixon, no; Dymally, no; Edwards, no; Fazio, no; Hawkins, X; Lantos, no; Lehman, no; Levine, no; Martinez, no; Matsui, no; Miller, no; Mineta, no; Panetta, no; Roybal, no; Stark, no; Torres, no; Waxman, no. REPUBLICANS: Badham, yes; Chappie, yes; Dannemeyer, yes; Doman, yes; Dreier, yes; Fiedler, yes; Hunter, yes; Lagomarsino, yes; Lewis, yes; Lowery, yes; Lungren, yes; McCandless, yes; Moorhead, yes; Packard, yes; Pashayan, yes; Shumway, yes; Thomas, yes; Zschau, yes.

**Colorado**—DEMOCRATS: Schroeder, no, Wirth, no. REPUBLICANS: Brown, yes; Kramer, yes; Schaefer, yes; Strang, yes.

**Connecticut**—DEMOCRATS: Geidenson, no; Kennelly, no; Morrison, no. REPUBLICANS: Johnson, yes; McKinney, no; Rowland, yes.

**Delaware**—DEMOCRAT: Carper, no.

**Florida**—DEMOCRATS: Bennett, yes; Chappell, yes; Fascell, yes; Fuqua, yes; Gibbons, yes; Hutto, yes; Lehman, no; MacKay, no; Mica, yes; Nelson, yes; Pepper, yes; Smith, yes. REPUBLICANS: Bilirakis, yes; Ireland, yes; Lewis, yes; Mack, yes; McCollum, yes; Shaw, yes; Young, yes.

**Georgia**—DEMOCRATS: Barnard, yes; Darden, yes; Fowler, no; Hatcher, yes; Jenkins, yes; Ray, yes; Rowland, yes; Thomas, yes. REPUBLICANS: Gingrich, yes; Swindall, yes.

**Hawaii**—DEMOCRATS: Akaka, no; Heftel, no.

**Idaho**—DEMOCRAT: Stallings, no. REPUBLICAN: Craig, yes.

**Illinois**—DEMOCRATS: Annunzio, no; Bruce, no; Collins, no; Durbin, no; Evans, no; Gray, no; Hayes, no; Lipinski, yes; Price, no; Rostenkowski, no; Russo, no; Savage, no; Yates, no. REPUBLICANS: Crane, yes; Fawell, yes; Grotberg, X; Hyde, yes; Madigan, yes; Martin, yes; Michel, yes; O'Brien, yes; Porter, yes.

**Indiana**—DEMOCRATS: Hamilton, no; Jacobs, no; McCloskey, no; Sharp, no; Visclosky, no. REPUBLICANS: Burton, yes; Coats, yes; Hiler, yes; Hillis, yes; Myers, yes.

**Iowa**—DEMOCRATS: Bedell, no; Smith, no. REPUBLICANS: Evans, yes; Leach, no; Lightfoot, no; Tauke, no.

**Kansas**—DEMOCRATS: Glickman, no; Slattery, no. REPUBLICANS: Meyers, yes; Roberts, yes; Whittaker, yes.

**Kentucky**—DEMOCRATS: Hubbard, yes; Mazzoli, no; Natcher, no; Perkins, no. REPUBLICANS: Hopkins, yes; Rogers, yes; Snyder, yes.

**Louisiana**—DEMOCRATS: Boggs, no; Breaux, yes; Huckaby, yes; Long, no; Roemer, yes; Tauzin, yes. REPUBLICANS: Livingston, yes; Moore, yes.

**Maine**—REPUBLICANS: McKernan, yes; Snowe, yes.

**Maryland**—DEMOCRATS: Barnes, no; Byron, yes; Dyson, yes; Hoyer, no; Mikulski, no; Mitchell, no. REPUBLICANS: Bentley, yes; Holt, yes.

**Massachusetts**—DEMOCRATS: Atkins, no; Boland, no; Donnelly, no; Early, no; Frank, no; Markey, no; Mavroules, no; Moakley, no; O'Neill, X (by tradition, the House speaker seldom votes); Studds, no. REPUBLICAN: Conte, no.

**Michigan**—DEMOCRATS: Bonior, no; Carr, no; Conyers, no; Crockett, no; Dingell, no; Ford, no; Hertel, no; Kildee, no; Levin, no; Traxler, no; Wolpe, no. REPUBLICANS: Broomfield, yes; Davis, yes; Henry, yes; Pursell, yes; Schuette, yes; Siljander, yes; Vander Jagt, yes.

**Minnesota**—DEMOCRATS: Oberstar, no; Penny, no; Sabo, no; Sikorski, no; Vento, no. REPUBLICANS: Frenzel, yes; Stangeland, yes; Weber, yes.

**Mississippi**—DEMOCRATS: Dowdy, yes; Montgomery, yes; Whitten, no. REPUBLICANS: Franklin, yes; Lott, yes.

**Missouri**—DEMOCRATS: Clay, no; Gephardt, no; Skelton, yes; Volkmer, no; Wheat, no; Young, no. REPUBLICANS: Coleman, yes; Emerson, yes; Taylor, yes.

**Montana**—DEMOCRAT: Williams, no. REPUBLICAN: Marlenee, yes.

**Nebraska**—REPUBLICANS: Bereuter, yes; Daub, yes; Smith, yes.

**Nevada**—DEMOCRAT: Reid, no. REPUBLICAN: Vucanovich, yes.

**New Hampshire**—REPUBLICANS: Gregg, yes; Smith, yes.

**New Jersey**—DEMOCRATS: Dwyer, no; Florio, no; Guarini, no; Howard, no; Hughes, no; Rodino, no; Roe, no; Torricelli, no. REPUBLICANS: Courter, yes; Gallo, yes; Rinaldo, yes; Roukema, yes; Saxton, yes; Smith, yes.

**New Mexico**—DEMOCRAT: Richardson, no. REPUBLICANS: Lujan, yes; Skeen, yes.

**New York**—DEMOCRATS: Ackerman, no; Biaggi, yes; Downey, no; Garcia, no; LaFalce, no; Lundine, no; Manton, no; McHugh, no; Mrazek, no; Nowak, no; Owens, no; Rangel, no; Scheuer, no; Schumer, no; Solarz, no; Stratton, yes; Towns, no; Weiss, no. REPUBLICANS: Boehlert, no; Carney, yes; DioGuardi, yes; Eckert, yes; Fish, yes; Gilman, yes; Green, no; Horton, no; Kemp, yes; Lent, yes; Martin, yes; McGrath, yes; Molinari, yes; Solomon, yes; Wortley, yes.

**North Carolina**—DEMOCRATS: Hefner, no; Jones, no; Neal, no; Rose, no; Valentine, no; Whitley, no. REPUBLICANS: Broyhill, yes; Cobey, yes; Coble, yes; Hendon, yes; McMillan, yes.

**North Dakota**—DEMOCRAT: Dorgan, no.

**Ohio**—DEMOCRATS: Applegate, no; Eckart, no; Feighan, no; Hall, no; Kaptur, no; Luken, no; Oakar, no; Pease, no; Seiberling, no; Stokes, no; Traficant, no. REPUBLICANS: DeWine, yes; Gradison, yes; Kasich, yes; Kindness, yes; Latta, yes; McEwen, yes; Miller, yes; Oxley, yes; Regula, yes; Wylie, yes.

**Oklahoma**—DEMOCRATS: English, yes; Jones, yes; McCurdy, no; Synar, no; Watkins, yes. REPUBLICAN: Edwards, yes.

**Oregon**—DEMOCRATS: AuCoin, no; Weaver, no; Wyden, no. REPUBLICAN: D. Smith, yes; R. Smith, yes.

**Pennsylvania**—DEMOCRATS: Borski, no; Coyne, no; Edgar, no; Foglietta, no; Gaydos, X; Gray, no; Kanjorski, no; Kolter, no; Kostmayer, no; Murphy, no; Murtha, yes; Walgren, no; Yatron, no. REPUBLICANS: Clinger, yes; Coughlin, yes; Gekas, yes; Goodling, yes; McDade, yes; Ridge, yes; Ritter, yes; Schulze, yes; Shuster, yes; Walker, yes.

**Rhode Island**—DEMOCRAT: St Germain, no. REPUBLICAN: Schneider, no.

**South Carolina**—DEMOCRATS: Derrick, no; Spratt, no; Tallon, yes. REPUBLICANS: Campbell, yes; Hartnett, yes; Spence, yes.

**South Dakota**—DEMOCRAT: Daschle, no.

**Tennessee**—DEMOCRATS: Boner, no; Cooper, no; Ford, no; Gordon, no; Jones, no; Lloyd, yes. REPUBLICANS: Duncan, yes; Quillen, yes; Sundquist, yes.

**Texas**—DEMOCRATS: Andrews, no; Brooks, no; Bryant, no; Bustamante, yes; Chapman, no; Coleman, no; de la Garza, no; Frost, no; Gonzalez, no; R. Hall, yes; Leath, yes; Leland, no; Ortiz, yes; Pickle, no; Stenholm, yes; Wilson, yes; Wright, no. REPUBLICANS: Archer, yes; Armey, yes; Bartlett, yes; Barton, yes; Boulter, yes; Combest, yes; DeLay, yes; Fields, yes; Loeffler, yes; Sweeney, yes.

**Utah**—REPUBLICANS: Hansen, yes; Monson, yes; Nielson, yes.

**Vermont**—REPUBLICAN: Jeffords, no.

**Virginia**—DEMOCRATS: Boucher, no; Daniel, yes; Olin, no; Sisisky, yes. REPUBLICANS: Esteman, yes; Bliley, yes; Parris, yes; Slaughter, yes; Whitehurst, yes; Wolf, yes.

**Washington**—DEMOCRATS: Bonker, no; Dicks, no; Foley, no; Lowry, no; Swift, no. REPUBLICANS: Chandler, yes; Miller, yes; Morrison, yes.

**West Virginia**—DEMOCRATS: Mollohan, no; Rahall, no; Staggers, no; Wise, no.

**Wisconsin**—DEMOCRATS: Aspin, yes; Kastenmeier, no; Kleczka, no; Moody, no; Obey, no. REPUBLICANS: Gunderson, yes; Petri, yes; Roth, yes; Sensenbrenner, yes.

**Wyoming**—REPUBLICAN: Cheney, yes.

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# House OKs $100 million in rebel aid by 12 votes

THURSDAY, JUNE 26, 1986

y Christopher Simpson
E WASHINGTON TIMES

President Reagan, prevailing over e Democratic-controlled House, st night won approval for $100 mil-on in aid to the Nicaraguan resis-nce by a stunning 12-vote margin.

Reversing its rejection three onths ago of a similar plan, the ouse approved 221-209 a measure at provides $40 million in immedi-e military and humanitarian aid to e rebels fighting Nicaragua's Marxist Sandinista regime.

Four hours later, the military pending bill to which the mendment was attached sailed rough the House by a 69-vote mar-in.

A jubilant Mr. Reagan, whose last-inute lobbying assured the victory y swaying 11 undecided votes, ailed the victory in a speech at a olitical fund-raiser in Las Vegas, ev.

"This represents a giant bi-artisan effort," the president aid. "We hope our coalition will hold ogether and we can get these free-om fighters the assistance they eed.

"It's only Round 1," he said, "but, h boy what a round!"

The victory was locked up when 70 Republicans were joined by 51 Democrats in voting for the pro-osal, while 11 Republicans and 198 Democrats voted against it.

Mr. Reagan continued his 11th-our lobbying even after he left Washington for a five-day vacation. White House spokesman Larry peakes said the president saw four ongressman before leaving the White House and made nine calls to ndecided lawmakers — including everal calls from Air Force One.

"I was thinking," said Mr. Reagan n Las Vegas, "wouldn't it be some-ning if I could stand up here and e'd won by one vote?"

[In Tegucigalpa, Honduras, Con-a rebel leaders celebrated last ight when news of the House ap-roval of $100 million in new U.S. aid eached them. One leader said the ote gives them "moral support" in eir war against the Marxists.

["There is much happiness in the roops," Carlos Icaza, chief lawyer or the Nicaraguan Democratic orce, told United Press Interna-ional.

["This brings us enormous happi-ess because it not only means eco-omic support but shows that the embers of Congress have opened eir eyes to the danger of the Soviet invasion of Central America," he said, echoing President Reagan's warning that Nicaragua could become a Soviet base.]

Earlier in the day, House Speaker Thomas P. O'Neill Jr. — an ardent opponent of the rebel-aid measure who on Monday refused the president's request to address the House — said that if the proposal was approved, it would be due to Mr. Reagan's persuasive powers.

The plan tentatively approved at 8:30 last night includes $300 million in economic assistance for four countries that border Nicaragua. Under the rebel-aid provisions, $40 million would be available upon enactment for military and non-lethal aid, with $20 million disbursed on Oct. 15 and the remaining $40 million to be allocated Feb. 15.

The measure includes a provision that deployment of military arms will be delayed until Sept. 1, while "heavy" military hardware cannot be sent to Central America until February of next year.

The overall military spending bill, which included the aid for the resistance, subsequently passed on a 243-174 vote. It now moves to the Senate for consideration. House Minority Whip Trent Lott said GOP leaders will push to have the final bill on Mr. Reagan's desk before the Aug. 16 congressional recess.

Before final passage of the omnibus bill, rebel-aid supporters successfully defeated two Democratic attempts to water down the proposal.

The first, sponsored by Rep. Lee Hamilton, Indiana Democrat, would have eliminated all funds for the resistance forces, while providing $32 million for Nicaraguan refugee assistance. It was defeated on a 245-183 vote.

A second amendment, sponsored by Rep. Michael Barnes, Maryland Democrat, was defeated on a 225-198 vote. The proposal would have withheld all new resistance funds until Congress determines how $27 million earmarked for the rebels last year was spent.

But a final amendment, sponsored by Rep. Robert J. Mrazek, New York Democrat, passed by a 213-211 vote. The measure bars United States personnel from entering any area in Honduras or Costa Rica, within 20 miles of the Nicaraguan border, to train troops or provide assistance.

Passage of the rebel aid amendment — co-sponsored by Rep. Mickey Edwards, Oklahoma Republican, and Rep. Ike Skelton, Missouri Democrat — supplanted a Democratic-backed measure that did not provide any military aid until a later vote of approval by Congress.

The GOP victory culminated four months of often acrimonious debate that crested with a legislative face-off between Mr. Reagan and Mr. O'Neill. The bipartisan plan, which was drafted by Republican leaders and subsequently passed a divided House, had become a lightning rod for Mr. O'Neill's wrath.

Since the president's original request was sent to the Capitol Hill in February, Mr. O'Neill repeatedly has urged members to "vote their conscience," but warned that military aid to the resistance forces would presage U.S. military intervention in Central America.

But supporters, led by the president and House Minority Leader Robert Michel, argued that denying military aid would allow the Marxist government to sweep through Central America, topple the fragile democracies of its neighbors and eventually threaten the southern border of the United States.

"Let's face it, Mr. Speaker, I love you personally," Mr. Michel said as the debate drew to a close last night. "But on this issue you have a mind-set. You have not budged one inch."

Mr. Michel said House members reversed their earlier refusal to provide immediate military assistance because the new package included the economic assistance to El Salvador, Honduras, Costa Rica and Guatemala. That proposal, not in the president's original request, was included in the bipartisan amendment at the urging of young, moderate House members, Mr. Michel said.

"These younger members have shown us older members what an open mind can do," Mr. Michel said. "These are the voices of true bipartisanship."

Approval of the measure was far from assured throughout a hectic day on Capitol Hill, where last-minute arm-twisting pervaded Congress.

Early in the day, Mr. O'Neill told reporters that the vote count was "212 to 212, with the rest undecided." At the White House, Mr. Speakes said the vote was "too close to call" early in the afternoon.

suasive powers garnered wavering lawmakers who made the differen on the showdown vote.

Mr. O'Neill said "there is no que tion in my mind" that the differen in the vote was solely attributable the president's last-minute lobbyin efforts. Both Mr. Reagan and Vi President George Bush personal lobbied undecided lawmakers wi continuous telephone calls.

Mr. Reagan delayed by one day t departure for the Nevada fun raiser and a California vacation give him an extra 24 hours to dru up support for the GOP plan.

Throughout the day on Capi Hill, Elliott Abrams, assistant sec tary of state for inter-American fairs, was cloistered in an office ne the House chamber imploring me bers to vote with the president.

But the outcome was in jeopar until the last vote was cast in t packed House chamber shortly afu 8:30 last night.

On March 20, the House reject Mr. Reagan's original $100 millio request in military and non-leth aid for the Nicaraguan resistan But a week later, the Senate a proved a modified version of t president's plan on a 53-47 vote.

The Senate measure returned the House floor on April 16, but R publicans — using a parliamenta end-around — derailed the measu in hopes of gaining a more favorab vote yesterday.

As they did throughout the 1 days of debate, supporters yesterd tried to hammer home the argume that Central America, in jeopardy becoming a entrenched in comm nism, poses a threat to the souther border of the United States.

"It takes me just as long to f from Washington, D.C., to Kansas from Miami, Florida, to Centr America," said Rep. Ike Skelton, M souri Democrat. "This is really ve close to home, truly in our back yar Tonight there is an opportunity on again to speak as a bipartisan gro for freedom, to stand for democra and stand against communism."

The Nicaraguan embassy Washington issued a statement s ing approval of the funds "moves t U.S. closer to the ultimate milita solution, that is the deployment U.S. armed forces to the region."

*Jennifer Spevacek contributed this report.*

The Washington Times

June 27, 1986

# Senate GOP says Contra aid on roll

Christopher Simpson
and Jeremiah O'Leary
WASHINGTON TIMES

Senate Republicans, riding a wave of confidence a day after the House handed President Reagan a crucial foreign policy victory, yesterday predicted smooth sailing for the administration's $100 million aid request for the Nicaraguan resistance.

"Prospects here are good," said Senate Majority Leader Robert Dole, Republican of Kansas. "I think the House finally did the right thing. It was a long time coming."

Mr. Dole said the Senate, which in March passed a similar version of the administration-backed measure approved late Wednesday in a 221-209 House vote, will begin considering the plan soon after returning from its recess on July 14.

While the aid package awaits Senate action, the White House yesterday reiterated its intention to seek aid for the resistance again next year.

"The president has stated over and over that we need continuity in our aid program and not live from year to year," Larry Speakes, the White House spokesman, said in Santa Barbara, Calif., near Mr. Reagan's ranch.

The briefing was interrupted by about 30 screaming, placard-carrying anti-Contra demonstrators, who for nearly 45 minutes forcibly held open the press room door and shouted down attempts by Mr. Speakes to continue. "Larry Speakes is evil" the protesters shouted. "Stop the Murder. There's a War Going On."

The demonstrators finally left after Santa Barbara police arrived. There were no arrests.

House Speaker Thomas P. O'Neill Jr., who opposes the resistance package and who on Monday refused Mr. Reagan's request to address the House; yesterday said the aid will increase tensions in Nicaragua.

"The $100 million is just the front-runner of many millions that will come," Mr. O'Neill said. "I can't see how you can give $100 million without a slaughter happening down there."

Meanwhile, the House-approved package will be referred to a Senate Appropriations subcommittee for its initial test, said Walt Riker, Mr. Dole's spokesman.

But Mr. Riker, like a number of senators, said the plan should emerge from the Senate — likely in late July — unscathed.

"The momentum is there," Mr. Riker said. "Both [chambers] have had recent victories, and we'll just hear the same arguments we've heard for three years. I think the issue has been settled."

The House-approved measure is split between $70 million in military funds and $30 million in non-lethal support for the anti-Sandinista rebels. Under its three-tiered disbursement formula, $40 million in military and non-lethal aid would be released upon enactment, $20 million on Oct. 15 and the remaining $40 million next Feb. 15.

The legislation, which was billed as a bipartisan package, requires that no military weapons can be released before Sept. 1 and no "heavy" armaments until next February. Heavy equipment was not defined in the legislation, but it is believed to include anti-tank and anti-aircraft weapons.

The bill drafted by House Minority Leader Robert Michel lifts earlier restrictions that prohibited the CIA or Defense Department from training rebel forces or assisting in the delivery of any aid.

The measure — the ninth time the House has considered resistance aid plans since 1981 but the first instance in which it approved overt military support — still could face rough riding in the Senate. But few lawmakers yesterday predicted the bill will be altered substantially.

"It is a little early to say because we haven't focused on it yet," said Sen. Jim Sasser, Tennessee Democrat. In the past, Mr. Sasser has spearheaded efforts by Senate Democrats to water down the president's request.

"But right now it looks like the chances of any substantial modifications are slim," said Mr. Sasser, ranking member of the first subcommittee that will consider the bill in early July. "It now appears the president will get his vote."

On Wednesday, the same day the House reversed its earlier stance and approved the president's aid request, the Senate Foreign Relations Committee announced a staff review of allegations of drug trafficking by the rebel forces and the Sandinista government.

Committee Chairman Richard Lugar, Indiana Republican, said the inquiry will begin soon after Congress returns from the July 4 recess.

"We are going to match up the charges and the countercharges," said Mr. Lugar, who still predicted eventual Senate passage of the House measure.

Senate Minority Leader Robert Byrd, Democrat of West Virginia and an opponent of aid to the resistance, said he was "surprised" by the 12-vote margin of victory in the House. He also said derailing the package in the Senate would be "an uphill battle."

"I would hope the Senate would encourage, by language, for the negotiations process to go forward," Mr. Byrd said, "because I don't think the House measure is what we want."

House approval of military aid for the resistance marked the first time in recent history that Congress openly approved giving arms to insurgents waging war with a country that technically is at peace with the United States.

Since Mr. Reagan first approved covert aid to the anti-Marxist rebel forces in 1981, the House has been the primary obstacle in passing an overt assistance program. Last June, in another reversal of its earlier position, the House approved $27 million in non-lethal aid, but prohibited any intelligence agencies from participating in the disbursal of the funds.

In March, the House rejected in a 222-to-210 vote the president's original $100 million aid request. But a week later, the Senate approved a similar plan.

While most Senate members yesterday said the president's request likely will be fulfilled next month, one member — Sen. Jesse Helms, North Carolina Republican — cautioned against premature judgments.

"It could be even stronger before it gets out of the Senate," said Mr. Helms. "But I doubt it. It looks right as it stands — and all right is pretty good around here."

THE WASHINGTON POST

# Members' Fatigue Aided Reagan

June 27, 1986

By Edward Walsh
Washington Post Staff Writer

NEWS ANALYSIS

President Reagan's victory in the House Wednesday on the question of aid to the Nicaraguan rebels was built on a foundation of careful compromise, personal persuasion and old-fashioned horse trading, and was aided by the weariness of lawmakers who have grown tired of dealing with the divisive issue.

The administration-backed aid package that the House approved, sponsored by Reps. Mickey Edwards (R-Okla.) and Ike Skelton (D-Mo.), contained enough concessions from Reagan's original proposal to attract a number of wavering votes.

The president weighed in with a heavy personal lobbying campaign not only to gain the extra votes but to hold on to those of other members who threatened to bolt from past support of administration policy. Whatever promises Reagan made were not known, but there was no doubt among combatants on both sides that he used the full powers of his office to gain the critical foreign policy victory.

There was also what Minority Whip Thomas S. Foley (D-Wash.) described yesterday as "a certain fatigue on the issue" in the House that clearly contributed to rejection of the Democratic alternative aid package sponsored by Rep. Dave McCurdy (Okla.).

By the time of the climactic vote Wednesday night, compromises on both sides had produced several similarities in the competing Edwards and McCurdy plans.

Both contained economic development funds for Nicaragua's democratic neighbors. Both provided $30 million in nonlethal "humanitarian" assistance to the counterrevolutionaries, or contras, fighting Nicaragua's Sandinista government. Both called for a strict accounting of how the funds were expended, and for creation of a bipartisan commission to monitor developments in Central America.

But there was one critical difference in the plans, on which the whole battle turned: the Edwards package guaranteed delivery of $70 million in military aid to the contras over the next 18 months, while McCurdy's proposal required another vote by Congress on the issue in the fall.

The House—or at least several of the critical swing members who had been pulled in both directions for three months—did not want to vote again.

"The second vote in October was probably what killed it," McCurdy said yesterday, agreeing with the assessment of Foley and others.

"People don't want to vote on this in October, before the election. They want to get it behind them. They're tired of jumping through the hoop."

The concessions that finally produced the Edwards aid plan were rooted in a trip to Central America earlier this month by McCurdy and several other lawmakers who opposed the original administration proposal in March, according to a Republican source who asked not to be identified.

The group returned convinced that administration policy had to be broadened to include economic assistance to Nicaragua's beleaguered democratic neighbors. Several were also persuaded that the United States must continue its pressure on the Sandinistas.

The trip was followed by about a dozen meetings involving McCurdy, House Minority Leader Robert H. Michel (R-Ill.) and other lawmakers from both parties in an attempt to agree on a package.

Consensus eluded the group on the key issue of a second vote on military aid, but enough new elements were added to the Edwards plan that three lawmakers who accompanied McCurdy to Central America—Albert G. Bustamante (D-Tex.), Richard B. Ray (D-Ga.) and Olympia J. Snowe (R-Maine)—switched sides.

McCurdy could not compromise on the question of the second vote without alienating his party's leadership. In the end, he stuck with the Democratic leaders.

Meanwhile, Reagan engaged in intensive lobbying, meeting with lawmakers and telephoning others in what one White House official called "the Vince Lombardi school of legislative strategy—three yards at a time." Some of the effort was defensive, directed at members such as Reps. Wesley W. Watkins (D-Okla.) and Mark D. Siljander (R-Mich.) who had suggested a willingness to abandon the administration.

McCurdy yesterday declared a partial victory in the long struggle over contra aid.

"The bottom line is that they [the administration] made their plan very attractive for moderates," he said. "They came a long way."

As for House Democratic leaders, they suggested that the Reagan victory was almost inevitable under the circumstances and credited the president with waging an effective campaign of "retail politics" among individual members.

"When a president gets to the point that he can pinpoint 20 people and work face to face with them, he's hard to stop," House Speaker Thomas P. (Tip) O'Neill Jr. (D-Mass.) said. "One fellow said he had never spoken to a president and he was awed. How do you turn down a president?"

Reviewing the battle, the only note of resentment from O'Neill was directed at House Armed Services Committee Chairman Les Aspin (D-Wis.), who reversed his March vote to support Reagan this time.

"He's turning out just the way I thought," said O'Neill, who opposed Aspin's selection to head the panel. But otherwise O'Neill, who will retire at the end of this session, appeared sanguine, saying his spirits were lifted yesterday by news that his wife was feeling better and that the league-leading Boston Red Sox had won another baseball game.

"While we lost [on contra aid], we did the right thing," O'Neill said. "We followed the will of the American people. You can't do more than that."

*Staff writer David Hoffman contributed to this report.*

# NATIONAL ENDOWMENT FOR THE PRESERVATION OF LIBERTY

305 FOURTH ST., N.E.
SUITE 1000
WASHINGTON, D.C. 20002

July 23, 1986

Mr. Melvin Salwasser
P.O. Box 548
Reedley, CA 93654

Dear Mel:

It's always a pleasure speaking to you. Your commitment to Freedom and Democracy both here in the United States and abroad is unsurpassed. I only wish that all the people that show up here in Washington for the various parties and celebrations thrown by the Republican Party were as committed patriots as you are. It's truly a shame that while people around the country gladly give the Republican Party over a $100 million every year, few of them are willing to take more concrete steps to preserve Freedom. Fortunately, Mel, as long as there are people like you in this country, the shining light of freedom will always burn brightly.

Fortunately in Nicaragua, the light at the end of the tunnel is in sight. The liberal controlled House of Representatives has passed the President's $100 million aid package. While obstructionists and apologists in the Senate like Ted Kennedy, Alan Cranston and Lowell Weicker will try to block a final vote, we all remain confident of our eventual victory.

By September 1st, American aid will again flow to those courageous Freedom-loving Nicaraguans, who even now risk their lives to not only regain their own freedom but to protect ours. Thank God for people like you, Mel, who have stood by them in their times of hardship.

I knew you would want to see the enclosed article from the Wall Street Journal. While we have all paid a price for helping the freedom fighters, I can only hope he is not forced to pay for his support with his entire career.

With warmest regards,

Kris S. Littledale

KSL/ajd

NATIONAL SECURITY COUNCIL
WASHINGTON, D.C. 20506

July 23, 1986

Dear Mr. Salwasser:

America is now at the verge of answering the challenge the Soviets laid down in Nicaragua. When the President was most in need of support and sustained faith in this leadership, you helped to provide both. The struggle for freedom in Nicaragua must first be won in the halls of Congress. Without your dedication and resolve to stay with the President in this long campaign, neither victory would be possible. Once the Senate approves the aid, we will finally be at a point where we can truly make a contribution to a democratic outcome in Nicaragua.

All Americans owe you a great debt. As men who have lived through combat know, without a sustained level of support, those in the front lines can accomplish nothing. Your perseverance in the cause of freedom and President Reagan's dream for a free Nicaragua were the sustaining measure that will carry us that last difficult mile.

For your patriotism, courage, and dedication, thank you.

Sincerely,

Oliver L. North
Deputy Director
Political-Military Affairs

Mr. Melvin Salwasser
Salwasser Manufacturing Company
P.O. Box 548
Reedley, CA 93654

C00407941

Russell Manufacturing Company, Inc.
P. O. Box 548
REEDLEY, CALIFORNIA 93654

(209) 638-8484

DATE July 29-85

TO Mr. Kris Littledale
NATIONAL ENDOWMENT FOR THE
PRESERVATION OF LIBERTY
305 Fourth Street, N.E.
Suite 1000
Washington, D.C. 20002

SUBJECT

Dear Kris

Thanks very much for your letter and the copies of the article about Colonel North. Yes it is strange what the conspiracy does to really good Americans. More days the media made a criminal out of you for fighting Communism. Colonel North should be President after the Reagan.

Kris I want you to read the two articles I have enclosed. I also want that Colonel North could read them I would like opposite your and his comments on what is said in these articles. Are we all being fooled Kris?

☐ PLEASE REPLY ☐ NO REPLY NECESSARY

SIGNED Yours Sincerely Mel

NATIONAL ENDOWMENT
FOR THE
PRESERVATION OF LIBERTY

305 FOURTH ST., N.E.
SUITE 1000
WASHINGTON, D.C. 20002

August 8, 1986

Mr. Melvin Salwasser
P.O. Box 549
Reedley, CA 93654

Dear Mr. Salwaser:

Spitz wanted you to have a copy of this press release.

Sincerely,

Dorothy A. Eason

Dorothy A. Eason

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**STATEMENT OF CARL RUSSELL CHANNELL**

**NATIONAL ENDOWMENT FOR THE PRESERVATION OF LIBERTY**

**AUGUST 7, 1986**

Recently there has arisen a lot of confusing information regarding public support for President Reagan's Strategic Defense Initiative so, the National Endowment for the Preservation of Liberty has just completed a $250,000 polling project to find out what Americans are thinking about President Reagan's Strategic Defense Initiative. In July, we engaged Arthur J. Finkelstein and Associates to poll 4,039 registered voters in 20 Congressional Districts (56% registered democrat) across the United States. This is three times the number of people the Gallup organization uses for its polls. We acquired some surprising information which I would like to share with you this morning.

Ronald Reagan has convinced an absolute majority of the American people that we are living in an increasingly hostile and dangerous world. The worldwide outbreak of terrorism reported constantly and in detail by the media reinforces this basic premise daily.

Ronald Reagan continues to be an historically popular President. In our survey, not unlike other recent surveys; President Reagan receives a whopping 72.2% favorable rating. However, his issue; the Strategic Defense Initiative, is in every district we polled across America much more popular than the President. The national average in all 20 Districts for approval of a space based defense system is an incredible 87%.

Such extraordinarily high support figures for SDI indicates that Americans regardless of party, trust SDI as a mechanism to provide security for America from any number of enemies known and unknown. In this respect the Strategic Defense Initiative has become for Americans security against all enemies who might someday have the capability of employing nuclear weapons against the territory of the United States..

It is insightful to know that in our poll only 1 American in 4 (28.1 %) thought the Soviet Union would start a nuclear war, but over 55% of those polled nationwide thought that another nation or a terrorist nation might be the cause of a nuclear war.

In our poll 61.3% of the respondents stated that America should build the Strategic Defense Initiative regardless of what the Russians did. Furthermore when asked if they agreed or disagreed with the statement: The only lasting peace we can trust is if the United States can defend itself against any agression, a tremendous majority of the American people 78.2% agreed. Americans truly have great faith in S.D.I. to protect America, even if defense spending must be increased (67.3% approve).

The National Endowment for the Preservation of Liberty, agreeing with, and responding to this tidal wave of popular support for Ronald Reagan and the building of SDI will tomorrow begin a series of television messages to remind both Congress and policy makers that to decrease SDI funding or to attempt to derail it through diplomatic imprisonment is absolutly against the will and desire of the electorate.

Congressional actions - thwarting the policy of the President and/or against SDI could certainly have a temendous impact - backlash- at the polls in November. The results of this poll quite clearly call upon the Congress now to change its position and to obey the will of the American people articulated by their President and restore full funding for the President's Strategic Defense Initiative.

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MARGARET SALWASSER
P.O. BOX 548
REEDLEY, CA 93654

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THE NATIONAL ENDOWMENT FOR THE PRESERVATION OF

# L I B E R T Y

September 19, 1986

Mr. Melvin Salwasser
P.O. Box 548
Reedley, CA 93654

Dear Mel:

The House and Senate have finally approved the military construction bill. It includes $100 million in military and humanitarian aid for the Freedom Fighters in Nicaragua. Now that final passage of the bill is imminent I wanted to take this moment to thank you for your support of our efforts on behalf of President Reagan in this matter.

In September 1985 the National Endowment and Sentinel, our lobbying group, initiated a $4.1 million educational and lobbying campaign which eventually reached twenty five states. The purpose of this year-long campaign was to provide critical support to President Reagan's Central America policies with special focus on aid to the Freedom Fighters in Nicaragua.

Many consider this effort to be the largest of its kind ever undertaken in the foreign policy arena.

Television educational and informational messages were broadcast by NEPL in forty nine congressional districts and the District of Columbia in varying degrees of intensity from March through August (over 140 days). These were broadcast in key districts whose congressmen were undecided on whether to vote for or against aid to the Freedom Fighters. Over $2,500,000 went into this television campaign alone.

Also, $750,000 was spent by Sentinel on direct lobbying efforts in support of the President's aid package. This included: advocacy television messages in thirty two congressional districts; the production of two thirty minute documentaries filmed secretly inside Nicaragua in support of the Nicaraguan Freedom Fighter's cause; active lobbying of Congress by a staff of five; newspaper advertisements in major media markets (New York, and the District of Columbia); and continuous work with Assistant Secretary of State Elliott Abrams.

1331 Pennsylvania Ave., N.W. Suite 350 South Washington, D.C. 20004 (202) 662-8700

$600,000 was spent by the National Endowment to conduct speakers tours by representatives of the Freedom Fighters in twenty seven congressional districts in the five months prior to the first vote in March.

Additionally $85,000 was devoted to nine Washington, D.C. briefings for opinion leaders, political activists, and volunteer supporters of the Nicaraguan Freedom Fighter cause.

On the day in June of the historic house reversal which resulted in a victory for Ronald Reagan on Freedom Fighter aid, it was determined the National Endowment for the Preservation of Liberty and Sentinel had carried the support program for the President in thirty two of fifty one Democratic districts that ultimately stood with the President on this issue.

This nationwide effort would never have been possible without the support of private individuals like yourself who gave of their financial resources to make this campaign possible.

I wanted very much to write and tell you what we have done, as well as include several enclosures which will illustrate our efforts.

Thank you for your continuing committment to Ronald Reagan and the causes he has worked to enact during his historic presidency.

Very sincerely yours,

Kris S. Littledale
Project Director

P.S. I have enclosed copies of the actual television messages which were produced and aired during this campaign. The total audience reached exceeded 35,000,000. I have also enclosed statements from a number of congressmen regarding our Nicaragua effort.

0004079417

TRENT LOTT
5TH DISTRICT, MISSISSIPPI
REPUBLICAN WHIP
RULES COMMITTEE
ADMINISTRATIVE ASSISTANT
JAMES L. BYNUM

# Congress of the United States
## House of Representatives
## Washington, DC 20515

2185 RAYBURN BUILDING
WASHINGTON, DC 20515
202-225-5772

DISTRICT OFFICES
GULFPORT, MS 39501
601-864-7670
HATTIESBURG, MS 39401
601-582-3246
PASCAGOULA, MS 39567
601-762-6435

July 24, 1986

Mr. Spitz Channell, President
The National Endowment for the
Preservation of Liberty
305 - 4th Street, NE
Washington, D.C. 20002

Dear Spitz:

The reception on Monday night was obviously a great success and certainly representative of the various forces that combined to give us the Contra Aid victory on June 25.

Without the efforts of the National Endowment for the Preservation of Liberty and your related organizations, this victory would have been very unlikely. Your association with Dan Kuykendall adds a dimension that is invaluable to me and the other Congressional leaders.

Spitz, please keep up the good work, and it was truly a pleasure to work with an organization which has both the resources and the capability to really contribute to a major legislative victory.

Again, thanks for your help and I look forward to our working together in the future. With warmest best wishes, I am

Sincerely yours,

Trent Lott

Trent Lott

TL:sw

8807417

COMMITTEE ON ARMED SERVICES
COMMITTEE ON SMALL BUSINESS

RICHARD RAY
3d DISTRICT GEORGIA

# United States Congress
## House of Representatives
### Washington, DC 20515

August 26, 1986

Mr. Carl Russell Channell
National Endowment For The Preservation of Liberty
305 Fourth Street
Suite 1000
Washington, D.C. 20002

Dear Mr. Channell:

I am writing to extend my most sincere congratulations to the National Endowment for the Preservation of Liberty.

Over the past 8 months, your program entitled, "Central American Freedom Program," has contributed in a significant way to the progress we have made in Nicaragua.

We are involved not only in a fight to keep our hemisphere free, but also in a battle for the support of the American public. In both arenas, our opponents are shrewd and relentless.

We must all be alert to the need for continued vigilance. It is not enough that we continue to seek the support of our countrymen in this important endeavor. We must labor to make sure that the way we conduct this fight continues to be worthy of their support. Any mistake that we make will be amplified by our skillfull adversaries.

I pledge my continued efforts in this important battle to keep our hemisphere free, and congratulate you again for the outstanding work done by your fine organization.

Sincerely,

Richard Ray

RICHARD RAY
Member of Congress

425 CANNON OFFICE BLDG. • WASHINGTON, DC • (202) 225-5901 • TOLL FREE (GA) 1-800-282-5007

ROBERT H. MICHEL
UNITED STATES CONGRESS

REPUBLICAN LEADER

August 15, 1986

Mr. Spitz Channell, President
The National Endowment of the
Preservation of Liberty
305 4th Street, N.E.
Washington, D. C. 20002

Dear Spitz:

I just want to thank you for the contributions you made to our efforts in the House on behalf of Nicaraguan freedom-fighters.

Obviously, no issue of this high degree of controversy can be won in the House without help from people like you.

We all appreciate your commitment to the cause of freedom.

Sincerely,

Bob

Robert H. Michel
Republican Leader

RHM:lpj

0004079417

COMMITTEES:
JUDICIARY
FOREIGN AFFAIRS

# Congress of the United States
## House of Representatives
### Washington, D.C. 20515

(202) 225-4561

August 7, 1986

Mr. Spitz Channell
President
The National Endowment for the
Preservation of Liberty
305 4th Street, NE
Washington, DC 20002

Dear Spitz:

We in the struggle for freedom are blessed with many good allies, but the few who can match words with resources are indeed rare. Your Central American Freedom Program was a great help in framing the debate here in Congress, and certainly instrumental in helping achieve our victory on June 25th.

Again, I salute you and the National Endowment for the Preservation of Liberty for the fine work you did in support of the cause of freedom in Nicaragua.

Very Truly Yours,

Henry J. Hyde

HJH:pjr

0007477

ROBERT L. LIVINGSTON
1ST DISTRICT, LOUISIANA

APPROPRIATIONS COMMITTEE
SUBCOMMITTEE:
DEFENSE

PERMANENT SELECT COMMITTEE
ON INTELLIGENCE

WASHINGTON OFFICE:
ROOM 2437
RAYBURN HOUSE OFFICE BUILDING
WASHINGTON, DC 20515
(202) 225-3015

DISTRICT OFFICE:
111 VETERANS BLVD.
SUITE 700
METAIRIE, LA 70005
(504) 589-2753

# Congress of the United States
## House of Representatives
### Washington, DC 20515

August 4, 1986

Mr. Spitz Channell
President
National Endowment for the
Preservation of Liberty
305 4th Street, N.E.
Washington, D.C. 20002

Dear Spitz:

When your Central American Freedom Program began to unfold it was clear that your organization had researched the issue well and was ready to help our cause to ultimate victory.

The television messages that your organization produced and the excellent coordination you provided for Nicaraguan leaders was an effective method for educating the public. We have come a very long way from the days of small margins of victory for tiny amounts of aid to the Freedom Fighters. Certainly, without your support the public would have been ignorant of the issues facing the Congress.

I want to congratulate you on a first class effort and to encourage you to continue to involve yourself in the foreign policy arena so that we can continue to win victories like the one on June 25th.

Sincerely,

ROBERT L. LIVINGSTON
Member of Congress

RLL:jb

UNO
United Nicaraguan Opposition

September 9, 1986

Mr. Carl Russell Channell
President
The National Endowment for
the Preservation of Liberty
1331 Pennsylvania Avenue, N.W.
Suite 350S
Washington, D.C. 20004

Dear Spitz:

On behalf of the people of Nicaragua and the United Nicaraguan Opposition we want to thank the National Endowment for the Preservation of Liberty and you personally, for everything you have done in the past year to bring to the attention of the American people the tragedy that is taking place in Nicaragua.

Your continuous efforts, creative television campaign and speakers program were instrumental in mobilizing American public opinion in support of our cause. The people of Nicaragua will be forever indebted to you and to the National Endowment for the Preservation of Liberty for heading that effort.

We especially remember with sincere gratitude your personal advice in assisting each of us as we met with the press and various Congressmen and conveyed the urgency of our cause.

As long as there are freedom-loving people like you and the National Endowment for the Preservation of Liberty, the Freedom Fighters of the world will not stand alone in their fight.

Thank you very much once again and God bless you.

Sincerely,

Adolfo Calero

Arturo J. Cruz

Alfonso Robelo

0004079617

CENTER FOR DEMOCRACY IN THE AMERICAS

*Penn Kemble*
*Chairman*

*Bruce P. Cameron*
*President*

August 7, 1986

Mr. Carl Channell
National Endowment for the
Preservation of Liberty
1331 Pennsylvania Avenue, NW
Suite 350
Washington, DC 20004

0004079418O

Dear Spitz:

We won!

It was a very great pleasure working with NEPL to achieve this great victory. The renewal of the "contra" program under new leadership in the Administration and with increased focus on human rights and democratic principles shows that Democrats like myself can find common ground with conservative Republicans when the stakes are American security and freedom for the people of Nicaragua.

As a Democratic lobbyist I could see that NEPL's television ads and the spokesman program were of decisive importance in bringing the truth about Nicaragua to citizens in the Congressional districts of "swing" voters. I think the American people now have a better understanding of the global nature of the Soviet threat and how it operates in Central America.

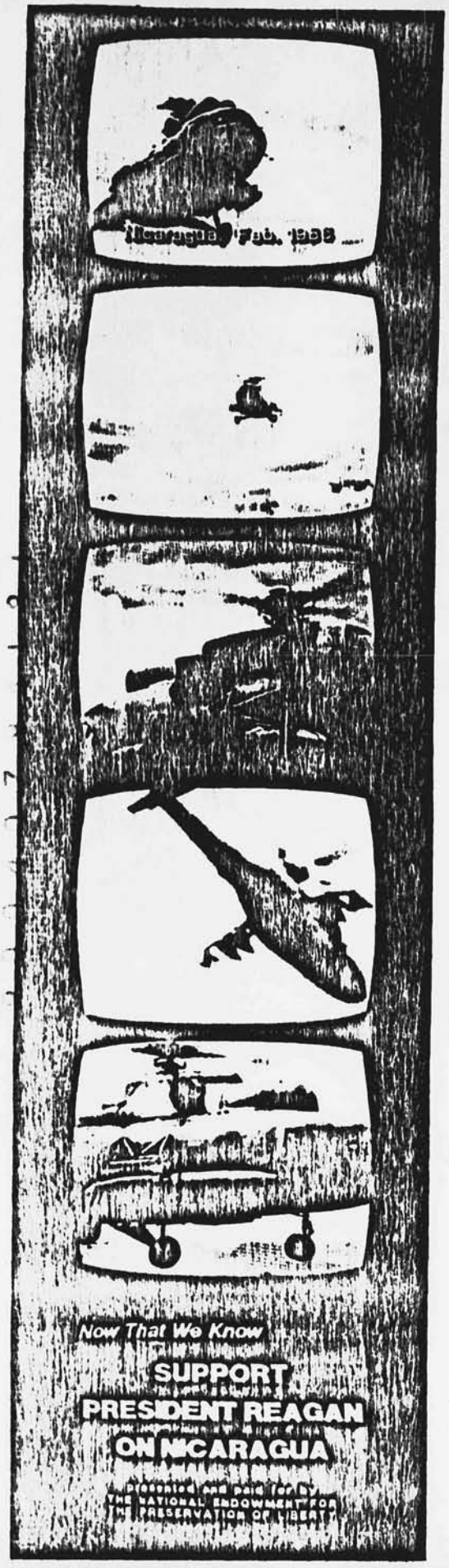
Sincerely,

Bruce P. Cameron

Bruce P. Cameron
President

229 15th Street, N.W. • Suite 940 • Washington, D.C. 20002

SPONSOR: National Endowment for the Preservation of Liberty
TITLE: "Reconnaissance" TIME: 30-sec




Now we know why President Reagan has been right all along about Nicaragua.

*Now*...reports of Soviet pilots flying reconnaissance missions in Central America.

*Now*...nearly a *billion* dollars in Soviet aid and weapons.

The deadliest kind.

All of this only two hours away from where we live.

Support the President on Nicaragua. Now...that we *know*!

SPONSOR: The [redacted] Endowment for the P[redacted]tion of Liberty

**TITLE: "They Are Us"** TIME: 30 seconds

One of the world's most desperate fights for freedom is happening now.

Families fleeing communism who can never return home again.

Men paid only in food, boots and ammunition in a fight for the freedom of their country.

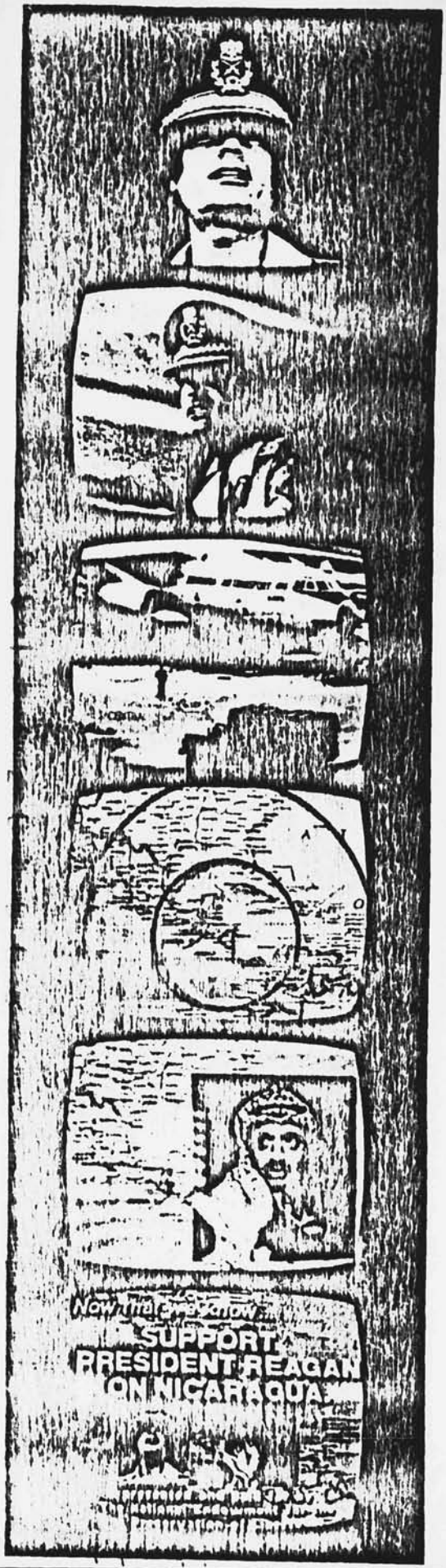
Our country — if any in the world — should stand by their side.

The freedom fighters of Nicaragua.

They are us.

SPONSOR: The National Endowment for the Preservation of Liberty

TITLE: "Terrorist Influence" TIME: 30 seconds




Muammar Kaddafi has plans for America.

He's already threatened to strike at "American citizens in their own streets". Kaddafi used to be far away...

...but now he sits on our doorstep — supplying arms and terrorist experts

to the communists in Nicaragua, only two hours away from our borders,

where training also comes from the P.L.O. terrorists of Yassir Arafat.

Here is terrorism we *can* do something about. If...we support the President on Nicaragua.

THE NATIONAL ENDOWMENT FOR THE PRESERVATION OF

# L I B E R T Y

September 23, 1986

President Ronald Reagan
The White House
Washington, D.C. 20500

Dear Mr. President:

The members of the National Endowment For the Preservation of Liberty, who during this year have given over $3 million to advance your policy goals for freedom in Nicaragua, are also deeply concerned about Soviet military activities in space.

We truly believe that in the realization of your dream-the deployment of the Strategic Defense Initiative-lies your greatest legacy to America and the surest security for freedom in the future.

Your inspired vision, the Strategic Defense Initiative, promises a new era for freedom. Our adversaries are more acutely sensitive to your revolutionary strategic design than many here may appreciate. They now sense and fear the renewed confidence and energy of freedom that your presidency has unleashed.

As early and steadfast supporters of the Reagan Revolution we strongly encourage you to move forward irrevocably from complete development to full deployment of freedom's cosmic shield. Once deployed the forces of freedom will experience a unique age of diplomatic opportunity and strategic security, an age made historic and special because you, Mr. President, through your unwavering dedication to the Strategic Defense Initiative made it so for us and generations to come.

Sincerely,

Spitz Channell
President

Board of Advisors:
Dr. Mary J. Adamkiewicz
Mr. & Mrs. Inman Brandon
Mrs. Barbara Christian
Mrs. Ellen Garwood
Mr. & Mrs. Nelson Bunker Hunt
Mrs. May Dougherty King
Mrs. Barbara Newington
Mr. & Mrs. John Ramsey
Mr. & Mrs. Fred Sacher
Mr. Melvin Salwasser
Mr. William O'Neil
Mr. & Mrs. David Warm

1331 Pennsylvania Ave., N.W. Suite 350 South Washington, D.C. 20004 (202) 662-8700

8704741

District Director

Department of the Treasury

Date: DEC 12 19[illegible]

Employer Identification Number:

Accounting Period Ending:
DECEMBER 31

Foundation Status Classification:
509(a)(1) AND 170(b)(1)(A)(

Advance Ruling Period Ends:
DECEMBER 31, 1986

Person to Contact:
R. D. Brass

Contact Telephone Number:
488-3166

NATIONAL ENDOWMENT FOR THE
PRESERVATION OF LIBERTY
305 FOURTH STREET, N.E. SUITE 100
WASHINGTON, D.C. 20002

Dear Applicant:

Based on information supplied, and assuming your operations will be as stated in your application for recognition of exemption, we have determined you are exempt from Federal income tax under section 501(c)(3) of the Internal Revenue Code.

Because you are a newly created organization, we are not now making a final determination of your foundation status under section 509(a) of the Code. However, we have determined that you can reasonably be expected to be a publicly supported organization described in sections 509(a)(1) AND 170(b)(1)(A)(vi).*

Accordingly, you will be treated as a publicly supported organization, and not as a private foundation, during an advance ruling period. This advance ruling period begins on the date of your inception and ends on the date shown above.

Within 90 days after the end of your advance ruling period, you must submit to us information needed to determine whether you have met the requirements of the applicable support test during the advance ruling period. If you establish that you have been a publicly supported organization, you will be classified as a section 509(a)(1) or 509(a)(2) organization as long as you continue to meet the requirements of the applicable support test. If you do not meet the public support requirements during the advance ruling period, you will be classified as a private foundation for future periods. Also, if you are classified as a private foundation, you will be treated as a private foundation from the date of your inception for purposes of sections 507(d) and 4940.

Grantors and donors may rely on the determination that you are not a private foundation until 90 days after the end of your advance ruling period. If you submit the required information within the 90 days, grantors and donors may continue to rely on the advance determination until the Service makes a final determination of your foundation status. However, if notice that you will no longer be treated as a section * organization is published in the Internal Revenue Bulletin, grantors and donors may not rely on this determination after the date of such publication. Also, a grantor or donor may not rely on this determination if he or she was in part responsible for, or was aware of, the act or failure to act that resulted in your loss of section * status, or acquired knowledge that the Internal Revenue Service had given notice that you would be removed from

change, please let us know so we can consider the effect of the change on your exempt status and foundation status. Also, you should inform us of all changes in your name or address.

As of January 1, 1984, you are liable for taxes under the Federal Insurance Contributions Act (social security taxes) on remuneration of $100 or more you pay to each of your employees during a calendar year. You are not liable for the tax imposed under the Federal Unemployment Tax Act (FUTA).

Organizations that are not private foundations are not subject to the excise taxes under Chapter 42 of the Code. However, you are not automatically exempt from other Federal excise taxes. If you have any questions about excise, employment, or other Federal taxes, please let us know.

Donors may deduct contributions to you as provided in section 170 of the Code. Bequests, legacies, devises, transfers, or gifts to you or for your use are deductible for Federal estate and gift tax purposes if they meet the applicable provisions of sections 2055, 2106, and 2522 of the Code.

You are required to file Form 990, Return of Organization Exempt from Income Tax, only if your gross receipts each year are normally more than $25,000. If a return is required, it must be filed by the 15th day of the fifth month after the end of your annual accounting period. The law imposes a penalty of $10 a day, up to a maximum of $5,000, when a return is filed late, unless there is reasonable cause for the delay.

You are not required to file Federal income tax returns unless you are subject to the tax on unrelated business income under section 511 of the Code. If you are subject to this tax, you must file an income tax return on Form 990-T, Exempt Organization Business Income Tax Return. In this letter, we are not determining whether any of your present or proposed activities are unrelated trade or business as defined in section 513 of the Code.

You need an employer identification number even if you have no employees. If an employer identification number was not entered on your application, a number will be assigned to you and you will be advised of it. Please use that number on all returns you file and in all correspondence with the Internal Revenue Service.

Because this letter could help resolve any questions about your exempt status and foundation status, you should keep it in your permanent records.

If you have any questions, please contact the person whose name and telephone number are shown in the heading of this letter.

Sincerely yours,

District Director

Power of Attorney

J. Curtis Herge
P. Roberts Hollenbeck
Sherman & Herge
Suite 1100

COPIES OF PERSONAL CHECKS
SUBMITTED WITH THIS RESPONSE
HAVE BEEN REMOVED FROM THE PUBLIC FILE

9004079187

TELEGRAM SERVICE CENTER
MIDDLETOWN, VA. 22645
17PM

Western Union Mailgram

1-014534A290 10/17/86 ICS IPMWGWC WSH FOSA
03470 MGM MNWASHINGTON DC 123 10-17 0652P EDT

MR. MELVIN SALWASSER
SALWASSER MANUFACTURING CO P OB XO 548
REEDLEY CA 93654

DEAR:MELVIN

DURING THE NIGHT OF OCTOBER 17TH. THE HISTORIC $100 MILLION DOLLAR AID BILL FOR THE NICARAGUAN FREEDOM FIGHTERS WAS APPROVED BY THE CONGRESS AND SENT TO PRESIDENT REAGAN FOR SIGNATURE. THIS BILL RE PRESENTS THE MOST IMPORTANT CHANGE IN AMERICAN FOREIGN POLICY THINKING IN A GENERATION.

YOUR CONTINUAL HELP HAS ENABLED PRESIDENT REAGAN TO MOVE THE AMERICAN SHIP OF STATE TOWARDS SUPPORT FOR FREEDOM AROUND THE WORLD. LIKE PRESIDENT REAGAN, YOU HAVE SELFLESSLY FOUGHT NOT UNTIL THE END BUT UNTIL VICTORY. I WILL NEVER FORGET YOUR LOYALTY TO THIS CAUSE. YOUR PERSONAL PARTICIPATION HAS BEEN, QUITE HONESTLY, INDISPENSABLE, INVALUABLE, AND IRREPLACEABLE. GOD BLESS YOU AND OUR CAUSE.

SINCERELY,
SPLTZ CHANNELL

19:49 EST

MGMCOMP

United States Department of State

*Assistant Secretary of State*
*for Inter-American Affairs*

*Washington, D.C. 20520*

October 17, 1986

Mr. Carl Russell Channell
President
National Endowment for the
Preservation of Liberty
Suite 350 South
1331 Pennsylvania Avenue, N. W.
Washington, DC 20004

Dear Spitz:

With the passage of the Skelton-Edwards amendment in the House and the Senate's reaffirmation of its earlier support for aid to the Nicaraguan democratic resistance, we are beginning a new, historic chapter in U.S. policy toward Central America. This new hope for democracy in Nicaragua could not have been achieved without your assistance.

Your dedication to the democratic cause and your tireless efforts in telling the story of Nicaraguan suffering at the hands of the Sandinistas were crucial elements in developing the public and political awareness that resulted in Congressional victory.

You have set both a standard and a challenge to which we must all aspire if we are to be successful in Central America.

Sincerely,

Elliott Abrams

0007418

Friends of Freedom

Dear Mel,

I thought the enclosed might be of some interest to you. I'll call you shortly to give you a progress report on the study you've made possible. One tidbit from the report already leaked to some friends here in Washington. As you can see the result has been fairly well covered

Best wishes

Ken

0004007941990

305 Fourth Street N.E. Washington, D.C. 20002 (202)

Arthur J. Finkelstein & Associates
16 North Astor
Irvington, N.Y. 10533
(914) 591-8142

MEMO

TO: Anti-Terrorism American Committee
FR: Arthur J. Finkelstein & Associates
RE: Maryland Democratic Primary Exit Poll

Methodology: This statewide survey of 404 Democratic Primary voters was conducted on Tuesday, Sept. 9th, 1986.

All interviews were conducted by professional interviewers in person as the Democratic Primary voters exited the polls. Interviews were conducted in predetermined election prescints. These prescints were chosen to statistically correlate with actual distribution in statewide Democratic Primaries.

The accuracy of this survey is within +/- 4.9% at a 95% confidence interval.

Analysis: Fully one third of Maryland's Democratic Primary voters -the core of their Party- were at this time not voting for Barbara Mikulski. Linda Chavez receives about two out of every ten Democratic Primary voters with the opportunity to gain more.

Democratic Primary Voters - vote for Senate

| | |
|---|---|
| Linda Chavez | 18.6% |
| Barbara Mikulski | 66.1% |
| Undecided | 15.3% |

Linda Chavez receives a three to two net favorable to infavorable rating among those Democrats with an opinion of her which is strongly correlated to the 38.4% of those Democrats who are favorable to Ronald Reagan. It's only the liberal Democratic voters who are unfavorable to Chavez.

Barbara Mikulski was clearly perceived as a liberal by more than half of all Democratic voters. More than half of these voters say it is true that Linda Chavez supports President Reagan's vision of America -only 3.2% said it was not true. The perception of Chavez's support for Reagan increased substantially among those voters who saw ATAC sponsored ads. It is from this ideological contrast, pivotting on Reagan, where Chavez's opportunity against liberal Barbara Mikulski is. In this regard ATAC's ads were effective and did help attract disaffected conservative and moderate Democrats to Chavez.

THE EMERGENCY COMMITTEE TO SAVE THE REAGAN REVOLUTION

1331 Pennsylvania Avenue, NW
Suite 375 South
Washington, DC 20004
(202) 662-8701

2,000
Oct. 27-86
= 2311

October 22, 1986

Mr. Melvin Salwasser
Salwasser Manufacturing Co., P.O. Box 548
Reedley, CA 93654

Dear Mr. Salwasser:

THE BAD NEWS

It is critical that I tell you that Republican senatorial candidates are now sinking in 6 crucial states. If these candidates lose, the Senate is gone.

Once we've lost the Senate, the Reagan revolution, its hopes, its agenda, and its goals to restore America's strength will be dead. Ronald Reagan will be compromised and defeated as a political leader. The liberals will waste no time in tearing apart the Reagan achievements.

Survey results of mid-October from 6 states now show Republican senatorial candidates consistantly declining. The trend is bad.

In Florida, Paula Hawkins just cannot mobilize the lead. She is trailing by 7%.

In North Carolina, Jim Broyhill is still trailing by 5%.

In Nevada, Santini cannot mobilize a majority. He is trailing by 7%.

In California, Ed Zschau is barely coming to life. He still trails by 8%.

In Alabama, Senator Denton's huge lead has evaporated. The race is even.

In Colorado, Ken Kramer is struggling and is behind by 4%.

If Republican turnout drops just 4.5% on election day, the Senate will be handed over to the liberals. Supported by a liberal House of Representatives, they will humiliate Ronald Reagan the remaining two years of his presidency.

The Emergency Committee to Save the Reagan Revolution is a project of American Conservative Trust.
Paid for by the American Conservative Trust and not by any candidate or candidate's committee.

## THE GOOD NEWS

The President, however, has discovered an immensely popular rallying cry which several national polls indicate could turn the tide in these final days. Remember, we only need to turn 4.5%.

In each of these races listed above, the President's space defense program (SDI) is quickly becoming the big motivational issue, the rallying cry for Republicans.

We of the American Conservative Trust are answering the President's request and are focusing on SDI and Ronald Reagan to rally and motivate our voters in the next two weeks.

The President has urged that, because of ACT's ability to act quickly, we publicize in every way possible the support of his embattled senatorial candidates for SDI. He has also shown the urgent need to expose those liberal candidates who oppose SDI and whose vote against it, if elected, would severely damage America's national security.

Publication of support for SDI among Republican candidates in these critical states <u>where SDI is already very popular</u> will have a tremendous impact on election day. This issue will rally Republican supporters. It will mobilize and motivate that crucial 4.5% of complacent or undecided voters to come out on election day and vote for Ronald Reagan senatorial candidates.

## WHAT TO DO

But none of this can or will happen without your personal commitment and financial help.

We have our Reagan/SDI television ads <u>ready</u>. We have our Reagan/SDI radio ads <u>ready</u>. We have get-out-the-vote newspaper ads <u>ready</u>. For Republicans, election day motivation will be crucial. If you wish to hear scripts, call (202) 662-8700.

All we need is the financial support you alone have the power to provide at this time.

We do not need to lose the Senate. But...

Tremendous sacrifice is now required for us to now hold the Senate. After all, we must motivate conservative democrats to cross the ballot--a difficult task any time--if Reagan republican senatorial candidates are to win. We must have democrat votes while also motivating our own.

900407-4193

And now our backs are against the wall.

Time--every day--is precious.

If you will send your maximum support now, you will enable us to rally and mobilize this crucial vote. We must move just under 5% in these important states. Your final election contribution of $1,000 to $5,000, made payable to the American Conservative Trust, will have a great and immediate impact and save the Reagan Revolution. Your money will be used to go on the air at once.

These are the last moments. If we lose, all of Ronald Reagan's effort is doomed. If a restored America is to be preserved, we must perservere now.

The battle to keep the Senate is tough. Being a majority is tough. Governing is tough. Guiding the greatest nation is tough. The liberals want all of this back. They are hungry for control again.

The liberals are motivated nationwide. They smell victory coming. With your help, we will stop this trend dead in its tracks. This is my only political request to you for this election.

We cannot lose this battle. We cannot lose this war. America's future is too important to surrender to the liberals now. Please send your largest contribution possible today.

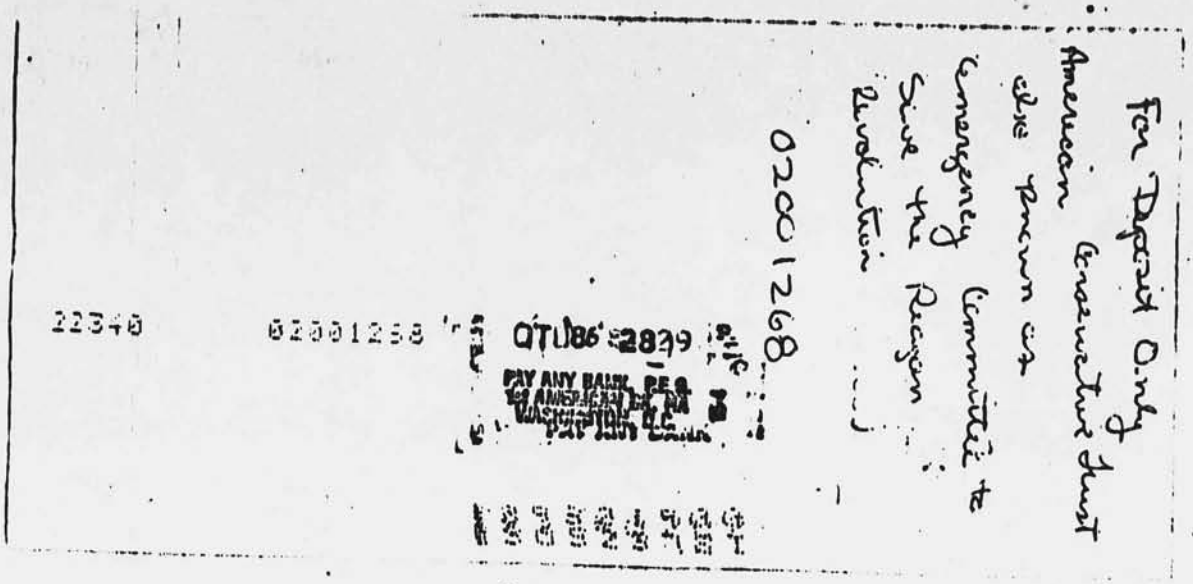
Toward victory for the President a final time.

Many thanks for all that you are doing,

Spitz Channell
President

P. S. Please use the stamped enclosed return envelope for your response.

Note: We are also running this campaign in Texas against Bryant (TX5), Coleman (TX16), and Jim Wright (TX10).




**CROCKER NATIONAL BANK** 2311

REEDLEY OFFICE
1603 ELEVENTH STREET, REEDLEY, CALIFORNIA 93654

3-7-27 19 86 11-8/1210

PAY TO THE ORDER OF Emergency Committee for Reagan Revs $ 2,000.00

Two THOUSAND AND NO/100 DOLLARS

**MELVIN SALWASSER**
**MARGARET SALWASSER**
P.O. BOX 548
REEDLEY, CA 93654

Melvin Salwasser

⑈121000086⑈ 2311 073080126⑈33 ⑈0000200000⑈

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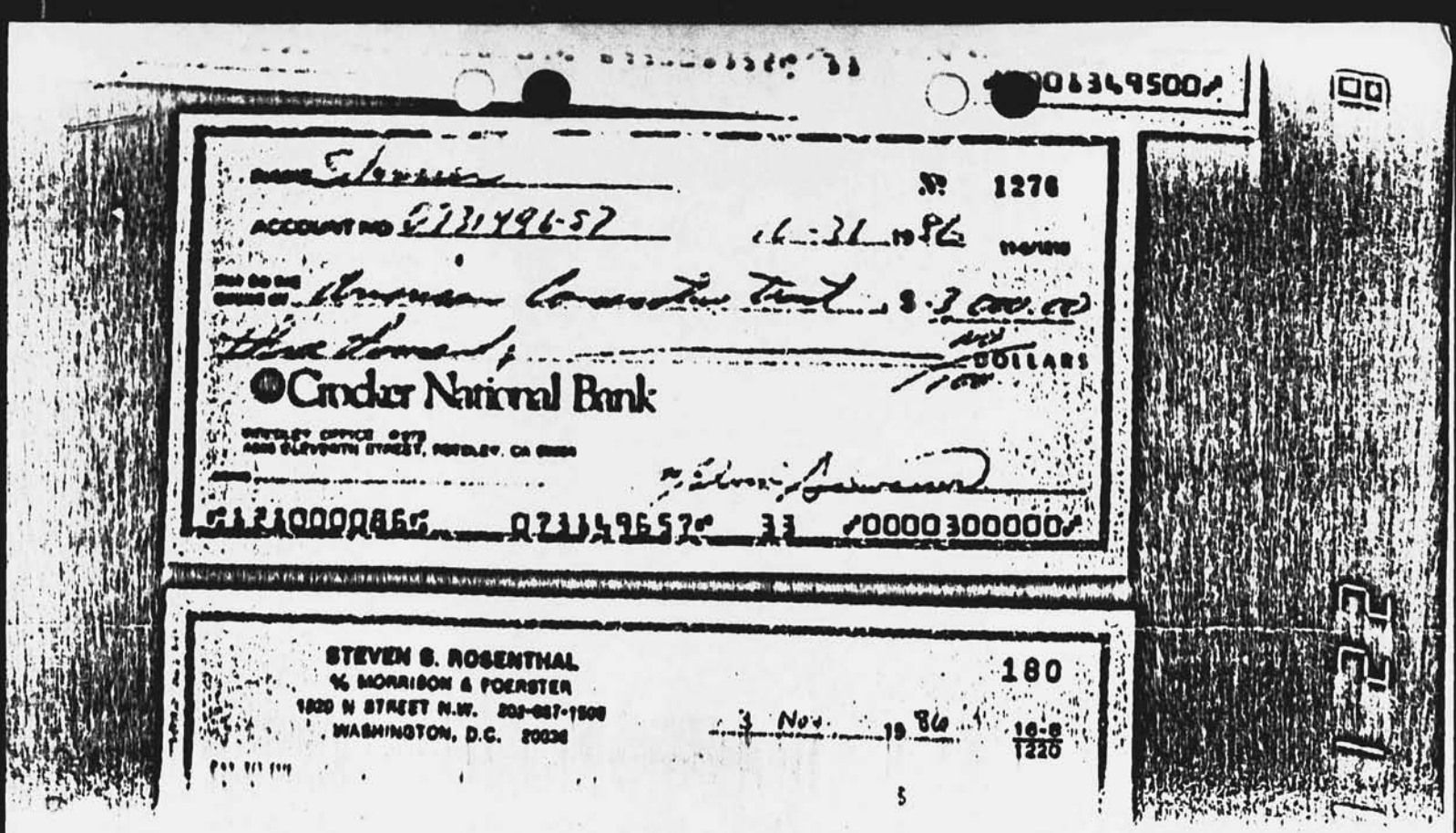

Clinton

№ 1276

ACCOUNT NO 0231496-52

6-31 19 86

PAY TO THE ORDER OF Clinton Committee Fund $ 3,000.00

Three thousand

DOLLARS

Crocker National Bank

Steven S. Rosenthal

0231496570 33 0000300000

STEVEN S. ROSENTHAL
% MORRISON & FOERSTER
1920 N STREET N.W. 202-887-1500
WASHINGTON, D.C. 20036

180

3 Nov 19 86

16-8
1220

PAY TO THE ORDER OF

$

21

Internal Revenue Service
District Director

Department of the Treasury

Date: JUN 05 1986

Employer Identification Number:
52-1442531
Accounting Period Ending:
December 31
Foundation Status Classification:
509(a)(1) & 170(b)(1)(A)(vi)*
Advance Ruling Period Ends:
December 31, 1987
Person to Contact:
R. Hutchins
Contact Telephone Number:
(301) 962-4774

American Conservative Foundation
Ste 200, 8201 Greensboro Drive
McLean, VA 22101

Dear Applicant:

Based on information supplied, and assuming your operations will be as stated in your application for recognition of exemption, we have determined you are exempt from Federal income tax under section 501(c)(3) of the Internal Revenue Code.

Because you are a newly created organization, we are not now making a final determination of your foundation status under section 509(a) of the Code. However, we have determined that you can reasonably be expected to be a publicly supported organization described in section 509(a)(1) & 170(b)(1)(A)(vi)*

Accordingly, you will be treated as a publicly supported organization, and not as a private foundation, during an advance ruling period. This advance ruling period begins on the date of your inception and ends on the date shown above.

Within 90 days after the end of your advance ruling period, you must submit to us information needed to determine whether you have met the requirements of the applicable support test during the advance ruling period. If you establish that you have been a publicly supported organization, you will be classified as a section 509(a)(1) or 509(a)(2) organization as long as you continue to meet the requirements of the applicable support test. If you do not meet the public support requirements during the advance ruling period, you will be classified as a private foundation for future periods. Also, if you are classified as a private foundation, you will be treated as a private foundation from the date of your inception for purposes of sections 507(d) and 4940.

Grantors and donors may rely on the determination that you are not a private foundation until 90 days after the end of your advance ruling period. If you submit the required information within the 90 days, grantors and donors may continue to rely on the advance determination until the Service makes a final determination of your foundation status. However, if notice that you will no longer be treated as a section * organization is published in the Internal Revenue Bulletin, grantors and donors may not rely on this determination after the date of such publication. Also, a grantor or donor may not rely on this determination if he or she was in part responsible for, or was aware of, the act or failure to act that resulted in your loss of section * status, or acquired knowledge that the Internal Revenue Service had given notice that you would be removed from classification as a section * organization.

(over)

If your sources of support or your purposes, character or method of operation change, please let us know so we can consider the effect of the change on your exempt status and foundation status. Also, you should inform us of all changes in your name or address.

As of January 1, 1984, you are liable for taxes under the Federal Insurance Contributions Act (social security taxes) on remuneration of $100 or more you pay to each of your employees during a calendar year. You are not liable for the tax imposed under the Federal Unemployment Tax Act (FUTA).

Organizations that are not private foundations are not subject to the excise taxes under Chapter 42 of the Code. However, you are not automatically exempt from other Federal excise taxes. If you have any questions about excise, employment, or other Federal taxes, please let us know.

Donors may deduct contributions to you as provided in section 170 of the Code. Bequests, legacies, devises, transfers, or gifts to you or for your use are deductible for Federal estate and gift tax purposes if they meet the applicable provisions of sections 2055, 2106, and 2522 of the Code.

You are required to file Form 990, Return of Organization Exempt from Income Tax, only if your gross receipts each year are normally more than $25,000. If a return is required, it must be filed by the 15th day of the fifth month after the end of your annual accounting period. The law imposes a penalty of $10 a day, up to a maximum of $5,000, when a return is filed late, unless there is reasonable cause for the delay.

You are not required to file Federal income tax returns unless you are subject to the tax on unrelated business income under section 511 of the Code. If you are subject to this tax, you must file an income tax return on Form 990-T, Exempt Organization Business Income Tax Return. In this letter, we are not determining whether any of your present or proposed activities are unrelated trade or business as defined in section 513 of the Code.

You need an employer identification number even if you have no employees. If an employer identification number was not entered on your application, a number will be assigned to you and you will be advised of it. Please use that number on all returns you file and in all correspondence with the Internal Revenue Service.

Because this letter could help resolve any questions about your exempt status and foundation status, you should keep it in your permanent records.

If you have any questions, please contact the person whose name and telephone number are shown in the heading of this letter.

Sincerely yours,

Teddy R. Kern

Teddy R. Kern
District Director

cc: Donna L. Miller • J Curtis Herge
Herge, Sparks, Christopher & Biondi
Ste 200, 8201 Greensboro Dr.
McLean, VA 22102

THE WALL STREET JOURNAL.

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FRIDAY, JULY 18, 1986

# The Contra War Takes Casualties Within the NSC

## Capital Chronicle

By Suzanne Garment

Here is your Washington Insider Multiple Choice Puzzle (WIMP) for the week. You are a Reagan foreign policy adviser back in the early 1980s. Military aid for the contras may never make it through Congress. While the government stews indecisively, a staffer at the National Security Council plays a big role in maintaining contact with the contras and helping them get aid from private sources. Fast forward to 1986. Congress may finally approve military help. What should you do about the NSC staffer who served as liaison to the contras through these years?

(a) Shower him with glory.
(b) Take him to lunch.
(c) Give him a big, fat demotion.

The answer is (c), of course, which means that Lieutenant Colonel Oliver North is in trouble.

Col. North is a Marine infantry officer much decorated in Vietnam. He has a skill with words along with his flair for combat, and in 1981 he went to the NSC. He sat on the interagency committee that handled the political-military part of the U.S. Central America policy.

The job grew and became more complicated. Sometimes there was a congressional ban on U.S. military aid to the contras. Sometimes there was no aid at all. So as part of his job Col. North assisted the contras in getting military supplies from other places around the world.

If you ask about Col. North among people who know this period, they will say with fair uniformity that he had a substantial part in keeping the contras alive.

The job had hazards. It is full of secrets that are truly dangerous to reveal: the identity of people supplying the contras with East bloc weapons, for instance, or the names of black market traders who get the contras the Nicaraguan currency they need to buy food.

People who work in Col. North's world make inviting political targets. He has had his truck tires slashed and the family dog poisoned. More important, he has collided with the strategy that opponents of the contra aid package are now using to wage their fight.

Over the past five years, in hand-to-hand legislative combat, pro-contra forces have beaten down the anti-contra faction. The House has now voted military aid to the rebels. But the antis do not accept even such a frontal defeat.

Senators against contra aid are planning a filibuster. Opponents are also falling into post-Vietnam, post-Watergate formation. Having lost the vote, they will try to change the question and have the other side declared criminal.

So Sen. Alan Cranston has called for an investigation of the role that the dread CIA will play in contra operations. Sen. John Kerry is riding the theme of the contras as drug runners. Rep. Michael Barnes requisitioned a study from the General Accounting Office that he claimed raised dire questions about what happened to the last batch of U.S. funds for the contras.

A new face has just joined this company. Rep. Ronald Coleman, two-term Democrat from Texas, has introduced a resolution directing the president to turn over all of Col. North's records on any contacts he has ever had with anyone in the Nicaraguan resistance or any private parties providing any aid to the resistance.

With a resolution like this, if you can extract some records from the executive branch, there's always the off chance you'll come up with something. If you don't get any information, you can still have a good time denouncing a "coverup."

So the Reagan administration has rushed as one to the defense of Col. North, right? Wrong. A plan being carried out now at the NSC will turn the biggest chunk of his Central America functions over to someone else.

Why? For complex reasons, of course. Some people say there are good organizational reasons, and that it is time to regularize Col. North's activities. By the end of 1984, at least one top NSC official "thought that Ollie had to be put into a box."

Other people talked personalities. "Ollie is not a publicity seeker," said one person who has taken part in the policy discussions. "But sometimes he is extremely emotional."

Behind these arguments lurk less pretty ones. A couple of people noted that because of publicity, Col. North is now a "hot potato," drawing fire from Congress and limited in his usefulness. And clearly there are NSC staffers who very much dislike him. "Bad blood," an observer put it.

You have here all the classic elements of the Washington drama. Opponents of the contra aid program fight it by trying to create an aura of scandal around it. Col. North is a target of opportunity. The threat from Congress plops down into the hospitable swamp of internal administration politics. Some people hate Col. North. Some do not like his organizational style. Some think they should protect the president by not leaving vulnerable troops out on the field for the enemy to take as hostages.

Better to shoot the wounded instead.

Democratic politics is often cruel to the people at the top, and no one should wish it otherwise. Furthermore, Col. North is not just lying there waiting for the ax; he has plenty of resources in the fight. But there have to be limits to internal administration carnage. For senior officials to turn their backs on a man with Col. North's record at a time when he is under outside attack is simply not decent behavior.

Moreover, it is dumb. People on a scandal hunt do not go where behavior is most truly scandalous. Instead they go straight to the spot where they smell weakness. If the NSC devalues Col. North, his adversaries outside the government will see to it that the subject continues to mobilize the administration.

ML —

The youngest Lt. Col. in Marine history. What price will the liberals make him pay?

THE NATIONAL ENDOWMENT FOR THE PRESERVATION OF

# L I B E R T Y

Dear Mel,

Enclosed is the SDI Book I Mentioned. It contains more information on the political aspects of SDI than any other single reference work. It was prepared by our Lobbying organization, Sentinel. The White House political office uses this as their reference work for SDI Lobbying.

The 1985 and 1986 SDI House votes clearly indicate SDI friends and enemies. They also indicate the all important swing votes. These are the congressmen that really determine the fate of SDI. Hope you'll find this useful.

Best Wishes,

Kris

1331 Pennsylvania Ave., N.W. Suite 350 South Washington, D.C. 20004 (202) 662-8700

THE NATIONAL ENDOWMENT FOR THE PRESERVATION OF

# L I B E R T Y

December 11, 1986

Mr. Melvin Salwasser
P. O. Box 548
Reedley, CA 93654

Dear Mr. Salwasser':

We have just received these and Spitz wants you to have a copy.

As usual, if I can be of assistance to you please don't hesitate to call me.

Sincerely,

Rafael E. Flores
Director of Public Affairs

1331 Pennsylvania Ave., N.W. Suite 350 South Washington, D.C. 20004 (202) 662-8700

# SENTINEL

1986 SDI Congressional Handbook

# PUBLIC REPORT OF THE VICE PRESIDENT'S TASK FORCE ON COMBATTING TERRORISM

FEBRUARY 1986

ACU

American Conservative Trust

Victory in 86

January 23, 1987

Mr. Melvin Salwasser
P.O. Box 548
Reedley, CA 93654

Dear Mr. Salwasser:

Our auditors are making an examination of our financial statements and wish to obtain direct confirmation of your contributions to us during calendar year 1986.

Our records for those years indicate that you contributed amount:

1986

$5,000.00

Please compare the above data with your records, note any exceptions in the space provided below, sign and return via Federal Express directly to our auditors, Simmermacher & Felts Certified Public Accountants, 1023 Potomac Street, N.W., Washington, D.C. 20007.

A pre-paid, addressed, Federal Express envelope is enclosed for your convenience. Please call Federal Express to arrange for them to pick up the envelope at your home or office.

Your prompt attention to this request will be appreciated.

Sincerely yours,

Daniel Lynn Conrad (mE)

Daniel L. Conrad
Executive Director

The above is correct except as noted below:

American Conservative Trust Oct 31-86 ck # 1276 3,000.00

Emergency Comm. for Reagan Revolution Oct 27-86 ck # 2311 2,000.00

5,000.00

FEB 9-87
Date

Melvin Salwasser
Signature

1331 Pennsylvania Avenue, N.W., Suite 375 South • Washington D.C. 20004 (202) 662-8701

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

January 27, 1988

John E. Loomis
Staniford, Harris & Loomis
1221 Van Ness Avenue, Suite 310
Fresno, CA 93721

RE: MUR 2406

Dear Mr. Loomis:

Pursuant to an investigation in the above-referenced matter, the Federal Election Commission sent your client, Melvin Salwasser, a set of interrogatories and request for documents as a witness.

On Janaury 21, 1988, the Office of the General Counsel received your client's response to the Commission request. A review of this response shows that your client has fully complied with the request.

The Commission appreciates your client's cooperation in this matter. If you should have any further questions regarding the request or your client's response, please contact Michael Marinelli, the staff member assigned to this matter at (202) 376-5690.

Sincerely,

Lawrence M. Noble
General Counsel

By: Lois G. Lerner
Associate General Counsel

2004074200

HAND DELIVERED

RECEIVED
FEDERAL ELECTION COMMISSION
MAIL ROOM

88 JAN 21 AM 11:06

CCC#5201


SMITH AND SMITH
ATTORNEYS
400 NORTH, FIRST TRUST CENTRE
200 SOUTH FIFTH STREET
LOUISVILLE, KENTUCKY 40202

TELEPHONE
587-0781
AREA CODE 502

JAMES U. SMITH, JR.
1914-1977
S. RUSSELL SMITH
1921-1973

JOSEPH A. WORTHINGTON
JAMES U. SMITH III
ANDREW J. RUSSELL
S. RUSSELL SMITH, JR.
W. KEVIN SMITH
ROBERT J. SCHUMACHER


January 20, 1988

Mr. Michael Marinelli, Staff Member
Office of the General Counsel
Federal Election Commission
Room 659
999 E Street, N.W.
Washington, D.C. 20463

Federal Express
Airbill Number:
5901515012

RECEIVED
FEDERAL ELECTION COMMISSION
OFFICE OF GENERAL COUNSEL

88 JAN 21 PM 12:54

Re: Barbara Bullitt Christian;
Interrogatories And Request
For Production Of Documents
In the Matter Of: MUR 2406

Dear Mr. Marinelli:

Enclosed please find our client's Answers To Interrogatories And Request For Production Of Documents, and attached exhibits, which we are herewith filing with your Office.

Mrs. Christian was happy to cooperate with your Office in the investigation of this matter, but she also wishes to advise you that, by answering the Interrogatories And Request For Production Of Documents propounded to her, she is not waiving or relinquishing any legal right or privilege she may have under the laws and Constitution of the United States, and that nothing contained in the enclosed Answer, and attached exhibits, shall be deemed, held or construed to be a waiver or relinquishment of any such legal right or privilege.

We appreciate your consideration, and that of Mr. Lawrence M. Noble, in so promptly granting our client's request for an extension of time until the close of business on Thursday, January 21, 1988, in which to file her answer with your Office.

Sincerely yours,

S. Russell Smith, Jr.

S. Russell Smith, Jr.

SRS/ac

9004074207

**BARBARA BULLITT CHRISTIAN**

**ANSWERS TO**

**INTERROGATORIES AND**

**REQUEST FOR PRODUCTION OF DOCUMENTS**

Comes Barbara Bullitt Christian and, for her Answers to the Interrogatories And Requests For Production Of Documents propounded to her by the Federal Election Commission, states as follows:

Interrogatory 1. State whether you made any gifts of money to the National Endowment for the Preservation of Liberty, Sentinel, the American Conservative Trust, or the American Conservative Trust State Election Fund in 1985 or 1986.

a. If so, state the date and the amount and the payee of all such gifts.

b. Provide a true copy of the front and back of all checks by which such gifts were made.

c. Provide true copies of all correspondence and all other writings related to the making of these gifts.

Answer 1. I made contributions to all of the entities mentioned in Interrogatory 1.

9014074208

a. The date, check number, amount and payee of the gifts mentioned in Answer 1 are as follows:

| DATE | CHECK NO. | PAYEE | AMOUNT |
|---|---|---|---|
| 4/13/85 | 4270 | American Conservative Trust State Election Fund | 500.00 |
| 4/24/85 | 4350 | American Conservative Trust | 200.00 |
| 6/6/85 | 4406 | NEPL | 2,500.00 |
| 6/26/85 | 626 | NEPL | 2,500.00 |
| 7/6/85 | 4440 | NEPL | 1,630.00 |
| 8/22/85 | 4521 | NEPL | 3,000.00 |
| 8/22/85 | 630 | NEPL | 12,000.00 |
| 9/10/85 | 4545 | NEPL | 3,000.00 |
| 9/10/85 | 634 | NEPL | 300.00 |
| 11/19/85 | 4619 | NEPL | 9,000.00 |
| 12/12/85 | 4649 | NEPL | 567.00 |
| 12/12/85 | 643 | NEPL | 567.00 |
| 3/14/86 | 656 | NEPL | 1,000.00 |
| 4/7/86 | 4840 | NEPL | 1,000.00 |
| 5/1/86 | 4892 | ATAC | 1,500.00 |
| 5/1/86 | 661 | ATAC | 3,500.00 |
| 6/18/86 | 4961 | Sentinel | 1,200.00 |
| 6/18/86 | 666 | Sentinel | 500.00 |
| 7/29/86 | 5037 | NEPL | 2,000.00 |

| | | | |
|---|---|---|---|
| 9/26/86 | 5103 | NEPL | 3,000.00 |
| 10/6/86 | 5133 | NEPL | 1,000.00 |
| 10/10/86 | 5146 | NEPL | 750.00 |
| 10/28/86 | 5181 | American Conservative Trust | 1,000.00 |
| 12/1/86 | 5216 | Sentinel | 3,000.00 |
| 12/1/86 | 694 | Sentinel | 2,000.00 |

b. See the attached Exhibits A through Y.

c. True copies of all of the correspondecne I could find regarding contributions to these entities are attached hereto as Exhibits AA through EE.

Interrogatoy 2. State whether the National Endowment for the Preservation of Liberty, Sentinel, the American Conservative Trust, or the American Conservative Trust State Election Fund requested or solicited gifts of money from you in 1985 or 1986.

a. If such request(s) or solicitation(s) was (were) made by telephone, state the date(s) of all such telephone calls, identify the person(s) who made the request(s) or solicitation(s) or call(s) and all other person(s) who participated in the telephone calls, identify the organization(s) on whose behalf the request(s) or solicitation(s) was

(were) made, and describe in detail the content of all such telephone calls.

b. If such request(s) or solicitation(s) was (were) written, provide true copies of all such requests or solicitations that you received.

c. If such request(s) or solicitation(s) was (were) made personally or face to face, state the date and place of all such meetings, identify the person(s) participating in each meeting and the organization(s) on whose behalf the request(s) or solicitation(s) was (were) made, and describe in detail the content of all such meeting, and provide all documents relating to such request(s) or solicitation(s).

d. If you are unable to provide a true copy of any written document, state each and every reason why you are unable to do so, identify the person(s) who signed the document and each organization on whose behalf it was made and the date of each document, and describe in detail the content of all such documents.

e. If you are unable to provide any specific fact, state each and every reason why you are unable to do so.

Answer 2. Yes, these entities did solicit contributions from me in 1985 and 1986.

a. I have no idea of any specific telephone dates. I received several telephone calls from different people at various times during 1985 and 1986 wanting me to help the Nicaraguan Freedom Fighters. I recall receiving telephone calls from Russell Channel (NEPL), Clifford Smith (NEPL) and Jane McLoughlin (NEPL). I believe, but am not certain, that I received one telephone call from Daniel Conrad and someone, whose name I do not recall, from PODEMCA. The individuals named above were also, to the best of my knowledge, associated with the other entities mentioned herein besides NEPL, but I do not know what each of their respective positions were with these entities. I may have received other telephone calls from individuals associated with the entities mentioned herein, but I do not recall the name or names of the individuals who made any such calls or the substance of them. None of these telephone conversations were lengthy. In fact, to the best of my recollection, these telephone conversations were very brief. I do not recall the specific

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substances of these telephone conversations, other than each one did involve a request to monetarily support the entity represented by the caller in order that it might be able to provide aid to the Contras.

b. See Exhibits AA through EE attached hereto, which are true copies of the correspondence I received regarding making contributions to these entities.

c. In the summer of 1985, I went to a dinner at the Hays Adam hotel in Washington, D.C. The only person I recognized was Russell Channel whom I had met a few years back at some NCPAC meetings. After dinner, someone, I am not sure who, asked for contributions from those individuals present to provide help for the Freedom Fighters. As usual, people sat like bumps on a log, so I volunteered and said I would give the equivalent of 5 Krugerands at the next London a.m. fix. Gold then was around $300.00 an ounce so I gave about $1500 - 1600 and it went to N.E.P.L. There may have been a few other occassions when I was in Washington, D.C. for a meeting with Russell Channel and some of his associates and one of them approached me to make a contribution to one of the entities named

herein. I do not recall the date or dates of any of these meetings. However, in each case the discussion centered around the need to support the Contras with food, clothing, medical supplies and like items in their fight against the Communists. I was unable to find any documents relating to personal requests for contributions other than the ones which are attached hereto as exhibits.

d. Exhibits AA through EE set forth all of the requested documentary information in my possession. It is possible that I may have received other documents, but I do not recall what kinds of documents they may have been and I probably either lost them or threw them away not realizing at that time that such documents would later become needed in connection with this investigation. It is also possible that Mr. David Zornow of the Walsh Commission may have some additional documents in his files which I supplied to him in early 1987, but which I do not now have. Please feel free to contact Mr. Zornow to obtain copies of the documents I provided to him. If Mr. Zornow has any of the requested documents in his possession and these same documents are not included in the



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attached exhibits, then I must have misplaced, lost or threw away such documents because I did not find them when I was gathering information to answer these Interrogatories.

e. The reasons for my not being able to supply some of the requested documents are as follows:

(i) I thought when I was in Washington, D.C. in 1987 and appeared before Mr. Zornow that my appearance at that time ended my involvement in any of the investigations pertaining to the entities mentioned herein. I had absolutely no idea that the Federal Election Commission would begin a separate investigation of its own approximately seven months after I had finished giving Mr. Zornow information regarding my contributions to the entities mentioned herein. I did not think my contributions to these entities would, some two years later, cause me to become involved in hearings in Washington and now these Interrogatiories And Request For Production Of Documents. At the time I received telephone calls and correspondence from each of the entities named herein, I did not think that there would be any problem with my making contributions to them, and so I did not keep all of

the documents (letters, etc.) which were sent to me. Without having these documents, it is simply not possible for me to recall the date of each document, who signed it and the organization on whose behalf it was sent.

(ii) I do not, in the normal course of my daily living, make written notes of telephone calls. If someone calls to ask me to go to dinner, I will make a note of where and at what time I am supposed to meet that person, but I do not keep these notes. Similarly, I did not keep notes of telephone calls I received from any individuals connected with the entities mentioned in these Interrogatories. In addition, I did not keep any notes of any meeting I may have had with Russell Channel or anyone else involved in the entities named herein.

(iii) The information requested of me in these Interrogatories goes back to 1985 and 1986, two to three years ago. Except as otherwise stated in these answers, I simply do not remember the specifics of telephone conversations or meetings I may have had with representations of the entities named herein. To the extent that I recall the name of someone who did so call me in 1985 and 1986, I

have set that information forth in these Interrogatories. Any telephone calls or meetings I had with any individuals associated with any of these entities would have involved the Communist threat in Central America, the Contras efforts against the Communists, and the need to support the Contras.

Interrogatory 3. State whether person(s) who requested or solicited gifts of money from you in 1985 or 1986 on behalf of the National Endowment for the Preservation of Liberty, Sentinel, the American Conservative Trust, or the American Conservative Trust State Election Fund, in any manner, informed you or represented to you that such gifts would be used to pay for the costs of television advertisements relating to the Nicaragua Freedom Fighters (or Contras) or the Strategic Defense Initiative. If so, identify the person(s) who so informed you and the organization(s) on whose behalf such funds were sought and the date(s) of all such communications and describe in detail what you were told.

Answer 3. Yes, I was informed on a couple of occassions that one or more of my contributions would be used to pay for television advertising relating to the Contras and the Strategic Defense

Initiative. At this time, I do not recall the names of the individuals who telephoned me or the dates they called - I did not keep any written record of these telephone calls just as I do not keep any written record of any of my telephone calls. However, I believe, but am not certain, that one or two of the same individuals (which ones I am not really certain), named in Answer 2.a. are probably the ones who mentioned to me what my contributions would be used for, whether for television advertisements or aid to the Contras.

Interrogatory 4. State whether person(s) who requested or solicited gifts of money from you in 1985 or 1986 on behalf of the National Endowment for the Preservation of Liberty, Sentinel, the American Conservative Trust, the American Conservative Trust State Election Fund, in any manner, informed you or represented to you that such gifts were in connection with or for the purpose of influencing any election for Federal office (such as for the House of Representatives or the Senate). If so, identify the person(s) who so informed you or made such representations and the organization(s) on whose behalf such statements were made and the date(s) of all such communications and describe in detail what you were told. Provide copies of all documents relating to such statements or representations.

Answer 4. One or more individuals who solicited contributions from me during 1985 and 1986 told me that if I contributed, my contributions would be used to influence Federal elections. I do not recall who these individuals were, although they probably were some of the same ones whose names are set forth in Answer 2.a. I do recall that one telephone caller, whose name I do not recall, specifically mentioned defeating Michael Barnes, who was then running for the United States Senate. I do not recall the specific details of this telephone conversation. The only thing I do recall about this conversation is that money was being raised to help defeat Barnes in his campaign for election, and I was asked to make a contribution in support of this effort, which I agreed to do. A true copy of the document relating to such statements or representations is attached hereto as Exhibit CC.

Interrogatory 5. Identify all persons (other than your attorney) including the news media to whom you have made other statements, either written or oral, about gifts of money or solicitations or requests for such gifts you may have made to the National Endowment for the Preservation of Liberty, Sentinel, the American Conservative Trust, or the American Conservative Trust State Election Fund. State the date of all such statements and provide a copy of all written statements you have made to such persons or describe in detail the content of all such statements.

Answer 5. A copy of a fund-raising letter I sent out is attached hereto as Exhibit FF. I paid personally for the stationary. I was asked to set up the NEPL Kentucky Committee when I attended a fund raising event in Washington, D.C. in very early 1986. I do not recall specifically who asked me to set up this Committee, but since Russell Channel was at this meeting it was probably him or one of his associates. I sent this letter to approximately 90 Kentuckians whose names I do not now recall and I did not keep a list of to whom I sent this letter. No more than 8-10 people responded to this letter, and I think I only raised about $3,000.00 from this letter. Any checks I received in response to this letter, I immediately sent them to NEPL in Washington, D.C. I did not keep a list of who sent in a contribution as a result of receiving this letter. Other than Exhibit FF, I made no written atatements to anyone regarding these matters. I undoubtedly mentioned or discussed the Contras and the Communists threat to individuals with whom I associate from time to time, such as at cocktail parties, but I an unable to recall the dates on which these discussions took place and the names of the other individuals involved in these discussions. I do not recall the specifics of these conversations, but the substance of them undoubtedly was Communism and the Contras efforts against Communism.

I hereby swear or affirm that the information set forth above in my Answers to the Interrogatories And Request For Production Of Documents is true and correct to the best of my recollection, knowledge and belief.

Barbara Bullitt Christian

Barbara Bullitt Christian

Subscribed and sworn to before me by Barbara Bullitt Christian, to me personally known, in this 20th day of January, 1988.

Notary Public
State-at-Large

My Commission Expires January 26, 1988.

0004079422 1

COPIES OF PERSONAL CHECKS
SUBMITTED WITH THIS RESPONSE
HAVE BEEN REMOVED FROM THE PUBLIC FILE

9004079422 2

MAILGRAM SERVICE CENTER
MIDDLETOWN, VA. 22645
09PM

Western Union Mailgram

1-015407A160012 06/09/86 ICS IPMWGWJ WSH LVLB
00901 MGM CHWASHINGTON DC 500 06-09 702P EDT

EXHIBIT AA

MRS BARBARA BULLITT CHRISTIAN
3601 AXTON LANE
GOSHEN KY 40026

PRESIDENT REAGAN'S DREAM FOR AMERICA'S FUTURE SECURITY, HIS STRATEGIC DEFENSE INITIATIVE, IS IN CRITICAL DANGER OF DEFEAT OR CRIPPLING COMPROMISE IN THE CONGRESS.

A VAST NATIONWIDE EDUCATION AND INFORMATION PROGRAM IS REQUIRED NOW TO MOBILIZE AMERICAN OPINION AND MAKE IT HEARD IN SUPPORT OF PRESIDENT REAGAN'S DEFENSE GOALS OF SAVING THE STRATEGIC DEFENSE INITIATIVE.

YOU ARE WELL KNOWN AND RESPECTED BY US ALL AS A STRONG AND LOYAL ADVOCATE FOR THE PRESIDENT'S POLICIES. AT THIS MOMENT, HE MUST COUNT ON HIGHLY PATRIOTIC INDIVIDUALS AND LONG-TIME FRIENDS LIKE YOU TO IMMEDIATELY COME TO SUPPORT AND PROTECT HIS DREAM, THE STRATEGIC DEFENSE INITIATIVE.

THE NATIONAL ENDOWMENT FOR THE PRESERVATION OF LIBERTY, A NATIONAL TAX-EXEMPT FOUNDATION, IS RESPONDING TO THE PRESIDENT'S URGENT CALL FOR HELP BY INITIATING A MULTI-STATE TELEVISION, RADIO, LETTER WRITING, AND FILM CAMPAIGN TO MOBILIZE REAGAN'S SUPPORT IN VITAL AREAS OF THE COUNTRY BEGINNING IN JULY.

ON BEHALF OF THIS PRESIDENTIAL EFFORT, I INVITE AND URGE YOU TO ACCEPT ONE OF 30 PRESIDENTIAL LEADERSHIP COMMITTEE POSITIONS BY PARTICIPATING AS AN EXECUTIVE SPONSOR OF THE RONALD REAGAN MY DREAM PROGRAM OF THE NATIONAL ENDOWMENT FOR THE PRESERVATION OF LIBERTY. IF YOU ACCEPT THIS POSITION, THE PRESIDENT WILL BE MEETING PRIVATELY WITH YOU AND OTHER MEMBERS OF THE PRESIDENTIAL COMMITTEE ON THE AFTERNOON OF JUNE 23, 1986, IN HIS OFFICES IN THE WHITE HOUSE.

WE ARE IN A CRISIS SITUATION SO TIME IS VERY SHORT. IN HOURS YOU WILL RECEIVE THE RONALD REAGAN MY DREAM PROGRAM IN THE MAIL. IN JUST A FEW DAYS, THE WHITE HOUSE LIAISON OFFICE WILL CONTACT YOU ABOUT ATTENDING THE PRESIDENT'S PRIVATE NATIONAL SECURITY BRIEFING IN THE ROOSEVELT ROOM IN THE WHITE HOUSE. OTHER SPEAKERS FOR THIS BRIEFING WILL INCLUDE GENERAL ABRAHAMSON, DIRECTOR OF THE STRATEGIC DEFENSE PROGRAM FOR THE PRESIDENT, AND DR GEORGE KEYWORTH, CO-AUTHOR WITH THE PRESIDENT OF THE PROGRAM.

IN 24 HOURS YOU WILL BE CONTACTED BY A MEMBER OF THE

TO REPLY BY MAILGRAM MESSAGE, SEE REVERSE SIDE FOR WESTERN UNION'S TOLL - FREE PHONE NUMBERS

5241(R7/82)

Western Union Mailgram

PRESIDENTIAL MEETING STAFF WHO WILL PROVIDE DETAILS OF THE PROGRAM AND COMPONENTS OF YOUR HOPED-FOR PARTICIPATION.

THIRTY INDIVIDUALS WILL BE MEETING PRIVATELY IN THE WHITE HOUSE WITH PRESIDENT REAGAN TO PARTICIPATE IN HIS NATIONAL SECURITY BRIEFING ON THE STRATEGIC DEFENSE INITIATIVE.

I ESPECIALLY HOPE YOU WILL ACCEPT ONE OF THE THIRTY POSITIONS ON THE PRESIDENTIAL LEADERSHIP COMMITTEE AND BE WITH THE PRESIDENT AT THE WHITE HOUSE ON JUNE 23, OFFERING YOUR PARTICIPATION AND SUPPORT IN THE MOST NOBLE OF CAUSES--THE PRESIDENT'S DREAM, THE FULL CREATION OF THE STRATEGIC DEFENSE INITIATIVE.

I WILL BE CONTACTING YOU IN THE NEXT 48 HOURS. WE HOPE YOU WILL BE READY TO ACCEPT THE POSITION AND BE OF MAJOR IMMEDIATE HELP FOR THE PRESIDENT.

VERY SINCERELY,

SPITZ CHANNELL, PRESIDENT
NATIONAL ENDOWMENT FOR THE
PRESERVATION OF LIBERTY
(202) 543-5137

P.S. IF PRESIDENT REAGAN LOSES THIS BATTLE, THE RUSSIANS WILL HAVE WON A TURNING POINT VICTORY IN THEIR EFFORTS TO DOMINATE SPACE AND RUIN OUR DEFENSE CAPABILITIES. THIS IS WHY YOUR PARTICIPATION NOW IS CRUCIAL TO AMERICA'S SECURITY IN THE FUTURE.

2111 EST

MGMCOMP MGM

I did not go —

TO REPLY BY MAILGRAM MESSAGE, SEE REVERSE SIDE FOR WESTERN UNION'S TOLL - FREE PHONE NUMBERS

GOVT RM 87 OEOB
THE WHITE HOUSE
DC 20500 23AM

Western Union Mailgram

1-224103U023012 01/23/86 ICS WA08186 LVLC
00017 MLTN VA 01/23/86 JN05141

MRS. VIRGIL CHRISTIAN
3601 AXTON LANE
PROSPECT, KY 40059

9004079422 3

YOU ARE CORDIALLY INVITED TO A SPECIAL WHITE HOUSE BRIEFING ON U. S. POLICY IN CENTRAL AMERICA FOR THE NATIONAL ENDOWMENT FOR THE PRESERVATION OF LIBERTY.

THE BRIEFING BEGINS AT 2:30 P.M. ON THURSDAY, JANUARY 30, 1986, IN THE ROOSEVELT ROOM OF THE WEST WING OF THE WHITE HOUSE. THE PROGRAM WILL INCLUDE A WELCOME BY DONALD REGAN, WHITE HOUSE CHIEF OF STAFF; AND PAT BUCHANAN, ASSISTANT TO THE PRESIDENT FOR COMMUNICATIONS; A BRIEFING BY JOHN POINDEXTER, THE PRESIDENT'S NATIONAL SECURITY ADVISOR; AND REMARKS BY THE PRESIDENT.

IF YOU ARE ABLE TO ATTEND, PLEASE HAVE YOUR OFFICE CALL MR. CARL RUSSELL CHANNELL AT 202/547-1985 BY 5:00 P.M. EST ON JANUARY 28, AND PROVIDE YOUR NAME (AS IT APPEARS ON YOUR PHOTO IDENTIFICATION), SOCIAL SECURITY NUMBER AND DATE OF BIRTH.

PLEASE PLAN TO ARRIVE AT THE NORTHWEST GATE OF THE WHITE HOUSE BY 2:15 P.M. PLEASE BE SURE TO BRING PHOTO IDENTIFICATION (DRIVER'S LICENSE OR PASSPORT) AS IT WILL BE REQUIRED FOR ADMITTANCE.

I LOOK FORWARD TO YOUR PARTICIPATION.

SINCERELY,

LINDA CHAVEZ, DEPUTY ASSISTANT TO THE
PRESIDENT AND DIRECTOR OF THE OFFICE OF
PUBLIC LIAISON

1453 EST

MGMCOMP MGM

EXHIBIT BB

AMERICAN CONSERVATIVE TRUST

"Freedom Fighters TV"

National Spot Program

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## I. SUMMARY

The purpose of this national television campaign is to reach those voters across the country whose incumbent Congressmen have shown (by virtue of their voting record) a lack of resolve and firm commitment on the issue of helping the Contras in Nicaragua.

Specifically, a list of these Congressman (and their home television markets) has been drafted on the basis of both their general voting record behavior and their position on three key votes on funding the "Freedom Fighters" taken in the Spring of 1985.

By design, this national television spot campaign will begin approximately six weeks before the first vote on Contra funding is taken in Congress (perhaps by the latter part of March). The relative size of the television buys in each of the targeted markets, as defined by Gross Rating Points, is as follows:

| | |
|---|---|
| Week 1 | 250 GRPs |
| Week 2 | 250 " |
| Week 3 | 100 " |
| Week 4 | 100 " |
| Week 5 | 200 " |
| Week 6 | 300 " |
| | 1200 GRPs |

With approximately 1200 Gross Rating Points, voters in these targeted television markets would see ACT's "Freedom Fighters" spots an average of twelve times over the course of the six-week campaign. This will ensure that the message will get through to the voters and, ultimately, to the affected Congressmen themselves.



EXHIBIT CC

0004074222

II. SPOT PROGRAM OPTIONS

Three distinct placement options have been developed for this television campaign to provide the American Conservative Trust with some flexibility given the uncertainty of the ultimate level of funding for this project. They differ not in GRP strength but in the number of television markets (and Congressmen) covered.

A summary of these options, and their relative cost/ coverage characteristics, is enclosed.

III. DEADLINES

As agreed, we are preparing to launch this ad campaign by mid-February. However, given the extraordinary amount of lead time needed to secure access and spot clearance on stations in the targeted markets, we need to reach some kind of consensus on the anticipated level of funding for this project by the end of January.

The three, 30-second spots planned for this six-week series (already drafted) can be finished within days of final copy approval.

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Alan H.

0004079422 7

AMERICAN CONSERVATIVE TRUST

"Freedom Fighters TV"

National Spot Program

Placement Option

OPTION I.

MIAMI, FLORIDA

Affected Congressmen:
Dante Fascell (D - 19th CD)
Claude Pepper (D - 18th CD)
Larry Smith (R - 16th CD)
E. Clay Shaw, Jr. (R - 15th CD)
William Lehman (D - 17th CD)
Dan Mica (D - 14th CD)

1200 GRPs - $138,000.

WASHINGTON, DC

Affected Congressmen: ALL

1200 GRPs - $125,000.

HARTFORD/NEW HAVEN, CONNECTICUT

Affected Congressmen:
Nancy Johnson (R - 6th CD)
Barbara Kennelly (D - 1st CD)
Sam Gejdensen (D - 2nd CD)
Bruce Morrison (D - 3rd CD)
John Rowland (R - 5th CD)

1200 GRPs - $ 99,000.

ORLANDO, FLORIDA

Affected Congressmen:
Buddy Mackay (D - 6th CD)
Bill Chappell Jr. (D - 4th CD)
Bill McCollum (R - 5th CD)
Bill Nelson (D - 11th CD)
Andy Ireland (R - 10th CD)

1200 GRPs - $ 60,000.



9004074228

SAN ANTONIO, TEXAS

Affected Congressmen:
Kika De La Garza (D - 15th CD)
Al Bustamante (D - 23rd CD)
J.J. Pickle (D - 10th CD)
Henry B. Gonzalez (D - 20th CD)
Tom Loeffler (R - 21st CD)
Mac Sweeney (R - 14th CD)

1200 GRPs - $ 54,000.

NASHVILLE, TENNESSEE

Affected Congressmen:
Bart Gordon (D - 6th CD)
Jim Cooper (D - 4th CD)
Ed Jones (D - 8th CD)
Carroll Hubbard, Jr. (D - 1st CD KY)
William H. Natcher (D - 2nd CD KY)
Harold Rogers (R - 5th CD KY)
Bill Boner (D - 5th CD)
Don Sundquist (R - 7th CD)

1200 GRPs - $ 51,000.

RALEIGH/DURHAM, NORTH CAROLINA

Affected Congressmen:
Charles Whitley (D - 3rd CD)
Bill Hefner (D - 8th CD)
Tim Valentine (D - 2nd CD)
Bill Cobey (R - 4th CD)
Howard Coble (R - 6th CD)
Charlie Rose (D - 7th CD)

1200 GRPs - $ 50,000.

GREENVILLE/SPARTANBURG, SOUTH CAROLINA
ASHEVILLE, NORTH CAROLINA

Affected Congressmen:
Butler Derrick (D - 3rd CD SC)
John Spratt (D - 5th CD SC)
Carroll A. Campbell, Jr. (R - 4th CD SC)
Bill Hendon (R - 11th CD NC)
Ed Jenkins (D - 9th CD GA)
Doug Barnard, Jr. (D - 10th CD GA)

1200 GRPs - $ 41,000.



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JACKSONVILLE, FLORIDA

Affected Congressmen:
Charles Bennett (D - 3rd CD)
Buddy MacKay (D - 6th CD)
Don Fuqua (D - 2nd CD)
Bill Chappell, Jr. (D - 4th CD)
Robert Lindsay Thomas (D - 1st CD GA)
J. Roy Rowland (D - 8th CD GA)

1200 GRPs - $ 41,000.

LOUISVILLE, KENTUCKY

Affected Congressmen:
Romano Mazzoli (D - 3rd CD)
Lee H. Hamilton (D - 9th CD IND)
William D. Natcher (D - 2nd CD)
Gene Snyder (R - 4th CD)
Larry J. Hopkins (R - 6th CD)

1200 GRPs - $ 37,000.

AUSTIN, TEXAS

Affected Congressmen:
J.J. Pickle (D - 10th CD)
Marvin Leath (D - 11th CD)
Mac Sweeney (R - 14th CD)
Tom Loeffler (R - 21st CD)

1200 GRPs - $ 35,000.

KNOXVILLE, TENNESSEE

Affected Congressmen:
Jim Cooper (D - 4th CD)
Harold Rogers (R - 5th CD KY)
James H. Quillen (R - 1st CD)
John J. Duncan (R - 2nd CD)
Marilyn Lloyd (D - 3rd CD)

1200 GRPs - $ 33,000.

EL PASO, TEXAS

Affected Congressmen:
Ron Coleman (D - 16th CD)

1200 GRPs - $ 20,000.



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McALLEN/BROWNSVILLE, TEXAS

Affected Congressmen: Kika De La Garza (D - 15th CD)
Solomon P. Ortiz (D - 27th CD)

1200 GRPs - $ 14,000.

COLUMBUS/TUPELO, MISSISSIPPI

Affected Congressmen: Jamie Whitten (D - 1st CD)
Webb Franklin (R - 2nd CD)
G.V. Sonny Montgomery (D - 3rd CD)

1200 GRPs - $ 12,000.

OPTION I. TOTALS: $ 810,000.

59 Congressmen

OPTION TWO II.

All of the markets covered in Option I, with the following additions:

PITTSBURGH, PENNSYLVANIA

Affected Congressmen: John Murtha (D - 12th CD)
Alan Mollohan (D - 1st CD WVA)
William Clinger (R - 23rd CD)
Thomas Ridge (R - 21st CD)
Joe Kolter (D - 4th CD)
William J. Coyne (D - 14th CD)
Doug Walgren (D - 18th CD)
Joseph M. Gaydos (D - 20th CD)
Austin J. Murphy (D - 22nd CD)

1200 GRPs - $ 91,000.



0 0 0 4 0 7 9 4 2 3 1

OKLAHOMA CITY, OKLAHOMA

Affected Congressmen:
Wes Watkins (D - 3rd CD)
David McCurdy (D - 4th CD)
Mickey Edwards (R - 5th CD)
Glenn English (D - 6th CD)
Mike Synar (D - 2nd CD)

1200 GRPs - $ 44,000.

TULSA, OKLAHOMA

Affected Congressmen:
Jim Jones (D - 1st CD)
Wes Watkins (D - 3rd CD)
Mike Synar (D - 2nd CD)
Mickey Edwards (R - 5th CD)

1200 GRPs - $ 33,000.

LITTLE ROCK, ARKANSAS

Affected Congressmen:
Tommy F. Robinson (D - 2nd CD)
Bill Alexander (D - 1st CD)
John Paul Hammerschmidt (R - 3rd CD)
Beryl Anthony, Jr. (D - 4th CD)

1200 GRPs - $ 33,000.

OPTION II. TOTALS: $ 1,011,000.

78 Congressmen

OPTION III.

All of the markets covered in Option I and Option II, with the following additions:

ST. LOUIS, MISSOURI

Affected Congressmen:
Melvin Price (D - 21st CD ILL)
William L. Clay (D - 1st CD)
Robert A. Young (D - 2nd CD)
Richard A. Gephardt (D - 3rd CD)

ST. LOUIS, MISSOURI (Continued)

Affected Congressmen:
Bill Emerson (R - 8th CD)
Harold L. Volkmer (D - 9th CD)
Richard J. Durbin (D - 20th CD ILL)
Kenneth J. Gray (D - 22nd CD ILL)

1200 GRPs - $ 74,000.

MILWAUKEE, WISCONSIN

Affected Congressmen:
Les Aspin (D - 1st CD)
Robert W. Kastenmeier (D - 2nd CD)
Gerald D. Kleczka (D - 4th CD)
Jim Moody (D - 5th CD)
Thomas E. Petri (R - 6th CD)
F. James Sensenbrenner (R - 9th CD)

1200 GRPs - $ 59,000.

CINCINNATI, OHIO

Affected Congressmen:
Bill Gradison (R - 2nd CD)
Thomas A. Luken (D - 1st CD)
Bob McEwen (R - 6th CD)
Thomas N. Kindness (R - 8th CD)
Lee H. Hamilton (D - 9th CD IND)
Gene Snyder (R - 4th CD KY)
Larry J. Hopkins (R - 6th CD KY)
Carl C. Perkins (D - 7th CD KY)

1200 GRPs - $ 52,000.

ROCHESTER, NEW YORK

Affected Congressmen:
Frank Horton (R - 29th CD)
Fred J. Eckert (R - 30th CD)
Jack F. Kemp (R - 31st CD)
John J. LaFalce (D - 32nd CD)

1200 GRPs - $ 35,000.



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ALBUQUERQUE, NEW MEXICO

Affected Congressmen:
Bill Richardson (D - 3rd CD)
Mike Strang (R - 3rd CD CO)
Manuel Lujan, Jr. (R - 1st CD)
Joe Skeen (R - 2nd CD)

1200 GRPs - $ 33,000.

SYRACUSE, NEW YORK

Affected Congressmen:
Frank Horton (R - 29th CD)
Sherwood Boehlert (R - 25th CD)
George C. Wortley (R - 27th CD)

1200 GRPs - $ 31,000.

MEMPHIS, TENNESSEE

Affected Congressmen:
Ed Jones (D - 8th CD)
Jamie Whitten (D - 1st CD MS)
Bill Alexander (D - 1st CD AR)
Harold E. Ford (D - 9th CD)
Don Sundquist (R - 7th CD)

1200 GRPs - $ 31,000.

WILKES BARRE/SCRANTON, PENNSYLVANIA

Affected Congressmen:
Paul Kanjorski (D - 11th CD)
William Clinger (R - 23rd CD)
Joseph M. McDade (R - 10th CD)

1200 GRPs - $ 31,000.

BANGOR, MAINE

Affected Congressmen:
Olympia Snowe (R - 2nd CD)
John McKernan (R - 1st CD)

1200 GRPs - $ 28,000.

PORTLAND/POLAND SPRINGS, MAINE

Affected Congressmen:
John McKernan (R - 1st CD)
Olympia Snowe (R - 2nd CD)

1200 GRPs - $ 24,000.



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JOHNSTOWN/ALTOONA, PENNSYLVANIA

Affected Congressmen: Bud Shuster (R - 9th CD)

1200 GRPs - $ 17,000.

WHEELING, WEST VIRGINIA
STEUBENVILLE, OHIO

Affected Congressmen: Alan Mollohan (D - 1st CD WVA)
Douglas Applegate (D - 1st CD OH)

1200 GRPs - $ 16,000.

ERIE, PENNSYLVANIA

Affected Congressmen: Thomas Ridge (R - 21st CD)
William Clinger (R - 23rd CD)

1200 GRPs - $ 12,000.

CLARKSBURG/WESTON, WEST VIRGINIA

Affected Congressmen: Alan Mollohan (D - 1st CD)
Harley O. Staggers, Jr. (D - 2nd CD)
Bob Wise (D - 3rd CD)

1200 GRPs - $ 9,000.

IDAHO FALLS/POCATELLO, IDAHO

Affected Congressmen: Richard Stallings (D - 2nd CD)

1200 GRPs - $ 9,000.

OPTION III. TOTALS: $ 1,472,000.

117 Congressmen



0 0 0 4 0 7 9 4 2 3 2

the robert goodman agency, inc. TELEVISIO
2201 OLD COURT ROAD, BALTIMORE, MAR[redacted]D. 21208 (301) 296-5330

CLIENT: American Conservative Trust
PRODUCT:
JOB NO.:
DATE: 1/21/86

COMML. NO.: 86-330 30 (SECS)
TITLE "Choice"
PROGRAM:
AIR DATE

LIVE ☐
FILM ☐
TAPE ☐

| VIDEO | AUDIO |
|---|---|
| Contra footage | 1 Among the Contras of Nicaragua, each<br>2 is a national, each a volunteer, each<br>3 unpaid--yet they succeed as a dedicated<br>4 force for the freedom of their country. |
| Sandinista footage, training exercise. | 6 Across the lines: Nicaraguans forced<br>7 to serve in a Sandinista army now re- |
| Squad responding to leader's shouts. | 8 pressing human and religious rights. |
| Helicopter into frame. | 9 Trained, indoctrinated by Cuba and sup-<br>10 plied with Soviet arms. All of this |
| More helicopters. | 11 two hours away where a government min-<br>12 ister has stated: "Nicaragua will be<br>13 the door we kick down to liberate the<br>14 United States." |
| Graphic:<br>NOW THAT WE KNOW...<br>SUPPORT PRESIDENT REAGAN ON NICARAGUA<br>Presented and paid for by The American Conservative Trust | 16 The time for us to make a choice is<br>17 ..right now. |

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# CENTRAL AMERICAN FREEDOM PROGRAM

A Joint Project of
The National Endowment for the Preservation of Liberty
and
Sentinel
305 4th Street NE
Washington, DC 20002
(202) 547-1986

EXHIBIT DD

0004079423 3

# CENTRAL AMERICAN FREEDOM PROGRAM

## Introduction

1986 is destined to be a landmark year in the advancement of freedom throughout the world. After a generation of increasing tyranny and authoritarianism, the winds of change are rising. These winds are carrying freedom movements on four continents toward a victory over communist domination.

And Ronald Reagan, leading a rejuvenated America, has caught these winds of change. He is dramatically aligning American policy, resources, and moral support with the force of that gathering storm.

President Reagan's policy, when fully developed, is destined to trigger the overthrow of communist tyranny. This will happen around the world, in Afghanistan, Angola, Mozambique, Kampuchea and, most important, Nicaragua.

America's relationship with communist Nicaragua experienced an absolute moral and political reversal when Ronald Reagan became President of the United States.

The Carter Administration, like millions of Nicaraguans, had been fooled by the communists who captured the leadership of the anti-Somoza revolution in 1979. Once in power, the communist junta began systematically lying to the world about the true policies and purposes of their revolutionary government.

But Ronald Reagan was not fooled. So, moved by new leadership, American policy toward Nicaragua's communist government changed sharply in 1981. Then the U.S. declared support for the Nicaraguan Freedom Fighters.

Since 1981, opposition to the communist-controlled Nicaraguan regime has gradually become a very powerful internal democratic movement. It claims the support of over 25,000 well armed Nicaraguans and literally hundreds of thousands of ordinary Nicaraguans. Nearly 400,000 (one out of every six Nicaraguans) lives under Freedom Fighter protection.

The democratic forces have endured years of conflict with a communist army easily six times their number. More remarkably, they have steadily increased their ranks in the midst of the struggle. These democratic forces

continued to gain strength even during the year and a half that United States aid was suspended.

1986 finds the democratic forces stronger than ever. But so is their communist enemy. Ronald Reagan has offered decisive assistance to the democratic forces. And, if this assistance is fully endorsed by the Congress, it could, in fact, carry them to victory over communism in Nicaragua this year.

When victory occurs, it will have historic and political significance throughout the Western Hemisphere. Its impact will be felt by every Freedom Fighter in the world. Its possibility will haunt every communist dictator.

Finally, Ronald Reagan's actions will herald a new dynamic American policy. It is a policy of materially supporting freedom movements struggling to overthrow communist regimes. Freedom is on the offensive.

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Description of the Problem

If Ronald Reagan is to succeed in meeting the needs of Freedom Fighter movements for years to come, it will be necessary to create a deep reservoir of public support for Freedom Fighters and the President's policy.

Such public support will come only if the American people truly understand the stakes and the opportunities the Reagan policies embody.

The memories of Vietnam, however inapplicable, remain fresh, as does the urge to have America fight for clearly recognizable just causes. So President Reagan, if he is to be successful, must carry into this foreign policy arena the unified support of the American people.

In spite of the headlines and the debates during the last five years, the American public remains woefully ignorant about Nicaragua. They don't understand the clear threat it poses to vital American security interests.

A 1985 public opinion poll showed more than one-third of those surveyed did not know which side the United States supports. Twenty percent thought we support the (communist) government!

A later poll found that among those aware of U.S. policy, 58% said we should not be giving aid to the Democratic Opposition.

It is tragic, but not surprising that so many people are ill-informed, and that so many oppose our policies. It's not surprising because the American public is the victim of an intense, sophisticated multi-million dollar disinformation campaign. It is being conducted by

opponents of the President.

The Sandinistas abuse the freedoms in the U.S. that they deny to their own people. They do this by hiring a Washington law firm and two public relations firms under contract to spread disinformation.

They are aided by the Soviet Union and Cuba. The Soviets and Cubans already spend tens of millions of dollars to shape public policy in America. Their actions are supported by a vast network of communist and leftist activist sympathizers. Soviet spokesmen regularly seek tv time. Phil Donahue gave Nicaraguan dictator Ortega an hour in October.

These people operate at the grass-roots level and in Washington. They use the media and all the tools at their disposal to undermine the policies of our elected government.

This is why President Reagan needs the support and cooperation of clear-thinking, patriotic Americans. We must counter the disinformation program of the Sandinistas. We must educate the public on the policies, the players, the dangers and the realities.

The National Endowment for the Preservation of Liberty is helping the President do just that.

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Solution

The National Endowment for the Preservation of Liberty has undertaken a nationwide program of indefinite duration known as the CENTRAL AMERICAN FREEDOM PROGRAM.

The overriding goal of this program is to educate the American people. It will show the realities of communism in Nicaragua. It will show the threat to U.S. national security.

We have chosen television as the major vehicle. We believe it is the most successful to carry our educational and informative messages to the public.

The CENTRAL AMERICAN FREEDOM PROGRAM will require the National Endowment for the Preservation of Liberty to spend $2,000,000 in the next 90 days.

This is over $160,000 every week for public education and information on the issue of Nicaragua. A longer, $3 million program is under consideration and will be implemented if required to fully educate the American public.

When our program achieves its public awareness goals, it will become a useful model for similar activities by other in the future. Our program is truly unique. It has

become the pioneering effort in this area.

Central American Freedom Program

The National Endowment for the Preservation of Liberty is focusing its education program on seven issues. They are:

1) Nicaraguan communist persecution of its citizens;

2) Denial of religious and political rights;

3) The creation of an aggressive armed Soviet satellite on the North American continent;

4) The creation of Cuban bases inside Nicaragua;

5) The threat Nicaragua now poses to its neighbors both through state terrorism and outright aggression;

6) Support for revolution in El Salvador;

7) Betrayal of the true anti-Somoza democratic revolution by the Nicaraguan communists.

The issues listed above represent the principal points our programs will make in the minds of Americans. We are also emphasizing other issues such as the origin, nature, organization and objectives of the Freedom Fighters.

We are developing the images of the UNO leadership. We are graphically showing the situation facing over 400,000 Nicaraguan refugees. And we are presenting the political and human rights goals of the Freedom Fighters themselves.

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## Public Affairs Components

### Central American Freedom Program

The Sandinistas have two public relations firms and two law firms either registered as foreign agents or working sub rosa in the United States.

They have a combined budget of $2 million. They are using this war chest to concentrate on the districts of Congressmen who have opposed aid to the Freedom Fighters.

They have also stepped up the use of Op-Eds and articles in national newspapers written by sympathetic Americans. They have planted disinformation, too, like the recent articles accusing the FDN of drug trafficking.

An ignorant and misinformed public is one of the principal objectives of the communists. They recognize that ignorance and apathy in local communities across America leaves the doors wide open to the opponents of Administration policy.

And given the activism of those opponents, they are the ones who are often visible to members of Congress. A legislator who only hears from the critics can ignore logic and danger. He can vote to deny U.S. assistance to those on the front lines in the battle against communism in our hemisphere. So, the public must be better informed.

The public is quite unaware of the true nature of the Sandinistas as well as the existence of a viable democratic alternative. They do not support efforts to overthrow any government and fear U.S. involvement in another Vietnam.

This ignorance and the isolation it produces have been the Sandinista's principal advantages in the debate. We intend to evaporate those advantages through the use of truth.

### Objectives

As Congressional debate heats up on this issue, we should expect the Sandinistas, their foreign agents and liberal sympathizers to give it all they have.

We are in the last weeks of a national campaign to be decided by the American public. If the public remains apathetic, the President's democratic initiative will be defeated.



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If we are successful, America will have a policy that sounds the death knell of America's post-Vietnam feeling of impotency. It will end America's retreat from her responsibilities as the leader of the free world.

To accomplish this, the National Endowment for the Preservation of Liberty is addressing four audiences using specifically targeted communications strategies:

The public - Through the use of strong negative images of the Sandinistas recently reported in the media.

Policymakers - Democratic leadership issues provide the groundwork for more challenging arguments that can influence liberals and moderates.

Congress - Through issues now associated with America's leadership role in supporting democracy in the region against the developing communist threat. NEPL, as an educational organization, is not permitted to engage in lobbying activities. Our co-sponsor, Sentinel, is permitted to engage in lobbying activities and will undertake the responsibility of bringing this important issue to the attention of members of Congress.

Freedom Fighter Leadership - Without a sound belief in the capabilities of the resistance's leadership, no policy can succeed in Congress.

Program Elements

Time is short and we are fighting for public support over a wide geographic area. So, we are treating this like a national educational campaign, with March 15 as our target.

We are using the methodology of national political campaigns. We are seeking to emphasize the disturbing truth about the communist control over Nicaragua. We are debating the unclaimed issues to our advantage. And we are reinforcing our positive public perceptions to educate and inform.

We are using advertising and public affairs programs for each of the four program objectives listed above. They are being handled as follows:

The Public - The public has been exposed recently to several negative images of the Sandinistas. We use these images to reinforce the public perception that the Sandinistas are communists and tyrannical dictators. We employ the following techniques:

Television advertising - We have analyzed Congressional action on the last aid package.

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Based on this research, we are producing materials for television spots which focus on:

1) Daniel Ortega's trip to Moscow and the $220 million commitment he received from the Soviets for offensive military weaponry.

2) The recent crackdown on human rights directed against the entire Nicaraguan population.

3) Ortega's purchase of $3,500 in designer eyeglasses while his people starve.

4) The communists militarization of Nicaragua through Soviet, Libyan, East German, Cuban and other advisors, and the use of Nicaragua as a command center for subversion of her democratic neighbors.

5) That Cubans are now proved to be actively involved in combat.

6) That Nicaragua has become a lair and a refuge.

7) The humiliation of Pope John II when he was spat upon and heckled when he tried to conduct Mass in Managua.

Spokesman program - using the prototype program already underway, we are placing speakers in 50 markets between now and March 15, 1986.

These speakers are booked into a civic club or professional organization in a market. Then they are scheduled for television, radio and newspaper interviews.

The speakers come from the ranks of the United Nicaraguan Opposition (UNO) leadership. They can defend all UNO participants.

They focus on Sandinista excesses and UNO as the democratic alternative. The principal concentration for these speakers are the southern and western states.

Battlefield Videotape - Sandinista state security agents rigidly control the movements of foreign correspondents, especially television journalists in or visiting Nicaragua. That control is exercised through:

1) Escort "guides" and interpreters;

2) Denial of access to selected parts of the country;

3) Imposition of "taboo" themes;

4) Screening and censorship of footage for export;

5) Monitoring of telephones and telex;

6) Expulsion or denial of entry to any offenders.

At the same time, coverage from the northern border is extremely arduous and far from the areas where the Resistance is operating.

The result is timid, selective, highly censored and heavily biased television coverage. Battle zones are only presented from the Sandinista perspective.

We are providing major media outlets and local television stations with videotape from the field. It shows scenes never seen before in the U.S.

It includes combat footage and evidence of Sandinista atrocities. We are also providing footage and commentary on events inside Managua and other major population centers.

This footage will be used in three ways:

1) An experienced advertising agency is producing advertising for distribution in as many as 50 selected markets across the United States.

2) A satellite feed will be edited and fed each time new footage is obtained. These feeds will reach approximately 200 television stations in the U.S. Usage reports will be received daily.

3) A new documentary on the face of communism in Nicaragua and the use of internal repression will be produced. This theme will be countered with a segment showing the Freedom Fighters as the logical outgrowth of Sandinista tyranny.

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Policymakers

Given the compressed time frame, policymakers can be best reached through an effort that is visible in Washington and the national media. The issues used to reach Congress should be centered on America's leadership responsibilities in this hemisphere.

The primary effort is focused in specially selected areas of the country, but we are reinforcing this effort with a public affairs and education program including:

A. Articles and Op-Eds written by prominent American leaders on Nicaragua as a center of terrorism. We will use recent revelations of Nicaraguan arms being used in the Colombian Supreme Court assaults.

We will cite evidence of Libyan, PLO and Iranian terrorists working in Nicaragua. From these facts, we will produce articles for paid distribution, single placement in national newspapers and general media distribution.

B. Religious persecution of all faiths can be used to touch and educate the public, producing a positive effect on the policymakers.

Jewish, Catholic and Protestant organization publications are being approached to interview defectors and religious figures who know the persecution firsthand.

The National Endowment for the Preservation of Liberty is arranging a series of meetings with religious leaders and journalists. We will also help to produce an article by a prominent American religious figure for paid distribution.

C. Another Cuba on the North American Continent is unacceptable to almost all Americans. If the issue is picked up by constituents it would be a strong message for policymakers.

The National Endowment for the Preservation of Liberty is utilizing these arguments in the speakers program already underway. An American exiled Cuban has been commissioned to write an article for paid distribution throughout the U.S.

A Cuban exile leader has been added to the spokesman program.

D. Drugs and politics are a bad mix. Nicaragua's support for and role in narcotics trafficking are issues with which no one can publicly disagree.

We will ask Don Johnson of MIAMI VICE, or a strong anti-drug figure such as Rosie Greer, to give a briefing on the drug trafficking evidence the Administration has on the Sandinistas.

He will be asked to write an Op-Ed piece for national distribution through paid and direct placements.

The National Endowment for the Preservation of Liberty would seek to get this super-spokesman on major television shows such as TODAY and GOOD MORNING AMERICA.

We would also produce a news spot for satellite distribution.

E. The Sandinistas are violating human rights at an unprecedented level in this hemisphere.

The National Endowment for the Preservation of Liberty is providing radio, television and newspaper interviews with two researchers who have compiled a report on Sandinista human rights

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violations.

They are being commissioned to do an update on their report with a trip to Honduras and Costa Rica. On their return they will hold a Washington news conference and issue a report to Congress through a respected Senator or Congressman.

F. The Revolution of 1979 has been betrayed by the Sandinistas. The National Endowment for the Preservation of Liberty will produce a news spot for satellite distribution on the lives of three former Sandinistas who now fight with the FDN/UNO.

Congress

We expect to reach Congress primarily through the media we will be using for the policymakers. However, special briefings will also be used to educate specific target audiences within this group.

These briefings will be arranged by our co-sponsor, Sentinel. Briefings may feature drug enforcement experts or political scientists who have studied Cuban expansionism.

Freedom Fighter Leadership

The National Endowment for the Preservation of Liberty has begun to provide spokesmen training for the leadership and provide information feedback to reinforce that training. We will provide UNO leaders with public opinion analyses.

When possible, we are incorporating the UNO leadership in events and briefings that further their image of unity.

Conclusion

Without an opportunity to see the truth about the Sandinistas, the American public will defeat democracy in Nicaragua.

Through its public education program, the National Endowment for the Preservation of Liberty will give the President a chance to free this continent of communism. We will strike a decisive blow for democracy.

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The Washington Times FRID.

EXHIBIT EE

# America stands for freedom against tyranny

# IT'S TIME TO SUPPORT THE NICARAGUAN FREEDOM FIGHTERS

In June of 1984, Ronald Reagan, citing a growing Communist threat to democracy in the Caribbean, requested $21 million in military aid for the Freedom Fighters in Nicaragua.

A majority in the House of Representatives said no.

As a result Nicaraguan Freedom Fighters were abandoned by the United States government. They were disarmed by the order of the United States Congress just at the moment when they could have brought serious political and military pressure to negotiate on the Communists in Managua.

Seeing the Freedom Fighters disarmed and watching in amazement as their main ally turned its back on them, did the Nicaraguan Communists rest on their victory?

**No!**

Did the Nicaraguan Communists open peace negotiations with their internal opposition the Contras?

**No!**

Did the Nicaraguan Communists turn their efforts to building rural schools, creating better health, reconciling themselves to their Caribbean neighbors and halting aid to the Communist rebels trying to undermine the legitimate government of

another democracy El Salvad[illegible]?

**No!**

Instead, they imported $500 million in Russian military hardware including 12 MI-24 death machine helicopters

- They created 350,000 refugees by the severity of their state policies of internal terrorism and repression.
- They withdrew from the population the many freedoms which endow human life with dignity.
- They executed a policy of extermination against minority Indian groups which amounts to nothing less than genocide.
- And finally, they persecuted believers in God of all religions from burning the Synagogue of Managua to hiring thugs to spit upon the Pope and desecrate the institution of the church.

The lesson is obvious. Only the clear evidence of the American power on the move will bring any Communist nation to the negotiating table.

**To the House of Representatives:**

# GIVE THE FREEDOM FIGHTER THE ONE INDISPENSABLE EGOTIATING TOOL THEY NEE HE FORCE OF AMERICAN POW

## Support aid to the Freedom Fighters of Nicarag

## IT IS THE KEY TO PEACE.

**Sponsored by SENTINEL**
**Advancing the Conservative Agenda**
**Carl Russell Channell, President**
**305 4th Street, N.E.**
**Washington, DC 20002**

# Foreign

## BRIEFLY / Europe

### Fagin's ring uncovered in Italy

MILAN, Italy — A public prosecutor here, using an obscure section of the penal code prohibiting slavery, announced yesterday sweeping arrests aimed at cracking a ring that imports children and trains them to commit crimes.

Seventy-eight arrest warrants have been issued in a case reminiscent of Charles Dickens' 19th century novel "Oliver Twist." Sources close to the probe say children were bought from poverty-stricken families in southern Yugoslavia by a middleman who arranged for them to be smuggled into Italy. A key condition was that the children be under 14, the minimum age at which minors can be prosecuted in Italy.

### Suspected woman terrorist arrested

DUBLIN, Ireland — A woman wanted by British police on allegations of involvement in five Irish Republican Army bombings which killed three people was ordered held in custody yesterday after her arrest.

Evelyn Glenholmes, 29, originally from Northern Ireland, said nothing during two brief court appearances on a total of nine extradition warrants that allege she took part in the five 1981 London bombings and the hoarding of arms in Britain. The warrants charge her with three counts of murder.

### Swiss to vote on joining U.N.

BERN, Switzerland — Neutral Switzerland, host of many United Nations activities, votes Sunday on whether it should join the world organization. The vote follows weeks of intense debate, and the odds are the Swiss will reject U.N. membership.

The government has printed 4.5 million leaflets telling the 4.1 million eligible voters that as the 160th U.N. member, Switzerland would be in a better position to defend its interests. The opponents' chief argument is that membership would jeopardize Switzerland's status of "perpetual neutrality" by forcing it to take sides in international disputes.

## Asia

### Extremist seized in summit plot

TOKYO — Police said yesterday they arrested a wanted left-wing extremist suspected of plotting sabotage against the Tokyo economic summit in May.

The 42-year-old man was a member of Chukaku-ha (Middle Core Faction), the largest Japanese left-extremist group, police said, and had been wanted since 1973 for the attempted murder of another Chukaku-ha member. Documents listing likely targets and ways to make home-made rockets and bombs were taken from his home, they added.

### French sign big N-plant deal

PEKING — Two French companies have signed letters of intent to provide reactors and overall design plans for a $3.7 billion nuclear power plant in southern China, the official China Daily reported yesterday.

French diplomats in Peking said it is China's largest single commercial venture with foreign firms. The companies involved are Framatome and Electricite de France, or EDF. China Daily said formal contracts are to be signed by mid-1986, upon approval of the French and Chinese governments.

# Polls sugge

By Andrew Borowiec
THE WASHINGTON TIMES

PARIS — Socialist ministers cleared their desks this week in anticipation of Sunday's legislative elections which are expected to give France a conservative Parliament and government under a Socialist president.

If opinion polls are accurate, the results of the vote will put to the test a concept known as "cohabitation." This involves the difficult — if not impossible — cooperation between Socialist President Francois Mitterrand and a 577-member National Assembly likely to be dominated by right-wing and centrist parties. Mr. Mitterrand will have to choose a prime minister from among the conservatives.

Mr. Mitterrand has said he is determined to fulfill his presidential mandate until its expiration in 1988. However, four days before the elections, sources in the Presidential Palace said that nothing was certain.

In a way, the Sunday elections are regarded as a referendum on Mr. Mitterrand's popularity. He has made several dramatic appeals on behalf of the Socialist Party and — through a series of hasty pre-election appointments — has made sure that a number of key administrative and industrial posts are staffed by Socialists.

Political opinion polls are regarded as reasonably accurate in France. They are also considered a factor in influencing public opinion. A week before the elections, the last polls permitted predicted a 55 percent vote for the conservative parties and 30 percent for the ruling Socialists, the rest going to lesser parties.

The elections are expected to deal a shattering blow to the once-influential French Communist Party. Polls predict the Communists will get from 7 to 10 percent of the popular vote — compared with 21 percent in 1978.

To elect its prime minister, the right needs 289 National Assembly votes — a figure expected to be surpassed easily.

In an atmosphere of gloom, a number of Socialist Cabinet members removed personal belongings from their elegant, antique desks. Nonetheless Prime Minister Laurent Fabius and his lieutenants continued their electoral campaign with appeals not to abandon "Socialist achievements."

These include the nationalization of major banks and industrial enterprises, a 39-hour working week and five weeks vacation for all employees, as well as

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# ɛst France will try 'cohabitation'

President Francois Mitterrand

Paris Mayor Jacques Chirac

Premier Laurent Fabius

other trappings of the welfare state.

Nonetheless many voters regard the Socialist experiment, which started in 1981, as a failure. It is clouded by high unemployment (2½ million), a growing crime rate and what many voters see as a sterile foreign policy.

The right wing is promising to stimulate the economy by liberalizing it, although it seems unlikely that a large-scale de-nationalization is in the offing soon.

The last week of the spiritless electoral campaign was dominated by Arab terrorism and its fallout, particularly affecting French hostages held in Lebanon by Shi'ite extremists. Demonstrations were held throughout France on Wednesday at which speakers blasted the government's impotence in the face of the kidnappers of eight Frenchmen in Beirut, one of whom is feared to have been executed by his captors last week.

On the domestic scene, the issue of Arab immigration in France was high on the agenda, with the extreme right-wing National Front exploiting ethnic tensions to the hilt. National Front leader Jean-Marie Le Pen thundered about immigrants — mainly from North Africa — "threatening your homes and your wives."

Mr. Le Pen's popularity is limited, but his party is expected to profit from the wave of anti-Arab feeling gripping France.

On the whole, the electoral campaign has been dull, punctuated by stereotypes and slogans, and generally leaving the electorate uninspired.

One of the main reasons for lack of interest was the re-introduction by the Socialists of the so-called "proportional representation system," under which voters do not choose their own candidates but vote for "party lists." The system allows the political groupings to choose the order in which the candidates are placed on the lists in each region.

Crossing names or marking the ballot in any way invalidates it. In each "department" (administrative region), National Assembly seats are distributed among the parties according to vote percentage. This means the persons placed by the party organization at the top of the lists will be elected.

Consequently, the names of some 450 future National Assembly deputies are known in advance. They include about 40 members of the outgoing Cabinet, placed on the lists in traditional Socialist strongholds.

The Socialists have tried to gain votes by portraying "cohabitation" as a potential disaster because of the clash of ideologies between the president and his future government. A similar line was taken by centrist candidate and former Prime Minister Raymond Barre, campaigning on the ticket of the Union for French Democracy. Mr. Barre would like to force Mr. Mitterrand's resignation and is said to have presidential ambitions of his own.

In fact, the legislative elections are regarded by many as a prelude to a presidential vote — either in 1988 or earlier.

The leading right-wing candidate for prime minister is Jacques Chirac, mayor of Paris and head of the neo-Gaullist "Rally for the Republic." Mr. Chirac's popularity shot up after last October's televised debate with Mr. Fabius.

Another strong conservative personality is former President Valery Giscard d'Estaing. Both Mr. Chirac and Mr. Giscard d'Estaing feel that "cohabitation" with President Mitterrand is feasible.

Much depends on the size of a conservative victory. Should the conservatives manage only a weak majority, Mr. Mitterrand might ask a less charismatic "compromise" premier to form the next government. The name of Gaullist Jacques Chaban-Delmas has been mentioned as a possibility.

## Site identified as Mount Sinai

JERUSALEM — An Italian archaeologist says he has established the site of Mount Sinai, where the Bible says God gave Moses the Ten Commandments.

Professor Emmanuel Anati said the site of Mount Sinai was Har Karkom, a 2,800-foot flat-topped peak in Israel's Negev desert four miles east of the Egyptian border and 65 miles south of the Sde Boker settlement.

"What our expedition found during this and previous forays since 1980 is unlike anything else that exists in the Negev or Sinai deserts where I have worked for 30 years," said Mr. Anati, who directs a research center near Milan. He described several sites and geological features corresponding to descriptions in the Bible's book of Exodus.

# Americas

## Nicaragua accuses U.S. of spying

MANAGUA, Nicaragua — Nicaragua, charging four U.S. diplomats actually are CIA agents, accused the intelligence agency yesterday of stepping up efforts to recruit Nicaraguan officials to spy on the Marxist-led government.

State Security chief Lenin Cerna told reporters the CIA paid two Interior Ministry officials and the wife of one of them to pass secret information about the activities of the Sandinista government. He said the three were arrested last month.

Meanwhile in Costa Rica, that country and Nicaragua agreed Wednesday on the broad outlines of a multinational commission and peace-keeping force to prevent outbreaks of violence along their border involving raids by U.S.-backed Nicaraguan rebels who operate along the 210-mile dividing line.

## Troops seize idled refinery

PANAMA CITY — Government troops seized Panama's only oil refinery and arrested two union leaders during a nationwide strike by Panama's main labor confederation, eyewitnesses said.

The oil refinery on Panama's Atlantic coast had been shut down since Sunday night in support of the strike by the 70,000-member National Council of Organized Workers. All but a few gasoline stations in the capital were without fuel and commercial transportation across the country was expected to grind to a halt within one or two days, causing serious shortages of foodstuffs by the weekend.

## Crash creates cyanide mystery

SEPT-ILES, Quebec — The "bizarre mystery" of why potentially deadly doses of cyanide were found in the bodies of six Americans and a Canadian pilot who died in a plane crash last fall is baffling investigators, authorities said yesterday.

A Canadian Aviation Safety Board investigation into the Sept. 30 crash produced autopsy reports showing the pilot and three of his American passengers had potentially lethal doses of cyanide and the other three had less deadly but abnormally high levels of the poison. The six Americans were returning from a caribou hunting trip. A theory that the cyanide could have been released by burning plastic was discarded because there was no evidence of a fire before the crash and the cyanide in the bodies was far in excess of what would have been released by burning plastic.

From Times News Services and Staff Reports

# launch of 2 c toward spac

FROM COMBINED DISPATCHES

MOSCOW — Two Soviet cosmonauts streaked into orbit toward a big new space station in an unprecedented blaze of publicity yesterday, six weeks after the explosion of the U.S. shuttle Challenger stalled the American space program.

"This milestone launch has been exactly on time and ... flawless," a Soviet commentator said as television viewers around the world saw the rocket hurtle upward, trailing flames, and disappear into the icy blue Central Asian sky.

The 162-foot rocket, carrying space endurance record holders Leonid Kizim and Vladimir Solovov, rose on schedule from the traditional Baikonur launch site in cold Kazakhstan at exactly 7:33 a.m. EST.

The launch took place in subfreezing weather at a launch site usually cloaked in secrecy.

But this time, in an unusual show of bravura, the Soviet Union announced the launch a day in advance and turned the cameras on before the liftoff. The cosmonauts were shown walking to a nondescript bus in the pre-dawn dark for the drive to their rocket and last-minute shots showed them inside the capsule just before ignition.

# Researcher

By James Morrison
THE WASHINGTON TIMES

Nicaragua's ruling Sandinista Party employs "systematic use of intimidation, brutality and torture" against up to 13,000 political opponents, according to statements yesterday by a former prisoner and a private researcher.

The nightmarish conditions were described at a press conference by Wesley R. Smith, who conducted a two-year study of prisons and human rights abuses under the Marxist regime, and by Jose Tomas Altamirano, a labor leader who was released from prison after former President Jimmy Carter intervened on a trip to Nicaragua last month.

"In the last six years the Sandinistas have transformed the penitentiary system in Nicaragua into a vast network of detention centers, clandestine prisons, forced labor camps and elaborate prison facilities," said Mr. Smith, who interviewed hundreds of Nicaraguan refugees former prisoners.

Prison authorities frequently rape female prisoners and inflict numerous methods of torture on others either as

# cosmonauts
# e station

AP

Soviet cosmonauts Vladimir Solovov, right, and Leonid Kizim talk to reporters in Central Asia prior to their launch yesterday aboard the Soyuz T-15 spacecraft.

They lifted off from the same pad Yuri Gagarin used to become the first man in space in April 1961. The unprecedented live television coverage suggests that the Soviets may be planning a space spectacular to coincide with the 25th anniversary of Colonel Gagarin's flight next month.

There was no indication how long Mr. Kizim and Mr. Solovov would remain in space, but they already hold the record of 237 days that ended Oct. 2, 1984.

The highly publicized launch marked the successful start of the latest stage in the Soviet space program, with the two veteran cosmonauts due to rendezvous with the new orbiting space station Mir in two days. Mir, launched last month, is a far larger station than previous Soviet space vehicles, and Western experts predicted it would be manned year-round.

Mir has six docking ports and four modules for living and research, including a technological shop, a biological research station and a medical laboratory. Each crew member has a sleeping cabin equipped with desks, arm chairs and sleeping bags.

Unlike the American shuttle program, the Soviet program depends on well-tested rocket technology that has been used with little variation for years. Moscow has made gradual improvements toward a permanent space station, using older one-time-use rockets, while the United States poured resources into the reusable space shuttle.

U.S. space engineer James Oberg suggested earlier this week that the Salyut 7 space station, which was launched in 1982, and the Cosmos 1686 to which it has been linked since last fall, soon would hook up with the Mir. He said they were orbiting only about four miles beyond the new lab.

The new "live television" policy appears to reflect the wishes of Soviet leader Mikhail Gorbachev who has emphasized Soviet high technology. The Mir was launched on February 20 in time for the 27th Communist Party Congress, Mr. Gorbachev's first as leader, in Moscow.

Space spectaculars were a policy of Nikita Khrushchev until his fall from power in 1964, but the less flamboyant, more cautious Leonid Brezhnev discouraged them.

*Staff writer Martin Sieff contributed to this report.*

# tells of torture by Sandinistas

punishment or to force confessions, he said.

Mr. Smith said prisoners are beaten, hung by their hands, kept in hot boxes or forced to stand in cold water or sewage pits up to their necks, confined to windowless, suffocating cells no bigger than the trunk of a small car, deprived of food or water, kept in solitary confinement for extended periods, submitted to fake executions and coerced into confessions under the threat of harm to their families.

"These are not isolated cases of breaches of authority by Sandinista officials," he said. "The hundreds of cases of prison abuse point to the systematic use of intimidation, brutality and torture against Nicaraguans considered to be enemies of the state.' "

Rep. Robert Dornan, one of three congressmen who sponsored the news conference, said, "We truly have a communist nightmare unfolding right before our eyes."

The Sandinistas deny there are any political prisoners in Nicaragua. Sandinista leader Daniel Ortega has said the only prisoners jailed for political reasons are former National Guardsmen who served under the late dictator, Anastasio Somoza.

Mr. Altamirano, a 43-year-old bus driver, said he was arrested for his involvement with the Central de Trabajadores de Nicaragua (CTN), an independent labor union founded in 1959. He said he was accused of counter-revolutionary activities and ordered to confess in a press conference.

Sandinista authorities rehearsed his forced confession for weeks before the press conference, he said. But when he faced a room full of 80 journalists, Mr. Altamirano proclaimed his innocence and said he was "only engaged in civil protest against the regime."

His captors threatened to imprison him up to 20 years, but Mr. Carter's unexpected intervention helped free him last month, he said, describing his release as a token gesture to impress the former president. Mr. Carter heard of his imprisonment from other CTN members.

Mr. Altamirano said he was granted an exit visa from Nicaragua to travel to the United States and plans to return to his country to continue speaking out against the Sandinistas.

"I came here to denounce the atrocities committed by the Sandinistas and I am returning to do the same," he said. "I am going back to fight for my people and for democracy. We, the workers, have been denied our rights as union members."

"Just before I was released, I swore on my knees that that is what I would do," he said. "It is entirely possible that I could again fall captive upon my return because of statements made against the Sandinista regime and prison system."

Mr. Altamirano deflected a question about his support for President Reagan's efforts to provide $100 million in military and humanitarian aid to the anti-Sandinista rebels.

"That is a decision that is a sovereign decision of the United States," he said.

Mr. Dornan, a member of the House Foreign Affairs Committee, said recent U.S. spy plane photographs show that Mr. Somoza's main political prison has been expanded to six times its original size.

"Some prison buildings are half as long as a football field," the California Republican said.

# THE NATIONAL ENDOWMENT FOR THE PRESERVATION OF LIBERTY

305 FOURTH STREET N.E.
WASHINGTON, D.C. 20002

KENTUCKY COMMITTEE
Barbara Bullitt Christian Chairman
Robert Adelberg, Jr.
Hillary Boone, Jr.
Velma J. Childers
George E. Egger
Laban P. Jackson
Louie B. Nunn
Ronald Ray
Mrs. Alexander Taft, Jr.

March 7, 1986

Letter returned - He's dead —

Mr. F. W. Drybrough, Jr.
1003 Alta Circle
Louisville, Kentucky 40205

Dear Mr. Drybrough:

At the personal request of President Reagan, Kentucky has been asked to help him support the efforts of the Freedom Fighters in Nicaragua.

As you know, these brave people are fighting for their survival against the horrors of Communism in their own backyard. Their success can prevent a Communist takeover of Central America, possibly Mexico, and eventually the endangerment of the U.S.A.

The Freedom Fighters in many ways can be compared to the Patriots of our own American Revolution.

As Thomas Paine said during those trying times, "Those who expect to reap the benefits of freedom must undergo the fatigue of supporting it."

You can help the President's cause by making a tax deductible contribution (personal or corporate).

Our volunteer committee is inviting about ninety patriotic Kentuckians to raise $60,000 for this all important project which has just begun.

The funds will be used for educational purposes (T.V.) to promote President Reagan's policy and goal.

Please send your help by March 17th, made payable to NEPL and mail to:

NEPL, Kentucky Committee
c/o Barbara B. Christian
3601 Axton Lane
Prospect, Kentucky 40059

Thank you very much.

Sincerely,

Barbara B. Christian

EXHIBIT FF

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plm

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

January 27, 1988

S. Russell Smith, Jr., Esquire
Smith and Smith
400 North, First Trust Centre
200 South First Street
Louisville, KY 40202

RE: MUR 2406

Dear Mr. Smith:

Pursuant to an investigation in the above-referenced matter, the Federal Election Commission sent your client, Barbara Bullitt Christian, a set of interrogatories and request for documents as a witness.

On Janaury 21, 1988, the Office of the General Counsel received your client's response to the Commission request. A review of this response shows that your client has fully complied with the request.

The Commission appreciates your client's cooperation in this matter. If you should have any further questions regarding the request or your client's response, please contact Michael Marinelli, the staff member assigned to this matter at (202) 376-5690.

Sincerely,

Lawrence M. Noble
General Counsel

By: Lois G. Lerner
Associate General Counsel

0004079425

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

January 27, 1988

G. Donald Gerlach, Esquire
Reed Smith Shaw & McClay
435 Sixth Avenue
Pittsburgh, PA 15219

RE: MUR 2406

Dear Mr. Gerlach:

Pursuant to an investigation in the above-referenced matter, the Federal Election Commission sent your client, Frank G. Darlington, a set of interrogatories and request for documents as a witness.

On Janaury 19, 1988, the Office of the General Counsel received your client's response to the Commission request. A review of this response shows that your client has fully complied with the request.

The Commission appreciates your client's cooperation in this matter. If you should have any further questions regarding the request or your client's response, please contact Michael Marinelli, the staff member assigned to this matter at (202) 376-5690.

Sincerely,

Lawrence M. Noble
General Counsel

By: Lois G. Lerner
Associate General Counsel

0004079425

ACC#6171

EDWIN L. WEISL, JR.

RECEIVED
FEDERAL ELECTION COMMISSION
MAIL ROOM

88 JAN 29 AM 10:30

January 27, 1988

RECEIVED
FEDERAL ELECTION COMMISSION
OFFICE OF GENERAL COUNSEL

88 JAN 29 PM 2:15

Lawrence M. Noble, Esq.
General Counsel
Federal Election Commission
Washington, D.C. 20463

Attention: Mr. Michael Marinelli

Re: MUR 2406

Dear Sir:

Enclosed herewith is my Answer to Interrogatories in the above entitled proceeding, together with requested documents.

I can be reached at The Delmonico, Apartment 19A, 502 Park Avenue, New York, New York 10022 (tel. # 212-535-1544) in the event you require anything further.

Very sincerely yours,

Edwin L. Weisl, Jr.

2835K

0004074257

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of ) MUR 2406

ANSWER TO INTERROGATORIES AND
REQUEST FOR PRODUCTION OF DOCUMENTS

(1) I made gifts of money to the National Endowment for the Preservation of Liberty and the American Conservative Trust in 1986.

(a) May 26, 1986 - National Endowment for the Preservation of Liberty - $1,000;

October 28, 1986 - American Conservative Trust - $1,000; and

October 21, 1986 - American Conservative Trust - $3,000.

(b) Annexed hereto are true copies of the front and back of such checks.

(c) There was no correspondence relating to the making of these gifts except that I may have accompanied the checks with a brief handwritten note of which I have no copies.

(2) The National Endowment for the Preservation of Liberty and the American Conservative Trust solicited gifts of money from me in 1986.

(a) On, or shortly before, May 26, 1987 I received a telephone call from Carl E. Channell requesting a gift for the National Endowment for the Preservation of Liberty. He stated that the purpose of such contribution would be to pay for a television campaign soliciting support for the Contra Aid Bill requested of Congress by the Administration. I stated that I supported this objective and would contribute.

On, or shortly before, October 28, 1986 I received a call from a Mr. Chris Littledale, an associate of Mr. Channell's, requesting a contribution to the American Conservative Trust. He stated that this organization

was involved in supporting the Administration's program for aid to the Contras in Nicaragua and, to the best of my recollection, that the organization was a political action committee that would target television messages in specific Congressional districts or States where a particular representative or senator either supported or opposed Contra aid and that the messages would be in support of those who were in favor of Contra aid or against those who were opposed to Contra aid. I believe he mentioned specific candidates but I cannot recall their names. In response to my inquiry, Mr. Littledale stated that the American Conservative Trust was organized in compliance with applicable laws.

On or shortly before October 31, 1987, I received a call from Mr. Littledale requesting a further contribution to the American Conservative Trust in order to enable it to complete its television campaign, to which I agreed.

(b) I recall no written requests.

(c) I recall no face-to-face requests.

(d) Not applicable.

(e) Not applicable.

(3) Both Mr. Channell and Mr. Littledale in their telephone calls represented to me that funds would be used only to pay for the costs of television advertisements relating to the Nicaraguan Freedom Fighters (or Contras). Mr. Channell so stated in respect of the National Endowment for the Preservation of Liberty and Mr. Littledale so stated in respect of the American Conservative Trust.

(4) Mr. Littledale represented that gifts to the American Conservative Trust would be used to pay for television messages relating to elections to the Congress of the United States and stated that the American Conservative Trust was organized so as legally to perform this function. I recall no documents in connection therewith.

(5) Beginning in the summer of 1986, I made statements to various reporters who telephoned me with questions about the National Endowment for the Preservation of Liberty and perhaps the American Conservative Trust. I can recall reporters from the American Broadcasting Company, the Baltimore Sun and the New York Times but not their names nor the dates of the calls.

I believe there may have been other inquiries from other reporters as well but cannot recall from whom they came nor the dates thereof.

There was no correspondence with any of the above.

Each of the reporters inquired as to whether the National Endowment for the Preservation of Liberty and possibly the American Conservative Trust was involved in supplying arms to the Nicaraguan Freedom Fighters. I stated that I had been informed by the principals of the National Endowment for the Preservation of Liberty and possibly the American Conservative Trust that the sole purpose of this organization or thse organizations was to sponsor television messages in support of the Administration program for aid to the Freedom Fighters.

In addition, however, after Mr. Channell publicly admitted in 1987 that the National Endowment for the Preservation of Liberty and perhaps the American Conservative Trust had in fact used funds to supply arms to the Nicaraguan Freedom Fighters I stated to a reporter for the New York Times and possibly others that Mr. Channell and his associate had lied to me which I deeply resented, and I facetiously stated to the New York Times which asked me what penalty Mr. Channel should receive, that he should receive the death penalty because of his having lied to me.

I had no written communications with anyone in respect of the foregoing.

I have also had correspondence and conversations with a representative of the Attorney General of the State of New York (a Miss Goldman) who is investigating the National

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Endowment for the Preservation of Liberty. Such documents are in the possession of that office.

EDWIN L. WEISL, JR.

STATE OF NEW YORK )
: SS.:
COUNTY OF NEW YORK )

On the 27th day of January, 1988, before me personally came EDWIN L. WEISL, JR., to me known to be the individual described in and who executed the foregoing instrument, and he acknowledged to me that he executed the same.

Notary Public

RACHEL D. LEE
Notary Public, State of New York
No. 31-4745347
Qualified in New York County
Commission Expires May 31, 1989

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COPIES OF PERSONAL CHECKS
SUBMITTED WITH THIS RESPONSE
HAVE BEEN REMOVED FROM THE PUBLIC FILE

20040794263

RECEIVED
FEDERAL ELECTION COMMISSION
MAIL ROOM
88 FEB -1 PM 12:12

HERGE, SPARKS, CHRISTOPHER & BIONDI
ATTORNEYS AT LAW
SUITE 200
8201 GREENSBORO DRIVE
McLEAN, VIRGINIA 22102
(703) 848-4700

J. CURTIS HERGE
ROBERT R. SPARKS, JR.
A. MARK CHRISTOPHER
GEORGE V. BIONDI
DONNA LYNN MILLER
CARRIE LEE GLASER

TELECOPIER NUMBER
(703) 893-7371

January 29, 1988

RECEIVED
FEDERAL ELECTION COMMISSION
OFFICE OF GENERAL COUNSEL
88 FEB -1 PM 3:01

Susan Beard, Esq.
Office of General Counsel
Federal Election Commission
999 E Street, N.W.
Washington, D. C. 20463

RE: MUR 2406 - Carl R. Channell

Dear Ms. Beard:

This letter is written on behalf of Carl R. Channell in response to the letter from the Chairman of the Federal Election Commission to me, dated December 17, 1987, advising us that the Commission has found reason to believe that Mr. Channell violated 2 U.S.C. §441b(a).

At our meeting on Wednesday, January 20, 1988, I provided you with materials which should be dispositive of this matter. We trust that the Office of General Counsel will recommend that no further action be taken in respect of Mr. Channell.

Sincerely yours,

J. Curtis Herge

:sbl

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MUR # 2406

RECEIVED
FEDERAL ELECTION COMMISSION
MAIL ROOM

HERGE, SPARKS, CHRISTOPHER & BIONDI
ATTORNEYS AT LAW
SUITE 200
8201 GREENSBORO DRIVE
McLEAN, VIRGINIA 22102
(703) 848-4700

TELECOPIER NUMBER
(703) 893-7371

J. CURTIS HERGE
ROBERT R. SPARKS, JR.
A. MARK CHRISTOPHER
GEORGE V. BIONDI

DONNA LYNN MILLER
CARRIE LEE GLASER

88 JAN 29 AM 9:28

January 28, 1988

88 JAN 29 PM 2:16
FEDERAL ELECTION COMMISSION
OFFICE OF GENERAL COUNSEL

Susan Beard, Esq.
Office of General Counsel
Federal Election Commission
999 E Street, N.W.
Washington, D. C. 20463

RE: MUR 2406 - National Endowment for the Preservation of Liberty

Dear Ms. Beard:

This letter is written on behalf of National Endowment for the Preservation of Liberty (hereinafter referred to as "NEPL") in response to the letter from the Chairman of the Federal Election Commission to me, dated December 17, 1987, advising us that the Commission has found reason to believe that NEPL violated 2 U.S.C. §§433, 434, 441a(f) and 441b(a).

In furtherance of the discussions had at our meeting on Wednesday, January 20, 1988,

NEPL is providing and/or stipulating the following:

1) Enclosed is a copy of the Articles of Incorporation of NEPL, dated May 4, 1984;

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its Certificate of Incorporation, dated May 25, 1984; its Articles of Amendment to the Articles of Incorporation, dated February 27, 1987; its Certificate of Amendment, dated March 2, 1987; and, its Bylaws.

2) The incorporators of NEPL were: Carl R. Channell, Edward Donahue, III and Roger Wilkins.

3) The addresses of NEPL were: 305 Fourth Street, N.E., Washington, D.C. from date of organization until August, 1986; 1331 Pennsylvania Avenue, N.W., Washington, D.C. from August, 1986 until June, 1987; and, 2032 Belmont Road, N.W., Washington, D.C. from June, 1987, until the present.

4) Enclosed is a copy of the letter from the Internal Revenue Service to NEPL, dated December 12, 1984, containing the Service's original determination that NEPL is an organization described in section 501(c)(3) of the Internal Revenue Code.

5) Enclosed is a copy of the letter from the Internal Revenue Service to NEPL, dated April 30, 1987, revoking the December 12, 1984 determination letter referenced above, the revocation being retroactive to May 25, 1984, NEPL's date of incorporation.

6) The members of the Board of Directors of NEPL were:

Carl R. Channell - May 25, 1984 to the present
Edward Donahue, III - May 25, 1984 to the present
Larry Parman - May 25, 1984 to the present
Daniel L. Conrad - July 25, 1986 to July 8, 1987

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7) The corporate officers of NEPL were:

Carl R. Channell, President - May 25, 1984 to the present
Edward Donahue, III, Vice President - May 25, 1984 to the present
Roger Wilkins, Sec./Treas. - May 25, 1984 to July 25, 1986
Daniel L. Conrad, Exec. V. Pres. and Sec. - July 25, 1986 to July 8, 1987
F. Clifton Smith, Treasurer - July 25, 1986 to May 28, 1987

8) NEPL maintained its primary bank accounts at The Palmer National Bank and E.F. Hutton, both in Washington, D. C. Its securities account was maintained at E. F. Hutton. It also maintained a bank account at Irving Trust.

9) NEPL's accounts, books and records were maintained separate and apart from those of any other organization and person. Upon the best information available, they were maintained by Michael D. Barnes and Stephen McMahon, who were consultants and/or employees of NEPL. Messrs. Barnes and McMahon were the individuals responsible for, among other things, allocating overhead and other expenses between NEPL and other organizations which used common facilities, equipment and personnel. They were also responsible for the payment of invoices. The last known address for Mr. Barnes and Mr. McMahon was 1322 Corcoran Street, N.W., Washington, D. C. 20009.

10) NEPL stipulates that Exhibit 8 attached to the complaint in this matter appears to be an accurate transcript of a portion of a fundraiser's meeting held May 23, 1986.

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11) The accounting firm of Simmermacher & Felts audited the revenues of NEPL for the year ended December 31, 1986. A copy of their report is enclosed. Upon information and belief, Simmermacher & Felts did not compile a similar report for 1985, nor did they compile financial statements for 1985 or 1986 as suggested in their report.

12) Enclosed are copies of the unaudited Balance Sheets of NEPL as of December 31, 1985 and as of December 31, 1986; and, copies of the unaudited Statements of Income of NEPL for the years 1985 and 1986, prepared by the accounting firm, Aiken & Carroll, of Fairfax, Virginia. These financial statements were prepared from the records of the Corporation after the Internal Revenue Service revoked NEPL's exempt status.

13) Enclosed is a Statement of Net Assets of NEPL as of November 30, 1986; a Statement of Operations of NEPL for the first eleven months of 1986; a listing of contributions (by date, contributor and amount) to NEPL in the first eleven months of 1986; and, a separate listing of receipts by NEPL in 1986. All these materials were prepared, upon information and belief, by Stephen McMahon.

14) Enclosed are detailed listings of 1985 and 1986 project invoices rendered by the Robert Goodman Agency for the production and broadcast of television advertisements by NEPL, Sentinel, American Conservative Trust and American Conservative Trust State Election Fund, together with an accompanying "analysis" prepared by Stephen McMahon. The analysis is dated "1/5/86," but, because it includes data through December, 1986, it is

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evident the analysis should have been dated "1/5/87." A separate "analysis" dated "1/5/87," reflecting the same figures in a different format is also enclosed.

15) Enclosed is a copy of a report prepared by International Business Communications of funds received by it from NEPL and of program expenditures made by it on behalf of NEPL in 1985 and 1986.

NEPL, for all intents and purposes, commenced its programmatic activities after April 1, 1985. These programs consisted of two principal components. Those were (a) the television advertising program described in our letter to the Commission dated July 16, 1987; and (b) the direct aid program summarized in the report of International Business Communications.

With respect to the television advertising program, Mr. McMahon's analysis reveals that, in 1985, the Goodman Agency was rendering most of its invoices to American Conservative Trust for advertisements produced for American Conservative Trust-State Election Fund; and, that NEPL advanced funds on behalf of American Conservative Trust-State Election Fund in payment of those invoices. In 1986, the problem of invoicing the wrong organization was reportedly corrected. Of the $37,805 reported as the cost of producing and airing the American Conservative Trust independent expenditure advertisements in opposition to Tim Wirth, the analysis suggests that NEPL advanced funds to pay those invoices. This is contrary to representations made to counsel earlier. Subsequent investigation revealed that NEPL did advance funds on behalf of other organizations on a reimbursable basis, but the condition and quality of the recordkeeping systems made it virtually impossible to reconcile the accounts.

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With reference to the report of International Business Communications, note should be taken of a project entitled, "The Future of Freedom Forums." Counsel is advised that that project was never implemented and, in fact, never progressed past the discussion stage.

NEPL asserts, for the record, that the financial statements, financial records and contributor records described in paragraphs (12), (13) and (14), and which are submitted herewith, are proprietary records, not subject to disclosure under the Freedom of Information Act. Further, NEPL does not consent to this letter and its enclosures being made part of the public record in this matter.

We look forward to assisting you and in working with you in this matter.

Sincerely yours,

J. Curtis Herge
Counsel to National Endowment for
the Preservation of Liberty

:sbl

Enclosures

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ARTICLES OF INCORPORATION

OF

NATIONAL ENDOWMENT FOR THE PRESERVATION OF LIBERTY

We, the undersigned, natural persons of the age of eighteen years or more, acting as incorporators of a corporation, adopt the following Articles of Incorporation for such a corporation pursuant to the District of Columbia Nonprofit Corporation Act.

FIRST: The name of the corporation is NATIONAL ENDOWMENT FOR THE PRESERVATION OF LIBERTY, hereinafter referred to as the "Corporation."

SECOND: The period of its duration is perpetual.

THIRD: The objects and purposes of the Corporation, which is not formed for pecuniary profit or financial gain, shall be exclusively to study, analyze and research the historical development and evolution of American political systems and the influences such systems have had on societal institutions in the United States. The Corporation shall make the results of its analyses, studies and research available to the general public, through the sponsorship and support of educational programs, so that individuals might have a better understanding and appreciation of the interrelationship between such systems and institutions and of the manner in which trends and developments in one area may portend change in the other area.

The Corporation shall sponsor, conduct and support public discussion groups, panels, forums, lectures and conferences, to which will be invited members of the general public, politicians, governmental leaders, professors, historians and others for the discussion and exchange of ideas and views on the development of American political systems, past, present and



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future. The Corporation shall publish and distribute educational publications relevant to its purposes to civic associations, governmental bodies, libraries, schools, universities and any other interested groups or individuals. The educational activities of the Corporation shall be designed and presented in a manner that will enable the listener or reader to draw his or her own conclusions. The Corporation shall not espouse policies or positions, the accomplishment of which may only be achieved by the passage or defeat of legislation.

For the accomplishment of these purposes and without, in any particular, limiting the generality of the foregoing, the Corporation shall have the power to own, operate, print, publish, manage and distribute such books, magazines, papers and other literature for the dissemination and exchange of information as will further the objects and purposes of the Corporation; to purchase, lease or otherwise acquire, and hold, own, use and operate, or mortgage or otherwise encumber, or sell, real and personal property as may be necessary to carry out the objects and purposes of the Corporation; to receive and maintain a fund or funds of real or personal property, or both, and, subject to the restrictions and limitations hereinafter set forth, to use and apply the whole or any part of the income therefrom and the principal thereof exclusively in furtherance of the objects and purposes of the Corporation and by making contributions to organizations that qualify as organizations described in Section 501(c)(3), or successor Section, of the Internal Revenue Code and the Regulations promulgated thereunder as they now exist or as they may hereafter be amended.

No part of the net earnings of the Corporation shall inure to the benefit of any member, director or officer of the Corporation, or any private individual (except that reasonable

compensation may be paid for services rendered to or for the Corporation affecting one or more of its purposes). No substantial part of the activities of the Corporation shall consist of carrying on propaganda, or otherwise attempting to influence legislation and, the Corporation shall not participate in, nor intervene in (including the publication or distribution of statements) any political campaign on behalf of, or in opposition to, any candidate for public office.

Upon the dissolution of the Corporation or the winding up of its affairs, the assets of the Corporation shall be distributed, subject to the laws of the District of Columbia, exclusively to charitable, religious, scientific, literary, or educational organizations which would then qualify under the provisions of Section 501(c)(3), or successor Section, of the Internal Revenue Code and the Regulations promulgated thereunder as they now exist or as they may hereafter be amended. No member, director or officer of the Corporation, or any private individual, shall be entitled to share in the distribution or division of any of the corporate assets on dissolution of the Corporation.

Notwithstanding any other provision of these Articles of Incorporation, the Corporation shall not carry on any other activities not permitted to be carried on by an organization exempt under Section 501(c)(3) of the Internal Revenue Code and its Regulations as they now exist or as they may hereafter be amended, or by an organization contributions to which are deductible under Section 170(c)(2) of such Code and Regulations as they now exist or as they may hereafter be amended. Alternatively, the Corporation shall have the power to, and shall, conduct and carry on activities required to be conducted or carried on in order to acquire and maintain a determination that it is an

organization exempt under Section 501(c)(3), or successor Section, of the Internal Revenue Code and Regulations promulgated thereunder as they now exist or as they may hereafter be amended. To that end, if the Corporation shall be a "private foundation," as that term is defined in Section 509, or successor Section, of the Internal Revenue Code and the Regulations promulgated thereunder as they now exist or as they may hereafter be amended, the Corporation shall distribute its income for each taxable year at such time, and in such manner, as not to subject the Corporation to the the tax imposed under Section 4942, or successor Section, of the Internal Revenue Code, and the Regulations promulgated thereunder as they now exist or as they may hereafter be amended; and, the Corporation shall not engage in any act of "self-dealing," retain any "excess business holdings," invest any amount in such a manner as to "jeopardize the carrying out of any of its exempt purposes," or make any "taxable expenditure," as those respective terms and phrases are defined in Section 4941(d), 4943(c), 4944 and 4945(d), respectively, or successor Sections, of the Internal Revenue Code and the Regulations promulgated thereunder as they now exist or as they may hereafter be amended.

FOURTH: The Corporation shall have no members.

FIFTH: The Directors of the Corporation shall hold office for a term of one (1) year, and until their respective successors have been elected and qualified, and shall, with the exception of the initial Directors, be elected by a majority vote of the Directors in office immediately preceding the expiration of each term. Any vacancy in the Board of Directors that shall occur prior to the expiration of a term shall be filled by such person as shall be appointed by the Chairman of the then Board of

Directors and the person so elected shall hold office until the expiration of the term to which he or she succeeded.

**SIXTH:** The post office address of the initial registered office is 1250 Eye Street, Suite 1000, Washington, D.C. 20005. The name of its initial registered agent is Charles D. Reed, who is a resident of the District of Columbia and who is a member of the District of Columbia Bar and whose business office is the same as the registered office of the Corporation.

**SEVENTH:** The number of Directors constituting the initial Board of Directors shall be three (3) and the names and addresses of the persons who are to serve as the initial Directors are:

| Names | Addresses |
|---|---|
| Carl R. Channell | 2032 Belmont Road, N.W.<br>Washington, D.C. 20009 |
| Edward Donahue | 1453 Corcoran Street, N.W.<br>Washington, D.C. 20009 |
| Larry Parman | 420 N.W. 14th Street<br>Oklahoma City, OK 73103 |

**EIGHTH:** The names and the addresses, including street and number, of the Incorporators are:

| Names | Addresses |
|---|---|
| Carl R. Channell | 2032 Belmont Road, N.W.<br>Washington, D.C. 20009 |
| Edward Donahue | 1453 Corcoran Street, N.W.<br>Washington, D.C. 20009 |
| Roger Wilkins | 48 Hawthorne Court<br>Washington, D.C. 20017 |

IN WITNESS WHEREOF, for the purpose of forming the Corporation under the laws of the District of Columbia, the undersigned Incorporators of the Corporation have executed these Articles of Incorporation this 4th day of May, 1984.

CARL R. CHANNELL

EDWARD DONAHUE

ROGER WILKINS

DISTRICT OF COLUMBIA ) to-wit:

I, the undersigned, a Notary Public, do hereby certify that on the 4th day of May, 1984, personally appeared before me CARL R. CHANNELL, who signed the foregoing document as Incorporator and acknowledged that the statements therein contained are true.

Notary Public

My Commission Expires: 9/30/85

DISTRICT OF COLUMBIA ) to-wit:

I, the undersigned, a Notary Public, do hereby certify that on the 4th day of May, 1984, personally appeared before me EDWARD DONAHUE, who signed the foregoing document as Incorporator and acknowledged that the statements therein contained are true.

Notary Public

My Commission Expires: 9/30/85

DISTRICT OF COLUMBIA ) to-wit:

I, the undersigned, a Notary Public, do hereby certify that on the 4th day of May, 1984, personally appeared before me ROGER WILKINS, who signed the foregoing document as Incorporator and acknowledged that the statements therein contained are true.

Notary Public

My Commission Expires: 9/30/85



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DEPARTMENT OF CONSUMER AND REGULATORY AFFAIRS
BUSINESS REGULATION ADMINISTRATION
CORPORATION DIVISION
614 H STREET, N.W.
WASHINGTON, D.C. 20001

# C E R T I F I C A T E

THIS IS TO CERTIFY that all provisions of the District of Columbia Non-profit Corporation Act have been complied with and ACCORDINGLY this Certificate of Incorporation

is hereby issued to the NATIONAL ENDOWMENT FOR THE PRESERVATION OF LIBERTY

as of the date hereinafter mentioned.

Date May 25, 1984

Carol B. Thompson
Director

Assistant Shelly Finch
Superintendent of Corporations

GOVERNMENT OF THE DISTRICT OF COLUMBIA
MARION BARRY, JR., MAYOR
APRIL 1981

0004079271

**ARTICLES OF AMENDMENT TO THE ARTICLES OF INCORPORATION OF NATIONAL ENDOWMENT FOR THE PRESERVATION OF LIBERTY**

Pursuant to the provisions of the District of Columbia Non-profit Corporation Act, the undersigned adopts the following Articles of Amendment to its Articles of Incorporation:

(a) The name of the Corporation is: "NATIONAL ENDOWMENT FOR THE PRESERVATION OF LIBERTY".

(b) The amendments to the Articles of Incorporation, as adopted by a majority of the Board of Directors of the Corporation, are as follows:

1. Article THIRD of the Articles of Incorporation is amended to read as follows:

THIRD: The objects and purposes of the Corporation, which is not formed for pecuniary profit or financial gain, shall be exclusively to receive contributions, or to make expenditures, or both, directly or indirectly, for the study, analysis and research for the benefit of the general public on public issues and policies of significant public interest or importance and to make the results thereof available to the general public, including, but not limited to, educating members of the general public concerning various economic, social, historical and political events occurring in nations struggling to obtain freedom and liberation and the impact these events have upon the citizens of various nations, including the United States of America.

The Corporation, in furtherance of its purposes, shall sponsor, conduct and support public discussion groups, panels, lectures and forums, to which will be invited members of the public, governmental leaders and others for an interchange of views and the instruction of the public on such issues and matters. The Corporation shall distribute educational publications relevant to its purposes to civic associations, governmental bodies, libraries, schools, universities and other interested groups and individuals. The educational activities of the Corporation shall be designed and presented in such a manner that they will enable the listener or reader to draw his or her own conclusions.

Additionally, and in furtherance of its purposes the Corporation may assist the peoples of various nations struggling to obtain freedom and liberation by offering humanitarian assistance for the relief of the poor and the distressed of said nations.



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For the accomplishment of these purposes and without, in any particular, limiting the generality of the foregoing, the Corporation shall have the power to own, operate, print, publish, manage and distribute such books, magazines, papers and other literature for the dissemination and exchange of information as will further the objects and purposes of the Corporation; to purchase, lease or otherwise acquire, and hold, own, use and operate, or mortgage or otherwise encumber, or sell, real and personal property as may be necessary to carry out the objects and purposes of the Corporation; to receive and maintain a fund or funds of real or personal property, or both, and, subject to the restrictions and limitations hereinafter set forth, to use and apply the whole or any part of the income therefrom and the principal thereof exclusively in furtherance of the objects and purposes of the Corporation and by making contributions to organizations that qualify as organizations described in Section 501(c)(3), or successor Section, of the Internal Revenue Code and the Regulations promulgated thereunder as they now exist or as they may hereafter be amended.

No part of the net earnings of the Corporation shall inure to the benefit of any member, director or officer of the Corporation, or any private individual (except that reasonable compensation may be paid for services rendered to or for the Corporation affecting one or more of its purposes). No substantial part of the activities of the Corporation shall consist of carrying on propaganda, or otherwise attempting to influence legislation and, the Corporation shall not participate in, nor intervene in (including the publication or distribution of statements) any political campaign on behalf of, or in opposition to, any candidate for public office.

Upon the dissolution of the Corporation or the winding up of its affairs, the assets of the Corporation shall be distributed, subject to the laws of the District of Columbia, exclusively to charitable, religious, scientific, literary, or educational organizations which would then qualify under the provisions of Section 501(c)(3), or successor Section, of the Internal Revenue Code and the Regulations promulgated thereunder as they now exist or as they may hereafter be amended. No member, director or officer of the Corporation, or any private individual, shall be entitled to share in the distribution or division of any of the corporate assets on dissolution of the Corporation.

Notwithstanding any other provision of these Articles of Incorporation, the Corporation shall not carry on any other activities not permitted to be carried on by an organization exempt under Section 501(c)(3) of the Internal Revenue Code and its Regulations as they now exist or as they may hereafter be amended, or by an organization contributions to which are deductible under Section 170(c)(2) of such Code and Regulations as they now exist or as they may hereafter be amended. Alternatively, the Corporation shall have the power

to, and shall, conduct and carry on activities required to be conducted or carried on in order to acquire and maintain a determination that it is an organization exempt under Section 501(c)(3), or successor Section, of the Internal Revenue Code and the Regulations promulgated thereunder as they now exist or as they may hereafter be amended. To that end, if the Corporation shall be a "private foundation," as that term is defined in Section 509, or successor Section, of the Internal Revenue Code and the Regulations promulgated thereunder as they now exist or as they may hereafter be amended, the Corporation shall distribute its income for each taxable year at such time, and in such manner, as not to subject the Corporation to the tax imposed under Section 4942, or successor Section, of the Internal Revenue Code, and the Regulations promulgated thereunder as they now exist or as they may hereafter be amended; and, the Corporation shall not engage in any act of "self-dealing," retain any "excess business holdings," invest any amount in such a manner as to "jeopardize the carrying out of any of its exempt purposes," or make any "taxable expenditure," as those respective terms and phrases are defined in Section 4941(d), 4943(c), 4944 and 4945(d), respectively, or successor Sections, of the Internal Revenue Code and the Regulations promulgated thereunder as they now exist or as they may hereafter be amended.

(c) There being no members of the Corporation, the effective date of the Unanimous Consent executed by all of the members of the Board of Directors of the Corporation was February 27, 1987.

(d) The amendment does not effect a reinstatement of the Articles of Incorporation.

Executed this 27 day of February, 1987, on behalf of the Corporation by its President and Secretary.

[SEAL]
CORPORATE SEAL

Secretary

NATIONAL ENDOWMENT FOR THE PRESERVATION OF LIBERTY

By: _____
President

GOVERNMENT OF THE DISTRICT OF COLUMBIA
DEPARTMENT OF CONSUMER AND REGULATORY AFFAIRS
BUSINESS REGULATION ADMINISTRATION

# C E R T I F I C A T E

THIS IS TO CERTIFY that all applicable provisions of the DISTRICT OF COLUMBIA BUSINESS CORPORATION ACT have been complied with and ACCORDINGLY, this CERTIFICATE of AMENDMENT is hereby issued to NATIONAL ENDOWMENT FOR THE PRESERVATION OF LIBERTY

as of March 2, 19 87.

Donald G. Murray
Acting Director

R. Benjamin Johnson
Administrator
Business Regulation Administration

Vandy L. Jamison, Jr.
Assistant Superintendent of Corporations
Corporations Division

Marion Barry, Jr.
Mayor

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BY-LAWS

OF

NATIONAL ENDOWMENT FOR THE PRESERVATION OF LIBERTY

ARTICLE I

Offices

Section 1. Registered Office. The Corporation shall have and continuously maintain in the District of Columbia a registered office, with a registered agent whose business office is identical with such registered office, as required by the District of Columbia Nonprofit Corporation Act. The address of the registered office may be changed from time to time by the Board of Directors.

Section 2. Other Offices. The Corporation may also have an office or offices at such other place or places within or without the District of Columbia as the Board of Directors may, from time to time, designate and as the business of the Corporation may require.

ARTICLE II

Purpose

Section 1. Nature of Corporation. The Corporation is a nonprofit, nonmember corporation formed under the District of Columbia Nonprofit Corporation Act, which is organized and shall be exclusively operated for educational and charitable purposes in accordance with the provisions of Section 501(c)(3) of the

Internal Revenue Code and the Regulations promulgated and applicable rulings issued thereunder.

Section 2. Primary Purpose. The Corporation is organized and shall be exclusively operated in accordance with its Articles of Incorporation and filed with the Corporate Division of the Business Regulation Administration of the Department of Consumer and Regulatory Affairs of the District of Columbia.

ARTICLE III

Members

The Corporation shall have no members.

ARTICLE IV

Board of Directors

Section 1. General Powers. The Board of Directors shall have the general power to manage and control the affairs and property of the Corporation, and shall have full power, by majority vote, to adopt rules and regulations governing the action of the Board. The making of grants and contributions and otherwise rendering financial assistance for the purposes expressed in the Articles of Incorporation of the Corporation shall be within the exclusive power of the Board of Directors. In furtherance of the purpose set forth in Article III of the Articles of Incorporation, the Board of Directors shall have the power to make grants to any organization organized and operated exclusively for charitable, religious, literary, scientific or

educational organizations which then qualify under the provisions of Section 501(c)(3), or successor Section, of the Internal Revenue Code and the Regulations promulgated thereunder, as the same may be from time to time amended. The Board of Directors shall review all requests for funds from such organizations, may require that such requests specify the use to which the funds will be put, and, if the Board of Directors approves the request, shall authorize the payment of such funds to the approved grantee. The Board of Directors may require that the grantees furnish a periodic accounting to show that the funds were expended for the purposes which were approved by the Board of Directors. The Board of Directors may, in its absolute discretion, refuse to make any grants or contributions, or otherwise render financial assistance to or for any or all of the purposes for which funds are requested.

Section 2. Exclusive Control. The Corporation shall neither solicit nor accept contributions upon condition that the amount received be paid by the Corporation to any other organization or for any specific purpose unless, prior to the time such contribution is solicited or received, the Board of Directors shall have approved a grant to such other organization or such specific purpose and unless the Board of Directors shall at all times have the right to withdraw approval of such grant and withhold transmission of funds in accordance with the terms of the grant.

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Section 3. Number, Qualifications, Election and Tenure of Director. The number of Directors shall be three. Directors need not be residents of the District of Columbia.

The initial Board of Directors shall be composed of those Directors named in the Corporation's Articles of Incorporation filed with the Corporate Division of the Business Regulation Administration of the Department of Consumer and Regulatory Affairs for the District of Columbia. Each Director shall hold office from the date of the Organization Meeting of the Corporation until the first annual meeting of the Board of Directors and until his successor is elected and qualified. At each annual meeting of the Board of Directors, the Directors shall stand for re-election to the Board of Directors for a one (1) year term of office and until their respective successors are elected and qualified. Each successor Director shall hold office for a term of one (1) year. Election to the Board of Directors shall be by majority vote of the then members of the Board of Directors.

Section 4. Vacancies. Any vacancy occurring in the Board of Directors that shall occur prior to the expiration of a term shall be filled by such person as shall be appointed by the Chairman of the Board of Directors of the Corporation. A Director so appointed to fill a vacancy shall hold office for the unexpired term of his predecessor in office.

Section 5. Annual Meetings. The annual meeting of the Board of Directors shall be held without other notice than this By-law, at the Corporation's principal office on the second Wednesday in January of each year.

Section 6. Special Meetings. Special meetings of the Board of Directors may be called by or at the request of the Chairman or any two of the Directors. The person or persons authorized to call special meetings of the Board of Directors may fix any place, either within or without the District of Columbia, as the place for holding any special meeting of the Board called by them.

Section 7. Notice. Notice of any special meeting of the Board of Directors shall be given at least five (5) days previously thereto by written notice delivered personally or sent by mail or telegram to each Director at his address as shown in the records of the Corporation. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail in a sealed envelope so addressed, with postage prepaid. If notice be given by telegram, such notice shall be deemed to be delivered when the telegram is delivered to the telegraph company. Any Director may waive notice of any meeting. The attendance of a Director at any meeting shall constitute a waiver of notice of such meeting, except where a Director attends a meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or

convened. The business to be transacted at, and the purpose of, any special meeting of the Board of Directors need not be specified in the notice or waiver of notice of such meeting.

Section 8. Quorum. A majority of the total number of members of the Board of Directors shall constitute a quorum for the transaction of business at any meeting of the Board; but, if less than a majority of the Directors are present at said meeting, a majority of the Directors present may adjourn the meeting from time to time without further notice.

Section 9. Manner of Acting. The Board of Directors shall act only by majority vote at a meeting at which a quorum is present unless the act of a greater number is required by law or by these By-laws. Members of the Board of Directors may participate in a meeting of such Board by means of a conference telephone or similar communications equipment whereby all persons participating in the meeting can hear each other, and participation by such means shall constitute presence in person at such a meeting. When a meeting is conducted by means of a conference telephone or similar communications equipment, a written record shall be made of the action taken at such meeting.

Section 10. Compensation. Directors as such shall not receive any stated salaries for their services, but by resolution of the Board of Directors a fixed sum and expenses of attendance may be allowed for attendance at each annual or special meeting of the Board; but nothing herein contained shall be construed to

preclude any Director from serving the Corporation in any other capacity and receiving compensation therefor.

Section 11. Informal Action by Directors. Any action required to be taken at a meeting of Directors, or any action which may be taken at a meeting of Directors, may be taken without a meeting if a consent in writing setting forth the action so taken, shall be signed by all of the Directors.

Section 12. Resignation of Directors. A Director may resign from the Board of Directors at any time by giving written notice of his resignation in writing addressed to the President or Secretary of the Corporation, or by presenting his written resignation at an annual or special meeting of the Board of Directors.

ARTICLE V

Officers

Section 1. Officers. The officers of the Corporation shall be a President, a Vice President, a Secretary and a Treasurer and such other offices as may be elected in accordance with the provisions of this Article. The Board of Directors may elect or appoint such other officers including one or more Assistant Secretaries, and one or more Assistant Treasurers, as it shall deem desirable, such officers to have the authority and perform the duties prescribed, from time to time, by the Board of Directors. Any two or more offices may be held by the same person, except the offices of President and Secretary.

Section 2. Election and Term of Office. The officers of the Corporation shall be elected by the Board of Directors at each annual meeting of the Board. If the election of officers shall not be held at such meeting, such election shall be held as soon thereafter as conveniently may be. New offices may be created and filled at any meeting of the Board of Directors. Each officer shall hold office for a term of one (1) year and until his successor shall have been duly elected and qualified.

Section 3. Removal. Any officer elected or appointed by the Board of Directors may be removed by the Board upon an affirmative vote of two-thirds of the entire Board of Directors, whenever in its judgment the best interests of the Corporation would be served thereby.

Section 4. Vacancies. A vacancy in any office because of death, resignation, removal, disqualification or otherwise, shall be filled by such person as shall be elected thereto by the the Board of Directors for the unexpired portion of the term to which he or she succeeds.

Section 5. President. The President shall be the chief executive officer of the Corporation and shall, in general, supervise and control all of the business and affairs of the Corporation. He shall preside at all meetings of the Board of Directors as Chairman of the Board of Directors. He may sign, with the Secretary or any other proper officer of the Corporation authorized by the Board of Directors, any deed, mortgages, bonds,

contracts, or other instruments which the Board of Directors has authorized to be executed, except in cases where the signing and execution thereof shall be expressly delegated by the Board of Directors or by these By-laws or by statute to some other officer or agent of the Corporation; and, in general he shall perform all duties incident to the office of President and such other duties as may be prescribed by the Board of Directors from time to time.

Section 6. Vice President. In the event of the death or resignation of the President, the Vice President, if there shall be one or if not, the Treasurer, shall have all powers of, and be subject to all restrictions upon, the President.

Section 7. Treasurer. The Treasurer shall have charge and custody of and be responsible for all funds and securities of the Corporation; receive and give receipts for moneys due and payable to the Corporation from any source whatsoever, and deposit all such moneys in the name of the Corporation in such banks, trust companies or other depositories as shall be selected in accordance with the provisions of Article VI of these By-laws; and, in general, perform all the duties as from time to time may be assigned to him by the President or by the Board of Directors. If required by the Board of Directors, the Treasurer shall give a bond for the faithful discharge of his duties in such sum and with such surety or sureties as the Board of Directors shall determine.

Section 8. Secretary. The Secretary shall keep the minutes of the meetings of the Board of Directors in one or more books provided for that purpose; see that all notices are duly given in accordance with the provisions of these By-laws or as required by law; be custodian of the corporate records and of the seal of the Corporation and see that the seal of the Corporation is affixed to all documents, the execution of which on behalf of the Corporation under this seal is duly authorized in accordance with the provisions of these By-laws; keep a register of the post office address of each Director which shall be furnished to the Secretary by such Director; and in general perform all duties incident to the office of secretary and such other duties as from time to time may be assigned to him by the President or by the Board of Directors.

Section 9. Assistant Secretaries and Assistant Treasurers. The Assistant Treasurers and Assistant Secretaries, in general, shall perform such duties as shall be assigned to them by the Treasurer, the Secretary, the President, or by the Board of Directors. If required by the Board or Directors, the Assistant Treasurers shall give bonds for the faithful discharge of their duties in such sums and with such sureties as the Board of Directors shall determine.

## ARTICLE VI

## Committees

Section 1. Executive Committee of Directors. The Board of Directors may designate and appoint an Executive Committee, which shall consist of two or more Directors, one of whom shall be the President of the Corporation, which committee shall have and exercise the authority of the Board of Directors in the management of the Corporation during the intervals between meetings; provided, however, that such committee shall not have the authority of the Board of Directors in reference to amending altering or repealing the By-laws; electing appointing or removing any Director of the Corporation; amending the Articles of Incorporation; adopting a plan of merger or adopting a plan of consolidation with another corporation; authorizing the sale, lease, exchange or mortgage of all or substantially all of the property and assets of the Corporation; authorizing the voluntary dissolution of the Corporation or revoking proceedings therefor; or amending, altering or repealing any resolution of the Board of Directors which by its terms provides that it shall not be amended, altered or repealed by such committee. The designation and appointment of any such committee and the delegation thereto of authority shall not operate to relieve the Board of Directors or any individual Director, of any responsibility imposed upon it or him by law.

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Section 2. National Advisory Committee and Other Committees. The Board of Directors may also appoint such other committees, including a National Advisory Committee, as the Board may determine, which shall have such powers and duties as shall from time to time be prescribed by the Board. The President shall be a member ex-officio of each committee appointed by the Board of Directors.

Section 3. Term of Office. Each member of a committee shall continue as a member thereof until the next annual meeting of the Directors of the Corporation and until his successor is appointed, unless the committee shall be sooner terminated, or unless such member be removed from such committee, or unless such member shall cease to qualify as be member thereof.

Section 4. Chairman of Committees. One member of each committee shall be appointed Chairman thereof; provided, however, that the President shall appoint the Chairman of the National Advisory Committee and shall serve as the Chairman of the Executive Committee.

Section 5. Vacancies. Vacancies in the membership of any committee may be filled by appointments made in the same manner as provided in the case of the original appointments.

Section 6. Quorum. Unless otherwise provided in the resolution of the Board of Directors designating a committee, a majority of the whole committee shall constitute a quorum and the act of a majority of the members present at a meeting at which a quorum is present shall be the act of the committee.

Section 7. Rules. Each committee may adopt rules for its own government not inconsistent with these By-laws or with rules adopted by the Board of Directors.

## ARTICLE VII

## Contracts, Checks, Deposits and Funds

Section 1. Contracts. The Board of Directors may authorize any officer or officers, agent or agents of the Corporation, in addition to the officers so authorized by these By-laws, to enter into a contract or execute and deliver any instrument in the name of and on behalf of the Corporation, and such authority may be general or confined to specific instances.

Section 2. Checks, Drafts, etc. All checks, drafts or orders for the payment of money, notes or other evidences of indebtedness issued in the name of the Corporation shall be signed by officer or officers, agent or agents of the Corporation as shall from time to time be determined by resolution of the Board of Directors.

Section 3. Deposits. All funds of the Corporation shall be deposited from time to time to the credit of the Corporation in such banks, trust companies or other depositories as the Board of Directors may select.

Section 4. Gifts and Contributions. The Board of Directors may accept on behalf of the Corporation any contribution, gift, bequest or devise for the general purposes or for any special purpose of the Corporation. Such contributions, gifts,



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bequests, or devises shall be in conformity with the laws of the United States, the District of Columbia, or any other relevant jurisdiction.

ARTICLE VIII

Books and Records

The Corporation shall keep correct and complete books and records of account and shall also keep minutes of the proceedings of its Board of Directors and committees having any of the authority of the Board of Directors.

ARTICLE IX

Fiscal Year

The fiscal year of the Corporation shall begin on the first day of January and end on the last day of December in each year.

ARTICLE X

Seal

The Board of Directors shall provide a corporate seal, which shall be in the form of a circle and shall have inscribed thereon the words: "NATIONAL ENDOWMENT FOR THE PRESERVATION OF LIBERTY, District of Columbia, 1984."

ARTICLE XI

Waiver of Notice

Whenever any notice is required to be given under the provisions of the District of Columbia Nonprofit Corporation Act or under the provisions of the Articles of Incorporation or the

By-laws of the Corporation, a waiver thereof in writing signed by the person or persons entitled to such notice, whether before or after the time stated therein, shall be deemed equivalent to the giving of such notice.

## ARTICLE XII

## Indemnification

The Corporation shall indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending, or completed action, suit or proceeding, whether criminal, administrative or investigative (including an action or suit by or in the right of the Corporation to procure a judgment in its favor) by reason of the fact that he is or was serving at the request of the Corporation, or is or was serving at the request of the Corporation as a director or officer of another corporation, parntership, joint venture, trust, or other enterprise, against judgments, fines, amounts paid in settlement and expenses (including attorneys fees) actually and reasonably incurred by him in connection with such action, suit or proceeding except only in relation to any claim, issue or matter as to which such person shall have finally adjudged to be liable for his gross negligence or willful misconduct. Each such indemnity shall inure to the benefit of the heirs, executors and administrators of such person.

Any such indemnity shall (unless authorized by a court) be made by the Corporation only as authorized in the specific

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case upon a determination that the director or officer was not guilty of gross negligence or willful misconduct in the performance of his duty and, in case of settlement, that such settlement was, or if still be made, is consistent with such indemnity and the best interests of the Corporation. Such determination shall be made by the Board of Directors by a majority vote of a quorum.

ARTICLE XIII

Dissolution

The Corporation may dissolve and wind up its affairs in accordance with the procedures set forth in the District of Columbia Nonprofit Corporation Act. Upon dissolution of the Corporation and the winding up of its affairs, the assets of the Corporation shall be distributed exclusively to charitable, religious, scientific, literary or educational organizations which would then qualify under the provisions of Section 501(c)(3), or successor Section, of the Internal Revenue Code and the Regulations promulgated thereunder.

ARTICLE XIV

Amendments to By-laws

These By-laws may be altered, amended or repealed and new By-laws may be adopted by the affirmative two-thirds vote of the Directors present at any annual meeting or at any special meeting if at least five days written notice is given of intention to alter, amend or repeal or to adopt new By-laws at such meeting.

Internal Revenue Service
District Director

Department of the Treasury

Date: DEC 12 1984

Employer Identification Number:

Accounting Period Ending:
DECEMBER 31

Foundation Status Classification:
509(a)(1) AND 170(b)(1)(A)(vi).

Advance Ruling Period Ends:
DECEMBER 31, 1986

Person to Contact:
R.D. MORRIS

Contact Telephone Number:
488-3100

NATIONAL ENDOWMENT FOR THE
PRESERVATION OF LIBERTY
305 FOURTH STREET, N.E. SUITE 1000
WASHINGTON, D.C. 20002

Dear Applicant:

Based on information supplied, and assuming your operations will be as stated in your application for recognition of exemption, we have determined you are exempt from Federal income tax under section 501(c)(3) of the Internal Revenue Code.

Because you are a newly created organization, we are not now making a final determination of your foundation status under section 509(a) of the Code. However, we have determined that you can reasonably be expected to be a publicly supported organization described in sections 509(a)(1) AND 170(b)(1)(A)(vi)*

Accordingly, you will be treated as a publicly supported organization, and not as a private foundation, during an advance ruling period. This advance ruling period begins on the date of your inception and ends on the date shown above.

Within 90 days after the end of your advance ruling period, you must submit to us information needed to determine whether you have met the requirements of the applicable support test during the advance ruling period. If you establish that you have been a publicly supported organization, you will be classified as a section 509(a)(1) or 509(a)(2) organization as long as you continue to meet the requirements of the applicable support test. If you do not meet the public support requirements during the advance ruling period, you will be classified as a private foundation for future periods. Also, if you are classified as a private foundation, you will be treated as a private foundation from the date of your inception for purposes of sections 507(d) and 4940.

Grantors and donors may rely on the determination that you are not a private foundation until 90 days after the end of your advance ruling period. If you submit the required information within the 90 days, grantors and donors may continue to rely on the advance determination until the Service makes a final determination of your foundation status. However, if notice that you will no longer be treated as a section * organization is published in the Internal Revenue Bulletin, grantors and donors may not rely on this determination after the date of such publication. Also, a grantor or donor may not rely on this determination if he or she was in part responsible for, or was aware of, the act or failure to act that resulted in your loss of section * status, or acquired knowledge that the Internal Revenue Service had given notice that you would be removed from classification as a section * organization.

(over)

If your sources of support, or your purposes, character, or method of operation change, please let us know so we can consider the effect of the change on your exempt status and foundation status. Also, you should inform us of all changes in your name or address.

As of January 1, 1984, you are liable for taxes under the Federal Insurance Contributions Act (social security taxes) on remuneration of $100 or more you pay to each of your employees during a calendar year. You are not liable for the tax imposed under the Federal Unemployment Tax Act (FUTA).

Organizations that are not private foundations are not subject to the excise taxes under Chapter 42 of the Code. However, you are not automatically exempt from other Federal excise taxes. If you have any questions about excise, employment, or other Federal taxes, please let us know.

Donors may deduct contributions to you as provided in section 170 of the Code. Bequests, legacies, devises, transfers, or gifts to you or for your use are deductible for Federal estate and gift tax purposes if they meet the applicable provisions of sections 2055, 2106, and 2522 of the Code.

You are required to file Form 990, Return of Organization Exempt from Income Tax, only if your gross receipts each year are normally more than $25,000. If a return is required, it must be filed by the 15th day of the fifth month after the end of your annual accounting period. The law imposes a penalty of $10 a day, up to a maximum of $5,000, when a return is filed late, unless there is reasonable cause for the delay.

You are not required to file Federal income tax returns unless you are subject to the tax on unrelated business income under section 511 of the Code. If you are subject to this tax, you must file an income tax return on Form 990-T, Exempt Organization Business Income Tax Return. In this letter, we are not determining whether any of your present or proposed activities are unrelated trade or business as defined in section 513 of the Code.

You need an employer identification number even if you have no employees. If an employer identification number was not entered on your application, a number will be assigned to you and you will be advised of it. Please use that number on all returns you file and in all correspondence with the Internal Revenue Service.

Because this letter could help resolve any questions about your exempt status and foundation status, you should keep it in your permanent records.

If you have any questions, please contact the person whose name and telephone number are shown in the heading of this letter.

Sincerely yours,

Teddy R. Kern

District Director

"CC" Power of Attorney

Letter 1045(DO) (Rev. 10-83)

April 30, 1987

Tax Periods Ended:
12/31/84-85-86

In Reply Refer to:
EP/EO:T

Person to Contact:
M. Klasman

CERTIFIED MAIL

Telephone Number:
(301) 962-2856

National Endowment for the
Preservation of Liberty
1331 Pennsylvania Ave., N.W., Suite 350
Washington, D.C. 20004

Dear Sir or Madam:

By this letter I am hereby informing you that the Internal Revenue Service is revoking immediately the letter issued to you on December 12, 1984, recognizing you as an organization described in section 501(c)(3) of the Internal Revenue Code and holding that you were exempt from Federal income tax and eligible to receive deductible charitable contributions under section 170.

On April 29, 1987, the Independent Counsel filed a Criminal Information with the United States District Court for the District of Columbia. On the same date Carl R. Channell, president of your organization, plead guilty to this Criminal Information. This plea is an admission to the facts and all charges contained in the Criminal Information.

In addition, on the basis of our review of your activities and financial records, we conclude that you are not operated exclusively for purposes described in section 501(c)(3) of the Code. You have made substantial expenditures for nonexempt purposes, you have engaged in prohibited political campaign activities, engaged in substantial legislative activities, operated for private purposes, and permitted your net earnings to inure to the benefit of those in control of your operations. Further, you have failed to file your annual return, Form 990, for the year ending December 31, 1984, and have not supplied requested information as required by section 6033 of the Internal Revenue Code.

On the basis of these matters, I am hereby revoking the letter of December 12, 1984, referred to above, effective May 25, 1984, your date of incorporation. You are required to file Federal income tax returns on Form 1120 for the year ending December 31, 1984 and all subsequent years. Forms 1120 for the years ending December 31, 1984, 1985, and 1986 must be filed

National Endowment for the
Preservation of Liberty

with this office within 30 days from the date of this letter unless a request for an extension of time is granted. Returns for subsequent tax years are to be filed with the appropriate service center identified in the instructions for those returns. Contributions to you are not deductible, subject to the provisions of section 7428(c) of the Internal Revenue Code.

This is a final adverse determination. See section 601.201(n)(6)(VIII) of the Statement of Procedural Rules. If you decide to contest this determination in court, you must initiate a suit for a declaratory judgment in the United States Tax Court, the United States Claims Court, or the District Court of the United States for the District of Columbia before the 91st day after the date this determination was mailed to you. Contact the clerk of the appropriate court for rules for initiating suits for declaratory judgment.

This determination is final and a copy of this letter will be sent to the appropriate state officials in accordance with section 6104(c) of the Internal Revenue Code.

Sincerely yours,

(signed) Teddy R. Kern

Teddy R. Kern
District Directorf

cc: J. Curtis Herge ✓

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SIMMERMACHER & FELTS
CERTIFIED PUBLIC ACCOUNTANTS
1023 POTOMAC STREET, N.W.
WASHINGTON, D.C. 20007
(202) 337-5400

MEMBERS: AMERICAN INSTITUTE OF
CERTIFIED PUBLIC ACCOUNTANTS

Board of Directors
National Endowment for the Preservation of Liberty

We have examined the statement of revenue of the National Endowment for the Preservation of Liberty for the year ended December 31, 1986. Our examination was made in accordance with generally accepted auditing standards and, accordingly, included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

We are in the process of examining the financial statements of the National Endowment for the Preservation of Liberty for the years ended December 31, 1986 and 1985 and will issue our report thereon in the near future.

In our opinion, the statement of revenue referred to above presents fairly the revenue of the National Endowment for the Preservation of Liberty for the year ended December 31, 1986, in conformity with generally accepted accounting principles applied on a consistent basis.

Simmermacher & Felts

Washington, D.C.
March 5, 1987

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National Endowment for the Preservation of Liberty
Statement of Revenue
for the year ended December 31, 1986

| | Amount | % |
|---|---|---|
| Contributions from private individuals in the United States | $6,539,740 | 91.7% |
| Contributions from foundations in the United States | 164,350 | 2.3 |
| Contributions from corporations in the United States | 421,874 | 5.9 |
| Realized losses on securities | (76,898) | (1.1) |
| Dividend and interest income | 82,543 | 1.2 |
| | $7,131,609 | 100.0% |

See accompanying accountants' report

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Natl Endowment For The Presv of Liberty
Balance Sheet
December 31, 1985

ASSETS

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Natl F 'oment For The Preav ~f L' prty
Balance Sheet
December 31, 1985

LIABILITIES AND
STOCKHOLDERS' EQUITY

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Na+l Endowment For The Presv of Liberty
Balance Sheet
December 31, 1986

ASSETS

0004079430

Natl Endowment For The Presv · · · berty
Statement of Income
For the Twelve Months Ended December 31, 1985

| | Current Period | % | Year-to-Date | % |
|---|---|---|---|---|

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Natl Endowment For The Presv of Liberty
Statement of Income
For the Twelve Months Ended December 31, 1986

0004079308

THE NATIONAL ENDOWMENT FOR THE PRESERVATION OF

# L I B E R T Y

## STATEMENT OF NET ASSETS
## NOVEMBER 30, 1986

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NATIONAL ENDOWMENT FOR
THE PRESERVATION OF LIBERT

STATEMENT OF OPERATIONS
1986

| JANUARY | FEBRUARY | MARCH | APRIL | MAY | JUNE | JULY | AUGUST | SEPTEMBER | OCTOBER | NOVEMBER | Y-T-D TOTALS |
|---|---|---|---|---|---|---|---|---|---|---|---|

0 0 4 0 7 9 4 3 1 0

1986 CASH RECEIPTS LEDGER

| DATE | CONTRIBUTOR | FUND | BANK ACCT | AMOUNT |
|---|---|---|---|---|

90040743111

MEMORANDUM

DATE: 1/5/86

TO: SPITZ

FROM: STEVE

RE: GOODMAN ANALYSIS 1985 AND 1986

Presented below is the summary of billings from Goodman Agency and the corresponding payments for the years 1985 and 1986.

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MEMORANDUM

DATE 1/5/87

TO: SPITZ

FROM: STEVE

RE: GOODMAN ANALYSIS 1985 AND 1986

Summarized below are the results of the audit I performed on the billing from Goodman and the payments thereon.

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1985/86 Summary of
National Endowment for the
Preservation of Liberty
Program Expenditures

0004079431 4

**INTERNATIONAL BUSINESS COMMUNICATIONS**
1912 Sunderland Place N.W. • Washington D.C. 20036

INTERNATIONAL BUSINESS COMMUNICATIONS
1912 SUNDERLAND PLACE, N.W.
WASHINGTON, D.C. 20036-1608
TELEPHONE (202) 659-6550
TELEX 3718712 IBCUSA

# M E M O R A N D U M

TO: Carl Russell Channell
President
National Endowment for the
Preservation of Liberty

FROM: Richard R. Miller
Senior Partner

DATE: February 16, 1987

SUBJECT: 1985/86 summary of NEPL program expenditures

This memorandum and the materials attached to it constitute the report you requested on the application of the funds provided to IBC by NEPL in 1985 and 1986 in connection with the Central American Freedom Plan (CAFP), other NEPL programs and for the purpose of providing humanitarian aid in Central America. We have prepared or collected the following materials based on a thorough review of our records:

1. An executive summary of 1985 and 1986 expenditures which includes both the program costs of CAFP, other NEPL programs and the amount of humanitarian aid given by NEPL through IBC.

2. A comprehensive, chronological list of all NEPL deposits to our accounts and IBC expenditures in the execution of your programs for each year.

3. Documentation provided by the managing directors of Intel-Cooperation Inc. (originally I.C. Inc.), including a copy of the Memorandum of Association (corporate charter) filed with the government of the Cayman Islands and a schedule of the receipts and disbursements of that company for 1985 and 1986.

4. Copies of the retainer letter between NEPL and IBC and our program spending document that includes planning for the January 1986 Winter Meeting.

5. Copies of the wire transfers and bank orders used by IBC to distribute the humanitarian aid funds listed in section 2 and summarized in section 1.

you are familiar with our efforts in connection with the CAFP. In addition, the funds NEPL provided for humanitarian assistance have been applied to particularly worthy purposes. For example, your generosity has saved the arm of a little girl who was shot by the Sandinistas and paid for the reconstructive surgery in the United States that repaired the faces and limbs of young freedom fighters. You have also supported some of the best scholarly work by Nicaraguans and helped to support education efforts by exiles who wanted to bring their story to America.

Adolfo Calero has personally thanked you and me and has written to you thanking you for the help we provided to the Nicaraguan Development Council. Another major recipient is the Unified Nicaraguan Opposition (UNO), the political umbrella organization of the Nicaraguan Democratic Resistance. As your representative we have heard from other officials of the movement, and they have gratefully acknowledged the direct assistance we sent on to them.

IBC also distributed funds through Intel Co-operation Inc. to several organizations exempt from American taxation under section 501(c)(3) of the Internal Revenue Code. They are:

Gulf and Caribbean Foundation

Friends for the Americas

Nicaraguan Development Council

Latin American Strategic Studies Institute

Institute on Terrorism and Subnational Conflict

All of these recipients have pledged that their donations were used solely for humanitarian purposes and, given the nature of their organizations, we are confident that such is the case, since it is consistent with their programs in the region.

Some of the funds, as shown in the attached materials, were deposited to the account of Lake Resources, Inc., at Credit Swiss Bank in Geneva at the request of Lt. Col. Oliver L. North. At the present time we are unable to obtain from him any information concerning the application of those funds after deposit to the Lake Resources account. However, we were assured by him at the time that the funds were to be applied solely for humanitarian assistance.

If you have any questions about this report, we would be happy to discuss them with you.

0004074317

# SECTION 1

EXECUTIVE SUMMARY OF

IBC RECEIPTS AND EXPENDITURES FOR

NEPL FUNDS IN 1985 AND 1986

| | | | |
|---|---|---|---|
| 1985 | Total Deposits | | $1,497,222.00 |
| | PROGRAM COSTS | | |
| | Professional Fees (1986 Payments on CAFP made in Dec) | $351,397.15<br>+140,000.00 | |
| | 1985 Pro. Fee payments | | 491,397.15 |
| | Program Expenses | | 104,119.85 |
| | HUMANITARIAN AID | | 901,705.00 |
| 1986 | Deposits | | 3,433,098.79 |
| | PROGRAM COSTS | | |
| | Professional fees | 786,204.00 | |
| | (Prepaid in 1985) | <140,000.00> | |
| | 1986 Pro. Fees payment | | 652,311.36 |
| | Program Expenses | | 388,743.33 |
| | HUMANITARIAN AID | | 2,392,044.10 |

1985/1986 Humanitarian aid breakdown

| | | |
|---|---|---|
| 85 Direct assistance payments | 81,705.00 | |
| 85 Payments via Intel Cooperation | 390,000.00 | |
| 85 Payments via Lake Resources | 430,000.00 | |
| TOTAL 1985 | | 901,705.00 |
| 86 Direct assistance payments | 42,044.10 | |
| 86 Payments via Intel Cooperation | 2,350,000.00 | |
| TOTAL 1986 | | 2,392,044.10 |
| GRAND TOTAL | | $3,293,749.10 |

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# SECTION 2

## ACCOUNT REVIEW 1985

### National Endowment for the Preservation of Liberty
### American Conservative Trust

The following account review uses two designations for transactions; Debit, for any expenditure undertaken for NEPL or ACT; Deposit, for all checks and wire transfers written to IBC.

| DATE | ITEM | DESCRIPTION | DEBIT AMOUNT | DEPOSIT AMOUNT |
|---|---|---|---|---|
| 5/13 | Deposit | NEPL | | 5,000.00 |
| 5/22 | Debit | Stamps | 44.00 | |
| 5/23 | Debit | Office Supplies | 571.89 | |
| 5/24 | Debit | Color Photos | 263.94 | |
| 5/29 | Debit | FARA Books | 11.00 | |
| 6/5 | Debit | Office Supplies | 226.52 | |
| 6/5 | Debit | Couriers | 745.95 | |
| 6/3 | Deposit | NEPL | | 5,000.00 |
| 6/6 | Debit | Copying Press Release | 95.40 | |
| 6/6 | Debit | Hill Deliveries | 235.40 | |
| 6/7 | Debit | Photocopying | 458.60 | |
| 6/7 | Debit | Copying Press Release | 26.50 | |
| 6/11 | Deposit | NEPL | | 5,000.00 |
| 6/19 | Debit | Travel Expenses | 2,200.00 | |
| 6/20 | Debit | Cash for Travelers Checks | 3,500.00 | |
| 6/20 | Debit | Postage | 40.00 | |
| 6/25 | Debit | Hill Delivery | 26.75 | |
| 6/25 | Deposit | NEPL | | 5,000.00 |
| 7/3 | Deposit | NEPL | | 5,000.00 |
| 7/15 | Deposit | NEPL/CAFP | | 130,000.00 |
| 7/15 | Debit | Friends of Freedom Commercial TULIN | 30,000.00 | |
| 7/15 | Debit | Messengers | 549.80 | |
| 7/15 | Debit | Photocopying | 227.40 | |
| 7/15 | Debit | Travel | 820.28 | |
| 7/17 | Deposit | NEPL | | 5,000.00 |
| 7/17 | Deposit | NEPL-CAFP | | 25,000.00 |
| 7/18 | Debit | Subcontractor -Schwatrz | 2,000.00 | |
| 7/19 | Deposit | NEPL-CAFP | | 80,000.00 |
| 7/22 | Debit | Avcom | 81.94 | |
| 7/22 | Debit | Directories | 308.00 | |
| 7/22 | Debit | Radio/TV Monitoring | 45.98 | |
| 7/22 | Debit | VCR | 350.00 | |
| 7/22 | Debit | Photos | 210.94 | |
| 7/22 | Debit | News conference Translations | 500.00 | |
| 7/22 | Debit | Maps | 100.00 | |

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| DATE | ITEM | DESCRIPTION | DEBIT AMOUNT | DEPOSIT AMOUNT |
|---|---|---|---|---|
| 7/22 | Debit | Daily Newspapers Mailing | 135.00 | |
| 7/22 | Debit | Radio/TV Monitoring | 116.38 | |
| 7/22 | Debit | Reprints-U.S. Strat-egic Review | 197.34 | |
| 7/22 | Debit | Photocopying | 368.30 | |
| 7/22 | Debit | Federal Express | 930.55 | |
| 7/22 | Debit | Office Supplies | 531.36 | |
| 7/23 | Debit | NPR Tape | 20.00 | |
| 7/23 | Debit | Telephones | 1,100.00 | |
| 7/23 | Debit | Pyramid Videos | 497.52 | |
| 7/24 | Debit | IDU Conference Ticket | 1,000.00 | |
| 7/25 | Debit | Miami Car | 82.58 | |
| 7/26 | Debit | May to June Travel | 6,235.66 | |
| 8/12 | Debit | Travel-Wesley Smith | 1,500.00 | |
| 8/12 | Debit | Postage | 100.00 | |
| 8/15 | Debit | National Journal | 5.00 | |
| 8/15 | Debit | FPA Books | 8.50 | |
| 8/15 | Debit | Cinema East | 3,295.00 | |
| 8/23 | Deposit | NEPL-CAFP | | 80,000.00 |
| 8/23 | Debit | Wesley Smith-travel | 3,121.00 | |
| 9/3 | Deposit | NEPL | | 10,000.00 |
| 9/3 | Debit | Newspapers | 159.00 | |
| 9/4 | Debit | Newsweek | 26.87 | |
| 9/4 | Debit | Telephones | 226.78 | |
| 9/5 | Deposit | NEPL-CAFP | | 21,000.00 |
| 9/5 | Debit | Freinds of Freedom -TULIN | 30,000.00 | |
| 9/11 | Debit | Camera Crew | 7,550.00 | |
| 9/11 | Debit | Wesley Smith | 500.00 | |
| 9/12 | Debit | Couriers | 689.00 | |
| 9/12 | Debit | Writers Subcontract | 10,005.00 | |
| 9/12 | Deposit | NEPL-CAFP | | 26,300.00 |
| 9/12 | Debit | Film Producer | 3,000.00 | |
| 9/13 | Debit | Film Crew Expenses | 1,000.00 | |
| 9/13 | Debit | Film Crew Fees | 850.00 | |
| 9/16 | Debit | Adcom | 8.99 | |
| 9/16 | Debit | Dubbing | 30.00 | |
| 9/17 | Debit | Telephone | 100.00 | |
| 9/16 | Debit | U.S. News Reprints | 60.00 | |
| 9/17 | Debit | Video Rental | 232.00 | |
| 9/17 | Debit | Film Crew Travel | 410.00 | |
| 9/17 | Debit | Casual Labor | 70.00 | |
| 9/18 | Deposit | NEPL-CAFP | | 10,000.00 |
| 9/18 | Debit | Translations | 398.00 | |
| 9/20 | Deposit | NEPL | | 132,000.00 |
| 9/20 | Debit | Friends of Freedom | 130,000.00 | |
| 9/20 | Deposit | NEPL | | 100,000.00 |
| 9/24 | Debit | Postage | 70.07 | |
| 9/24 | Debit | Travel | 1,256.00 | |
| 9/26 | Debit | Friends of Freedom -I.C. Inc. | 100,000.00 | |
| 9/26 | Debit | Film Crew Fees | 231.00 | |
| 9/26 | Deposit | NEPL | | 5,000.00 |

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| DATE | ITEM | DESCRIPTION | DEBIT AMOUNT | DEPOSIT AMOUNT |
|---|---|---|---|---|
| 9/26 | Debit | Journal of Amer. Pol. | 392.20 | |
| 9/30 | Debit | U.S. News Reprints | 60.00 | |
| 10/3 | Debit | Sprint on tapes | 47.50 | |
| 10/3 | Debit | Travel | 1,452.00 | |
| 10/4 | Debit | Travel-Refugee | 218.00 | |
| 10/7 | Deposit | NEPL-CAFP | | 10,000.00 |
| 10/7 | Debit | Postage | 26.40 | |
| 10/8 | Debit | TV Tape Dubbing | 248.00 | |
| 10/8 | Debit | TV Tape Dubbing | 68.00 | |
| 10/8 | Debit | Heritage Publications | 8.95 | |
| 10/11 | Deposit | NEPL-CAFP | | 10,000.00 |
| 10/11 | Debit | Postage | 98.34 | |
| 10/15 | Debit | Presentation Boxes | 84.59 | |
| 10/15 | Debit | S. Christian Books | 211.47 | |
| 10/16 | Debit | Telephones | 3,081.28 | |
| 10/16 | Debit | Video Equipment | 196.50 | |
| 10/16 | Deposit | NEPL | | 10,000.00 |
| 10/16 | Debit | Presentation Boxes | 83.79 | |
| 10/17 | Debit | Trevor Books | 380.65 | |
| 10/18 | Debit | Film Crew | 10,000.00 | |
| 10/18 | Deposit | NEPL | | 270,000.00 |
| 10/21 | Debit | Postage | 200.00 | |
| 10/22 | Debit | Travel | 3,616.00 | |
| 10/23 | Debit | Film Crew Expenses | 4.90 | |
| 10/23 | Deposit | NEPL-CAFP | | 10,522.00 |
| 10/25 | Debit | Film Crew Fees | 1,101.36 | |
| 10/25 | Debit | Gomez Expenses | 4,181.00 | |
| 10/25 | Debit | Friends of Freedom -I.C. Inc. | 250,000.00 | |
| 10/28 | Debit | Couriers | 987.00 | |
| 10/28 | Debit | Press Club Room | 154.90 | |
| 10/28 | Debit | Videotaping | 49.82 | |
| 10/30 | Deposit | NEPL | | 63,000.00 |
| 10/30 | Deposit | ACT | | 9,500.00 |
| 10/30 | Debit | Forbes | 4.00 | |
| 11/6 | Debit | Video Editing | 330.00 | |
| 11/4 | Debit | Flores Expenses | 37.78 | |
| 11/4 | Debit | Flores Labor | 204.25 | |
| 11/7 | Debit | Video Transmission | 400.00 | |
| 11/8 | Debit | Friends of Freedom -I.C. Inc. | 40,000.00 | |
| 11/8 | Debit | Mailgrams | 1405.00 | |
| 11/8 | Debit | Photographs | 165.63 | |
| 11/8 | Debit | Postage | 82.80 | |
| 11/14 | Debit | Hotel for Producer | 102.66 | |
| 11/15 | Debit | Travel for Flores | 1010.00 | |
| 11/15 | Debit | Postage | 112.00 | |
| 11/17 | Debit | Travel-CAFP | 2,973.00 | |
| 11/19 | Deposit | NEPL-CAFP | | 10,000.00 |
| 11/19 | Debit | Expenses-CAFP Producer | 1,357.32 | |
| 11/19 | Debit | CAFP Travel | 2,088.50 | |
| 11/19 | Debit | CDS-Photocopying | 20.36 | |
| 11/20 | Debit | Miami Trip Clemons | 550.00 | |

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| DATE | ITEM | DESCRIPTION | DEBIT AMOUNT | DEPOSIT AMOUNT |
|---|---|---|---|---|
| 11/20 | Debit | CDS-ACT Copying | 108.44 | |
| 11/20 | Debit | Postage | 100.00 | |
| 11/27 | Debit | Photocopying | 27.35 | |
| 11/27 | Debit | Keffer Expenses | 35.86 | |
| 12/3 | Debit | Speech UNO travel to D.C. | 6,000.00 | |
| 12/4 | Debit | Expenses, Freedom House | 7.50 | |
| 12/6 | Deposit | NEPL | | 400,000.00 |
| 12/6 | Deposit | NEPL | | 7,500.00 |
| 12/10 | Debit | Photocopying | 7.28 | |
| 12/11 | Deposit | NEPL | | 7,400.00 |
| 12/11 | Debit | Telephone | 3,700.00 | |
| 12/11 | Debit | Newspaper | 1.30 | |
| 12/11 | Debit | Travel-CAFP | 4,161.00 | |
| 12/12 | Debit | Producer Fees-CAFP | 10,000.00 | |
| 12/12 | Debit | Radio Tape | 50.00 | |
| 12/13 | Debit | Flores Travel | 60.00 | |
| 12/16 | Debit | Tape of TV | 16.96 | |
| 12/16 | Debit | Friends of Freedom | 300,000.00 | |
| 12/16 | Deposit | NEPL | | 20,000.00 |
| 12/18 | Debit | Postage | 124.00 | |
| 12/20 | Debit | USSR-FARA Reg. | 13.50 | |
| 12/20 | Debit | Travel | 334.08 | |
| 12/20 | Deposit | NEPL | | 20,000.00 |
| 12/24 | Debit | Gomez Expenses | 51.00 | |
| 12/29 | Debit | Books | 40.54 | |
| 12/30 | Debit | Couriers | 777.45 | |
| 12/30 | Debit | Travel | 2,655.45 | |
| | Total Debits | | 1,005,824.85 | |
| | Total Deposits | | | 1,497,222.00 |

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## ACCOUNT REVIEW 1986

### National Endowment for the Preservation of Liberty
### American Conservative Trust

The following account review uses two designations for transactions; Debit, for any expenditure undertaken for NEPL, ACT or Sentinel; Deposit, for all checks and wire transfers written to IBC.

| DATE | ITEM | DESCRIPTION | DEBIT AMOUNT | DEPOSIT AMOUNT |
|---|---|---|---|---|
| 1/2 | Debit | Photocopying | 200.00 | |
| 1/2 | Deposit | NEPL | | 20,000.00 |
| 1/2 | Deposit | NEPL | | 10,000.00 |
| 1/2 | Debit | VCR-TV | 753.00 | |
| 1/3 | Debit | ZGS-Dubbing | 114.00 | |
| 1/3 | Debit | ZGS-Dubbing | 138.00 | |
| 1/3 | Debit | Air Courier | 66.00 | |
| 1/3 | Debit | FEDEX | 861.00 | |
| 1/3 | Debit | Newsletter | 91.20 | |
| 1/3 | Debit | Saxitone-Tape Recorder | 427.09 | |
| 1/3 | Debit | FEDEX | 24.00 | |
| 1/7 | Debit | Travel-CAFP | 5,128.77 | |
| 1/7 | Debit | PBS Terrorism Film | 356.50 | |
| 1/7 | Debit | U.S. News and W.R. | 58.24 | |
| 1/7 | Debit | Couriers | 143.15 | |
| 1/7 | Debit | Supplies | 1,362.42 | |
| 1/7 | Debit | Film Crew | 10,000.00 | |
| 1/8 | Deposit | NEPL | | 400,000.00 |
| 1/9 | Debit | Cable-TV Guide | 79.50 | |
| 1/9 | Debit | Travel-CAFP Film Crew | 1,010.00 | |
| 1/10 | Debit | Travel-CAFP Film Crew | 1,515.00 | |
| 1/10 | Debit | Tape Dubs | 45.58 | |
| 1/10 | Debit | Courier | 51.45 | |
| 1/13 | Debit | FEDEX | 27.50 | |
| 1/13 | Debit | Postage | 22.00 | |
| 1/13 | Debit | Friends of Freedom -I.C. Inc. | 360,000.00 | |
| 1/14 | Debit | TV Guidebook | 246.50 | |
| 1/17 | Debit | Copying | 54.55 | |
| 1/17 | Debit | Copying | 414.34 | |
| 1/17 | Debit | Copying | 22.05 | |
| 1/17 | Debit | FEDEX | 1,006.00 | |
| 1/17 | Debit | FEDEX | 16.50 | |
| 1/17 | Debit | FEDEX | 25.50 | |
| 1/17 | Debit | FEDEX | 16.50 | |
| 1/17 | Debit | Copying | 89.04 | |

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| DATE | ITEM | DESCRIPTION | DEBIT AMOUNT | DEPOSIT AMOUNT |
|---|---|---|---|---|
| 1/17 | Debit | Videotape | $100.00 | |
| 1/20 | Debit | Letter Copying | 118.04 | |
| 1/20 | Deposit | NEPL | | $5,000.00 |
| 1/20 | Deposit | NEPL | | 20,000.00 |
| 1/24 | Debit | Traveler's Checks-CAFP | 404.00 | |
| 1/28 | Debit | Cameron Analysis | 10,000.00 | |
| 1/28 | Debit | Copying | 85.33 | |
| 1/28 | Debit | Traveler's Checks for Wesley Smith | 3,605.70 | |
| 1/29 | Debit | DHL Couriers | 993.00 | |
| 1/29 | Debit | Postage | 132.00 | |
| 1/30 | Debit | Radio Shack | 62.68 | |
| 1/30 | Debit | Western Union | 402.60 | |
| 1/30 | Debit | Telephone | 2,007.90 | |
| 1/31 | Deposit | NEPL | | 50,000.00 |
| 2/3 | Debit | Dubbing | 45.58 | |
| 2/7 | Debit | Travel CAFP | 2,885.68 | |
| 2/5 | Debit | Traveler's Checks-CAFP | 505.00 | |
| 2/5 | Deposit | NEPL | | 20,000.00 |
| 2/5 | Deposit | NEPL | | 756.84 |
| 2/5 | Debit | Tape Dubbing | 34.05 | |
| 2/6 | Debit | Tape Stock | 235.00 | |
| 2/7 | Debit | VHS Dubbing | 20.00 | |
| 2/7 | Debit | Copying | 31.87 | |
| 2/7 | Debit | CAFP-Schwartz Subcontractor | 900.00 | |
| 2/10 | Debit | Traveler's Checks-CAFP | 202.00 | |
| 2/10 | Deposit | NEPL | | 100,000.00 |
| 2/10 | Debit | Smith Report Grant | 3,307.00 | |
| 2/10 | Debit | Book | 17.97 | |
| 2/12 | Debit | Traveler's Checks-CAFP | 1,212.00 | |
| 2/13 | Debit | Tape Recorder | 107.05 | |
| 2/13 | Debit | Films | 2,338.00 | |
| 2/13 | Debit | News Tapes | 105.00 | |
| 2/13 | Debit | Translators | 236.25 | |
| 2/13 | Debit | Tapes-Goodman | 408.16 | |
| 2/13 | Debit | Tape-Dubs | 298.00 | |
| 2/13 | Debit | Tape-Dubs | 112.00 | |
| 2/13 | Debit | Taping-News | 200.00 | |
| 2/13 | Debit | Photography | 756.84 | |
| 2/13 | Debit | Javelin Press | 112.50 | |
| 2/13 | Debit | Public Brod. Dubs | 26.52 | |
| 2/13 | Debit | Flores-Auto CAFP | 47.90 | |
| 2/13 | Debit | Presentation Materials | 1,778.11 | |
| 2/14 | Debit | VCR-Rental | 91.40 | |
| 2/13 | Debit | TELEX | 65.43 | |

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| DATE | ITEM | DESCRIPTION | DEBIT AMOUNT | DEPOSIT AMOUNT |
|---|---|---|---|---|
| 2/13 | Debit | Photo Publishers | 79.50 | |
| 2/13 | Debit | Supplies for Presentations | 138.71 | |
| 2/13 | Debit | Terrorism Film Dub | 495.00 | |
| 2/13 | Debit | Telephone | 380.60 | |
| 2/13 | Debit | Wire to Speaker-CAFP | 900.00 | |
| 2/13 | Debit | Tape Dubbing | 190.00 | |
| 2/14 | Debit | Computer for Smith Report | 1,000.00 | |
| 2/14 | Debit | CAFP Subcontract-Schwartz | 750.00 | |
| 2/14 | Debit | Travel Expenses-Schwartz | 60.50 | |
| 2/14 | Debit | Traveler's Checks-CAFP | 1,010.00 | |
| 2/14 | Debit | CAFP Travel-Flores | 2,031.59 | |
| 2/17 | Debit | Sandwiches-CAFP meeting | 60.80 | |
| 2/18 | Debit | Tape Dubs-Smith | 249.00 | |
| 2/18 | Debit | FEDEX | 84.00 | |
| 2/18 | Debit | Supplies for Speaker Program | 1,139.67 | |
| 2/18 | Debit | TELEX | 95.18 | |
| 2/18 | Debit | Couriers | 362.40 | |
| 2/18 | Debit | Copying | 1,265.29 | |
| 2/18 | Debit | Travel-CAFP | 2,701.11 | |
| 2/18 | Debit | TV/Market Guide | 60.00 | |
| 2/18 | Debit | Reimb. CAFP Expenses | 126.88 | |
| 2/18 | Debit | Postage | 176.00 | |
| 2/18 | Debit | PR Aids-Press Release | 1,100.00 | |
| 2/19 | Debit | Radio/TV Monitoring | 127.20 | |
| 2/19 | Debit | Traveler's Checks-CAFP | 1,010.00 | |
| 2/19 | Debit | Travel Expenses | 72.00 | |
| 2/19 | Debit | Tape Recorders | 347.15 | |
| 3/4 | Debit | Wesley Smith Expenses | 1,254.34 | |
| 3/4 | Deposit | NEPL | | 28,750.00 |
| 3/3 | Deposit | NEPL | | 7,000.00 |
| 3/6 | Debit | NDC-Donation | 25,000.00 | |
| 3/7 | Debit | LASSI-Briefing Book | 25,000.00 | |
| 3/7 | Deposit | NEPL | | 65,000.00 |
| 3/7 | Deposit | CAFP-Traveler's Checks | | 1,100.00 |
| 3/8 | Debit | CAFP Exps-Schwartz | 505.00 | |
| 3/10 | Debit | Traveler checks-CAFP | 505.00 | |
| 3/11 | Debit | Traveler checks-CAFP | 141.35 | |
| 3/11 | Debit | Travel Reimb.-CAFP | 6,740.69 | |
| 3/11 | Debit | Photo's-Wesley Smith | 23.10 | |
| 3/12 | Debit | Traveler checks-CAFP | 808.00 | |
| 3/12 | Debit | Translations-Smith Report | 2,028.00 | |

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| DATE | ITEM | DESCRIPTION | DEBIT AMOUNT | DEPOSIT AMOUNT |
|---|---|---|---|---|
| 3/12 | Debit | Smith Report Printing | 1,580.78 | |
| 3/14 | Debit | Postage | 110.00 | |
| 3/14 | Debit | Traveler checks-CAFP | 808.00 | |
| 3/14 | Debit | Traveler checks-CAFP | 505.00 | |
| 3/10 | Debit | Furniture for Office | 2,544.10 | |
| 3/14 | Debit | CAFP Subcontractor-Schwartz | 2,100.00 | |
| 3/17 | Debit | KMOL-TV Tape | 52.81 | |
| 3/17 | Deposit | NEPL | | 263,000.00 |
| 3/17 | Debit | WCJB Tape | 50.00 | |
| 3/19 | Debit | Printing | 1,625.47 | |
| 3/20 | Debit | Traveler checks-CAFP | 1,010.00 | |
| 3/21 | Debit | Expenses-CAFP Speaker | 200.00 | |
| 3/21 | Debit | Travel-CAFP | 4,590.00 | |
| 3/21 | Debit | CAFP Subcontract-Semilla | 1,714.34 | |
| 3/21 | Debit | Expense Reimb.-Smith | 1,437.72 | |
| 3/21 | Debit | Videotape Production Crew | 6,206.85 | |
| 3/24 | Debit | Office Rent | 4,500.00 | |
| 3/24 | Debit | Computer Rental-Smith | 270.06 | |
| 3/24 | Debit | Traveler checks-CAFP | 404.00 | |
| 3/25 | Debit | UPS | 7.49 | |
| 3/25 | Debit | Subcontractor-Smith | 2,520.00 | |
| 3/26 | Debit | Smith News Conference Room Rental | 399.74 | |
| 3/26 | Debit | Audio Dubbing | 25.00 | |
| 3/28 | Debit | CAFP Subcontractor-Castellanos | 1,500.00 | |
| 3/28 | Debit | CAFP Subcontractor-Schwartz | 1,650.00 | |
| 3/26 | Deposit | NEPL | | 724,990.00 |
| 3/26 | Debit | CAFP Bills-AMEX | 8,838.96 | |
| 3/31 | Debit | Press Conference Releases | 43.64 | |
| 4/1 | Debit | CAFP-Videotape Dubs | 132.50 | |
| 4/1 | Debit | WCLF-TV Videotape | 56.25 | |
| 4/1 | Debit | Maps-SDI | 21.09 | |
| 4/2 | Debit | Smith Expenses | 1,312.84 | |
| 4/2 | Debit | Smith UPS | 10.81 | |
| 4/2 | Debit | Smith Report Supplies | 2,385.15 | |
| 4/7 | Debit | Couriers | 1,772.15 | |
| 4/7 | Debit | FEDEX | 40.00 | |
| 4/7 | Debit | FEDEX | 13,678.50 | |
| 4/7 | Debit | Telephone | 535.00 | |

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| DATE | ITEM | DESCRIPTION | DEBIT AMOUNT | DEPOSIT AMOUNT |
|---|---|---|---|---|
| 4/7 | Debit | IRD-Speaker CAFP | 800.00 | |
| 4/8 | Debit | Bumper Stickers | 1,953.00 | |
| 4/9 | Debit | Telephone | 4,885.30 | |
| 4/9 | Debit | Freinds of Freedom -I.C. Inc. | 740,000.00 | |
| 4/8 | Debit | Translator CAFP | 1,799.00 | |
| 4/14 | Deposit | NEPL | | 100,650.00 |
| 4/14 | Debit | Cong. Quarterly Maps | 42.18 | |
| 4/15 | Debit | CAFP Subcontractor-Castellanos | 196.00 | |
| 4/16 | Debit | Congressional Direct. | 26.00 | |
| 4/18 | Debit | Printing-CAFP | 216.00 | |
| 4/18 | Debit | Telephone | 1,934.31 | |
| 4/18 | Deposit | NEPL | | 29,977.00 |
| 4/21 | Deposit | NEPL | | 170,000.00 |
| 4/21 | Debit | Flores Expenses-CAFP | 83.09 | |
| 4/21 | Debit | Telephone | 800.00 | |
| 4/21 | Debit | AMEX | 42,960.00 | |
| 4/18 | Debit | Telephone | 966.09 | |
| 4/21 | Debit | Photographer | 305.00 | |
| 4/21 | Debit | CAFP Expen.-Castel-lanos | 301.19 | |
| 4/28 | Debit | Postage | 110.00 | |
| 5/5 | Debit | Tape Stock | 280.37 | |
| 5/2 | Debit | National Review Reprint | 1.00 | |
| 5/5 | Debit | Congressional Record | 218.00 | |
| 5/5 | Debit | Photo Reproduction | 222.87 | |
| 5/7 | Debit | NEPL Printing | 447.56 | |
| 5/5 | Debit | U.S. Documents | 5.00 | |
| 5/8 | Deposit | NEPL | | 1,250,000.00 |
| 5/8 | Debit | ACYPL Dinner | 1,000.00 | |
| 5/9 | Debit | Postage | 16.41 | |
| 5/14 | Debit | Nightline Transcript | 2.00 | |
| 5/14 | Debit | Friends of Freedom -I.C. Inc. | 1,250,000.00 | |
| 5/15 | Debit | Supplies | 805.66 | |
| 5/15 | Debit | Copying | 398.60 | |
| 5/15 | Debit | NPC Room Rental | 355.86 | |
| 5/15 | Debit | Interpass | 1,100.00 | |
| 5/15 | Debit | WETA Tapes | 25.00 | |
| 5/15 | Debit | WETA Transcripts | 130.00 | |
| 5/15 | Debit | Translations | 2,300.00 | |
| 5/15 | Debit | Couriers | 1,487.57 | |
| 5/15 | Debit | SDI Brochure Design | 2,019.57 | |
| 5/15 | Debit | Videotape Dub | 25.00 | |
| 5/15 | Debit | WTLV Tape | 100.00 | |
| 5/16 | Debit | Expenses-CAFP | 5.10 | |
| 5/21 | Debit | Postage | 110.00 | |
| 5/23 | Debit | AMEX | 11,585.66 | |
| 5/29 | Debit | Couriers | 235.25 | |
| 5/29 | Debit | Telephone | 1,312.53 | |
| 6/1 | Debit | Audio tape Dub | 40.00 | |
| 6/3 | Debit | Maps-CAFP | 5.30 | |

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| DATE | ITEM | DESCRIPTION | DEBIT AMOUNT | DEPOSIT AMOUNT |
|---|---|---|---|---|
| 6/3 | Debit | Video Production | 761.00 | |
| 6/9 | Debit | Portfolios-CAFP | 74.40 | |
| 6/11 | Debit | SDI Briefing Books | 669.04 | |
| 6/13 | Debit | Copying | 2,022.29 | |
| 6/13 | Debit | NEPL Maps | 39.08 | |
| 6/16 | Debit | NEPL Maps | 150.00 | |
| 6/16 | Deposit | NEPL | | 72,929.00 |
| 6/19 | Debit | AMEX | 4,799.12 | |
| 6/19 | Debit | Telephone | 1,137.26 | |
| 6/19 | Debit | Couriers | 248.00 | |
| 6/19 | Debit | Photography | 414.00 | |
| 6/19 | Debit | Radio/TV Monitoring | 442.66 | |
| 6/19 | Debit | Supplies | 965.53 | |
| 6/19 | Debit | Nova Tapes | 4.00 | |
| 6/19 | Debit | FEDEX | 1,580.50 | |
| 6/19 | Debit | FEDEX | 574.85 | |
| 6/19 | Debit | FARA Registrations | 2.40 | |
| 6/19 | Debit | NEPL Maps | 150.00 | |
| 6/23 | Debit | National Journal | 93.28 | |
| 6/23 | Debit | Eason Associates-SDI Brochure | 12,000.00 | |
| 6/27 | Debit | NEPL Tape Dubs | 40.00 | |
| 6/27 | Debit | NEPL Tape Dubs | 175.00 | |
| 7/1 | Debit | Postage | 110.00 | |
| 7/10 | Debit | Translations | 697.00 | |
| 7/10 | Debit | Couriers | 272.25 | |
| 7/10 | Debit | Telephone | 306.47 | |
| 7/10 | Debit | FEDEX | 333.25 | |
| 7/10 | Debit | Supplies | 813.67 | |
| 7/10 | Debit | Photography | 58.30 | |
| 7/10 | Debit | Lion Recording | 11.13 | |
| 7/10 | Debit | Smith final Expenses | 600.00 | |
| 7/16 | Debit | Forbes Reprint | 6.50 | |
| 7/17 | Deposit | NEPL | | 46,193.00 |
| 7/21 | Debit | Travel-CAFP | 3,000.00 | |
| 7/21 | Debit | Traveler Checks-CAFP | 606.00 | |
| 7/24 | Debit | Traveler Checks-CAFP | 1,111.00 | |
| 7/24 | Debit | Flores Expenses | 51.13 | |
| 7/24 | Debit | FEDEX | 255.75 | |
| 7/24 | Debit | Graphics-SDI | 212.00 | |
| 7/24 | Debit | Printing | 126.66 | |
| 7/24 | Debit | Radio/TV Monitoring | 152.64 | |
| 7/24 | Debit | TV Production | 566.04 | |
| 7/24 | Debit | AMEX | 5,036.85 | |
| 7/24 | Debit | Telephone | 200.00 | |
| 7/24 | Debit | FEDEX | 21.50 | |
| 7/29 | Debit | Catterton Printing | 315.50 | |
| 7/31 | Debit | NEPL Expenses | 42.10 | |
| 7/31 | Deposit | NEPL | | 6,100.00 |
| 8/4 | Debit | SDI Graphics | 2,500.00 | |

| DATE | ITEM | DESCRIPTION | DEBIT AMOUNT | DEPOSIT AMOUNT |
|---|---|---|---|---|
| 8/12 | Debit | Recording Services | 126.60 | |
| 8/12 | Debit | Expenses-CAFP | 40.44 | |
| 8/18 | Deposit | NEPL-SDI | | 14,000.00 |
| 8/18 | Debit | SDI Subcontractors | 5,000.00 | |
| 8/21 | Debit | Couriers | 234.50 | |
| 8/21 | Debit | Telephones | 200.00 | |
| 8/21 | Debit | Nexis Searches | 2,847.10 | |
| 9/15 | Debit | Wesley Smith Final Expenses | 296.70 | |
| 9/15 | Debit | AMEX | 15,062.01 | |
| 9/18 | Debit | Cagle and Associates-NEPL-SDI | 2,403.33 | |
| 9/18 | Debit | Couriers | 533.75 | |
| 10/9 | Debit | Couriers | 272.25 | |
| 10/14 | Deposit | NEPL | | 20,000.00 |
| 10/22 | Debit | AMEX | 41,768.13 | |
| 10/22 | Deposit | NEPL | | 7,652.95 |
| 10/30 | Debit | SDI-Writer Subcontract | 7,600.00 | |
| 10/30 | Debit | NEPL-SDI Supplies | 119.85 | |
| 10/30 | Debit | NEPL-SDI News Conference | 597.57 | |
| 10/30 | Debit | NEPL-SDI Defense News | 65.00 | |
| 10/30 | Debit | Radio/TV Monitoring | 322.74 | |
| 10/30 | Debit | Photos-NEPL | 159.00 | |
| 10/30 | Debit | NEPL-Tape Dubs | 164.30 | |
| 10/30 | Debit | NEPL Books | 50.00 | |
| 10/30 | Debit | FEDEX | 1,263.00 | |
| 10/30 | Debit | FEDEX | 266.00 | |
| 10/30 | Debit | FEDEX | 171.75 | |
| 10/30 | Debit | Copying | 652.41 | |
| 10/30 | Debit | Guillen Expenses | 17.60 | |
| 10/30 | Debit | TELEX | 229.24 | |
| 10/30 | Debit | Lawyer Fees | 12,658.62 | |
| 10/30 | Debit | Nexis | 1,293.67 | |
| 11/3 | Debit | Bank Luemi | 10,000.00 | |
| | | Total Debits | 2,780,787.43 | |
| | | Total Deposits | | 3,433,098.79 |

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# SECTION 3

THE COMPANIES LAW

Company Limited by Shares

MEMORANDUM OF ASSOCIATION

OF

I.C. INC.

1. The name of the Company is "I.C. INC."

2. The Registered Office of the Company will be situate at the offices of Cayhaven Corporate Services Limited, Swiss Bank Building, Fort Street, George Town, P.O. Box 1043, Grand Cayman, Cayman Islands, British West Indies.

3. The objects for which the Company is established are:

(i) To distribute any benevolent contributions made by foundations, private organisations and individuals to other worthy benevolent organisations and political entities representing such organisations.

(ii) To acquire any shares, stocks, debentures, debenture stock, bonds, mortgages, notes, bankers' acceptances, obligations and other securities issued by any company, corporation or undertaking of whatever nature and wheresoever constituted or issued or guaranteed by any government, sovereign ruler, commissionners, trust authority or other body of whatever nature, by original subscription, syndicate participation, tender purchase, exchange or otherwise and to subscribe for the same either conditionally or otherwise and to guarantee the subscription thereof.

(iii) To buy, sell and deal in all commodities and commodity futures, including silver and to buy sell and deal in bullion and specie, to receive money and valuables for safe custody or otherwise other than on deposit repayable by cheque or order, to collect and transmit money and securities, to grant and issue letters of credit, circular notes and to manage and advise on the management of securities and investments.

(iv) To carry on business as capitalists, financiers, concessionaires, brokers and merchants and to undertake and carry on and execute all kinds of financial, commercial and trading operations, except banking and trust operations

REGISTERED CAYMAN ISLANDS

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carry on any other business which may seem to be capable of being conveniently carried on in connection with any of these objects or calculated directly or indirectly to enhance the value of, facilitate the realisation of, or render profitable any of the Company's property or rights.

(v) To provide or procure management, including the management of investments and other property, administrative, sales and technical assistance, service and advice on a contract, loan, secondment, employment or other basis and to provide consultants staff and employees who will give management, administrative, sales, marketing and technical assistance, service and advice to any person or company anywhere in the world on any matter or any type of business whatsoever and to act as managers, registrars, administrators, secretaries, auditors, accountants of bodies corporate or unincorporate in any part of the world, for the Company's account or for third parties.

(vi) To buy, sell, deal in, trade, transact, lease, hold, improve, sub-divide, or develop real estate, and the fixtures and personal property incidental thereto or connected therewith and to acquire by purchase, lease, hire or otherwise, lands and all forms of buildings or constructions or any interest therein and to improve the same generally to hold, manage, deal with and improve the property of the Company, and to sell, lease, mortgage, pledge or otherwise dispose of the lands, buildings and constructions or other property of the Company.

(vii) To carry on the business of farming in all its branches, including without prejudice to the foregoing generality arable and fruit farmers, dairy and poultry farmers, live stock breeders of every variety of animal whether bred of pedigree stock or otherwise, and also fishermen.

(viii) To contract for public or private loans and to negotiate, underwrite and issue the same; without prejudice to the foregoing generality with reference to commodity, commodity futures, or foreign exchange contracts to enter into conditional or forward contracts for the acquisition or disposal of any such assets.

EXCEPT CAYMAN ISLANDS

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(xxx) To do all such things as may be considered to be incidental or conducive to the above objects or any of them.

AND IT IS HEREBY DECLARED that the objects of the Company as specified in each of the foregoing paragraphs of this clause (except only in so far as otherwise expressed in any such paragraph) shall be separate, distinct and independent objects of the Company and shall not be in anywise limited by reference to or inference from any other paragraph or the order in which the same shall occur or the name of the Company.

AND IT IS FURTHER HEREBY DECLARED that the Company will not trade in the Cayman Islands with any person, firm or corporation except in furtherance of the business of the Company carried on outside the Islands; Provided that nothing in this section shall be construed as to prevent the Company effecting and concluding contracts in the Islands, and exercising in the Islands all of its powers necessary for the carrying on of its business outside the Islands.

4. The liability of the members is limited.

5. The capital of the Company is US$900,000.00 divided into 900,000 shares of a nominal or par value of US$1.00 each provided always that subject to the provisions of the Companies Law, Cap. 22 as amended and the Articles of Association the Company shall have power to redeem any or all of such shares and to sub-divide or consolidate the said shares or any of them and to issue all or any part of its capital whether original, redeemed, increased or reduced with or without any preference, priority or special privilege or subject to any postponement of rights or to any conditions or restrictions whatsoever and so that unless the conditions of issue shall otherwise expressly provide every issue of shares whether stated to be Ordinary, Preference or otherwise shall be subject to the powers on the part of the Company hereinbefore provided.

Certified to be a true and correct copy

SIG.....
WOODWARD L. TERRY

DATE 16.5.86

REGISTRAR OF COMPANIES EXEMPT CAYMAN ISLANDS

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We, the several persons whose names, addresses and descriptions are subscribed are desirous of being formed into a Company in pursuance of this Memorandum of Association, and we respectively agree to take the number of shares in the capital of the Company set opposite our respective names.

| NAMES, ADDRESSES AND DESCRIPTIONS OF SUBSCRIBERS | NUMBER OF SHARES TAKEN BY EACH SUBSCRIBER |
|---|---|
| CAYHAVEN CORPORATE SERVICES LIMITED<br>P.O.Box 1043,<br>George Town,<br>Grand Cayman<br>Per: (Sgd.) David G. Bird<br>David G. Bird - Director | One Share |
| DAVID G. BIRD<br>P.O.Box 265,<br>George Town,<br>Grand Cayman<br>(Sgd.) David G. Bird<br>Attorney-at-Law | One Share |
| ALASTAIR J.N. LOUDON<br>P.O.Box 265,<br>George Town,<br>Grand Cayman<br>(Sgd.) Alastair J.N. Loudon<br>Attorney-at-Law | One Share |

Dated April 25, 1985

(Sgd.) C. KIPLING
Witness to the above signatures: Christiane Kipling

Address: P.O.Box 265, Grand Cayman

Occupation: Secretary

I, DELANO O. SOLOMON Dep.
Registrar of Companies in and for the Cayman Islands DO HEREBY CERTIFY that this is a true copy of the Memorandum of Association of "I.C. INC.".

Dated this 26th day of APRIL 1985

REGISTRAR OF COMPANIES EXEMPT CAYMAN ISLANDS

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CERTIFIED SPECIAL RESOLUTIONS OF THE SHAREHOLDERS

OF

I.C. INC.

"RESOLVED that the amended Memorandum of Association be and is hereby adopted in place of and to the entire exclusion of the existing Memorandum of Association."

"RESOLVED that the name of the Company be changed to INTEL CO-OPERATION INC."

WE HEREBY CERTIFY THAT THE ABOVE ARE TRUE COPIES OF RESOLUTIONS OF THE SHAREHOLDERS OF THE COMPANY WHICH WERE ADOPTED ON 9TH MAY, 1986.

CAYHAVEN CORPORATE SERVICES LIMITED

Per: .....
Secretary

13th May, 1986

and transmit money and securities, to grant and

INTEL CO-OPERATION INC.

Schedule of Receipts

April 25, 1985 (date of incorporation)
to December 31, 1985:

| | | |
|---|---|---|
| Sept. 27, 1985 | I.B.C. | 100,000.00 |
| Oct. 29. 1985 | I.B.C. | 250,000.00 |
| Nov. 13, 1985 | I.B.C. | 80,000.00 |
| Nov. 13, 1985 | I.B.C. | 40,000.00 |
| Nov. 27, 1985 | Bank draft - Continental Bank | 5,000.00 |
| | | 475,000.00 |

January 1, 1986
to December 31, 1986:

| | | |
|---|---|---|
| Jan. 1, 1986 | I.B.C. | 360,000.00 |
| Apr. 4, 1986 | I.B.C. | 740,000.00 |
| May 15, 1986 | I.B.C. | 1,250,000.00 |
| Aug. 7, 1986 | Nat. Endowment for Preservation Liberty | 100,000.00 |
| Oct. 2, 1986 | Nat. Endowment for Preservation Liberty | 200,000.00 |
| Oct. 8, 1986 | Nat. Endowment for Preservation Liberty | 100,000.00 |
| Oct. 21, 1986 | Nat. Endowment for Preservation Liberty | 50,000.00 |
| | | 2,800,000.00 |

## INTEL CO-OPERATION INC.

## Schedule of Distributions

**April 25, 1985 (date of incorporation) to December 31, 1985:**

| | | |
|---|---|---|
| Oct. 8, 1985 | Lake Resources Inc. | 100,000.00 |
| Nov. 1, 1985 | Lake Resources Inc. | 150,000.00 |
| Nov. 1, 1985 | Alpha Services S.A. | 100,000.00 |
| Nov. 14, 1985 | Lake Resources Inc. | 48,000.00 |
| | | 398,000.00 |

**January 1, 1986 to December 31, 1986:**

| | | |
|---|---|---|
| Jan. 2, 1986 | Barclays Bank, Miami | 40,000.00 |
| Jan. 21, 1986 | Barclays Bank, Miami | 20,000.00 |
| Jan. 21, 1986 | Lake Resources Inc. | 360,000.00 |
| March 17, 1986 | Riggs Nat. Bank - Katyal | 15,000.00 |
| Apr. 11, 1986 | Lake Resources Inc. | 650,000.00 |
| Apr. 21, 1986 | Gulf & Caribbean Foundation | 14,254.00 |
| May 5, 1986 | 1st American Bank - Carlos Ulet | 10,000.00 |
| May 9, 1987 | Barclays Bank, Miami, Denise Ponce | 11,000.00 |
| May 14, 1986 | World Affairs Counselors Inc. (WACI) | 10,000.00 |
| May 16, 1986 | WACI | 125,000.00 |
| June 4, 1986 | Alpha Services | 15,000.00 |
| June 13, 1986 | Barclays Bank, Miami | 500,000.00 |
| June 13, 1986 | Bank Leumi - F. Arguello | 7,000.00 |
| June 13, 1986 | Latin American Strategic Studios Institute | 5,000.00 |
| June 13, 1986 | Institute on Terrorism & Subnational Conflict | 75,000.00 |
| June 13, 1986 | Intercontinental Bank, Miami | 10,000.00 |
| July 3, 1986 | Friends of the Americas | 125,000.00 |
| July 14, 1986 | WACI | 38,000.00 |
| July 28, 1986 | Bank Leumi | 7,000.00 |
| July 28, 1986 | Latin American Financial Services | 55,700.00 |
| July 28, 1986 | Latin American Strategic Studies Institute | 5,000.00 |
| July 28, 1986 | Barclays Bank, Miami | 10,000.00 |
| July 28, 1986 | Gulf & Caribbean Foundation | 6,928.00 |
| July 29, 1986 | WACI | 10,000.00 |
| | Carried forward | 2,124,882.00 |

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| | | |
|---|---|---|
| | Brought forward | 2,124,882.00 |
| August 29, 1986 | WACI | 10,000.00 |
| Sept. 19, 1986 | Latin American Strategic Studies Institute | 20,000.00 |
| Sept. 19, 1986 | Bank Leumi - Fredrick Arguello | 7,000.00 |
| Sept. 19, 1986 | Latin American Strategic Studies Institute | 5,000.00 |
| Sept. 26, 1986 | Alpha Services S.A. | 100,000.00 |
| Oct. 2, 1986 | Alpha Services S.A. | 150,000.00 |
| Oct. 2, 1986 | WACI | 20,000.00 |
| Oct. 7, 1986 | WACI | 49,000.00 |
| Oct. 8, 1986 | WACI | 10,000.00 |
| Oct. 21, 1986 | WACI | 5,000.00 |
| Oct. 21, 1986 | Bank Leumi - Frederick Arguello | 10,000.00 |
| Oct. 21, 1986 | Agro Bank - Polca S.A. | 25,000.00 |
| Nov. 12, 1986 | WACI | 10,000.00 |
| Nov. 12, 1986 | Latin American Strategic Studies Institute | 5,000.00 |
| Nov. 26, 1986 | WACI | 65,000.00 |
| Nov. 26, 1986 | Alpha Services S.A. | 75,000.00 |
| Dec. 18, 1986 | WACI | 100,000.00 |
| Dec. 18, 1986 | Latin American Strategic Studies Institute | 10,000.00 |
| | | 2,800,882.00 |

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# SECTION 4

# NATIONAL ENDOWMENT FOR THE PRESERVATION OF LIBERTY

305 FOURTH ST., N.E.
SUITE 1000
WASHINGTON, D.C. 20002

August 1, 1985

Mr. Richard R. Miller
President
International Business Communications
1523 New Hampshire Ave., NW
Washington, D.C. 20009

Dear Mr. Miller:

This letter is a formal retainer agreement between International Business Communications and the National Endowment for the Preservation of Liberty. While we have engaged I.B.C. for work on programs of the Endowment and the political action committee, The American Conservative Trust, at a fluctuating monthly fee we would like to undertake a more formal arrangment.

The present agreement made verbally by you, me and Daniel L. Conrad, NEPL Executive Director, called for a monthly retainer of fifteen thousand dollars plus expenses. This agreement was made before the proliferation of our public education and political programs. With this in mind we agree to begin paying I.B.C. a monthly retainer of forty thousand dollars and we understand that I.B.C. reserves the right to increase the charges to the Endowment to meet increases in costs such as personnel and operating expenses. At the time of billing and throughout the month I.B.C. will try to apprise us of potential extraodinary costs.

As you spend money collected from us to pay for programs you manage for us we will meet occassionally to discuss immediate and near-future expense needs. Since our programs are fast developing and can take on urgency not normally encountered in the public relations field, we understand that you may make occassional demands for cash deposits to cover major expenditures.

For the next few months you should be reviewing the cost of this arrangment to International Business Communications. Should we determine that these agreed upon operating standards do not work, we reserve the right to renegotiate the retainer arrangement. You will provide Mr. Conrad with written or oral cost analysis at the time of submission of your expenses and time and billing records.

If this agreement is acceptable please countersign this letter and return it to us.

Sincerely,

Carl Russell Channell
President

Richard R. Miller
President

January 20, 1986

Mr. Carl Russell Channell
President
National Endowment for the
Preservation of Liberty
305 fourth Street, N.E.
Washington, D.C. 20002

Dear Mr. Channell;

Thank you for including me in your winter meeting in Palm Beach, Florida this month. The chance to help plan the execution of programs by the National Endowment for the Preservation of Liberty, the American Conservative Trust were very useful in planning the I.B.C. level of effort needed to carry out our responsibilities to you.

The agenda of the Endowment and its related organizations is very ambitious and will take an extraordinary amount of talent, manpower and creative effort. I.B.C. is prepared to undertake this effort. We will however need to revamp our financial arrangments with you.

Here-to-date we have concentrated on the Nicaraguan public education effort and special programs designed to support the President in obtaining his goals in Central America. Now we are to undetake a manmouth program to educate the American Public, senior government officials and influencial Americans. This program will require major outlays of personnel and will require in and of itself the use of several senior level consultants. The monthly fees for this program alone will be forty thousand dollars plus expenses.

In your outline of the the 1986 programs, you have also directed that I.B.C. design and implement a program to promote the public's support of President Reagan's Strategic Defense Initiative. This program will require the development of a major briefing book for policymakers and SDI champions, the direction of a speakers tour and consultation with your advertising agencies on advertising campaigns. This effort will be undertaken for a monthly fee of twenty thousand dollars and expenses. I.B.C. will be responsible for all additional conusultant fees necessary to run this program.

The third program that you have asked us to consider working on are the Future of Freedom Seminar Series. These programs would undertaken by The American Conservative Trust and funded funded

by contributors under an arrangment to be designated by you at a later time. However, we will incur expenses in the development of these programs and may need additional consultants and consulting organizations to be involved in the effort. Such additional consultants will be your financial responsibility through reimbursement to us. We will not undertake such efforts without your verbal approval.

Your terrorism film and conference ideas are not yet assigned to I.B.C. but we understand that may change at a later date.

Also, we understand that your Constitutional Minutes Project may also be assigned to us as a 1986 program but that formal agreement on this will wait until a later date.

Finally, one aspect of our financial arrangments needs to be clarified going into this year. We are not in a position to know the final purpose and use of all the services you request of us. As the "TO-DO" list reaches thirty and forty items at a given time, we simply execute the tasks you assign us as we can. In this operational mode it is impossible for us to independently bill your various organizations for specific work hours. Therefore it will be your responsibility to internally identify the end user of our billed services. We trust that this is an area that you and your lawyers are quite capable of handling yourselves.

The impact of your efforts on behalf of the President have been major and unique. We look forward to serving you in your efforts in 1986.

If this letter represents your understanding of our relationship, please countersign to letter and return it to me.

Sincerely,

Richard R. Miller
President
I.B.C.

Carl Russell Channell
President
NEPL

CENTRAL AMERICAN

FREEDOM PROGRAM

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# CENTRAL AMERICAN FREEDOM PROGRAM

## Introduction

1986 is destined to be a landmark year in the advancement of freedom throughout the world. After a generation of increasing tyranny and authoritarianism, the winds of change are rising. These winds are carrying freedom movements on four continents toward a victory over communist domination.

And Ronald Reagan, leading a rejuvenated America, has caught these winds of change. He is dramatically aligning American policy, resources, and moral support with the force of that gathering storm.

President Reagan's policy, when fully developed, is destined to trigger the overthrow of communist tyranny. This will happen around the world, in Afghanistan, Angola, Mozambique, Kampuchea and, most important, Nicaragua.

America's relationship with communist Nicaragua experienced an absolute moral and political reversal when Ronald Reagan became President of the United States.

The Carter Administration, like millions of Nicaraguans, had been fooled by the communists who captured the leadership of the anti-Somoza revolution in 1979. Once in power, the communist junta began systematically lying to the world about the true policies and purposes of their revolutionary government.

But Ronald Reagan was not fooled. So, moved by new leadership, American policy toward Nicaragua's communist government changed sharply in 1981. Then the U.S. declared support for the Nicaraguan Freedom Fighters.

Since 1981, opposition to the communist-controlled Nicaraguan regime has gradually become a very powerful internal democratic movement. It claims the support of over 25,000 well armed Nicaraguans and literally hundreds of thousands of ordinary Nicaraguans. Nearly 400,000 (one out of every six Nicaraguans) lives under Freedom Fighter protection.

The democratic forces have endured years of conflict with a communist army easily six times their number. More remarkably, they have steadily increased their ranks in the midst of the struggle. These democratic forces

continued to gain strength even during the year and a half that United States aid was suspended.

1986 finds the democratic forces stronger than ever. But so is their communist enemy. Ronald Reagan has offered decisive assistance to the democratic forces. And, if this assistance is fully endorsed by the Congress, it could, in fact, carry them to victory over communism in Nicaragua this year.

When victory occurs, it will have historic and political significance throughout the Western Hemisphere. Its impact will be felt by every Freedom Fighter in the world. Its possibility will haunt every communist dictator.

Finally, Ronald Reagan's actions will herald a new dynamic American policy. It is a policy of materially supporting freedom movements struggling to overthrow communist regimes. Freedom is on the offensive.

0 0 0 4 0 7 9 4 5 4 0

Description of the Problem

If Ronald Reagan is to succeed in meeting the needs of Freedom Fighter movements for years to come, it will be necessary to create a deep reservoir of public support for Freedom Fighters and the President's policy.

Such public support will come only if the American people truly understand the stakes and the opportunities the Reagan policies embody.

The memories of Vietnam, however inapplicable, remain fresh, as does the urge to have America fight for clearly recognizable just causes. So President Reagan, if he is to be successful, must carry into this foreign policy arena the unified support of the American people.

In spite of the headlines and the debates during the last five years, the American public remains woefully ignorant about Nicaragua. They don't understand the clear threat it poses to vital American security interests.

A 1985 public opinion poll showed more than one-third of those surveyed did not know which side the United States supports. Twenty percent thought we support the (communist) government!

A later poll found that among those aware of U.S. policy, 58% said we should not be giving aid to the Democratic Opposition.

It is tragic, but not surprising that so many people are ill-informed, and that so many oppose our policies. It's not surprising because the American public is the victim of an intense, sophisticated multi-million dollar disinformation campaign. It is being conducted by

opponents of the President.

The Sandinistas abuse the freedoms in the U.S. that they deny to their own people. They do this by hiring a Washington law firm and two public relations firms under contract to spread disinformation.

They are aided by the Soviet Union and Cuba. The Soviets and Cubans already spend tens of millions of dollars to shape public policy in America. Their actions are supported by a vast network of communist and leftist activist sympathizers. Soviet spokesmen regularly seek tv time. Phil Donahue gave Nicaraguan dictator Ortega an hour in October.

These people operate at the grass-roots level and in Washington. They use the media and all the tools at their disposal to undermine the policies of our elected government.

This is why President Reagan needs the support and cooperation of clear-thinking, patriotic Americans. We must counter the disinformation program of the Sandinistas. We must educate the public on the policies, the players, the dangers and the realities.

The National Endowment for the Preservation of Liberty is helping the President do just that.

Solution

The National Endowment for the Preservation of Liberty has undertaken a nationwide program of indefinite duration known as the CENTRAL AMERICAN FREEDOM PROGRAM.

The overriding goal of this program is to educate the American people. It will show the realities of communism in Nicaragua. It will show the threat to U.S. national security.

We have chosen television as the major vehicle. We believe it is the most successful to carry our educational and informative messages to the public.

The CENTRAL AMERICAN FREEDOM PROGRAM will require the National Endowment for the Preservation of Liberty to spend $2,000,000 in the next 90 days.

This is over $160,000 every week for public education and information on the issue of Nicaragua. A longer, $3 million program is under consideration and will be implemented if required to fully educate the American public.

When our program achieves its public awareness goals, it will become a useful model for similar activities by other in the future. Our program is truly unique. It has become <u>the</u> pioneering effort in this area.

Central American Freedom Program

The National Endowment for the Preservation of Liberty is focusing its education program on seven issues. They are:

1) Nicaraguan communist persecution of its citizens;

2) Denial of religious and political rights;

3) The creation of an aggressive armed Soviet satellite on the North American continent;

4) The creation of Cuban bases inside Nicaragua;

5) The threat Nicaragua now poses to its neighbors both through state terrorism and outright aggression;

6) Support for revolution in El Salvador;

7) Betrayal of the true anti-Somoza democratic revolution by the Nicaraguan communists.

The issues listed above represent the principal points our programs will make in the minds of Americans. We are also emphasizing other issues such as the origin, nature, organization and objectives of the Freedom Fighters.

We are developing the images of the UNO leadership. We are graphically showing the situation facing over 400,000 Nicaraguan refugees. And we are presenting the political and human rights goals of the Freedom Fighters themselves.

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## Public Affairs Components

### Central American Freedom Program

The Sandinistas have two public relations firms and two law firms either registered as foreign agents or working sub rosa in the United States.

They have a combined budget of $2 million. They are using this war chest to concentrate on the districts of Congressmen who have opposed aid to the Freedom Fighters.

They have also stepped up the use of Op-Eds and articles in national newspapers written by sympathetic Americans. They have planted disinformation, too, like the recent articles accusing the FDN of drug trafficking.

An ignorant and misinformed public is one of the principal objectives of the communists. They recognize that ignorance and apathy in local communities across America leaves the doors wide open to the opponents of Administration policy.

And given the activism of those opponents, they are the ones who are often visible to members of Congress. A legislator who only hears from the critics can ignore logic and danger. He can vote to deny U.S. assistance to those on the front lines in the battle against communism in our hemisphere. So, the public must be better informed.

The public is quite unaware of the true nature of the Sandinistas as well as the existence of a viable democratic alternative. They do not support efforts to overthrow any government and fear U.S. involvement in another Vietnam.

This ignorance and the isolation it produces have been the Sandinista's principal advantages in the debate. We intend to evaporate those advantages through the use of truth.

### Objectives

As Congressional debate heats up on this issue, we should expect the Sandinistas, their foreign agents and liberal sympathizers to give it all they have.

We are in the last weeks of a national campaign to be decided by the American public. If the public remains apathetic, the President's democratic initiative will be defeated.

If we are successful, America will have a policy that sounds the death knell of America's post-Vietnam feeling of impotency. It will end America's retreat from her responsibilities as the leader of the free world.

To accomplish this, the National Endowment for the Preservation of Liberty is addressing four audiences using specifically targeted communications strategies:

The public - Through the use of strong negative images of the Sandinistas recently reported in the media.

Policymakers - Democratic leadership issues provide the groundwork for more challenging arguments that can influence liberals and moderates.

Congress - Through issues now associated with America's leadership role in supporting democracy in the region against the developing communist threat. NEPL, as an educational organization, is not permitted to engage in lobbying activities. Our co-sponsor, Sentinel, is permitted to engage in lobbying activities and will undertake the responsibility of bringing this important issue to the attention of members of Congress.

Freedom Fighter Leadership - Without a sound belief in the capabilities of the resistance's leadership, no policy can succeed in Congress.

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Program Elements

Time is short and we are fighting for public support over a wide geographic area. So, we are treating this like a national educational campaign, with March 15 as our target.

We are using the methodology of national political campaigns. We are seeking to emphasize the disturbing truth about the communist control over Nicaragua. We are debating the unclaimed issues to our advantage. And we are reinforcing our positive public perceptions to educate and inform.

We are using advertising and public affairs programs for each of the four program objectives listed above. They are being handled as follows:

The Public - The public has been exposed recently to several negative images of the Sandinistas. We use these images to reinforce the public perception that the Sandinistas are communists and tyrannical dictators. We employ the following techniques:

Television advertising - We have analyzed Congressional action on the last aid package. Based on this research, we are producing materials for

television spots which focus on:

1) Daniel Ortega's trip to Moscow and the $220 million commitment he received from the Soviets for offensive military weaponry.

2) The recent crackdown on human rights directed against the entire Nicaraguan population.

3) Ortega's purchase of $3,500 in designer eyeglasses while his people starve.

4) The communists militarization of Nicaragua through Soviet, Libyan, East German, Cuban and other advisors, and the use of Nicaragua as a command center for subversion of her democratic neighbors.

5) That Cubans are now proved to be actively involved in combat.

6) That Nicaragua has become a lair and a refuge.

7) The humiliation of Pope John II when he was spat upon and heckled when he tried to conduct Mass in Managua.

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Spokesman program - using the prototype program already underway, we are placing speakers in 50 markets between now and March 15, 1986.

These speakers are booked into a civic club or professional organization in a market. Then they are scheduled for television, radio and newspaper interviews.

The speakers come from the ranks of the United Nicaraguan Opposition (UNO) leadership. They can defend all UNO participants.

They focus on Sandinista excesses and UNO as the democratic alternative. The principal concentration for these speakers are the southern and western states.

Battlefield Videotape - Sandinista state security agents rigidly control the movements of foreign correspondents, especially television journalists in or visiting Nicaragua. That control is exercised through:

1) Escort "guides" and interpreters;

2) Denial of access to selected parts of the country;

3) Imposition of "taboo" themes;

4) Screening and censorship of footage for export;

5) Monitoring of telephones and telex;

6) Expulsion or denial of entry to any offenders.

At the same time, coverage from the northern border is extremely arduous and far from the areas where the Resistance is operating.

The result is timid, selective, highly censored and heavily biased television coverage. Battle zones are only presented from the Sandinista perspective.

We are providing major media outlets and local television stations with videotape from the field. It shows scenes never seen before in the U.S.

It includes combat footage and evidence of Sandinista atrocities. We are also providing footage and commentary on events inside Managua and other major population centers.

This footage will be used in three ways:

1) An experienced advertising agency is producing advertising for distribution in as many as 50 selected markets across the United States.

2) A satellite feed will be edited and fed each time new footage is obtained. These feeds will reach approximately 200 television stations in the U.S. Usage reports will be received daily.

3) A new documentary on the face of communism in Nicaragua and the use of internal repression will be produced. This theme will be countered with a segment showing the Freedom Fighters as the logical outgrowth of Sandinista tyranny.

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Policymakers

Given the compressed time frame, policymakers can be best reached through an effort that is visible in Washington and the national media. The issues used to reach Congress should be centered on America's leadership responsibilities in this hemisphere.

The primary effort is focused in specially selected areas of the country, but we are reinforcing this effort with a public affairs and education program including:

A. Articles and Op-Eds written by prominent American leaders on Nicaragua as a center of terrorism. We will use recent revelations of Nicaraguan arms being used in the Colombian Supreme Court assaults.

We will cite evidence of Libyan, PLO and Iranian

terrorists working in Nicaragua. From these facts, we will produce articles for paid distribution, single placement in national newspapers and general media distribution.

B. Religious persecution of all faiths can be used to touch and educate the public, producing a positive effect on the policymakers.

Jewish, Catholic and Protestant organization publications are being approached to interview defectors and religious figures who know the persecution firsthand.

The National Endowment for the Preservation of Liberty is arranging a series of meetings with religious leaders and journalists. We will also help to produce an article by a prominent American religious figure for paid distribution.

C. Another Cuba on the North American Continent is unacceptable to almost all Americans. If the issue is picked up by constituents it would be a strong message for policymakers.

The National Endowment for the Preservation of Liberty is utilizing these arguments in the speakers program already underway. An American exiled Cuban has been commissioned to write an article for paid distribution throughout the U.S.

A Cuban exile leader has been added to the spokesman program.

D. Drugs and politics are a bad mix. Nicaragua's support for and role in narcotics trafficking are issues with which no one can publicly disagree.

We will ask Don Johnson of MIAMI VICE, or a strong anti-drug figure such as Rosie Greer, to give a briefing on the drug trafficking evidence the Administration has on the Sandinistas.

He will be asked to write an Op-Ed piece for national distribution through paid and direct placements.

The National Endowment for the Preservation of Liberty would seek to get this super-spokesman on major television shows such as TODAY and GOOD MORNING AMERICA.

We would also produce a news spot for satellite distribution.

E. The Sandinistas are violating human rights at an unprecedented level in this hemisphere.

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The National Endowment for the Preservation of Liberty is providing radio, television and newspaper interviews with two researchers who have compiled a report on Sandinista human rights violations.

They are being commissioned to do an update on their report with a trip to Honduras and Costa Rica. On their return they will hold a Washington news conference and issue a report to Congress through a respected Senator or Congressman.

F. The Revolution of 1979 has been betrayed by the Sandinistas. The National Endowment for the Preservation of Liberty will produce a news spot for satellite distribution on the lives of three former Sandinistas who now fight with the FDN/UNO.

Congress

We expect to reach Congress primarily through the media we will be using for the policymakers. However, special briefings will also be used to educate specific target audiences within this group.

These briefings will be arranged by our co-sponsor, Sentinel. Briefings may feature drug enforcement experts or political scientists who have studied Cuban expansionism.

Freedom Fighter Leadership

The National Endowment for the Preservation of Liberty has begun to provide spokesmen training for the leadership and provide information feedback to reinforce that training. We will provide UNO leaders with public opinion analyses.

When possible, we are incorporating the UNO leadership in events and briefings that further their image of unity.

Conclusion

Without an opportunity to see the truth about the Sandinistas, the American public will defeat democracy in Nicaragua.

Through its public education program, the National Endowment for the Preservation of Liberty will give the President a chance to free this continent of communism. We will strike a decisive blow for democracy.

## CENTRAL AMERICAN FREEDOM PROGRAM BUDGET

1. **Television field projects**

Personnel

- field producer
- camera man
- sound man
- correspondent

Equipment

- six cameras
- sound package
- editing machine
- character generators

Transportation

- airfares
- ground transportation
- local travel

Travel expenses

- in-country expenses
- U.S. travel for editing

Studio time

- in-country studio for editing
- U.S. production facilities

Tapes supplies

- tape stock
- battery packs
- lights and reflectors

($60,000 per month for 5 months) $ 300,000

2. Marketing of field TV programs

(5 projects at $24,000 per) 120,000

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3. Speaking tour program

Tour to include:
- speaking engagements
- editorial board meetings
- television interviews
- radio interviews
- newspaper interviews
- briefings for church, business, labor, political, and college organization leaders

Costs for tours
(January to March 15, 1986)

| | | |
|---|---|---|
| Travel (7 weeks, 2 speakers, each week $8,700) | $121,800 | |
| Per diem for speakers ($220 per day, 5 days per trip, 7 weeks for 2 speakers per week) | 15,400 | |
| Expenses (ground transportation, phones, tips, $800 per trip, for 14 one week schedules) | 11,200 | |
| SUBTOTAL | | 148,400 |

4. Supplementary services, including:
- postage
- telephones
- telex
- couriers
- translations

($4,700 per month for 5 months) 27,750

5. Administration/Coordination, including:

Professional staff:
- 2 senior partners
- 1 local coordinator
- 1 Program Coordinator
- 1 Senior Writer
- 2 Account Executives
- 1 Media Coordinator

Verification of Placement
- clipping retrieval
- polling data assembling
- monitoring network feedback

($53,500 for 2 months, January to March 15) 107,000

6. Advertising and paid media

Television advertising:

| | | |
|---|---|---|
| Production of 4 TV messages | $ 80,000 | |
| D.C. media buys | 225,000 | |
| Nationwide market buys | 750,000 | |
| SUBTOTAL | | 1,055,000 |

7. National Media Placement

- Network and syndicated TV and Radio
- National newspapers
- National periodicals

158,850

8. Polling and research

- national
- local

83,000

GRAND TOTAL $2,000,000

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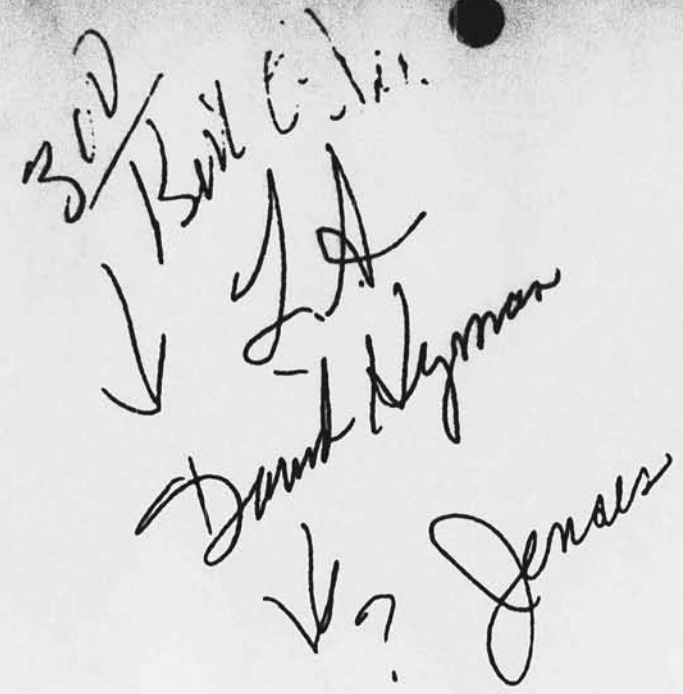

1986

(Jim Baker Show
Edelman?
75 Ft Reich here advance team Kush

# ACTION PLAN FOR 1986 PROGRAMS OF THE AMERICAN CONSERVATIVE TRUST AND THE NATIONAL ENDOWMENT FOR THE PRESERVATION OF LIBERTY

Introduction - This action plan is divided into five specifically focused programs as directed by Mr. Channell. In each case the contractor and subcontractor designations are indicated. The programs are as follows:

FRIENDS OF FREEDOM PROGRAM - This program is an effort to directly support the President's initiatives in Central America and Nicaragua through political and educational institutions in the region. This program is based on direct grants to religious, political, academic and professional organizations in Latin and Central America.

CENTRAL AMERICAN FREEDOM PROGRAM - This program is an effort to educate the American public, policy makers and the media on the issues surrounding Nicaragua and the President's policy toward it. It incorporates a wide variety of public education tools including television productions, spokesmen tours, Op-Ed articles, commissioned journalistic documentaries and television advertising. The program goal is to establish a national consensus that will allow official American support for democracy as a policy.

SDI SUPPORT PROGRAM - This program is designed to support the President's Strategic Defense Initiative through a public education program. This program is based on the political assessment that the Soviets will seek to undermine the President and the national consensus he now enjoys on SDI. This issue will be focused in the Congress and media for the next 21 months, through two Congressional funding cycles, as the Soviets set up their misinformation program to combat SDI. The NEPL program is designed to provide strong public information programs in the national media, through televised messages, feature productions, and print advertising in the nationally read newspapers. The program will also provide media, academic and political organizations with speakers or guest journalist works to develop support for the President.

FUTURE OF FREEDOM SEMINAR SERIES - This program is a series of briefings for high level conservative activists on critical foreign policy, monetary and national issues. The ACT will seek to host a series of formal meetings with a senior government official to brief senior ACT and NEPL contributors on current critical issues dealing with the national security,

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international terrorism, regional conflict resolution, as well as international monetary policy, domestic spending and tax policy. For the most part these events will be quiet, private gatherings hosted by ACT and featuring a briefing by a senior member of the Administration.

TERRORISM: A US RESPONSE - This program is an educational effort directed towards increasing public awareness of the connection between terrorism against Western governments and Soviet political brinksmanship. This program will use television, print and periodical distributions to communicate the need for a national program to combat terrorism. It will focus public attention on the role of the Congress, the President and our allies in combatting terrorism.

For each program discussed, this action plan outlines the key issues addressed by the program, an evaluation of present circumstances, the program objectives and the program elements to reach those objectives. In each case the contractor and subcontractor relationships are indicated, as are the specific communications vehicles selected for use in achieving the program's objectives.

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please emphasize present & final

# Central American Freedom Program

## Introduction

1986 is destined to be a landmark year in the advancement of freedom throughout the world. After a generation of increasing tyranny and authoritarianism, the winds of change are rising. These winds are carrying freedom movements on four continents toward a victory over communist domination. And Ronald Reagan, leading a rejuvenating America, has caught these winds of change and is dramatically aligning American policy, resources, and moral support with the force of that gathering storm which is destined to overthrow communist tyranny in Afghanistan, Angola, Mozambique, Kampuchea and, most important, Nicaragua.

America's relationship with communist Nicaragua experienced an absolute moral and political reversal when Ronald Reagan became President of the United States.

The Carter Administration, like millions of Nicaraguans, had been fooled by the communists who captured the leadership of the anti-Somoza revolution in 1979. Once in power, the communist junta began systematically lying to the world about the true policies and purposes of their revolutionary government.

But Ronald Reagan was not fooled. So, moved by new leadership, American policy toward Nicaragua's communist government radically changed in 1981 and declared support for the Nicaraguan Freedom Fighters began.

Since 1981, opposition to the communist-controlled Nicaraguan government has gradually become a very powerful internal democratic movement. It claims the support of over 25,000 well armed Nicaraguans and literally hundreds of thousands of ordinary Nicaraguans. The democratic forces have not only endured years of conflict with a communist army easily six times their number, but have steadily increased their ranks in the midst of the struggle. These democratic forces continued to gain strength even during the year that United States aid was cut off.

1986 finds the democratic forces stronger than ever. But so is their communist enemy. Ronald Reagan, however, is preparing to offer decisive assistance to the democratic forces which, if fully endorsed by the Congress, could in fact carry to them to victory over communism in Nicaragua this year. When victory does in fact occur, it will have historic and political significance throughout the western Hemisphere. Its impact will be felt by every Freedom Fighter in the world. Its possibility will haunt every communist dictator. Finally, Ronald Reagan's actions will herald a new dynamic American policy of materially supporting freedom movements struggling to overthrow communist regimes.

Teachers polls for the last 5 years show a pervasive public ignorance of both the threat and the

## Description of the Problem

If Ronald Reagan is to succeed in meeting the needs of the Freedom Fighter movements for years to come, it will be necessary to create a deep reservoir of support for the Freedom Fighters and the President's policy. Such public support will come only if the American people truly understand the stakes and the opportunities the Reagan policies embody. The memories of Vietnam, however inapplicable, remain fresh, as does the urge to have America fight for clearly recognizable just causes. So President Reagan, if he is to be successful, must carry into this foreign policy arena the unified support of the American people.

The National Endowment for the Preservation of Liberty is helping the President do just that.

## Solution

The National Endowment for the Preservation of Liberty has undertaken a nationwide program of indefinite duration known as The Central American Freedom Program. The overriding goal of this program is to educate the American people and political elites about the nature of communism in Nicaragua and the threat to U.S. national security.

We have chosen television as the major vehicle we believe will be most successful in carrying our educational and informative messages to the public.

The Central American Freedom Program ~~was initiated by the~~ will require the National Endowment for the Preservation of Liberty to spend over one million, four hundred thousand dollars in the next ninety days. This means allocation of over one hundred thousand dollars every week for public education and information on the issue of Nicaragua. A three million dollar program is planned in detail for the longer term

If our program achieves its public awareness goals, it ~~may~~ will become a useful model for similar activities by others in the future. Our program is truly unique. It has become the pioneering effort in this area.

The date is Congress is taken in May.

## Central American Freedom Program

The National Endowment for the Preservation of Liberty has decided to focus its education program on seven issues. They are:

1) Nicaraguan communist persecution of its citizens;

2) Denial of religious and political rights;

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3) The creation of an aggressive armed Soviet satellite on the North American continent;

4) The creation of Cuban bases inside Nicaragua;

5) The threat Nicaragua now poses to its neighbors both through state terrorism and outright aggression;

6) Support for revolution in El Salvador;

7) Betrayal of the true anti-Somoza democratic revolution by the Nicaraguan communists.

The issues listed above represent the points our programs want to make in the minds of Americans. We will also discuss other issues such as who the Freedom Fighters are. We will develop the images of the UNO leadership. We will graphically show the situation facing over three hundred thousand Nicaraguan refugees. And we will discuss the political and human rights goals of the freedom fighters themselves.

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## Public Affairs Components of Central American Freedom Program

The Sandinistas have two public relations firms and two law firms either registered as foreign agents or working subrosa in the United States. They have a combined budget of two million dollars and are concentrating on the districts of Congressmen who have opposed aid to the Freedom Fighters. They have also stepped up the use of Op-Eds and articles in national newspapers written by sympathetic Americans, as well as the planting of disinformation such as recent articles accusing the FDN of drug trafficking.

The public is quite unaware of the true nature of the Sandinistas as well as the existence of a viable democratic alternative. They do not support efforts to overthrow any government and fear U.S. involvement in another Vietnam. This ignorance and the isolationism it produces have been the Sandinista's principal advantages in the debate. We intend to evaporate those advantages through the use of truth.

## Objectives

With the Congressional debate heating up on this issue, we should expect the Sandinistas, their foreign agents and liberal sympathizers to give it all they have. We are in the last weeks of a national campaign to be decided by the American public. If the public stays apathetic Congress will defeat the President's democratic initiative. If we are successful, America will have ~~had, debated and changed, and then debated and changed back~~, a policy that sounds the death knell of America's post-Vietnam feeling of impotency and retreat from world responsibilities.

To accomplish this we must address four audiences using specifically targeted communications strategies:

The public - Through the use of strong negative images of the Sandinistas recently reported in the media.

The Congress - Through issues now associated with America's leadership role in supporting democracy in the region.

Policymakers - Democratic leadership issues provide the groundwork for more challenging arguments that can influence liberals and moderates.

Freedom Fighter Leadership - Without a sound belief in the capabilities of the resistance's leadership, no policy can succeed in Congress.

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Program Elements

We propose to approach this program with the understanding that we are under considerable time constraints and are fighting for public support in areas widely dispersed across the United States. Therefore, we propose to treat this as a national political campaign, with March 15 as our target. Using the methodology of national political campaigns, we will seek to utilize our opponents negatives, debate the unclaimed issues to our advantage and reinforce our positive public perceptions.

We will use advertising and public affairs programs for each of the four program objectives listed above. They will be handled as follows:

The Public - The public has been exposed recently to several negative images or impressions of the Sandinistas. We will use these images to reinforce the public perception that the Sandinistas are communists and tyrannical dictators. We should employ the following techniques;

Television advertising - following research into the Congressional votes cast on the last aid package, we will produce materials that ~~will be used by Robert Goodman and Associates to~~ focus on -

1) Daniel Ortega's trip to Moscow and the $220 million commitment he received from the Soviets in hard lethal military support.

2) The recent crackdown on human rights in Nicaragua against the entire population of the nation.

3) Ortega's purchase of $3,500 in designer eyeglasses while his people starve.

4) The communist militarization of Nicaragua through Soviet and Cuban advisors and the use of Nicaragua as a command center for subversion of her democratic neighbors. Libyan, East German

5) The incident when Pope John II was spat upon and heckled when he tried to say Mass in Nicaragua signalling an era of religious persecution

6) That Cubans are now proved to be actively involved in combat.

Spokesman program - using the prototype speakers program begun by I.B.C., NEPL will place speakers in 50 markets between now and March 15, 1986. These speakers will be

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booked into a civic club or professional organization in a market and then scheduled for television, radio and newspaper interviews. The spokespeople come from the ranks of the UNO leadership and are capable of defending all UNO participants.

These speakers will focus on Sandinista excesses and UNO as the democratic alternative. The principal concentration for these speakers will be the southern and western states.

Battlefield Videotape - There are two battlefields in Nicaragua, one inside the principal cities and one in the countryside. We intend to provide major media outlets and local television stations with never-seen-before videotape from the field, including combat footage and evidence of Sandinista atrocities. We will also provide footage and commentary on events inside Managua and other major population centers.

This footage will be used in three ways:

1) ~~Robert Goodman and Associates~~ An ad agency will produce advertising for distribution in as many as 50 selected markets across the United States.

2) A satellite feed will be edited and fed each time new footage is obtained. These feeds will reach approximately 200 television stations in the U.S.. Reports of usage will be daily.

3) ~~I.B.C. will commission~~ A new documentary on the face of communism in Nicaragua and the use of internal suppression will be produced. This theme will be countered with a segment showing the Freedom Fighters as the logical outgrowth of Sandinista oppression.

Congress - Given the compressed time frame, Congress will be best reached through an effort that is visible in Washington and the national media. The issues used to reach Congress should be Centered on America's leadership responsibilities in this hemisphere. The primary effort will be centered in Congressional districts, but we should reinforce this effort with a public affairs program including:

A. Articles and Op-Eds written by prominent American leaders on Nicaragua as a center of terrorism. Using recent revelations of Nicaraguan arms being used in the Colombian Supreme Court assaults and Libyan, PLO and Iranian terrorists working in Nicaragua, we will produce articles for paid distribution, single placement in national newspapers and general media distribution.

Question

is it spokesmen program spokesmen program spokesmen program

B. Religious persecution of all faiths can be used to ~~generate public pressure on Congressmen~~. Jewish, Catholic and Protestant organization publications should be approached to interview defectors and religious figures who know the persecution firsthand. ~~I.B.C.~~ will arrange a series of meetings with religious leaders and journalists. I.B.C. will also help to produce an article by a prominent American religious figure for paid distribution.

touch and educate the public which could have an effect on the Congress

NEXT

C. Another Cuba on the mainland is unacceptable to most Americans. If the issue is picked up by constituents it would be a strong message for Congress. ~~I.B.C. will~~ utilize these arguments in the speakers program they have begun. An American exiled Cuban ~~will be~~ commissioned to write an article for paid distribution throughout the U.S. A Cuban exile leader ~~will be~~ added to the spokesmen program.

North American

all

I.B.C. has

has been

D. Drugs and politics are a bad mix and the chance to have a single issue which no one can publicly disagree with is irresistable. We propose to ask that Don Johnson of "Miami Vice", or a strong anti-drug figure such as Rosie Greer, be given a briefing on the drug trafficking evidence the Administration has on the Sandinistas. That person would be asked to write an Op-Ed piece for national distribution through paid and direct placements. ~~I.B.C.~~ would seek to get this super-spokesman on major television shows such as TODAY and GOOD MORNING AMERICA. ~~I.B.C.~~ would also cut a news spot for satellite distribution.

please totally rewrite delete the irresistable sentence

E. The Sandinists are violating human rights at an unprecedented level in this hemisphere. ~~I.B.C. can~~ is provide radio, television and newspaper interviews with two researchers who have compiled a report on Sandinista human rights violations. They could be commissioned to do an update on their report with a trip to Honduras and Costa Rica. On their return they could hold a Washington news conference and issue a report to Congress through a respected Senator or Congressman.

F. The Revolution of 1979 has been betrayed by the Sandinistas. I.B.C. would produce a news spot for satellite distribution on the lives of three former Sandinistas who now fight with the FDN/UNO.

Policymakers - We expect to reach this group primarily through the media we will be using for Congress. However, special briefings, either set up by I.B.C. or arranged through a grant to another organization, will be used to educate specific target audiences within this group. Briefings may feature drug

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enforcement experts or political scientists who have studied Cuban expansionism.

Freedom Fighter Leadership - I.B.C. will provide spokesmen training for the leadership and provide information feedback to reinforce that training. UNO figures will be provided with analyses that can help shape their public pronouncements. When possible, NEPL will incorporate the UNO leadership in events and briefings that will further their image of unity. I.B.C. will weave this theme of unity into all advertising, Op-Ed articles and paid distributions.

Conclusion - Without an opportunity to see the truth about the Sandinistas, the American public and its elected representatives will defeat democracy in Nicaragua. Through its public education program, NEPL will give the President a chance to free this continent of communism and strike a decisive blow for democracy.

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# BUDGET

correct

| | | |
|---|---|---|
| 1. Television Field Projects ($20,000 per month for 5 mo.) | | $100,000 |
| Personnel | -field producer<br>-sound man<br>-camera man<br>-correspondent | |
| Equipment rentals | -camera<br>-sound package<br>-editing machines<br>-character generators | |
| Transportation | -airfares<br>-ground transportation<br>-local travel | |
| Per diem expenses | -in-country expenses<br>-U.S. travel for editing | |
| Representations | -local gratuities | |
| Studio time | -in-country studio editing<br>-U.S. production facilities | |
| Tapes and Supplies | -tape stock<br>-battery packs<br>-lights and reflectors | |
| 2. Marketing of field TV Programs (5 projects at $15,500) and B-roll distribution | | correct 77,000 ~~$ 93,000~~ |
| 3. Speaking Tour Program: | | |
| Tour will include: | -speaking engagements<br>-editorial board meetings<br>-television interviews<br>-radio interviews<br>-newspaper interviews<br>-video briefing (church, business, labor, political leaders, college organization leaders) | |
| Costs for tours: | | |
| January to March 15, 1986 | | |
| Travel (7 weeks, for 2 speakers, each week $5,750) | | $ 80,500 |
| Per diem for speakers ($150 per day, 5 days per trip, 7 weeks for 2 speakers per week) | | $ 10,500 |
| Expenses (ground transportation, phones, tips, etc., $500 per trip, for 14 one week schedules) | | $ 7,000 |
| January to March Total ($7,000 average per trip) | | $ 98,000 |
| ~~March 15 to September 30, 1986~~ | | |
| ~~Travel, per diem and expenses for 1 trip per week for six months~~ | | ~~$112,000~~ |
| ~~January to September Total~~ | | ~~$210,000~~ |

Add Lobbyist 100,000 (Continental) 1/7/98 $75.00
Consultants
40 and special counts

Per

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← Previous page $ 1 salary = 100,000
198,000
15,000
34,000

Total $ ~~354,000~~ 347 correct 2

4. Supplementary Services, including:

-postage
-telephone
-telex
-couriers
-translations ($3,000 per month, for ~~8~~ 5 months) 15,000 $ ~~24,000~~

5. Administration/Coordination, including:

Professional staff time of
- ~~1 Program coordinator~~ 1-9 years exists coordinator
- 2 senior partners
- 1 senior staff writer
- 2 account executives
- ~~1 media coordinator~~

describe what task each will have

Verifications of placement
- clipping retrieval
- polling data assembling
- monitoring network feedback

Total ($~~10,000 for 8 months~~) ~~6,000~~ $ ~~20,000~~ 34,000 correct total
---- for 2 months

TOTAL BUDGET FOR ~~SIX MONTHS~~ 2 programs ~~$527,000~~

Budget omits all T.V which should range from 50 000 productions 7 messages through 150 000 D C 500,000 - 1,000,000 around the country

B+R 800,000 ~~or 7,000~~

50,000 commit
50,000 editing media
700 T.V. placement
77 B Rate

275,000
31,000
306,000

Edelman

IBC approx 406,000 through 7 weeks

minimum effective budget

IBC 306,000
~~polling~~ 50,000
DC media 150,000
media prod. 50,000
media-national 500,000 +1,000,000
IBC Lobby 100,000
NEW admin 250,000 + ~~200,000~~ or 454,000

media approx 1,000,000 NEW 50-400,000

1356,000 or 1,154,000

7 weeks reach 200,000 per week or 3

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# Strategic Defense Initiative

## Introduction

President Reagan's Stragegic Defense Initiative (SDI) is the most significant strategic development in the history of U.S.-Soviet relations since the acquisition of the atomic bomb by the Soviet Union. If allowed to be fully deployed it will greatly enhance America's security. As important, it will offer the super powers a dramatic opportunity to establish a lasting peace. The Congress, however, has been slow to realize the opportunity inherent in a fully funded on-time SDI. It has only provided about 60 percent of the President's funding request for SDI research and development in the past three years. Thus, the program at current funding levels will be consciously delayed and drawn out. Timing is important. The Soviets are determined to deploy their own program and are proceeding with an accelerated development of new offensive and defensive strategic systems while the United States lags.

## ~~Key Issues~~ Soviet Fear of American Advancement

The obvious enhancement of American defenses accomplished under the Reagan Administrations and the promise of a strategic defense program are primarily responsible for having brought the Soviets to the Geneva summit. Lagging in technology, economic vitality, and sophistication, and pressed to commit resources elsewhere, the Soviet Union fears the American SDI, because such a system and its foreign policy power implications will be able to neutralize the threat of the massive Soviet nuclear arsenal. The inability to maintain the credible destructive capability threat of that arsenal necessarily weakens the Soviet power/intimidation position vis-a-vis the United States and with regard to the rest of the world.

It is a common thread of Soviet foreign policy to threaten to rain down awesome nuclear destruction on nations the Soviets wish to influence through naked nuclear intimidation. Every Soviet leader raises the threat. Gorbachev used it just last month in a letter to the greater London City Council. This type of naked threat is of special and important relevance to Soviet relations with China, Western Europe, Cuba and Japan. A fully deployed and Strategic Defense will confront the Soviets with a new reality, one which will require a more credible and necessarily more peaceful behavior in the world arena for decades to come.

The Soviet Union failed to win concessions on SDI in Geneva. But it expended tens of millions of dollars in the months leading up to Geneva in attempting to shape European and American public opinion against SDI. So ~~important~~ crucial is SDI's failure to Soviet strategy that the Russians have continued to use their vast

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resources in a propaganda and disinformation struggle against the Reagan Administration's proposed system. Although other reasons have been given, the Soviet delay until September of the proposed June summit in the United States is designed to give the Russians more time for their efforts to weaken the President's SDI. Also, they may attempt to make it an election issue this fall.

## The Soviet Campaign to Capture American Public Support

Make no mistake about it. The Soviets genuinely fear a completed American Strategic Defense. But that fear does not concern their territorial safety. Rather, that fear concerns their continued ability to use the threat of nuclear annihilation to intimidate and blackmail other nations into submission or admission of Soviet supremacy.

With dramatic full-page advertisements in major newspapers, scores of television interviews, books, articles, front organizations and genuine governmental propaganda efforts, the Soviets are spending millions of dollars to prevent SDI from going forward as the President desires. Never have the Soviets wanted so desperately to block an American defense program. They understand well the power of American public opinion on government policy.

Although recent surveys indicate that Americans favor a workable alternative to mutual assured destruction (MAD), anti-nuclear interest groups have largely framed the SDI debate and succeeded in distorting public perceptions of what has lamentably become well known as "star wars". Here the ~~implication~~ emphasis is on war to the delight of the Soviets.

The Soviets are bolstered in their efforts by those in America who oppose SDI. ~~Basically~~ The opposition uses seven key arguments:

- ~~It~~ SDI will never work;
- ~~It~~ means the militarization of outer space;
- ~~It~~ escalates the arms race;
- ~~It~~ research could go on indefinitely;
- ~~It~~ costs too much;
- ~~It~~ is nuclear;
- ~~It~~ violates the SALT II agreements.

These arguments, combined with public and legislative concern about balancing the budget, resulted in Congressional funding of only 60 percent of what the President requested for the first stages of SDI research and development. The Spring legislative calendar will provide a window to secure full funding for the President's package and bring the program's timetable up to date. We must use this window of opportunity to strengthen American security.

## Objectives

Given the high moral imperative of Strategic Defense for our long term security and possible peace, the National Endowment for the Preservation of Liberty believes that the current program for Strategic Defense must be realized. The sooner the better. To help educate and inform Americans about the nature of the Strategic Defense concept, the Endowment is conducting a multi-faceted public education and information program using a combination of media and press activities in order to:

1) reveal and counter Soviet disinformation and other untruthful information;

2) educate the public about the true significance and role of SDI to America's military and alliance security;

3) measure, describe and publicize public attitudes on the SDI;

4) study and report the impact of the public's views on SDI in selected areas around the country.

0 0 0 4 0 7 9 4 3 7 3

## Program

NEPL will begin its program on March 15 and continue it through October of this year. In this manner, the program can fully operate during the framing of the debate in the primary election cycle in the Spring. Its timing will maximize its educational possibilities. At the same time, it will bring public attitudes to bear on the center of the debate, the U.S. Congress. The program will include the following activities:

Rich

—Rich→

Presidential Message - A short video-taped statement by the President which can be shown to organizations around the country, as well as to participating groups in the program. It's effectiveness will depend on the use of the President's considerable communication skills to set out the significance and importance of SDI to the world and the next generation. (Greater except for production)

Television Education - Fifteen and thirty second television messages placed in carefully selected markets during critical stages in the program and in the public debate. This educational activity, proven so successful in other issue debates in the past, will be the heart of the program. ($800,000.00)

Newspaper Information - Full page messages (several thousand words in the New York Times, the Washington Post, USA Today and in at least 20 major newspapers in key markets across the country. These will lay out aspects of SDI in detail. ($283,000.00)

Miller will do
- message
- Congressional analysis
- Congressional mailings
- Newspaper ads
- articles & eds
2 Coalition Building Briefings
- Possible press conference — get right approach
- prepare briefing book on Soviet SDI & [illegible]

Talk Shows/Interviews - Promotion of appearances by SDI experts on national and local television public affairs programs, talk shows and interview programs where discussion of SDI will take place. ($60,000.00)

Op-Ed Articles - Writing and placement of Op-Ed articles in national, regional and local newsapers. The educational articles will be both ghost-written for the signature of notable public figures, and will be written by some of the figures themselves. ($10,000.00)

Television/Video Program - Production of a 10-15 minute video feature summarizing the key issues surrounding the SDI debate and stating clearly the consequences of a fully-funded SDI for America's increased security and the cause of a just peace. ($100,000.00)

Coalition Building - The National Endowment for the Preservation of Liberty is convinced that the SDI is a highly significant crucially important program which all Americans have a moral and patriotic obligation to understand and judge. Therefore, NEPL will aggressively increase the possible impact of its program by making its information available to as many individuals and groups as possible. Support of the President must be broad based.

BK to Hidron
- Talk show 40,000
- Movie 130,000

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Personal expenses.

# BUDGET - SDI PROGRAM

7,000 8 Bayers 15 March 56,000 ~~90,000~~

| | |
|---|---|
| I.B.C. monthly fee (~~$12,200~~ x ~~10~~ months) | $ ~~122,000~~ |
| I.B.C. Overhead - 20% | 24,400 ~~146,400~~ |
| Production of TV Spots | 40,000 |
| Media Buys - Placement of Spots | 750,000 |
| Newspaper Ads - One time only | |
| New York Times | 30,000 |
| Washington Post | 28,000 |
| USA Today | 25,000 |
| Approximately 20 local markets @ $10,000 | 200,000 |
| TV Program - Production | 100,000 |
| Honoraria for Op-Ed Articles | |
| (5 articles at $2,500) | 10,000 |
| Total | $1,319,400 |

NDT IBC

- need per week 180,000 three Summit
- in full per week 70,000

CBC 410,000
TV 1,320,000
Nspl. 250,000
1,980,000
including Summit
TV 160,000
Nspl 30,000
2,170,000
including Senate
500,000
Nspl 100,000

April
T.V. National 243,000 + monthly fee (mixed overhead)
April 500,000
May 500,000
Sept 250,000
Oct 250,000

TV Districts
April 160,000
May 160,000
1,360,000
Nspl advts 250,000

September at June Summit
160,000
+Summit
160,000
30,000
1610,000

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# THE FUTURE OF FREEDOM FORUMS

The SELECT 500 of the American Conservative Trust and other corroborating large opinion surveys indicate strong support among Republicans for Vice President Bush as a candidate for President in 1988. The overriding component of his popularity is his admirable service in the course of Ronald Reagan. However powerful and well-funded activists have yet to be heard from. George Bush is currently very unpopular among many of these individuals. To write off or underestimate the energy and motivation of these people is to court disaster in the primaries. Many of these highly charged individuals love a gut fight and would rather be right than victorious. Such a mentality could ruin the long term impact of Ronald Reagan's achievements.

The Vice President needs a vehicle which he can utilize to reach the high dollar donors in the conservative ranks. These donors perceive him as a liberal Republican unsure of himself and without determination to lead in tough circumstances. These donors know too little of the Vice President's record, beliefs and policies. The Vice President's opposition is going to make as much headway as possible by playing on such misinformation and ignorance. He needs to reach them in order to head off major support for his opposition. He also has to correct lingering misgivings these people have about his resolve on foreign policy and other issues crucial to activist conservative issues. In articulating a strong foreign policy and reinforcing the domestic issues as needed, he can nullify the negative perceptions many of these people maintain. He must communicate in such a way that these people leave their time with him confident in his foreign policy expertise and mindful that past perceptions about his politics have been wrong.

We recommend that we seek to hold at least one dinner meeting per month commencing in late January 1986. For each event we could invite 30 to 50 of the "SELECT 500" contributors and others. The Vice President could be requested to speak on a particular issue such as Central America or Arms Control (See attached focus elements) as the focus element of the program. However, he might use these opportunities to extrapolate on all the issues he felt would be received well by this unique audience. This will require a carefully scripted event, using a practiced speech with several interchangeable elements and well prepared answers to follow-up questions.

WHY "The Future of Freedom Forums"-

Without some form of ongoing program, this will be viewed as an attempt to use the foundation to further George Bush's campaign strategy. We must be conscious of the need to preserve the Foundation's independence of action, nonpartisan focus and not

to confuse a program to develop a truly American foreign and monetary policy with an total embrace of the Vice President's candidacy.

PURPOSE-

The conservative political leaders to be effective in 1988, must move now to shape foreign and monetary policy before the campaign shapes it for them. With a thorough program designed to develop the policies that will govern us into the next four to eight years, we can be assured that the historic gains made by President Reagan from 1980 to 1988 are not just held, but strengthened and fulfilled.

MECHANISM -

We recommend that we host small meetings of invited senior high dollar activist contributors, such as Patty Beck, Bunker Hunt, Leon Hess, Sandra di Portinova using either the American Conservative Trust's senior contributor list, names supplied by the Vice President's organization or a combination of both. These gatherings would be events of the "FUTURE OF FREEDOM FORUMS." Each potential participant would be told that he has an opportunity to hear and speak directly with the Vice President on foreign policy. They would be encouraged to attend to help perpetuate the Reagan accomplishments and agenda after 1988. They would be told that this meeting is part of a nonpartisan series to establish policy goals for the next President of the United States. Their help and direction would be greatly appreciated and is vital to preserve the gains made beginning with Ronald Reagan's first term.

We recommend that we meet and discuss a schedule at the earliest possible moment with the Fund staff.

Budget

- To DBC - arrangmt for VP + staff 7,000 per mnth
- ~~managing~~
- To Gadsen 200,000 for year plus production 3 5 pages on Bush
- Staff + V.P expenses 100,000

Need to have in account 1,000,000

We recommend the following focus elements:

Central America

This region is growing as an issue for Americans. Unfortunately the political leadship in this country has not faced up to the reality that we are face-to-face with a Soviet client state on our mainland. With the exception of president Reagan, American politicians have not lead the way to ridding the continent of this threat.

The Strategic Defense Initiative

The concept of a united free world is worth protecting. And a defense strategy that protects the free world without killing people is worth protecting through its infant stage. No one in their right mind wants the U.S. to fund a program of lasers or other high-tech space defense systems if it can not work. But, we must not let pass an opportunity to make it work, nor the prospects that such success would hold for the children of the free world.

Soviet Expansionism

The Soviets occupy more countries throughout the world than any other nation. Including those nations subjugated in Eastern Europe we have a frightening picture. But there are signs of stress and fatigue in the "Iron Curtain." We, the democratic world, must find every way possible to assure that the next generation of Russians are more aware of the world as it really is rather than the world according to TASS.

Democratic Elections

Democratic elections are well overdue in the Phillipines and would seem to be a success in Guatemala. Countries that are voting democracies deserve all the help America can lend. We should serve to strengthen our committment to Democracy through our foreign aid program and trade policies.

Free Press

The right of democratic people to hear the truth is paramount. Any country that abridges freedom of the press should be reminded that our help is given first to those that adhere to all democratic principles and not just the few a government finds useful. We should actively support efforts to put third world nations in touch with space age information technology.

Terrorism

Terror as a weapon in nationalistic and international communist movements must be stopped cold. Those who use terror to intimidate democratic nations should pay a high and swift price for their actions. The President and the executive branch should begin an effort to coordinate with our allies to stamp out terrorist cells regardless if they have acted in proven efforts or not. We should support military operations that answer terrorists. We have much to

contribute to such actions and any American would be proud to say his nation had helped to crush terrorism.

South Africa

This administration attempts to pit democracy against racism in a test of our ability to change governments without removing them. In the world there will always be moral issues that we can not change, this is not one of them. If we can continue to restrict our involvement with the South African government while seeking to up lift the South African people, we will achieve change. As a belligerent outsider we can hope to accomplish nothing.

Middle-east politics

We did not stand behind Israel in her three wars for independence to give her up now. She is the symbol and hope of an entire people. As the parties to a peace settlement move closer together, we must be prepared to use all our national resolve to force them to succeed. If we must put peace above friendship, the world will be the greater loser. Any peace must be inclusive and permanent.

The Third World

The Soviets have succeeded in installing far too many Marxist governments in areas where they provide no humanitarian assistance at all. We must start putting a price on our help...democratization. If we are to lead the world to a freer existence then we must free those that suffer from abject poverty as we work. But, the governments of these people must understand that support for democratic government and the economic freedoms that entails are the surest road to our help.

United Nations

The UN is a good forum for our views, but it has become the Soviet's favorite weapon to embarrass us. Amb. Kirkpatrick showed the world that such a body would not be taken lightly by the US any longer. We must use the UN as a forum to challenge tyranny and to remind those that seek our help in private and scorn us in public, that there is a price for such action.

Nuclear Buildup

The Reagan Adminstration is proud that it created a nuclear arsenal that is second to none. Afterall, to be second to a nation that has invaded its neighbors and projected military might into conflicts on other continents would be foolish. The responsible leadership of this nation knows that we must reduce the world's nuclear arsenals but not at the price of aggression by the Soviets. Whatever we agree to with the Soviet Union must be fully verifiable and aimed at the total elimination of nuclear weapons.

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International Environment

The United States has been a leader on international environmental issues. While our government never seems to move fast enough for the environmental activists, we move well ahead of others on this issue. Our ban on whaling is complete and we have instituted a 200 mile limit for fishing to avoid the overfishing so common to the Asian basin.

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NATIONAL ENDOWMENT FOR THE PRESERVATION OF LIBERTY

# TERRORISM: A U.S. RESPONSE

## INTRODUCTION

Terrorism is the scourge of civilized nations--and it is growing more prevalent. There were an estimated 3,000 documented terrorist incidents throughout the world in 1985, of which about one-third were directed at business and industry. Western democratic nations, where many of the terrorist incidents occur, appear powerless to contain it--much less to bring it to an end.

To increasing degrees, terrorism prevents the freedom of movement, inhibits tourism, discourages investment and harms free trade. The very liberty the United States cherishes is threatened.

## ISSUE

Except for sporadic actions carried out by Israel, the use of terror to achieve political ends appears to go on virtually unchecked. In Great Britain, following the killing by Libyan agents of a policewoman on the streets of London, diplomatic relations were broken with Libya. But trade was unaffected. More recently, Italy and Germany have been reluctant to impose any sanctions on Libya, the assumed lair or sponsor of terrorists, because of dependence on Libyan oil and to protect the current volume of trade.

What is emerging, it is clear, is the supplanting of diplomacy by terrorism as a key determiner of actions of states. When England, Italy, France and Germany fail to take action, when Yugoslavia gives refuge to the mastermind of the Achille Lauro hijacking, they invite further actions. And lesser states are cowed into silence and inaction.

The United States has placed counter-terrorism among its foreign policy priorities every year for nearly a decade (the State Department's counter-terrorism office was established in 1977). But beyond solemn pronouncements and routine condemnations, we have done little to counter this scourge.

Numerous arguments are often cited as reasons for not taking consistent, direct action:

--we have no international support
--we are not the world's policemen
--it would engender retaliation and continue the cycle
--it makes us as bad as the terrorists
--we don't know precisely who and where the terrorists are
--counter-terrorism does not address the "root causes"

--we lack the resources to be effective.

Such arguments pale in the face of dictator Khaddafi's recent threat to bring terrorism to mainstreet USA. The tragic destruction of an international airline flight en route from Canada to England shows how easily it can be done. A large bomb in the U.S. Capitol only a few months ago shows just how vulnerable we are. Fidel Castro uses international narcotics trafficking as a means to finance his terror network.

Today there are as many as six million illegal aliens in the United States. Our borders and our airports are porous. As a free, open society, we are more vulnerable than most. Yet, we see the beginning of restrictions on our liberties when the White House, the U.S. Capitol, the Department of State and other key buildings resemble armed fortresses.

Unfortunately, too many policy-makers believe that all we have to do is hire more guards, build more barricades and use more metal detectors. When innocent children are struck down in airports, no one can be safe. The solution is not to convert our public places and institutions into fortresses. The solution is to counter terrorism in a concerted, direct and cohesive fashion at the international level. To do so, however, we must begin at home by developing a national policy consensus for action.

OBJECTIVES

The National Endowment for the Preservation of Liberty is undertaking production of a television program on terrorism as it exists today. Its objective is to produce resolute, firm action on the part of the U.S., leading to international agreements and cooperation. Specifically, NEPL seeks to obtain:

--a Presidential declaration of national resolve;
--a broad consensus for a new national policy;
--a Congressional resolution empowering the Administration to pursue international objectives;
--an international conference bringing together other key Western democracies;
--international agreement on joint actions; concerted sanctions; and assistance to allies suffering economic hardship because of the sanctions;
--a firm, binding multilateral treaty.

Given these objectives, NEPL's nationwide campaign is designed to educate the public on the issues and demonstrate that solutions are within reach. It will motivate leaders to act; and indicate the appropriate course of action to achieve established goals.

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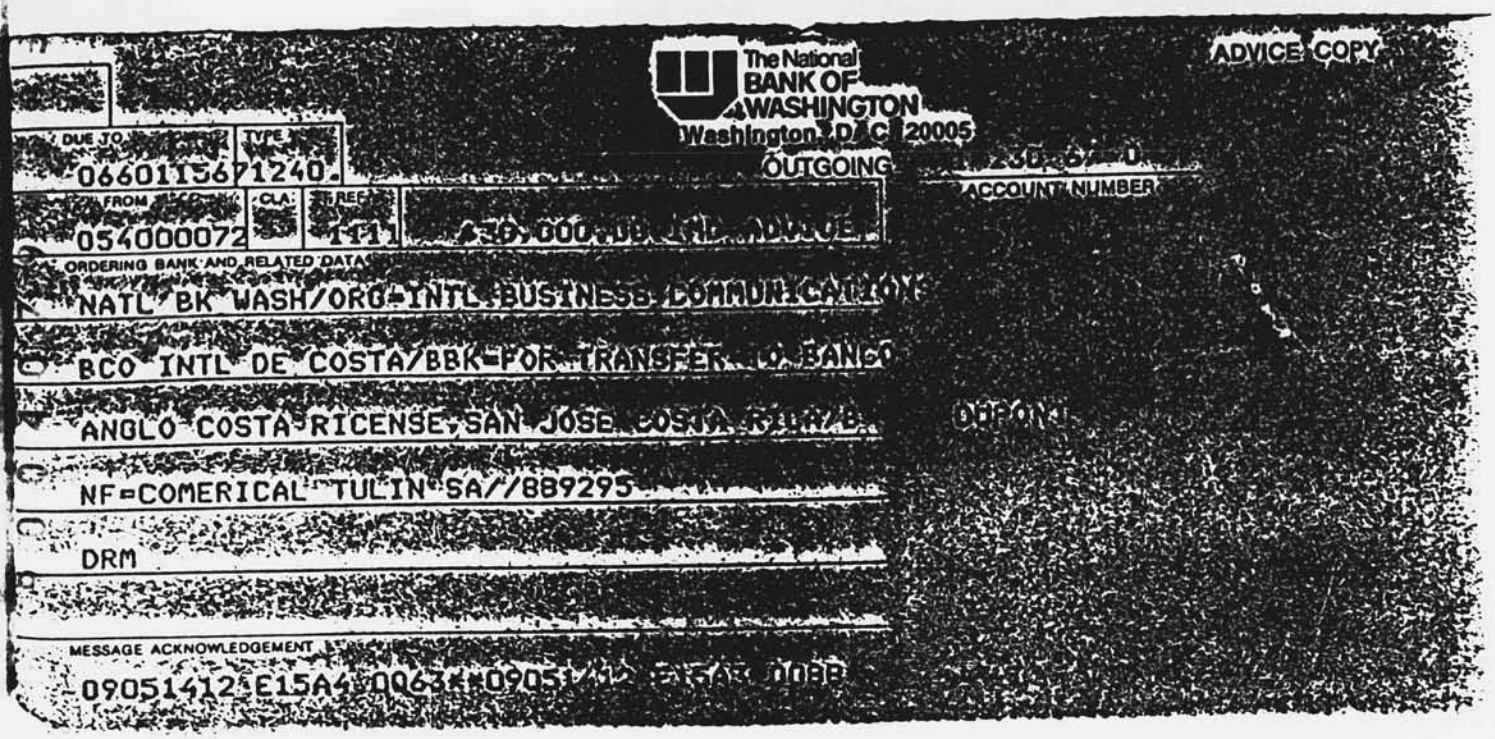

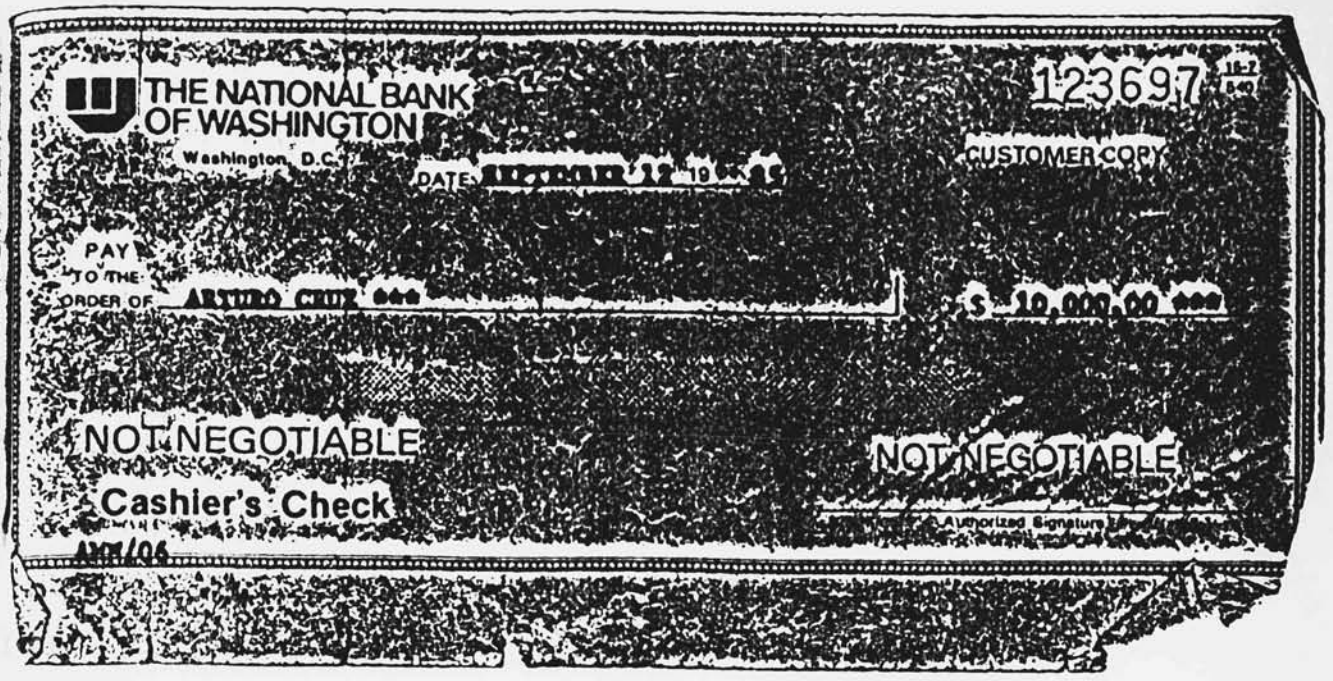

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ACCOUNT # 1230-670 TELEPHONE # ( 202 ) 387-3002

WIRE TO:

BANK Barclay's Bank P.L.C. - Grand Cayman Branch AMOUNT $100,000.00

CITY, STATE, COUNTRY Georgetown, Grand Cayman Islands

BENEFICIARY I.C. Inc.

BENEFICIARY'S ACCOUNT # 1888659

BY ORDER OF Jeffrey M. Keffer

INFORMATION AND/OR SPECIAL INSTRUCTIONS

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ACCOUNT # 1230670 TELEPHONE # (202) 387-3002

WIRE TO:

BANK BARCLAYS BANK PLC AMOUNT $250,000.00

CITY, STATE, COUNTRY GEORGETOWN, GRAND CAYMAN ISLAND, B.W.I.

BENEFICIARY I. C. INC.

BENEFICIARY'S ACCOUNT # 1888659

BY ORDER OF

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CUSTOMER'S SIGNATURE Richard R. Miller

FOR BANK USE

ACCEPTED/CONFIRMED

ACCOUNT CREDITED

BRANCH/DEPT Dupont 06

ACCOUNT DEBITED 1230670

AUTH. SIG.

FEE COLLECTED 8.00

DWC

WHITE–WIRE TRANSFER DEPT.
CANARY–CUSTOMER COPY
PINK–BRANCH COPY

Hold

FW-102

THE NATIONAL BANK OF WASHINGTON

096015

# WIRE TRANSFER FORM

DATE 11-8-85

O BE COMPLETED BY CUSTOMER:

NAME INTERNATIONAL BUSINESS COMMUNICATIONS

ADDRESS 1523 NEW HAMPSHIRE AVE. N.W. WASHINGTON, D.C. 20036

ACCOUNT # 1230670 TELEPHONE # (202) 387-3002

IRE TO:

BANK BARCLAYS BANK PLC AMOUNT $40,000.00

CITY, STATE, COUNTRY GEORGETOWN, GRAND CAYMAN ISLAND, B.W.I.

BENEFICIARY I.C. INC.

BENEFICIARY'S ACCOUNT # 1888659

BY ORDER OF

INFORMATION AND/OR SPECIAL INSTRUCTIONS PLEASE NOTIFY MR. MALCOLM DAVIES OF CAYHAVEN CORPORATION SERVICES LTD (809) 949-5444

ABILITY

The undersigned agrees that the National Bank of Washington ("NBW") shall not be liable in any manner whatsoever for any miscarriage, mistake, delay, misfeasance or non-feasance on the part of any agent or agency selected by NBW, and further releases NBW from any and all liability for any loss or damage caused or occasioned by any act or thing beyond the immediate direct control of NBW, and NBW shall not be liable or accountable for any action taken or omitted by it in good faith in accordance with the instructions contained herein.

STOMER'S SIGNATURE

R BANK USE

ACCEPTED/CONFIRMED

ACCOUNT CREDITED BRANCH/DEPT Dupont

ACCOUNT DEBITED AUTH. SIG.

FEE COLLECTED

DWC

ITE-WIRE TRANSFER DEPT.
WARY-CUSTOMER COPY
K-BRANCH COPY

FW. 002

1230670

GOING
NOV 08 1985

PAGE :2618

sent to :

CHASUS33

chase manhattan bank, n.a.
new york,ny

= ACK/1550/081NBWUS33AXXX20659
= 100 01

date: 08 nov 85 time: 15.50 customer tfr ***urgent***

| | | |
|---|---|---|
| :20 /trn | : | 8511080409 |
| :32A/value | : | 08 nov 1985 |
| currency cod | : | USD |
| amount | : | 40,000.00 |
| :50 /ord customer | : | INTL BUSINESS COMMUNICATIONS |
| :57/d/a/c with bk | : | BARCLAYS BANK PLC<br>GEORGETOWN GRAND CAYMAN<br>ISLAND, B.W.I. |
| :59 /ben customer | : | /1888659<br>I.C. INC |
| :71A/charges | : | BEN |
| :72 /bk to bk inf | : | /CABLE/ PLS NOTIFY MR MALCOLM<br>DAVIES OF CAYHAVEN CORP SERVICES<br>LTD (809) 949-5444 |

AUT/[illegible]

THE NATIONAL BANK OF WASHINGTON
WE DEBIT YOUR ACCOUNT WITH THE FOLLOWING
SUBJECT TO CONDITIONS STATED BELOW

| DATE | ACCOUNT NO | DESCRIPTION |
|---|---|---|
| 08/85 | 1 230 67 0 | DEBIT/OUTGOING BANKWIRE<br>(REF:) (BSW 0659) |

INTERNATIONAL BUSINESS COMMUNICATIO
1607 NEW HAMPSHIRE AVE NW STE 300
WASHINGTON DC. 20009

$40,000.00**

ALL ITEMS ARE RECEIVED SUBJECT TO THE TERMS AND CONDITIONS OF THE DEPOSITOR S AGREEMENT AS PRINTED ON THE SIGNATURE CARDS CURRENTLY USED BY THIS BANK

THE NATIONAL BANK OF WASHINGTON

SUBJECT TO CONDITIONS STATED ON

095691

WIRE TRANSFER FORM

DATE: 12/16/85

ACCOUNT NO: 1230670

DATE: 12/16/85

TO BE COMPLETED BY CUSTOMER:

NAME: INTERNATIONAL BUSINESS COMMUNICATIONS

ADDRESS: 1523 NEW HAMPSHIRE AVE, N.W. WASHINGTON, D.C.

ACCOUNT #: 1230670

TELEPHONE #: (202) 387-3002

WIRE TO:

BANK: CREDIT SUISS BANK, EAUX VIVES BRANCH

AMOUNT: $300,000.00

CITY, STATE, COUNTRY: GENEVA, SWITZERLAND

BENEFICIARY: LAKE RESOURCES INC.

BENEFICIARY'S ACCOUNT #: 386430-22-1

BY ORDER OF:

INFORMATION AND/OR SPECIAL INSTRUCTIONS: TLX-22805 CSGI-CH

LIABILITY

The undersigned agrees that the National Bank of Washington ("NBW") shall not be liable in any manner whatsoever for any miscarriage, mistake, delay, misfeasance or non-feasance on the part of any agent or agency selected by NBW, and further releases NBW from any and all liability for any loss or damage caused or occasioned by any act or thing beyond the immediate direct control of NBW and NBW shall not be liable or accountable for any action taken or omitted by it in good faith in accordance with the instructions contained herein.

CUSTOMER'S SIGNATURE

FOR BANK USE

ACCEPTED/CONFIRMED

ACCOUNT CREDITED

BRANCH/DEPT

ACCOUNT DEBITED

AUTH. SIG

FEE COLLECTED 24.00

DWC

WHITE–WIRE TRANSFER DEPT.
CANARY–CUSTOMER COPY
PINK–BRANCH COPY

FW 002

WIRE TRANSFER FORM

OUTGOING

DEC 16 1985

D/ 123670

PAGE : 1574

sent to :

UBSWCHZH 805330 9

union bank of switzerland
zurich

ACK/1514/16TNBWUS33AXXX21553

100-01

date: 16 dec 85 time: 15.14 customer tfr ***ursent***

| | | |
|---|---|---|
| :20 /trn | : | 8512160791PL |
| :32A/value | : | 16 dec 1985 |
| currency cod | : | USD |
| amount | : | 300,000.00 |
| :50 /ord customer | : | SAME |
| :52A/ordering bk | : | TNBWUS33<br>national bank of washinston, the<br>washinston, d c |
| :57D/a/c with bk | : | CREDIT SWISS BK<br>EAUX VIVES BRANCH<br>GENEVA SWITZERLAND |
| :59 /ben customer | : | /C/ 386430 22 1<br>LAKE RESOURCES INC |
| :71A/charges | : | BEN |
| :72 /bk to bk inf | : | TELX 22805 CSG1 CH |

-AUT/2245

AUTH. SIG.

BRANCH/DEPT.

AUTH. SIG.

0004079436 04

THE NATIONAL BANK OF WASHINGTON

095695

# WIRE TRANSFER FORM

DATE: 1/15/86

**TO BE COMPLETED BY CUSTOMER:**

NAME INTERNATIONAL BUSINESS COMMUNICATIONS

ADDRESS 1523 NEW HAMPSHIRE AVE. N.W., WASHINGTON, D.C. 20036

ACCOUNT # 1230670 TELEPHONE # (202) 387-3002

**WIRE TO:**

BANK BARCLAYS BANK PLC AMOUNT $360,000

CITY, STATE, COUNTRY GEORGETOWN, GRAND CAYMAN ISLANDS, B.W.I.

BENEFICIARY I.C. INC.

BENEFICIARY'S ACCOUNT # 1888659

BY ORDER OF

INFORMATION AND/OR SPECIAL INSTRUCTIONS PLEASE NOTIFY MR. MALCOM DAVIES OF CAY HAVEN CORPORATION SERVICES, LTD (809) 949-5444

**LIABILITY**

The undersigned agrees that the National Bank of Washington ("NBW") shall not be liable in any manner whatsoever for any miscarriage, mistake, delay, misfeasance or non-feasance on the part of any agent or agency selected by NBW, and further releases NBW from any and all liability for any loss or damage caused or occasioned by any act or thing beyond the immediate direct control of NBW, and NBW shall not be liable or accountable for any action taken or omitted by it in good faith in accordance with the instructions contained herein.

CUSTOMER'S SIGNATURE

**FOR BANK USE**

ACCEPTED/CONFIRMED

ACCOUNT CREDITED

BRANCH/DEPT. Airport Circle

ACCOUNT DEBITED 1-230-67-0

AUTH. SIG.

FEE COLLECTED #18.00

DWC

WHITE–WIRE TRANSFER DEPT.
CANARY–CUSTOMER COPY
PINK–BRANCH COPY

#90

FW 002

THE NATIONAL BANK OF WASHINGTON

No. 77016

# WIRE TRANSFER FORM

DATE 1-30-86

TO BE COMPLETED BY CUSTOMER:

NAME INTERNATIONAL BUSINESS COMMUNICATIONS

ADDRESS 1912 SUNDERLAND PLACE NW WASH. D.C. 20036

ACCOUNT # 1-087-002 TELEPHONE # (202) 659-6550

WIRE TO:

BANK BANK LEUMI AMOUNT $10,000.00

CITY, STATE, COUNTRY NEW YORK, NEW YORK

BENEFICIARY FREDERICK J. ARGUELLO

BENEFICIARY'S ACCOUNT # 0708686 5-09

BY ORDER OF

INFORMATION AND/OR SPECIAL INSTRUCTIONS: FED WIRE ON 02600 2 794

LIABILITY

The undersigned agrees that the National Bank of Washington ("NBW") shall not be liable in any manner whatsoever for any miscarriage, mistake, delay, misfeasance or non-feasance on the part of any agent or agency selected by NBW, and further releases NBW from any and all liability for any loss or damage caused or occasioned by any act or thing beyond the immediate direct control of NBW, and NBW shall not be liable or accountable for any action taken or omitted by it in good faith in accordance with the instructions contained herein.

CUSTOMER'S SIGNATURE [signature]

FOR BANK USE

ACCEPTED/CONFIRMED

ACCOUNT CREDITED

BRANCH/DEPT. [signature]

ACCOUNT DEBITED

AUTH. SIG. [signature]

FEE COLLECTED 8.00

DWC.

WHITE–WIRE TRANSFER DEPT.
CANARY–CUSTOMER COPY
PINK–BRANCH COPY

FW 002

THE NATIONAL BANK OF WASHINGTON

096012

# WIRE TRANSFER FORM

DATE: 5/13/96

**BE COMPLETED BY CUSTOMER:**

NAME INTERNATIONAL BUSINESS COMMUNICATIONS

ADDRESS 1912 SUNDERLAND PLACE, N.W., WASHINGTON, D.C. 20036

ACCOUNT # 1-087-00-2 TELEPHONE # (202) 387-3002

---

**IRE TO:**

BANK BARCLAY'S BANK P.L.C.

AMOUNT ONE MILLION, TWO HUNDRED & FIFTY THOUSAND $1,250,000.00

CITY, STATE, COUNTRY GEORGETOWN, GRAND CAYMAN ISLAND, B.W.I.

BENEFICIARY INTEL CO-OPERATION INC.

BENEFICIARY'S ACCOUNT # 1888659

BY ORDER OF

INFORMATION AND/OR SPECIAL INSTRUCTIONS PLEASE NOTIFY MR DAVID PIESING - 809/949-5444

---

**ABILITY**

The undersigned agrees that the National Bank of Washington ("NBW") shall not be liable in any manner whatsoever for any miscarriage, mistake, delay, misfeasance or non-feasance on the part of any agent or agency selected by NBW, and further releases NBW from any and all liability for any loss or damage caused or occasioned by any act or thing beyond the immediate direct control of NBW, and NBW shall not be liable or accountable for any action taken or omitted by it in good faith in accordance with the instructions contained herein.

---

USTOMER'S SIGNATURE Richard F. Neal

---

**OR BANK USE**

ACCOUNT CREDITED

ACCOUNT DEBITED

FEE COLLECTED

DWC

**ACCEPTED/CONFIRMED**

BRANCH/DEPT. Support - 96

AUTH. SIG.

HITE–WIRE TRANSFER DEPT.
ANARY–CUSTOMER COPY
INK–BRANCH COPY

FW 002

THE NATIONAL BANK OF WASHINGTON
WE DEBIT YOUR ACCOUNT WITH THE FOLLOWING
SUBJECT TO CONDITIONS STATED BELOW

| ITE | ACCOUNT NO | DESCRIPTION |
|---|---|---|
| 13/96 | 1 087 00 2 | DEBIT/FEDERAL RESERVE WIRE<br>(REF:) (F 0013) |

ITERNATIONAL BUSINESS COMMUNICATIO
)12 SUNDERLAND PL NW
ASHINGTON DC. 20036

$1,250,000.00**

ALL ITEMS ARE RECEIVED SUBJECT TO THE TERMS AND CONDITIONS
OF THE DEPOSITOR S AGREEMENT AS PRINTED ON THE SIGNATURE
CARDS CURRENTLY USED BY THIS BANK

0004079436

011U FT OUTGOING MSG

6002574 1040

4000072 0013 $1,250,000.00

ITL BK WASH /ORG=INTL BUSINESS COMMUNICATIONS

RCLAYS PLC /CTR/IBK=BNF=INTEL CO OPERATION INC//ACCT 1888659//PLEASE

TIFY MR DAVID PIESING - 809/949-5444

13 E1015A2V 13 05131220 FTS1 E1NBWFC

THE NATIONAL BANK
OF WASHINGTON

095699

# WIRE TRANSFER FORM

DATE: 4/9/86

BE COMPLETED BY CUSTOMER:

NAME INTERNATIONAL BUSINESS COMMUNICATIONS

ADDRESS 1912 SUNDERLAND PLACE, N.W., WASHINGTON, D.C. 20036

ACCOUNT # 1087002 TELEPHONE # (202) 387-3002

IRE TO:

BANK BARCLAYS BANK PLC AMOUNT $740,000.00

CITY, STATE, COUNTRY GEORGETOWN, GRAND CAYMAN ISLAND, B.W.I.

BENEFICIARY I.C. INC.

BENEFICIARY'S ACCOUNT # 1888659

BY ORDER OF

INFORMATION AND/OR SPECIAL INSTRUCTIONS PLEASE NOTIFY MR. MALCOLM DAVIES OF CAYHAVEN CORPORATE SERVICES, LTD

ABILITY

The undersigned agrees that the National Bank of Washington ("NBW") shall not be liable in any manner whatsoever for any miscarriage, mistake, delay, misfeasance or non-feasance on the part of any agent or agency selected by NBW, and further releases NBW from any and all liability for any loss or damage caused or occasioned by any act or thing beyond the immediate direct control of NBW, and NBW shall not be liable or accountable for any action taken or omitted by it in good faith in accordance with the instructions contained herein.

JSTOMER'S SIGNATURE

OR BANK USE

ACCEPTED/CONFIRMED

ACCOUNT CREDITED

ACCOUNT DEBITED 1-087002

FEE COLLECTED 50.00

DWC

BRANCH/DEPT DUPONT - 06

AUTH. SIG.

ITE-WIRE TRANSFER DEPT.
NARY-CUSTOMER COPY
NK-BRANCH COPY

FW 002

1087002

OUTGOING

APR 09 1986

PAGE :9450

sent to :

3629

CHASUS33ITS

ACK/1447/09TNBWUS33AXXX24293

chase manhattan bank, n.a.
new york,ny
(international transfer system)

100 01

date: 09 apr 86 time: 14.47 customer tfr ***urgent***

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| | | |
|---|---|---|
| :20 /trn | : | 860409012 |
| :32A/value | : | 09 apr 1986 |
| currency cod | : | USD |
| amount | : | 740,000.00 |
| :50 /ord customer | : | INTL BUSINESS COMMUNICATIONS |
| :52A/ordering bk | : | TNBWUS33<br>national bank of washington, the<br>washington,d c |
| :57D/a/c with bk | : | BARCLAYS BANK PLC<br>GEORGTOWN GRAND CAYMAN<br>ISLAND, B.W.I. |
| :59 /ben customer | : | /1888659<br>I.C. INC. |
| :71A/charges | : | BEN |
| :72 /bk to bk inf | : | /CABLE/PLEASE NOTIFY MR. MALCOLM<br>DAVIES OF CAYHAVEN CORPORATE<br>SERVICES, LTD. |

-AUT/FB49

0 0 0 4 0 7 9 4 0 0

THE NATIONAL BANK OF WASHINGTON
WE DEBIT YOUR ACCOUNT WITH THE FOLLOWING
SUBJECT TO CONDITIONS STATED BELOW

| DATE | ACCOUNT NO | DESCRIPTION |
|---|---|---|
| /09/86 | 1 087 00 2 | DEBIT/OUTGOING BANKWIRE (REF:) (BSW 4293) |

INTERNATIONAL BUSINESS COMMUNICATIO
1912 SUNDERLAND PL NW
WASHINGTON DC. 20036

$740,000.00**

ALL ITEMS ARE RECEIVED SUBJECT TO THE TERMS AND CONDITIONS OF THE DEPOSITOR S AGREEMENT AS PRINTED ON THE SIGNATURE CARDS CURRENTLY USED BY THIS BANK

6 00 6231
FEDERAL ELECTION COMMISSION
88 FEB -1 PM 12:54

HERGE, SPARKS, CHRISTOPHER & BIONDI
ATTORNEYS AT LAW
SUITE 200
8201 GREENSBORO DRIVE
McLEAN, VIRGINIA 22102
(703) 848-4700

J. CURTIS HERGE
ROBERT R. SPARKS, JR.
A. MARK CHRISTOPHER
GEORGE V. BIONDI
DONNA LYNN MILLER
CARRIE LEE GLASER

TELECOPIER NUMBER
(703) 893-7371

January 28, 1988

RECEIVED
FEDERAL ELECTION COMMISSION
OFFICE OF GENERAL COUNSEL
88 FEB -1 PM 3:00

Susan Beard, Esq.
Office of General Counsel
Federal Election Commission
999 E Street, N.W.
Washington, D. C. 20463

RE: MUR 2406 - American Conservative Trust-State Election Fund

Dear Ms. Beard:

This letter is written on behalf of American Conservative Trust - State Election Fund (hereinafter referred to as "ACT-SEF") in response to the letter from the Chairman of the Federal Election Commission to me, dated December 17, 1987, advising us that the Commission has found reason to believe that ACT-SEF violated 2 U.S.C. §§433, 434 and 441b(a).

In furtherance of the discussions had at our meeting on Wednesday, January 20, 1988,

ACT-SEF is providing and/or stipulating the following:

1) Enclosed is a copy of the Articles of Incorporation of ACT-SEF, dated September 17, 1984; its Certificate of Incorporation, dated October 5, 1984; and, its Bylaws.

2 0 0 4 9 4 2 0 0 2 0

2) The incorporators of ACT-SEF were: Carl R. Channell, Albert Ferri, Jr. and Roger Wilkins.

3) The addresses of ACT-SEF were: 305 Fourth Street, N.E., Washington, D.C. from date of organization until August, 1986; 1331 Pennsylvania Avenue, N.W., Washington, D.C. from August, 1986 until June, 1987; and, 515 Second Street, N.E., Washington, D.C. from June, 1987, until the present.

4) The members of the Board of Directors of ACT-SEF were:

Carl R. Channell - October 5, 1984 to the present
Roger Wilkins - October 5, 1984 to June 15, 1987
Albert Ferri, Jr. - October 5, 1984 to December 18, 1985
John Ramsey - October 5, 1984 to the present

5) The corporate officers of ACT-SEF were:

Carl R. Channell, Chairman - October 5, 1984 to the present
Roger Wilkins, Secretary - October 5, 1984 to June 15, 1987
Albert Ferri, Jr., Treasurer - October 5, 1984 to December 18, 1985
F. Clifton Smith, Treasurer - December 18, 1985 to May 28, 1987
Carl R. Channell, Treasurer - July 22, 1987 to the present

6) ACT-SEF maintained its bank accounts at The Palmer National Bank in Washington, D.C.

7) ACT-SEF's accounts, books and records were maintained separate and apart from those of any other organization and person. Upon the best information available,

they were maintained by Michael D. Barnes and Stephen McMahon, who were consultants and/or employees of ACT-SEF. Messrs. Barnes and McMahon were the individuals responsible for, among other things, allocating overhead and other expenses between ACT-SEF and other organizations which used common facilities, equipment and personnel. They were also responsible for the payment of invoices. The last known address for Mr. Barnes and Mr. McMahon was 1322 Corcoran Street, N.W., Washington, D. C. 20009.

8) The accounting firm of Simmermacher & Felts audited the revenues of ACT-SEF for the year ended December 31, 1986. A copy of their report is enclosed. Upon information and belief, Simmermacher & Felts did not compile a similar report for 1985, nor did they compile financial statements for 1985 or 1986 as suggested in their report.

9) Enclosed are copies of the Reports of Contributions and Expenditures of ACT-SEF, from the date of its inception through October 15, 1986, which were filed with the Virginia State Board of Elections. These reports were compiled, upon information and belief, by Messrs. Barnes and McMahon.

10) Enclosed is a Statement of Net Assets of ACT-SEF as of December 31, 1986; and a listing of contributions (by date, contributor and amount) to ACT-SEF in 1986. These materials were prepared, upon information and belief, by Stephen McMahon.

11) Enclosed are detailed listings of 1985 and 1986 project invoices rendered by the Robert Goodman Agency for the production and broadcast of television advertisements by National Endowment for the Preservation of Liberty, Sentinel, American Conservative

Trust and ACT-SEF, together with an accompanying "analysis" prepared by Stephen McMahon. The analysis is dated "1/5/86," but, because it includes data through December, 1986, it is evident the analysis should have been dated "1/5/87." A separate "analysis" dated "1/5/87," reflecting the same figures in a different format is also enclosed.

The primary programmatic activity of ACT-SEF consisted of the television advertising program described in our letter to the Commission dated July 16, 1987. With respect to the television advertising program, Mr. McMahon's analysis reveals that, in 1985, the Goodman Agency was rendering most of its invoices to American Conservative Trust for advertisements produced for ACT-SEF; and, that the National Endowment for the Preservation of Liberty advanced funds on behalf of ACT-SEF in payment of those invoices. It was discovered in 1987 that ACT-SEF had also been advancing funds to defray the administrative expenses of American Conservative Trust. As a result, American Conservative Trust amended its reports filed with the Federal Election Commission in order to identify, to the extent possible, the funds so expended.

ACT-SEF asserts, for the record, that the financial statement and financial records described in paragraphs (10) and (11), and which are submitted herewith, are proprietary records, not subject to disclosure under the Freedom of Information Act. Further, ACT-SEF does not consent to this letter and its enclosures being made part of the public record in this matter.

We look forward to assisting you and in working with you in this matter.

Sincerely yours,

J. Curtis Herge
Counsel to American Conservative
Trust-State Election Fund

:sbl
Enclosures

0004079440

ARTICLES OF INCORPORATION

OF

AMERICAN CONSERVATIVE TRUST
STATE ELECTION FUND

To: Recorder of Deeds
Washington, D.C.

We, the undersigned natural persons of the age of eighteen years or more, acting as incorporators of a corporation, adopt the following Articles of Incorporation for such a corporation pursuant to the District of Columbia Nonprofit Corporation Act.

FIRST: The name of the corporation is AMERICAN CONSERVATIVE TRUST STATE ELECTION FUND, hereinafter referred to as the "Corporation."

SECOND: The period of its duration is perpetual.

THIRD: The objects and purposes of the Corporation, which is not formed for pecuniary profit or financial gain, shall be to receive contributions, or to make expenditures, or both, directly or indirectly, for the purpose of influencing the selection, appointment, nomination for election, or election, of any person to any state or local public office or for the purpose of influencing the results of a state or local primary election, caucus, or convention held for the selection of delegates to a state or local nominating convention of a political party, or for the expression of a preference for the nomination of persons for the election to state or local public office or party position,

FILED OCT 5 1984
BY

or for the purpose of aiding or promoting the success or defeat of a political party or principle, or of any question submitted to vote at a public election.

Notwithstanding the generality of the foregoing, the Corporation shall not have the power to act, and shall not engage in any activity, as a political committee under the provisions of the Federal Election Campaign Act of 1971, as amended, of the United States of America.

The Corporation shall not engage in or include among its purposes any activities in contravention of any law, statute or regulation which would cause the Corporation to be disqualified from incorporating under the Nonprofit Corporation Act of the District of Columbia or of qualifying to conduct business in any State as the Board of Directors shall determine.

FOURTH: The Corporation shall have no members.

FIFTH: The Directors of the Corporation shall hold office for a term of one year, and until their respective successors have been elected and qualified, and shall, with the exception of the initial Directors, be elected by a majority vote of the Directors in office immediately preceding the expiration of each term. Any vacancy in the Board of Directors that shall occur prior to the expiration of a term shall be filled by such person as shall be elected by the remaining members of the then Board of Directors and the person so elected shall hold office until the expiration of the term to which he or she succeeded.

**SIXTH:** The post office address of the initial registered office is 305 Fourth Street, N.E., Washington, D.C. 20002. The name of its initial registered agent is Carl R. Channell.

**SEVENTH:** The number of Directors constituting the initial Board of Directors is four (4) and the names and addresses of the persons who are to serve as the initial Directors are:

| Name | Address |
|---|---|
| Carl R. Channell | 2032 Belmont Road, N.W.<br>Washington, D.C. 20009 |
| Roger Wilkins | 48 Hawthorne Court, N.E.<br>Washington, D.C. 20017 |
| Albert Ferri, Jr. | 3146 Q Street, N.W.<br>Washington, D.C. 20007 |
| John Ramsey | 3510 Cranbrook<br>Wichita Falls, Texas 76308 |

**EIGHTH:** The names and addresses, including street and number, of the Incorporators are:

| Name | Address |
|---|---|
| Carl R. Channell | 2032 Belmont Road, N.W.<br>Washington, D.C. 20009 |
| Roger Wilkins | 48 Hawthorne Court, N.E.<br>Washington, D.C. 20017 |
| Albert Ferri, Jr. | 3146 Q Street, N.W.<br>Washington, D.C. 20007 |

IN WITNESS WHEREOF, for the purposes of forming the Corporation under the laws of the District of Columbia, the

undersigned Incorporators have executed these Articles of Incorporation the 17th day of ~~July~~ Sept, 1984.

CARL R. CHANNELL

ROGER WILKINS

ALBERT FERRI, JR.

DISTRICT OF COLUMBIA) to-wit:

I, the undersigned, a Notary Public, do hereby certify that on the 17th day of ~~July~~ Sept, 1984, personally appeared before me CARL R. CHANNELL, ROGER WILKINS and ALBERT FERRI, JR., who signed the foregoing document as Incorporators, and acknowledged that the statements therein contained are true.

Notary Public

My Commission Expires: July 31, 1989



0040076

DEPARTMENT OF CONSUMER AND REGULATORY AFFAIRS
BUSINESS REGULATION ADMINISTRATION
CORPORATION DIVISION
614 H STREET, N.W.
WASHINGTON, D.C. 20001

# C E R T I F I C A T E

THIS IS TO CERTIFY that all provisions of the District of Columbia Non-profit Corporation Act have been complied with and ACCORDINGLY this Certificate of Incorporation

is hereby issued to the AMERICAN CONSERVATIVE TRUST STATE ELECTION FUND

as of the date hereinafter mentioned.

Date October 5, 1984

Carol B. Thompson
Director

Shelly Finch
Assistant Superintendent of Corporations

GOVERNMENT OF THE DISTRICT OF COLUMBIA
MARION BARRY, JR., MAYOR
APRIL 1981

0004074410

BY-LAWS

OF

AMERICAN CONSERVATIVE TRUST STATE ELECTION FUND

ARTICLE I

Offices

Section 1. Registered Office. The Corporation shall have and continuously maintain in the District of Columbia a registered office, with a registered agent whose business office is identical with such registered office, as required by the District of Columbia Nonprofit Corporation Act. The address of the registered office may be changed from time to time by the Board of Directors.

Section 2. Other Offices. The Corporation may also have an office or offices at such other place or places within or without the District of Columbia as the Board of Directors may, from time to time, designate and as the business of the Corporation may require.

ARTICLE II

Purpose

Section 1. Nature of Corporation. The Corporation is a nonprofit, nonmember corporation formed under the District of Columbia Nonprofit Corporation Act, which is organized and shall be exclusively operated as a political committee under the

provisions of the Federal Election Campaign Act of 1971, as amended, of the United States of America.

Section 2. Primary Purpose. The Corporation is organized and shall be exclusively operated in accordance with its Articles of Incorporation and filed with the Corporate Division of the Business Regulation Administration of the Department of Consumer and Regulatory Affairs of the District of Columbia.

ARTICLE III

Members

The Corporation shall have no members.

ARTICLE IV

Board of Directors

Section 1. General Powers. Management and control of the property, affairs and business of the Corporation shall be exercised by the Board of Directors, who may delegate to officers and to committees such powers as provided for in these By-laws.

Section 2. Number, Qualifications, Election and Tenure of Director. The number of Directors shall be four (4). Directors need not be residents of the District of Columbia.

The initial Board of Directors shall be composed of those Directors named in the Corporation's Articles of Incorporation filed with the Corporate Division of the Business Regulation Administration of the Department of Consumer and Regulatory Affairs for the District of Columbia. Each Director

shall hold office from the date of the Organization Meeting of the Corporation until the first annual meeting of the Board of Directors and until his successor is elected and qualified. At each annual meeting of the Board of Directors, the Directors shall stand for re-election to the Board of Directors for a one (1) year term of office and until their respective successors are elected and qualified. Each successor Director shall hold office for a term of one (1) year. Election to the Board of Directors shall be by majority vote of the then members of the Board of Directors.

Section 3. Vacancies. Any vacancy occurring in the Board of Directors that shall occur prior to the expiration of a term shall be filled by such person as shall be elected by the remaining members of the then Board of Directors of the Corporation. A Director so elected to fill a vacancy shall hold office for the unexpired term of his predecessor in office.

Section 4. Annual Meetings. The annual meeting of the Board of Directors shall be held without other notice than this By-law, at the Corporation's principal office on the first Monday in February of each year.

Section 5. Special Meetings. Special meetings of the Board of Directors may be called by or at the request of the Chairman or by a majority of the Directors. The person or persons authorized to call special meetings of the Board of Directors may fix any place, either within or without the

District of Columbia, as the place for holding any special meeting of the Board called by them.

Section 6. Notice. Notice of any special meeting of the Board of Directors shall be given at least five (5) days previously thereto by written notice delivered personally or sent by mail or telegram to each Director at his address as shown in the records of the Corporation. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail in a sealed envelope so addressed, with postage prepaid. If notice be given by telegram, such notice shall be deemed to be delivered when the telegram is delivered to the telegraph company. Any Director may waive notice of any meeting. The attendance of a Director at any meeting shall constitute a waiver of notice of such meeting, except where a Director attends a meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened. The business to be transacted at, and the purpose of, any special meeting of the Board of Directors need not be specified in the notice or waiver of notice of such meeting.

Section 7. Quorum. A majority of the members of the Board of Directors shall constitute a quorum for the transaction of business at any meeting of the Board; but, if less than a majority of the Directors are present at said meeting, a majority of the Directors present may adjourn the meeting from time to time without further notice.

Section 8. Manner of Acting. The Board of Directors shall act only by majority vote at a meeting at which a quorum is present. Members of the Board of Directors may participate in a meeting of such Board by means of a conference telephone or similar communications equipment whereby all persons participating in the meeting can hear each other, and participation by such means shall constitute presence in person at such a meeting. When a meeting is conducted by means of a conference telephone or similar communications equipment, a written record shall be made of the action taken at such meeting.

Section 9. Compensation. Directors as such shall not receive any stated salaries for their services, but by resolution of the Board of Directors a fixed sum and expenses of attendance may be allowed for attendance at each annual or special meeting of the Board; but nothing herein contained shall be construed to preclude any Director from serving the Corporation in any other capacity and receiving compensation therefor.

Section 10. Informal Action by Directors. Any action required to be taken at a meeting of Directors, or any action which may be taken at a meeting of Directors, may be taken without a meeting if a consent in writing setting forth the action so taken, shall be signed by all of the Directors.

Section 11. Resignation of Directors. A Director may resign from the Board of Directors at any time by giving written notice of his resignation in writing addressed to the Chairman or

Secretary of the Corporation, or by presenting his written resignation at an annual or special meeting of the Board of Directors.

## ARTICLE V

## Officers

Section 1. Officers. The officers of the Corporation shall be a Chairman, a Secretary and a Treasurer and such other offices as may be elected in accordance with the provisions of this Article. The Board of Directors may elect or appoint such other officers including a Vice Chairman, an Executive Director, one or more Assistant Secretaries, and one or more Assistant Treasurers, as it shall deem desirable, such officers to have the authority and perform the duties prescribed, from time to time, by the Board of Directors. Any two or more offices may be held by the same person, except the offices of Chairman and Secretary.

Section 2. Election and Term of Office. The officers of the Corporation shall be elected by the Board of Directors at each annual meeting of the Board. If the election of officers shall not be held at such meeting, such election shall be held as soon thereafter as conveniently may be. New offices may be created and filled at any meeting of the Board of Directors. Each officer shall hold office for a term of one (1) year and until his successor shall have been duly elected and qualified.

Section 3. Removal. Any officer elected or appointed by the Board of Directors may be removed by the Board upon an



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affirmative vote of the entire Board of Directors, whenever in its judgment the best interests of the Corporation would be served thereby.

Section 4. Vacancies. A vacancy in any office because of death, resignation, removal, disqualification or otherwise, shall be filled by such person as shall be appointed by the Chairman of the Corporation for the unexpired portion of the term to which he or she succeeds.

Section 5. Chairman. The Chairman shall be the chief executive officer of the Corporation and shall, in general, supervise and control all of the business and affairs of the Corporation. He shall preside at all meetings of the Board of Directors as Chairman of the Board of Directors. He may sign, with the Secretary or any other proper officer of the Corporation authorized by the Board of Directors, any deed, mortgages, bonds, contracts, or other instruments which the Board of Directors has authorized to be executed, except in cases where the signing and execution thereof shall be expressly delegated by the Board of Directors or by these By-laws or by statute to some other officer or agent of the Corporation; and, in general he shall perform all duties incident to the office of Chairman and such other duties as may be prescribed by the Board of Directors from time to time.

Section 6. Vice Chairman. In the event of the death or resignation of the Chairman, the Vice Chairman, if there shall

be one or if not, the Treasurer, shall have all powers of, and be subject to all restrictions upon, the Chairman.

Section 7. Treasurer. The Treasurer shall have charge and custody of and be responsible for all funds and securities of the Corporation; receive and give receipts for moneys due and payable to the Corporation from any source whatsoever, and deposit all such moneys in the name of the Corporation in such banks, trust companies or other depositories as shall be selected in accordance with the provisions of Article VII of these By-laws; and, in general, perform all the duties as from time to time may be assigned to him by the Chairman or by the Board of Directors. If required by the Board of Directors, the Treasurer shall give a bond for the faithful discharge of his duties in such sum and with such surety or sureties as the Board of Directors shall determine.

Section 8. Secretary. The Secretary shall keep the minutes of the meetings of the Board of Directors in one or more books provided for that purpose; see that all notices are duly given in accordance with the provisions of these By-laws or as required by law; be custodian of the corporate records and of the seal of the Corporation and see that the seal of the Corporation is affixed to all documents, the execution of which on behalf of the Corporation under this seal is duly authorized in accordance with the provisions of these By-laws; keep a register of the post office address of each Director which shall be furnished to the

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Secretary by such Director; and in general perform all duties incident to the office of secretary and such other duties as from time to time may be assigned to him by the Chairman or by the Board of Directors.

Section 9. Assistant Secretaries and Assistant Treasurers. The Assistant Treasurers and Assistant Secretaries, in general, shall perform such duties as shall be assigned to them by the Treasurer, the Secretary, the Chairman, or by the Board of Directors. If required by the Board or Directors, the Assistant Treasurers shall give bonds for the faithful discharge of their duties in such sums and with such sureties as the Board of Directors shall determine.

ARTICLE VI

Committees

Section 1. Executive Committee of Directors. The Board of Directors may designate and appoint an Executive Committee, which shall consist of two or more Directors, one of whom shall be the Chairman of the Corporation, which committee shall have and exercise the authority of the Board of Directors in the management of the Corporation during the intervals between meetings; provided, however, that such committee shall not have the authority of the Board of Directors in reference to amending altering or repealing the By-laws; electing appointing or removing any Director of the Corporation; amending the Articles of Incorporation; adopting a plan of merger or adopting a plan of

consolidation with another corporation; authorizing the sale, lease, exchange or mortgage of all or substantially all of the property and assets of the Corporation; authorizing the voluntary dissolution of the Corporation or revoking proceedings therefor; or amending, altering or repealing any resolution of the Board of Directors which by its terms provides that it shall not be amended, altered or repealed by such committee. The designation and appointment of any such committee and the delegation thereto of authority shall not operate to relieve the Board of Directors or any individual Director, of any responsibility imposed upon it or him by law.

Section 2. National Advisory Committee and Other Committees. The Board of Directors may also appoint such other committees, including a National Advisory Committee, as the Board may determine, which shall have powers and duties as shall from time to time be prescribed by the Board. The Chairman shall be a member ex-officio of each committee appointed by the Board of Directors.

Section 3. Term of Office. Each member of a committee shall continue as a member thereof until the next annual meeting of the Directors of the Corporation and until his successor is appointed, unless the committee shall be sooner terminated, or unless such member be removed from such committee, or unless such member shall cease to qualify as be member thereof.

Section 4. Chairman of Committees. One member of each committee shall be appointed Chairman thereof; provided, however, that the Chairman shall appoint the Chairman of the National Advisory Committee and shall serve as the Chairman of the Executive Committee.

Section 5. Vacancies. Vacancies in the membership of any committee may be filled by appointments made in the same manner as provided in the case of the original appointments.

Section 6. Quorum. Unless otherwise provided in the resolution of the Board of Directors designating a committee, a majority of the whole committee shall constitute a quorum and the act of a majority of the members present at a meeting at which a quorum is present shall be the act of the committee.

Section 7. Rules. Each committee may adopt rules for its own government not inconsistent with these By-laws or with rules adopted by the Board of Directors.

ARTICLE VII

Contracts, Checks, Deposits and Funds

Section 1. Contracts. The Board of Directors may authorize any officer or officers, agent or agents of the Corporation, in addition to the officers so authorized by these By-laws, to enter into a contract or execute and deliver any instrument in the name of and on behalf of the Corporation, and such authority may be general or confined to specific instances.

Section 2. Checks, Drafts, etc. All checks, drafts or orders for the payment of money, notes or other evidences of indebtedness issued in the name of the Corporation shall be signed by officer or officers, agent or agents of the Corporation as shall from time to time be determined by resolution of the Board of Directors.

Section 3. Deposits. All funds of the Corporation shall be deposited from time to time to the credit of the Corporation in such banks, trust companies or other depositories as the Board of Directors may select.

Section 4. Gifts and Contributions. The Board of Directors may accept on behalf of the Corporation any contribution, gift, bequest or devise for the general purposes or for any special purpose of the Corporation. Such contributions, gifts, bequests, or devises shall be in conformity with the laws of the United States, the District of Columbia, or any other relevant jurisdiction.

ARTICLE VIII

Books and Records

The Corporation shall keep correct and complete books and records of account and shall also keep minutes of the proceedings of its Board of Directors and committees having any of the authority of the Board of Directors.

ARTICLE IX

Fiscal Year

The fiscal year of the Corporation shall begin on the first day of January and end on the last day of December in each year.

ARTICLE X

Seal

The Board of Directors shall provide a corporate seal, which shall be in the form of a circle and shall have inscribed thereon the words: "AMERICAN CONSERVATIVE TRUST STATE ELECTION FUND, District of Columbia, 1984."

ARTICLE XI

Waiver of Notice

Whenever any notice is required to be given under the provisions of the District of Columbia Nonprofit Corporation Act or under the provisions of the Articles of Incorporation or the By-laws of the Corporation, a waiver thereof in writing signed by the person or persons entitled to such notice, whether before or after the time stated therein, shall be deemed equivalent to the giving of such notice.

ARTICLE XII

Indemnification

The Corporation shall indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending, or completed action, suit or proceeding, whether



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criminal, administrative or investigative (including an action or suit by or in the right of the Corporation to procure a judgment in its favor) by reason of the fact that he is or was serving at the request of the Corporation, or is or was serving at the request of the Corporation as a director or officer of another corporation, parntership, joint venture, trust, or other enterprise, against judgments, fines, amounts paid in settlement and expenses (including attorneys fees) actually and reasonably incurred by him in connection with such action, suit or proceeding except only in relation to any claim, issue or matter as to which such person shall have finally adjudged to be liable for his gross negligence or willful misconduct. Each such indemnity shall inure to the benefit of the heirs, executors and administrators of such person.

Any such indemnity shall (unless authorized by a court) be made by the Corporation only as authorized in the specific case upon a determination that the director or officer was not guilty of gross negligence or willful misconduct in the performance of his duty and, in case of settlement, that such settlement was, or if still be made, is consistent with such indemnity and the best interests of the Corporation. Such determination shall be made by the Board of Directors by a majority vote of a quorum.

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## ARTICLE XIII

### Amendments to By-laws

These By-laws may be altered, amended or repealed and new By-laws may be adopted by the affirmative two-thirds vote of the Directors present at any annual meeting or at any special meeting if at least five days written notice is given of intention to alter, amend or repeal or to adopt new By-laws at such meeting.

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SIMMERMACHER & FELTS
CERTIFIED PUBLIC ACCOUNTANTS
1023 POTOMAC STREET, N.W.
WASHINGTON, D. C. 20007
(202) 337-5400

MEMBERS: AMERICAN INSTITUTE OF
CERTIFIED PUBLIC ACCOUNTANTS

Board of Directors
American Conservative Trust - State Election Fund

We have examined the statement of revenue of the American Conservative Trust - State Election Fund for the year ended December 31, 1986. Our examination was made in accordance with generally accepted auditing standards and, accordingly, included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

We are in the process of examining the financial statements of the American Conservative Trust - State Election Fund for the years ended December 31, 1986 and 1985 and will issue our report thereon in the near future.

In our opinion, the statement of revenue referred to above presents fairly the revenue of the American Conservative Trust - State Election Fund for the year ended December 31, 1986, in conformity with generally accepted accounting principles applied on a consistent basis.

Simmermacher & Felts

Washington, D.C.
March 5, 1987

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American Conservative Trust - State Election Fund
Statement of Revenue
for the year ended December 31, 1986

| | Amount | % |
|---|---|---|
| Contributions from private individuals in the United States | $102,510 | 97.2% |
| Contributions from a political committee in the United States | 2,900 | 2.7 |
| Other income | 53 | 0.1 |
| | $105,463 | 100.0% |

See accompanying accountants' report

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American Conservative Trust

Victory in 86

STATE ELECTION FUND
DECEMBER 31, 1986

ASSETS

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American Conservative Trust

1986 CASH RECEIPTS LEDGER — State Election Fund

| DATE | CONTRIBUTOR | SOLICITOR | PROJECT | FUND | BANK ACCT | AMOUNT |
|---|---|---|---|---|---|---|
| 01/08/86 | ACT FED _ | CLIFF | GENL | ACT SEF | SEF | 2,900.00 |
| | TOTAL JANUARY CONTRIBUTIONS | | | | | 2,900.00 |
| 10/20/86 | GARWOOD, MR. | SPITZ | GENL | ACT SEF | SEF | 12,500.00 |
| 10/20/86 | GARWOOD, MR. | SPITZ | GENL | ACT SEF | SEF | 2,500.00 |
| 10/20/86 | GARWOOD, MRS. | SPITZ | GENL | ACT SEF | SEF | 10,000.00 |
| 10/28/86 | PIERCE | SPITZ | ACT SEF | ACT SEF | SEF | 1,000.00 |
| 10/28/86 | KING | CLIFF | ACT SEF | ACT SEF | SEF | 25,000.00 |
| 10/29/86 | NEWINGTON | SPITZ | ACT SEF | ACT SEF | SEF | 10,000.00 |
| 10/29/86 | GARWOOD, MR. | SPITZ | ACT SEF | ACT SEF | SEF | 2,000.00 |
| 10/29/86 | GARWOOD, MRS. | SPITZ | ACT SEF | ACT SEF | SEF | 15,000.00 |
| 10/31/86 | ADAMKIEWICZ | CLIFF | ACT SEF | ACT SEF | SEF | 910.00 |
| 10/31/86 | NEWINGTON | SPITZ | ACT SEF | ACT SEF | SEF | 3,000.00 |
| 10/31/86 | KING | CLIFF | ACT SEF | ACT SEF | SEF | 9,100.00 |
| | TOTAL OCTOBER CONTRIBUTIONS | | | | | 91,010.00 |
| 11/03/86 | GARWOOD, MRS. | SPITZ | ACT SEF | ACT SEF | SEF | 4,000.00 |
| 11/05/86 | ANDERSON, VIRGINIA | KRIS | ACT SEF | ACT SEF | SEF | 5,000.00 |
| 11/06/86 | BRANDON | CLIFF | ACT SEF | ACT SEF | SEF | 2,500.00 |
| | TOTAL NOVEMBER CONTRIBUTIONS | | | | | 11,500.00 |
| | | | TOTAL CONTRIBUTIONS - 1986 | | | 105,410.00 |

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MEMORANDUM

DATE: 1/5/86

TO: SPITZ

FROM: STEVE

RE: GOODMAN ANALYSIS 1985 AND 1986

Presented below is the summary of billings from Goodman Agency and the corresponding payments for the years 1985 and 1986.

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MEMORANDUM

DATE 1/5/87

TO: SPITZ

FROM: STEVE

RE: GOODMAN ANALYSIS 1985 AND 1986

Summarized below are the results of the audit I performed on the billing from Goodman and the payments thereon.

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COMMONWEALTH OF VIRGINIA

STATE BOARD OF ELECTIONS

# COMMITTEE CAMPAIGN CONTRIBUTIONS AND EXPENDITURES

American Conservative Trust State Election Fund
Name of Committee

1331 Pennsylvania Ave. NW Suite 350 S
Street or Box Number

Washington, DC 20004
City, State, ZIP

(202) 662-8700
Area Code - Daytime Telephone Number

**TYPE OF REPORT**
(Check appropriate box)

xx Consolidated (inception to 10/24/85)

- ☐ January 15
- ☐ 8 days before 1st Tuesday in March
- ☐ 8 days before 1st Tuesday in May
- ☐ 8 days before 2nd Tuesday in June
- ☒ 8 days before November General Election 1985
- ☐ 30 days after November General Election
- ☐ Final Report*

*Final Report to be filed no later than 30 days after the closing of the account and must include a termination statement signed by an officer of the committee.

## SUMMARY

Report Covering Period From Inception through October 24, 1985

| | | |
|---|---|---|
| 1. Balance on Hand (Line 6 of Last Report) | | $ -0- |
| 2. Contributions Received (Line 17—page 2) | | 560,815.22 |
| 3. Add: Balance Outstanding Loans (Line 28—page 2) | | -0- |
| 4. Total Expendable Funds | | $ 560,815.22 |
| 5. Expenses: | | |
| a. (Line 23—page 2) | $ 547,553.71 | |
| b. Add: Outstanding Loans (Prev. Report—Line 3) | -0- | 547,553.71 |
| 6. Balance on Hand (Line 4 less Line 5) | | $ 13,261.51 * |

## TOTALS TO DATE

| | |
|---|---|
| 7. Contributions (Line 7 of Last Report plus Line 2 of this Report) | $ 560,815.22 |
| 8. Expenses (Line 8 of Last Report plus Line 5a of this Report) | $ 547,553.71 |
| 9. Indebtedness Remaining Unpaid—Schedule D | $ -0- * |
| 10. Campaign Depository | |
| Account Number | |

## OATH OR AFFIRMATION

Under penalty of perjury, I declare that I have examined this report, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete.

(Signature of Treasurer or Appropriate Person)

Subscribed and sworn to (affirmed) before me this 24th day of October 19 85.

My commission expires: My Commission Expires October 14, 19

(Notary Public)

Revised 1/86

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## STATEMENT OF RECONCILIATION OF FUNDS

Report Covering Period From inception through 10/24/85

Full Name of Candidate or Committee: Ame-rican Conservative Trust STate Election FUnd

### FUNDS RECEIVED

CONTRIBUTIONS

| | | | | |
|---|---|---|---|---|
| | Schedule A (Over $100) | # 148 | $ 560,815.22 | |
| | Itemized ($100 or less) | # | $ | |
| 3. | TOTAL (Add Lines 11 & 12) | # 148 | b | $ 560,815.22 |
| 4. | Less: Rebates and Refunds | | $ | |
| 5. | Less: Other | | $ | |
| | TOTAL (Add Lines 14 & 15) | | | ( -0- ) |
| | Net To Line 2—Summary (Line 13 less Line 16) | | | $ 560,815.22 |

### FUNDS DISBURSED

EXPENDITURES

| | | | |
|---|---|---|---|
| 18. | Schedule B | | $ 547,553.71 |
| 19. | Less: Utility Deposits Refundable | $ | |
| 20. | Less: Rent Deposits Refundable | $ | |
| 21. | Less: Other | $ | |
| 22. | TOTAL (Add Lines 19, 20, 21) | | ( 547,553.71 ) |
| | Net To Line 5A—Summary (Line 18 less Line 22) | | $ 13,261.51 |

### LOAN ACCOUNT

| | | |
|---|---|---|
| 23. | Loan Account Balance—Last Report | $ |
| 24. | Loans Received this Period—Schedule C—Part I | $ |
| 25. | SUBTOTAL (Add Lines 24 & 25) | $ |
| 26. | Less: Loans Repaid This Period—Schedule C—Part II | ( ) |
| | Loan Balance to Date—to Line 3—Summary | $ |

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AMERICAN CONSERVATIVE TRUST STATE ELECTION FUND
CASH DISBURSEMENTS AND ACCRUALS
SCHEDULE B INCEPTION THRU OCTOBER 24, 1985

| DATE | PAYEE | AMOUNT | DESCRIPTION |
|---|---|---|---|
| 04/30/84 | SEDAM & HERGE | 500.00 | LEGAL |
| 04/30/84 | GINN'S | 421.24 | OFFICE SUPPLY |
| 04/30/84 | ROGER WILKINS | 814.25 | SALARY |
| 05/31/84 | C & P TELEPHONE | 261.32 | TELEPHONE |
| 05/31/84 | GUMPERT PRINTING | 186.00 | PRINTING |
| 05/31/84 | KAY JOY HOFNER | 297.57 | CONSULTING |
| 05/31/84 | DAVID WHITEHILL | 30.00 | UTILITIES |
| 05/31/84 | CARL CHANNELL | 500.00 | SALARY |
| 07/31/84 | PRE-PRESS STUDIO DESIGN | 88.40 | PRINTING |
| 08/31/84 | CARL CHANNELL | 500.00 | SALARY |
| 10/31/84 | AMERICAN EXPRESS | 3,500.00 | TRAVEL |
| 10/31/84 | PRE-PRESS STUDIO DESIGN | 344.24 | OFFICE SUPPLY |
| 10/31/84 | SEDAM & HEREGE | 500.00 | LEGAL |
| 10/31/84 | EDNA K. HEALY | 225.00 | TEMP |
| 10/31/84 | C & P TELEPHONE | 52.18 | TELEPHONE |
| 10/31/84 | CARL CHANNELL | 500.00 | SALARY |
| 10/31/84 | STEVE MCMAHON | 405.00 | ACCOUNTING |
| 10/31/84 | PEPCO | 57.91 | ELECTRIC |
| 10/31/84 | D.C. TREASURER | 62.05 | UTILITIES |
| 10/31/84 | COMPUTER COMMUN., INC. | 155.91 | EQUIP. RENTAL |
| 10/31/84 | RON WHICHARD | 1,000.00 | CONSULTING |
| 10/31/84 | D.C. TREASURER | 248.22 | UTILITIES |
| 10/31/84 | DON WASHINGTON | 1,520.25 | SALARY |
| 10/31/84 | MIKE LURIA | 1,000.00 | PRINTING |
| 10/31/84 | MIKE LURIA | 200.00 | PRINTING |
| 10/31/84 | GREENWICH TIME | 3,332.07 | ADVERTISING |
| 10/31/84 | CARL. R. CHANNELL | 505.00 | ADVERTISING |
| 10/31/84 | CARL R. CHANNELL | 3,500.00 | SALARY |
| 10/31/84 | CHARLOTTE OBSERVER | 8,542.80 | ADVERTISING |
| 10/31/84 | CHARLESTON NEWSPAPERS | 2,101.05 | ADVERTISING |
| 10/31/84 | CLIFF SMITH | 2,699.37 | SALARY |
| 10/31/84 | CLIFF SMITH | 927.42 | SALARY |
| 10/31/84 | ROCKY MOUNT EVENING TELE. | 746.91 | ADVERTISING |
| 10/31/84 | INDEPENDENT MAIL | 1.000.93 | ADVERTISING |
| 10/31/84 | CHANNELL CORP | 3,500.00 | RENT UTILITIES |
| 10/31/84 | DAVID WHITEHILL | 70.00 | UTILITIES |
| 11/30/84 | B & B CATERERS | 750.00 | ENTERTAINMENT |
| 11/30/84 | PRO-LITH, INT. | 493.50 | ADVERTISING |
| 11/30/84 | CLIFF SMITH | 250.00 | OFFICE SUPPLY |
| 11/30/84 | PEPCO | 200.00 | ELECTRIC |
| 11/30/84 | EDNA K. HEALY | 180.00 | TEMP |
| 11/30/84 | CHANNELL CORP. | 1,701.74 | TELEPHONE |
| 11/30/84 | C & P TELEPHONE | 577.83 | TELEPHONE |
| 11/30/84 | RON-COM CAMERA | 7.42 | XEROX |
| 11/30/84 | WASHINGTON EXPRESS | 491.25 | DELIVERY |
| 11/30/84 | EBERLE MARKETING GROUP | 875.00 | EQUIP. RENT |
| 11/30/84 | METRO GRAPHICS | 237.27 | OFFICE SUPPLY |
| 11/30/84 | PRE-PRESS STUDIO DESIGN | 1.000.00 | OFFICE SUPPLY |
| 11/30/84 | DANIEL LYNN CONRAD | 445.05 | CONSULTING |
| 11/30/84 | FRANCOS FURNITURE | 500.00 | FURNITURE |

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AMERICAN CONSERVATIVE TRUST STATE ELECTION FUND
CASH DISBURSEMENTS AND ACCRUALS
SCHEDULE B INCEPTION THRU OCTOBER 24, 1985

| DATE | PAYEE | AMOUNT | DESCRIPTION |
|---|---|---|---|
| 11/30/84 | STEVE MCMAHON | 2,400.00 | ACCOUNTING |
| 11/30/84 | RON-COM CAMERA | 5.81 | XEROX |
| 11/30/84 | D.C. POSTMASTER | 335.00 | POSTAGE |
| 11/30/84 | RON-COM CAMERA | 14.67 | XEROX |
| 11/30/84 | FEDERAL EXPRESS | 14.00 | DELIVERY |
| 11/30/84 | HANSEN FOR CONGRESS | 5,000.00 | CAMPAIGN - HANSEN |
| 11/30/84 | PRE-PRESS STUDIO DESIGN | 270.30 | OFFICE SUPPLY |
| 11/30/84 | RON-COM CAMERA | 14.74 | XEROX |
| 11/30/84 | PEPCO | 166.07 | ELECTRIC |
| 11/30/84 | PEPCO | 85.66 | ELECTRIC |
| 11/30/84 | WASHINGTON EXPRESS | 94.50 | DELIVERY |
| 11/30/84 | ITT INDUSTRIAL CREDIT | 1,347.10 | EQUIP. RENT |
| 11/30/84 | ERIC J. OLSEN | 2,500.00 | CONSULTING |
| 11/30/84 | TRAVEL WORLD | 742.00 | TRAVEL |
| 11/30/84 | ROGER WILKINS | 45.84 | OFFICE SUPPLY |
| 11/30/84 | RON-COM CAMERA | 31.73 | XEROX |
| 11/30/84 | CLIFF SMITH | 200.00 | TRAVEL |
| 11/30/84 | FEDERAL EXPRESS | 500.00 | DELIVERY |
| 11/30/84 | FEDERAL EXPRESS | 14.00 | DELIVERY |
| 11/30/84 | PRE-PRESS STUDIO DESIGN | 229.49 | OFFICE SUPPLY |
| 11/30/84 | D.C. POSTMASTER | 322.00 | POSTAGE |
| 11/30/84 | CHANNELL CORP. | 2,500.00 | RENT |
| 11/30/84 | ANGELA DAVIS | 9.74 | OFFICE SUPPLY |
| 11/30/84 | CLIFF SMITH | 2,165.00 | SALARY |
| 11/30/84 | ROGER WILKINS | 1,482.00 | SALARY |
| 11/30/84 | ANGELA DAVIS | 1,132.00 | SALARY |
| 11/30/84 | WESTLAND PRINTERS | 369.94 | PRINTING |
| 11/30/84 | CARL R. CHANNELL | 2,000.00 | SALARY |
| 12/31/84 | RON-COM CAMERA | 7.79 | XEROX |
| 12/31/84 | EDNA K. HEALY | 274.50 | TEMP |
| 12/31/84 | GWSAE | 70.00 | MISC/MEETING |
| 12/31/84 | CURRY COPY | 500.00 | XEROX |
| 12/31/84 | ANGELA DAVIS | 9.36 | OFFICE SUPPLY |
| 12/31/84 | C & P TELEPHONE | 621.45 | TELEPHONE |
| 12/31/84 | MALLONEY OFFICE SUPPLY | 197.07 | OFFICE SUPPLY |
| 12/31/84 | CARL R. CHANNELL | 270.02 | MEETING |
| 12/31/84 | RON-COM CAMERA | 18.02 | XEROX |
| 12/31/84 | WESTLAND PRINTERS | 513.04 | PRINTING |
| 12/31/84 | MICHAEL LURIA | 160.00 | PRINTING |
| 12/31/84 | STANLEY O. MILLER | 2,500.00 | CONSULTING |
| 12/31/84 | SUBURBAN BANK | 767.69 | LEASE EXPENSE |
| 12/31/84 | CAREER CONSULTANTS INC. | 569.28 | TEMP |
| 12/31/84 | CHANNELL CORP. | 1,000.00 | UTILITIES |
| 12/31/84 | STEVE MCMAHON | 1,320.00 | ACCOUNTING |
| 12/31/84 | LANIER BUS. EQUIPMENT | 118.14 | OFFICE SUPPLY |
| 12/31/84 | LANIER BUS. EQUIPMENT | 1,163.09 | COPIER MAINT. |
| 12/31/84 | LANIER BUS. EQUIPMENT | 1,826.03 | LEASE EXPENSE |
| 12/31/84 | LANIER BUS. EQUIPMENT | 322.30 | LEASE EXPENSE |
| 12/31/84 | ITT INDUSTRIAL CREDIT | 60.65 | INSURANCE |
| 12/31/84 | ITT INDUSTRIAL CREDIT | 301.25 | LEASE |

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AMERICAN CONSERVATIVE TRUST STATE ELECTION FUND
CASH DISBURSEMENTS AND ACCRUALS
SCHEDULE B INCEPTION THRU OCTOBER 24, 1985

| DATE | PAYEE | AMOUNT | DESCRIPTION |
|---|---|---|---|
| 12/31/84 | STATE FARM | 337.68 | INSURANCE |
| 12/31/84 | EBERLE MARKETING GROUP | 375.00 | EQUIP. RENT |
| 12/31/84 | FEDERAL EXPRESS | 389.50 | DELIVERY |
| 12/31/84 | CHANNELL CORP. | 4,526.62 | TAXES |
| 12/31/84 | RON-COM CAMERA | 48.18 | XEROX |
| 12/31/84 | J. PARKER BAILEY | 600.00 | ACCOUNTING |
| 12/31/84 | D.C. POSTMASTER | 425.00 | POSTAGE |
| 12/31/84 | ROGER WILKINS | 1,482.00 | SALARY |
| 12/31/84 | ANGELA DAVIS | 1,300.00 | SALARY |
| 12/31/84 | CLIFF SMITH | 1,100.00 | SALARY |
| 12/31/84 | ANGELA DAVIS | 150.00 | BONUS |
| 12/31/84 | ROGER WILKINS | 150.00 | BONUS |
| 12/31/84 | CLIFF SMITH | 150.00 | BONUS |
| 12/31/84 | CLIFF SMITH | 1,000.00 | SALARY |
| 01/31/85 | DUPONT ACTION LIGHTS | 350.00 | ADVERTISEMENT |
| 01/31/85 | C&P TELEPHONE | 379.78 | PHONE |
| 01/31/85 | MICHAEL LURIA | 200.00 | ARTWORK |
| 01/31/85 | WESTLAND PRINTERS | 300.00 | PRINTING |
| 01/31/85 | C & P | 1,078.73 | TELEPHONE |
| 01/31/85 | MAC DINNER | 300.00 | PUBLIC RELATIONS |
| 01/31/85 | EDNA HEALY | 220.50 | SALARY |
| 01/31/85 | DAVID WHITEHILL | 60.00 | OFFICE CLEANING |
| 01/31/85 | ANGELA DAVIS | 5.00 | SUPPLIES |
| 01/31/85 | STEVE MCMAHON | 1,200.00 | ACCOUNTING FEES |
| 01/31/85 | LANIER | 3,500.00 | SUPPLIES/XEROX PAPER |
| 01/31/85 | LURIA | 700.00 | GRAPHIC WORK |
| 01/31/85 | DELARSAH | 400.00 | CONSULTANT |
| 01/31/85 | ROGER WILKINGS | 9.21 | SUPPLIES |
| 01/31/85 | NEW YORK TIMES | 27,627.00 | ADVERTISEMENT |
| 01/31/85 | WASHINGTON POST | 23,310.67 | ADVERTISEMENT |
| 01/31/85 | DUPONT ACTION LIGHTS | 350.00 | ADVERTISEMENT |
| 01/31/85 | DC POSTMASTER | 46.37 | POSTAGE |
| 01/31/85 | CASH-CRC TRAVEL NY | 300.00 | TEMP HELP |
| 01/31/85 | CLIFF SMITH | 4.45 | PRINTING |
| 01/31/85 | CLIFF SMITH | 2,000.00 | SALARY |
| 01/31/85 | CLIFF SMITH | 1,083.12 | SALARY |
| 01/31/85 | ANGELA DAVIS | 1,312.68 | SALARY |
| 01/31/85 | ROGER WILKINS | 1,480.80 | SALARY |
| 02/28/85 | DAVID WHITEHILL | 170.00 | OFFICE CLEANING |
| 02/28/85 | D & F OFFICE FURN. | 521.52 | OFFICE FURNITURE |
| 02/28/85 | CARL R. CHANNELL | 12,000.00 | SALARY |
| 02/28/85 | STEPHEN MCMAHON | 2,220.00 | ACCOUNTING FEES |
| 02/28/85 | WASHINGTON TIMES | 4,611.49 | ADVERTISEMENT |
| 02/28/85 | ANGELA DAVIS | 9.45 | SUPPLIES |
| 02/28/85 | CHANNELL CORP | 9,400.00 | RENT:OVERHEAD COSTS |
| 02/28/85 | TSI | 440.80 | TEMP HELP |
| 02/28/85 | CLIFF SMITH | 32.35 | CABS |
| 02/28/85 | CLIFF SMITH | 80.00 | CABFARE |
| 02/28/85 | C. CHANNELL | 300.00 | TRAVEL/FUNDRAISING |

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AMERICAN CONSERVATIVE TRUST STATE ELECTION FUND
CASH DISBURSEMENTS AND ACCRUALS
SCHEDULE B INCEPTION THRU OCTOBER 24, 1985

| DATE | PAYEE | AMOUNT | DESCRIPTION |
|---|---|---|---|
| 02/28/85 | C&P TELEPHONE | 170.71 | PHONE |
| 02/28/85 | C&P TELEPHONE | 426.62 | PHONE |
| 02/28/85 | C&P TELEPHONE | 1,300.10 | PHONE |
| 02/28/85 | MIKE LURIA | 700.00 | ARTWORK/PRINTING |
| 02/28/85 | RON CON CAMERA | 18.55 | XEROXING |
| 02/28/85 | CLIFF SMITH | 8.60 | CABS |
| 02/28/85 | STATE FARM | 1,357.81 | INSURANCE |
| 02/28/85 | C&P TELEPHONE | 77.46 | PHONE |
| 02/28/85 | WASHINGTON TIMES | 8.00 | PUBLICATIONS |
| 02/28/85 | BAUMGARTEN | 16.20 | OFFICE SUPPLIES |
| 02/28/85 | DC POSTMASTER | 16.20 | POSTAGE |
| 02/28/85 | RICHMOND TIMES | 13.45 | PUBLICATIONS |
| 02/28/85 | CHANNELL CORP | 1,600.00 | OVERHEAD/ALLOCATION |
| 02/28/85 | UVVAC | 1,500.00 | ADVERTISEMENT |
| 02/28/85 | RON COM CAMERA | 22.26 | XEROXING |
| 02/28/85 | MONACLE REST. | 130.00 | MEETING |
| 02/28/85 | DAVID WHITEHILL | 160.00 | MAINTENANCE |
| 02/28/85 | B & B | 807.84 | FUNDRAISING |
| 02/28/85 | DC POSTMASTER | 10.41 | POSTAGE |
| 02/28/85 | RON CON CAMERA | 22.26 | XEROXING |
| 02/28/85 | GINNS | 99.38 | OFFICE SUPPLIES |
| 02/28/85 | DAVID WHITEHILL | 160.00 | MAINTENANCE |
| 02/28/85 | WASHINGTON POST | 23,310.67 | ADVERTISEMENT |
| 02/28/85 | C. CHANNELL | 12,000.00 | CONSULTANT FEE |
| 02/28/85 | CLIFF SMITH | 12.55 | CABS |
| 02/28/85 | DAVID WHITEHILL | 160.00 | MAINTENANCE |
| 02/28/85 | MIKE LURIA | 350.00 | ARTWORK/PRINTING |
| 02/28/85 | ROGER WILKINS | 8.75 | SUPPLIES |
| 02/28/85 | CLIFF SMITH | 7.80 | CABS |
| 02/28/85 | CASH - TRAVEL TEXAS | 1,000.00 | TRAVEL;FUNDRAISING |
| 02/28/85 | ANGELA DAVIS | 1,312.68 | PAYROLL |
| 02/28/85 | ROGER WILKINS | 1,480.80 | PAYROLL |
| 02/28/85 | CLIFF SMITH | 1,083.12 | SALARY |
| 02/28/85 | VALLEY VISTA PHARMACY | 339.03 | FUNDRAISING |
| 02/28/85 | VALLEY VISTA PHARMACY | 159.00 | GIFTS TO DONORS |
| 02/28/85 | STEVE MCMAHON | 2,100.00 | ACCOUNTING FEES |
| 02/28/85 | C&P TELEPHONE | 653.56 | PHONE |
| 02/28/85 | PEPCO | 231.37 | ELECTIRC |
| 02/28/85 | UNTD VA BANK | 1,000.00 | FUNDRAISING REIMB |
| 02/28/85 | BANK CHARGE | 5.00 | BANK CHARGES |
| 02/28/85 | CARL R. CHANNELL | 3,500.00 | SALARY |
| 02/28/85 | WASHINGTON TIMES | 2,777.00 | ADVERTISEMENT |
| 03/31/85 | CLIFF SMITH | 9.35 | CABS |
| 03/31/85 | DAVID WHITEHILL | 160.00 | MAINTENANCE |
| 03/31/85 | WESTERN UNION | 272.80 | ADVERTISEMENT |
| 03/31/85 | CLIFF SMITH | 645.00 | PAYROLL |
| 03/31/85 | CHANNELL CORP | 500.00 | OVERHEAD/ALLOC |
| 03/31/85 | PEPCO | 201.82 | ELECTIRC |
| 03/31/85 | GINNS | 1,850.37 | OFFICE SUPPLIES |
| 03/31/85 | CHANNELL CORP | 800.00 | OVERHEAD/ALLOC |

AMERICAN CONSERVATIVE TRUST STATE ELECTION FUND
CASH DISBURSEMENTS AND ACCRUALS
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| DATE | PAYEE | AMOUNT | DESCRIPTION |
|---|---|---|---|
| 03/31/85 | TRAVEL WORLD | 400.00 | TRAVEL/FUNDRAISING |
| 03/31/85 | CLIFF SMITH | 8.00 | CABS |
| 03/31/85 | WASHINGTON TIMES | 40.00 | ADVERTISEMENT |
| 03/31/85 | MALLOREY OFFICE SUPPLY | 114.92 | OFFICE SUPPLIES |
| 03/31/85 | TRAVEL WORLD | 726.00 | TRAVEL/FUNDRAISING |
| 03/31/85 | ROGER WILKINS | 9.00 | SUPPLIES |
| 03/31/85 | LANIER | 292.29 | EQUIP. RENTAL |
| 03/31/85 | RAINBOW ADWORKS | 422.07 | ARTWORK/PRINTING |
| 03/31/85 | WESTLAND PRINTERS | 944.46 | PRINTING |
| 03/31/85 | KING FLORIST | 58.00 | GIFT |
| 03/31/85 | BAUMGARTEN | 14.29 | SUPPLIES |
| 03/31/85 | WASHINGTON EXPRESS | 135.00 | COURIER |
| 03/31/85 | CLIFF SMITH | 8.40 | CABS |
| 03/31/85 | AMERICAN EXPRESS | 578.56 | PUB. RELATION/FUNDRAISING |
| 03/31/85 | CARL R. CHANNELL | 3,500.00 | CONSULTANT FEE |
| 03/31/85 | DC TREASURER | 25.00 | FILING FEE |
| 03/31/85 | CLIFF SMITH | 12.25 | CABS |
| 03/31/85 | METROGRAPHICS | 148.40 | STATIONARY |
| 03/31/85 | CHANNELL CORP | 762.69 | LEASE EXPENSE |
| 03/31/85 | C&P TELEPHONE | 495.40 | PHONE |
| 03/31/85 | ANGELA DAVIS | 656.34 | PAYROLL |
| 03/31/85 | ROGER WILKINS | 740.40 | PAYROLL |
| 03/31/85 | EDNA HEALY | 204.75 | TEMP HELP |
| 03/31/85 | 1ST VIRGINIA | 1,500.00 | PUB. RELATION/FUNDRAISING |
| 03/31/85 | CURRY COPY | 400.00 | DELIVERY |
| 03/31/85 | PALMER NAT'L | 5.00 | BANK CHARGE |
| 04/30/85 | WASHINGTON TIMES | 2,340.40 | ADVERTISEMENT |
| 04/30/85 | CASH | 1,000.00 | TRAVEL/FUNDRAISING |
| 04/30/85 | CLIFF SMITH | 17.00 | CABS |
| 04/30/85 | WASHINGTON TIMES | 50.00 | ADVERTISEMENT |
| 04/30/85 | WASHINGTON TIMES | 15.00 | SUPPLIES |
| 04/30/85 | INSTITUTIONAL DEVELOPMENT | 5,000.00 | ADVERTISEMENT |
| 04/30/85 | ELKINS INTERMOUNTAIN | 531.96 | ADVERTISEMENT |
| 04/30/85 | TIMES PUBLISHING CO | 1,719.31 | ADVERTISEMENT |
| 04/30/85 | SOUTRN CONN. NEWSPAPER | 2,500.02 | ADVERTISEMENT |
| 04/30/85 | DAVID WHITEHILL | 160.00 | MAINTENANCE |
| 04/30/85 | CARL R. CHANNELL | 3,000.00 | CONSULTANT FEE |
| 04/30/85 | WESTERN UNION | 830.62 | ADVERTISEMENT |
| 04/30/85 | CLIFF SMITH | 10.00 | CABS |
| 04/30/85 | TRAVEL WORLD | 650.00 | TRAVEL/FUNDRAISING |
| 04/30/85 | CLEMSON UNIV. | 165.00 | ADVERTISEMENT |
| 04/30/85 | STEVE MCMAHON | 840.00 | ACCOUNTING FEES |
| 04/30/85 | ROBERT GOODMAN | 75,000.00 | ADVERTISEMENT |
| 04/30/85 | CLIFF SMITH | 2,000.00 | SALARY |
| 04/30/85 | FMI | 265.00 | TRAVEL/FUNDRAISING |
| 04/30/85 | CLIFF SMITH | 7.00 | CABS |
| 04/30/85 | WASHINGTON TIMES | 2,140.40 | ADVERTISEMENT |
| 04/30/85 | IBC | 5,000.00 | ADVERTISEMENT |
| 04/30/85 | DAN CONRAD | 2,500.00 | CONSULTANT FEE |

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| DATE | PAYEE | AMOUNT | DESCRIPTION |
|---|---|---|---|
| 04/30/85 | RAINBOW ADWORKS | 534.70 | ARTWORK/PRINTING |
| 04/30/85 | FEDERAL EXPRESS | 290.00 | COURIER |
| 04/30/85 | STATE FARM | 291.30 | INSURANCE |
| 04/30/85 | STATE FARM | 410.10 | INSURANCE |
| 04/30/85 | STATE FARM | 509.90 | INSURANCE |
| 04/30/85 | C&P | 924.52 | PHONE |
| 04/30/85 | LANIER | 306.90 | EQUIP RENTAL |
| 04/30/85 | WASHINGTON EXPRESS | 85.50 | COURIER |
| 04/30/85 | PREPRESS | 500.00 | PRINTING |
| 04/30/85 | LANIER | 960.59 | EQUIP RENTAL |
| 04/30/85 | PALMER NAT'L | 20.00 | BANK CHARGE |
| 04/30/85 | INTERNAL REVENUE SERVICE | 9,978.37 | 1984 PAYROLL TAXES |
| 04/30/85 | DC TREASURER | 346.75 | 1984 PAYROLL TAXES |
| 04/30/85 | COMPT. OF TREASURY/MD | 208.26 | 1984 PAYROLL TAXES |
| 04/30/85 | COMPT. OF TREASURY/MD | 1,009.54 | 1984 PAYROLL TAXES |
| 04/30/85 | DC TREASURER | 508.80 | 1984 PAYROLL TAXES |
| 04/30/85 | COMPT. OF TREASURY/MD | 1,100.00 | SURETY BOND MD. W/H |
| 04/30/85 | CLIFF SMITH | 6.00 | CABS |
| 04/30/85 | CARRIBEAN AMER. DIR. | 75.00 | PUBLICATION |
| 04/30/85 | CLIFF SMITH | 6.00 | CABS |
| 04/30/85 | CLIFF SMITH | 6.00 | CABS |
| 04/30/85 | UNITED VIRGINIA | 1,000.00 | PUB.RELATION/FUNDRAISING |
| 04/30/85 | ANGELA DAVIS | 16.00 | SUPPLIES |
| 04/30/85 | DC TREASURER | 270.50 | PAYROLL TAXES |
| 04/30/85 | MD COMPTROLLER | 743.18 | PAYROLL TAXES |
| 04/30/85 | ANGELA DAVIS | 748.34 | PAYROLL |
| 04/30/85 | CLIFF SMITH | 541.62 | PAYROLL |
| 04/30/85 | IRS | 5,108.86 | PAYROLL TAXES |
| 05/31/85 | PORTER/LEIGHTON FOR GOV. | 5,000.00 | POL. CONTRIBUTION |
| 05/31/85 | DAVID WHITEHILL | 170.00 | MAINTENANCE |
| 05/31/85 | CLIFF SMITH | 1,839.03 | PAYROLL |
| 05/31/85 | CLIFF SMITH | 6.00 | CABS |
| 05/31/85 | CLIFF SMITH | 10.00 | CABS |
| 05/31/85 | ANGELA DAVIS | 4.83 | SUPPLIES |
| 05/31/85 | POLITICS IN AMER | 499.00 | ADVERTISEMENT |
| 05/31/85 | CLIFF SMITH | 6.00 | CABS |
| 05/31/85 | DC POSTMASTER | 183.00 | POSTAGE |
| 05/31/85 | DC POSTMASTER | 10.09 | POSTAGE |
| 05/31/85 | ROGER WILKINS | 740.40 | PAYROLL |
| 05/31/85 | CARL R. CHANNELL | 4,000.00 | PAYROLL |
| 05/31/85 | IBC | 5,000.00 | ADVERTISEMENT |
| 05/31/85 | FEC | 25.05 | FEES |
| 05/31/85 | CLIFF SMITH | 15.00 | CABS |
| 05/31/85 | STEVE MCMAHON | 2,400.00 | ACCOUNTING FEES |
| 05/31/85 | CLIFF SMITH | 6.00 | CABS |
| 05/31/85 | C&P | 1,369.03 | PHONE |
| 05/31/85 | C. CHANNELL | 3,000.00 | CONSULTANT FEE |
| 05/31/85 | ROBERT GOODMAN | 21,385.00 | ADVERTISEMENT |
| 05/31/85 | RICHMOND TIMES | 78.10 | PUBLICATIONS |

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CASH DISBURSEMENTS AND ACCRUALS
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| DATE | PAYEE | AMOUNT | DESCRIPTION |
|---|---|---|---|
| 05/31/85 | WALLSTREET JRNL | 41.00 | PUBLICATIONS |
| 05/31/85 | DC POSTMASTER | 114.00 | POSTAGE |
| 05/31/85 | UNITED VIRGINIA | 1,000.00 | PUB. RELATIONS/FUNDRAISING |
| 05/31/85 | COLUMBIA BOOKS | 84.80 | PUBLICATIONS |
| 05/31/85 | FEC | 110.40 | FILING FEES |
| 05/31/85 | DAVID WHITEHILL | 170.00 | MAINTENANCE |
| 05/31/85 | CLIFF SMITH | 1,083.24 | PAYROLL |
| 05/31/85 | GOODMAN AGENCY | 6,000.00 | ADVERTISEMENT |
| 05/31/85 | ROGER WILKINS | 740.40 | PAYROLL |
| 05/31/85 | ANGELA DAVIS | 748.33 | PAYROLL |
| 05/31/85 | CHANNELL CORP | 767.69 | OVERHEAD/ALLOC |
| 05/31/85 | DAN CONRAD | 2,500.00 | CONSULTANT FEE |
| 05/31/85 | CLIFF SMITH | 964.52 | PAYROLL |
| 05/31/85 | RON CON CAMERA | 22.16 | XEROXING |
| 05/31/85 | WASHINGTON EXPRESS | 45.75 | COURIER |
| 05/31/85 | WESTERN UNION | 372.90 | FUNDRAISING |
| 05/31/85 | MANPOWER | 286.35 | TEMP HELP |
| 05/31/85 | MANPOWER | 720.03 | TEMP HELP |
| 05/31/85 | POTOMAC PERSONNELL | 33.45 | TEMP HELP |
| 05/31/85 | B&B CATERERS | 1,081.45 | FUNDRAISING |
| 05/31/85 | FEDERAL EXPRESS | 1,819.25 | FUNDRAISING |
| 05/31/85 | WASHINGTON TIMES | 1,110.17 | ADVERTISEMENT |
| 05/31/85 | PUROLATOR COURIER | 11.00 | COURIER |
| 05/31/85 | GARY TAYLOR | 203.52 | FRAMING |
| 05/31/85 | WESTLAND PRINTERS | 1,106.46 | PRINTING |
| 06/30/85 | PEPCO | 77.12 | ELECTRIC |
| 06/30/85 | C&P | 81.89 | PHONE |
| 06/30/85 | ATT | 64.93 | EQUIP RENTAL |
| 06/30/85 | ATT | 6.22 | EQUIP RENTAL |
| 06/30/85 | TRAVEL WORLD | 187.00 | TRAVEL/FUNDRAISING |
| 06/30/85 | LANIER | 299.60 | EQUIP RENTAL |
| 06/30/85 | LANIER | 440.97 | EQUIP RENTAL |
| 06/30/85 | ITT | 150.62 | EQUIP RENTAL |
| 06/30/85 | CHANNELL CORP | 52.30 | OVERHEAD ALLOC |
| 06/30/85 | CHANNELL CORP | 1,425.00 | OVERHEAD ALLOC |
| 06/30/85 | HADJI | 1,000.00 | FURNISHINGS |
| 06/30/85 | RAINBOW ADWORKS | 500.00 | ARTWORK/PRINTING |
| 06/30/85 | C&P | 613.67 | PHONE |
| 06/30/85 | SEDAM & HERGE | 750.00 | LEGAL FEES |
| 06/30/85 | D&F OFFICE FURNITURE | 47.00 | FURNISHINGS |
| 06/30/85 | DAVID WHITEHILL | 170.00 | MAINTENANCE |
| 06/30/85 | MICHAEL JOYNER | 17.00 | PUBLICATIONS |
| 06/30/85 | ANGELA DAVIS | 3.23 | SUPPLIES |
| 06/30/85 | PALMER NAT'L | 20.00 | BANK CHARGES |
| 06/30/85 | CLIFF SMITH | 15.00 | CABS |
| 06/30/85 | C. CHANNELL | 6,000.00 | CONSULTANT FEE |
| 06/30/85 | ROGER WILKINS | 740.40 | PAYROLL |
| 06/30/85 | ROBERT ARNOLD | 105.00 | TEMP HELP |

AMERICAN CONSERVATIVE TRUST STATE ELECTION FUND
CASH DISBURSEMENTS AND ACCRUALS
SCHEDULE B INCEPTION THRU OCTOBER 24, 1985

| DATE | PAYEE | AMOUNT | DESCRIPTION |
|---|---|---|---|
| 07/31/85 | DAN CONRAD | 3,000.00 | CONSULTANT FEE |
| 07/31/85 | IBC | 5,000.00 | ADVERTISEMENT |
| 07/31/85 | DAN CONRAD | 316.86 | PUB. RELATION/FUNDRAISING |
| 07/31/85 | DAVID WHITEHILL | 340.00 | MAINTENANCE |
| 07/31/85 | TELEMARKETING | 172.00 | PUBLICATIONS |
| 07/31/85 | THE FREE PRESS | 139.95 | PUBLICATIONS |
| 07/31/85 | DARNELL | 91.50 | PUBLICATIONS |
| 07/31/85 | DARNELL | 75.50 | PUBLICATIONS |
| 07/31/85 | WESLEY SMITH | 150.00 | CONSULTANT FEE |
| 07/31/85 | STEVE MCMAHON | 2,400.00 | ACCOUNTING FEES |
| 07/31/85 | WESLEY SMITH | 6.00 | CABS |
| 07/31/85 | DHL EXPRESS | 40.00 | COURIER |
| 07/31/85 | CLIFF SMITH | 6.00 | CABS |
| 07/31/85 | WELLINGTON INTERIORS | 1,376.91 | FURNISHINGS |
| 07/31/85 | UNITED VIRGINIA | 1,000.00 | PUB. RELATIONS/FUNDRAISING |
| 07/31/85 | CLIFF SMITH | 6.00 | CABS |
| 07/31/85 | CLIFF SMITH | 6.00 | CABS |
| 07/31/85 | DAN CONRAD | 3,000.00 | CONSULTANT FEE |
| 07/31/85 | CARL R. CHANNELL | 6,000.00 | CONSULTANT FEE |
| 07/31/85 | ANGELA DAVIS | 5.93 | SUPPLIES |
| 07/31/85 | GARY TAYLOR | 101.76 | FRAMING |
| 07/31/85 | C&P | 861.31 | PHONE |
| 07/31/85 | TRAVEL WORLD | 232.00 | TRAVEL/FUNDRAISING |
| 07/31/85 | LANIER | 146.15 | EQUIP RENTAL |
| 07/31/85 | SEDAM & HERGE | 1,148.57 | LEGAL FEES |
| 07/31/85 | PEPCO | 69.47 | ELECTRIC |
| 07/31/85 | WESTLAND PRINTERS | 643.42 | PRINTING |
| 07/31/85 | J&R ELECTRIC CO. | 115.94 | MAINTENANCE |
| 07/31/85 | RAINBOW ADWORKS | 1,209.54 | ARTWORK/PRINTING |
| 07/31/85 | RAINBOW ADWORKS | 1,008.29 | ARTWORK/PRINTING |
| 07/31/85 | ROGER WILKINS | 15.00 | SUPPLIES |
| 07/31/85 | CHANNELL CORP | 381.23 | OVERHEAD/ALLOC |
| 07/31/85 | ELECTRIC TYPEWRITER | 138.75 | MAINTENANCE/REPAIR |
| 07/31/85 | COLUMBIA BOOKS | 45.43 | PUBLICATIONS |
| 07/31/85 | BAUMGARTEN | 12.49 | SUPPLIES |
| 07/31/85 | CAMERON PRESS | 75.80 | PHOTOCOPYING |
| 07/31/85 | MILLER & ARNEY | 1,000.00 | OFFICE FURN/PYMT |
| 07/31/85 | MANPOWER | 47.31 | TEMP HELP |
| 07/31/85 | CITY OF ALEXANDRIA | 17.00 | PARKING |
| 07/31/85 | ITT INDUSTRIAL | 285.46 | EQUIP RENTAL |
| 07/31/85 | STATE FARM | 511.70 | INSURANCE |
| 07/31/85 | THE ASSOCIATES | 104.61 | EQUIP RENTAL |
| 07/31/85 | VALLEE, INC | 1,425.00 | RENT |
| 07/31/85 | DAVID WHITEHILL | 170.00 | MAINTENANCE |
| 07/31/85 | CITY OF ALEXANDRIA | 20.00 | PARKING |
| 07/31/85 | MALLOREY | 113.96 | SUPPLIES |
| 07/31/85 | C&P | 477.32 | PHONE |
| 07/31/85 | AT&T | 807.13 | EQUIP PURCHASE |
| 07/31/85 | IRS | 3,320.24 | PAYROLL TAXES |
| 07/31/85 | IRS | 552.39 | PAYROLL TAXES |

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AMERICAN CONSERVATIVE TRUST STATE ELECTION FUND
CASH DISBURSEMENTS AND ACCRUALS
SCHEDULE B INCEPTION THRU OCTOBER 24, 1985

| DATE | PAYEE | AMOUNT | DESCRIPTION |
|---|---|---|---|
| 07/31/85 | IBC | 5.000.00 | CONSULTANT FEE |
| 07/31/85 | NAT'L INFO DATA CENTER | 24.95 | PUBLICATION |
| 07/31/85 | CLIFF SMITH | 6.00 | CABS |
| 07/31/85 | ROGER WILKINS | 740.40 | PAYROLL |
| 07/31/85 | PALMER NAT'L | 32.38 | CHECK PRINTING |
| 07/31/85 | ROBERT GOODMAN AGENCY | 1.700.00 | AD AGENCY |
| 07/31/85 | PALMER NAT'L | 10.00 | WIRE FEE |
| 08/31/85 | TERMINIX | 37.50 | PEST EXTERMINATION |
| 08/31/85 | RON CON CAMERA | 58.99 | XEROXING |
| 08/31/85 | DC POSTMASTER | 268.00 | POSTAGE |
| 08/31/85 | ANGELA DAVIS | 10.68 | SUPPLIES |
| 08/31/85 | JONES COLAD GROUP | 700.00 | PRINTING |
| 08/31/85 | RON COM CAMERA | 18.55 | POSTAGE |
| 08/31/85 | ANGELA DAVIS | 3.71 | SUPPLIES |
| 08/31/85 | DAVID WHITEHILL | 190.00 | MAINTENANCE |
| 08/31/85 | DOUG FRANCE | 71.76 | EQUIPMENT |
| 08/31/85 | CLIFF SMITH | 6.00 | CABS |
| 08/31/85 | AMERICAN POLITICAL REPORT | 135.00 | PUBLICATION |
| 08/31/85 | BARRONS MAGAZINE | 85.00 | PUBLICATION |
| 09/30/85 | J. PARKER BAILEY | 324.50 | ACCOUNTING FEES |
| 09/30/85 | CLIFF SMITH | 13.00 | CABS |
| 09/30/85 | CLIFF SMITH | 6.00 | CABS |
| 09/30/85 | JONES COLAD GROUP | 800.00 | PRINTING |
| 09/30/85 | DC TREASURER | 622.96 | 2ND QTR P/R TAXES |
| 09/30/85 | COMPT. OF TREASURY/MD | 99.13 | 2ND QTR P/R TAXES |
| 09/30/85 | CLIFF SMITH | 6.00 | CABS |
| 09/30/85 | KEMP-DURRETTE | 125.00 | FUNDRAISING EXPENSE |
| 09/30/85 | CLIFF SMITH | 9.00 | CABS |
| 10/24/86 | KURT HERGES | 41.25 | LEGAL FEES |
| 10/24/86 | IBC | 120.00 | COURIER COSTS |
| 10/24/86 | CLIFF SMITH | 20.00 | CABFARE |
| 10/24/86 | CLIFF SMITH | 15.00 | CABFARE |
| 10/24/86 | CLIFF SMITH | 8.00 | CABFARE |
| | TOTAL | 547.553.71 | |

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| CONTRIBUTOR | DATE | AMOUNTS | INDIVIDUAL AGGREGATE AGGREGATE |
|---|---|---|---|
| UNKNOWN | 01/16/85 | 112.00 | |
| UNKNOWN | 09/22/83 | 1,500.00 | |
| UNKNOWN | 09/22/83 | 1,500.00 | |
| UNKNOWN | 09/29/83 | 3,000.00 | |
| UNKNOWN | 10/29/84 | 38,000.00 | |
| UNKNOWN | 11/07/84 | 5,000.00 | |
| UNKNOWN | 11/07/84 | 3,200.00 | |
| UNKNOWN | 12/21/84 | 3,400.00 | 55,712.00 |
| DR. MARY J. ADAMKIEWICZ | 11/02/84 | 2,000.00 | |
| RIVERSIDE STABLES | 02/21/85 | 1,000.00 | |
| MILFORD, DE 19963 | 04/19/85 | 4,230.28 | 7,230.28 |
| MRS. MAXY POPE ALLES | 01/16/85 | 1,000.00 | |
| 180 SOUTH LAKE AVE, #425 | 02/07/85 | 500.00 | |
| PASADENA, CA 91105 | 04/25/85 | 5,000.00 | |
| | 05/13/85 | 1,000.00 | 7,500.00 |
| MR. K. H. ARLETH | 02/27/85 | 100.00 | 100.00 |
| 10718 DEERWOOD | | | |
| HOUSTON, TX 77042 | | | |
| PATRICIA D. BECK | 01/16/85 | 500.00 | 500.00 |
| 10210 STRAIT LANE | | | |
| DALLAS, TX 75229 | | | |
| JAMES R. BELL | 04/06/84 | 100.00 | 100.00 |
| R.R. NO. 1 | | | |
| BLOOMINGTON, IL 61701 | | | |
| MRS. JACK BIRCHER | 01/31/85 | 250.00 | |
| P. O. BOX 360 | 04/26/85 | 500.00 | |
| BOONVILLE, IN 47601 | 05/14/85 | 250.00 | 1,000.00 |
| MR. WENDELL R. BIRD | 04/17/85 | 15,000.00 | 15,000.00 |
| 200 CANDLER BUILDING | | | |
| ATLANTA GA 30303 | | | |
| MR. INMAN BRANDON | 01/16/85 | 500.00 | |
| 3300 1ST ATLANTA BANK TWR. | 05/17/85 | 250.00 | |
| ATLANTA, GA 30303 | 11/27/84 | 50.00 | 800.00 |

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| CONTRIBUTOR | DATE | AMOUNTS | INDIVIDUAL AGGREGATE |
|---|---|---|---|
| MR. WILLIAM BUSH<br>P.O. BOX 147<br>BRANDON, MS 39042 | 11/27/84 | 300.00 | 300.00 |
| JAMES CALHOUN<br>1107 BEECH ROAD<br>ROSEMONT, PA 19010 | 03/05/84<br>10/09/84 | 5,000.00<br>2,601.00 | 7,601.00 |
| J. LAMAR CARSON<br>424 SOUTH MAIN<br>GUNNISON, UT 84634 | 02/27/85 | 10.00 | 10.00 |
| MRS. ROY CHAMBERLAIN<br>P.O. BOX 1264<br>LUSK, WY 82225 | 03/01/85<br>05/13/85 | 250.00<br>1,300.00 | 1,550.00 |
| CARL R. CHANNELL<br>2032 BELMONT RD.<br>WASHINGTON DC 20009 | 01/16/85 | 137.25 | 137.25 |
| SAMUEL W. CHANNELL<br>1970 SMITH ROAD<br>CHARLESTON, WV 25300 | 01/17/85 | 500.00 | 500.00 |
| BARBARA B. CHRISTIAN<br>3601 AXTON LANE<br>GOSHEN, KY 40026 | 01/16/85<br>02/21/85<br>04/15/85 | 1,000.00<br>150.00<br>500.00 | 1,650.00 |
| MR. MAX CLAMPITT<br>9207 AMBASSADOR ROW<br>DALLAS, TX 75247 | 02/20/85 | 100.00 | 100.00 |
| REX S. CLARK<br>7460 HERSCHEL AVE.<br>LA JOLLA, CA 92037 | 02/20/85<br>05/17/85 | 150.00<br>1,000.00 | 1,150.00 |
| MR. W. G. CONWAY<br>P. O. BOX 17921<br>SAN ANTONIO, TX 78217 | 03/01/85 | 100.00 | 100.00 |
| FEDERAL CHICAGO CORP.<br>2222-32 ELSTON AVENUE<br>CHICAGO, IL 60614 | 02/27/85 | 100.00 | 100.00 |

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| CONTRIBUTOR | DATE | AMOUNTS | INDIVIDUAL AGGREGATE |
|---|---|---|---|
| MARY C. CROWLEY<br>10265 INWOOD ROAD<br>DALLAS, TX 75229 | 04/23/85 | 1,000.00 | 1,000.00 |
| MR. FRANK DARLINGTON<br>24 WINDING ROAD<br>LEETSDALE, PA 15056 | 04/19/85<br>11/27/84 | 8,000.00<br>500.00 | 8,500.00 |
| T. CULLEN DAVIS<br>P.O. BOX 1224<br>FORT WORTH, TX 76101 | 12/12/84 | 1,500.00 | 1,500.00 |
| DENVER WEST<br>P.O. BOX 661<br>1546 COLE BLVD.<br>GOLDEN, CO 80401 | 01/16/85 | 250.00 | 250.00 |
| MRS. MACIE J. DOBER<br>1 BEEHAVEN RD., BETHLEMEN<br>WHEELING, WV 26003 | 01/16/85 | 500.00 | 500.00 |
| ELKINS MOTOR LODGE<br>P.O. BOX 46<br>ELKINS, WV 26241 | 01/16/85 | 250.00 | 250.00 |
| ANNE M. FITZSIMMONS<br>5034 LOYOLA LANE<br>ORLANDO, FL 32321 | 02/20/85 | 100.00 | 100.00 |
| FINA & M. IRENE FRANCO<br>NO ADDRESS ON FILE | 04/06/84 | 100.00 | 100.00 |
| MR. JAMES B. FURRH, JR.<br>1236 CAPITOL TOWERS<br>JACKSON, MS 39201 | 11/27/84 | 50.00 | 50.00 |
| MRS. ST. JOHN GARWOOD<br>1802 SAN GABRIEL<br>AUSTIN, TX 78701 | 01/16/85 | 7,000.00 | |
| | 02/20/85 | 100.00 | |
| | 03/12/84 | 3,000.00 | |
| | 04/17/85 | 10,000.00 | |
| | 04/19/85 | 15,000.00 | |
| | 06/11/84 | 1,000.00 | |
| | 10/05/84 | 3,958.69 | |
| | 10/19/84 | 1,000.00 | |
| | 11/27/84 | 100.00 | |
| | 11/27/84 | 1,500.00 | |
| | 12/12/84 | 1,000.00 | 43,658.69 |

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| CONTRIBUTOR | DATE | AMOUNTS | INDIVIDUAL AGGREGATE |
|---|---|---|---|
| MRS. DAN GERBER, SR.<br>BOX 31<br>FREMONT, MI 49412 | 02/07/85<br>04/19/85<br>05/13/85 | 500.00<br>1,000.00<br>1,000.00 | 2,500.00 |
| MR. P. W. GIFFORD<br>5956 SHERRY LANE, #1000<br>DALLAS, TX 75247 | 03/08/85 | 100.00 | 100.00 |
| MRS. HILDA GRIFFITH<br>4700 NORTH 20TH ROAD<br>ARLINGTON, VA 22207 | 02/20/85<br>02/21/85 | 100.00<br>300.00 | 400.00 |
| MR. HERBERT P. HALEY<br>P. O. BOX 47<br>ALBANY, GA 31703 | 04/25/85 | 1,000.00 | 1,000.00 |
| MR. TATNALL HILLMAN<br>422 BELROSE LANE<br>RANDOR, PA 19087 | 02/27/85 | 150.00 | 150.00 |
| MR. A. R. HIXON, JR.<br>P. O. BOX 1105<br>ARLINGTON, VA 76010 | 05/13/85 | 3,000.00 | 3,000.00 |
| MR. DUDLEY HUGHES<br>4050 CRANE BLVD<br>JACKSON, MS 39216 | 04/19/85 | 1,000.00 | 1,000.00 |
| MR. NELSON BUNKER HUNT<br>2400 THANKSGIVING TOWER<br>DALLAS, TX 75201 | 01/16/85 | 1,500.00 | 1,500.00 |
| MR. STUART IRBY<br>IRBY CONSTRUCTION CO.<br>P.O. BOX 1819<br>JACKSON, MS 39205 | 05/13/85<br>01/16/85<br>04/18/85<br>11/07/84 | 2,000.00<br>1,500.00<br>5,000.00<br>1,000.00 | 9,500.00 |
| MR. J. M. JOHNSON<br>ROUTE 2, BOX 40<br>KYLE, TX 78640 | 01/16/85<br>02/27/85<br>05/30/85 | 1,500.00<br>100.00<br>1,000.00 | 2,600.00 |
| MRS. LINDA B. JONES<br>R.F.D. 1<br>WINDSOR, ME 04363 | 04/16/85 | 20,000.00 | 20,000.00 |
| MR. ROBERT H. KRIEBLE<br>705 NORTH MOUNTAIN ROAD<br>NEWINGTON, CT 06371 | 03/14/85 | 100.00 | 100.00 |

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| CONTRIBUTOR | DATE | AMOUNTS | INDIVIDUAL AGGREGATE |
|---|---|---|---|
| MRS. ANNE L. LEHMANN | 01/16/85 | 1,000.00 | |
| 10 APPLE TREE LANE | 01/16/85 | 1,000.00 | |
| ST. LOUIS, MO 63124 | 01/16/85 | 1,000.00 | |
| | 01/16/85 | 1,000.00 | |
| | 12/17/84 | 1,000.00 | |
| | 12/17/84 | 1,000.00 | 6,000.00 |
| MRS. W. W. LYNCH | 05/17/85 | 2,600.00 | 2,600.00 |
| 4924 BRIARWOOD PLACE | | | |
| DALLAS, TX 75209 | | | |
| ROSINE BLOUNT MCFADDIN | 12/17/84 | 1,000.00 | 1,000.00 |
| 880 FIFTH STREET | | | |
| BEAUMONT, TX 77701 | | | |
| DONALD L. MEIKE | 11/30/84 | 100.00 | 100.00 |
| SUSSEX ROUTE | | | |
| KAYCEE, WY 82639 | | | |
| MILLER, S. | 12/12/83 | 2,500.00 | 2,500.00 |
| NO ADDRESS ON FILE | | | |
| MR. & MRS. DONALD MILLS | 04/23/85 | 1,000.00 | |
| 4495 WOODLAWN | 05/13/85 | 100.00 | 1,100.00 |
| BEAUMONT, TX 77703 | | | |
| MRS. PAGE NELSON | 04/25/85 | 1,800.00 | 1,800.00 |
| 3318 SOUTHWESTERN BLVD | | | |
| DALLAS, TX 75225 | | | |
| MRS. BARBARA NEWINGTON | 01/17/85 | 33,800.00 | |
| P. O. BOX 1098 | 01/17/85 | 7,800.00 | |
| GREENWICH, CT 06836 | 01/18/85 | 29,100.00 | |
| | 02/07/85 | 57,000.00 | |
| | 02/21/85 | 16,100.00 | |
| | 04/15/85 | 35,000.00 | |
| | 04/18/85 | 65,000.00 | |
| | 05/08/85 | 25,000.00 | |
| | 05/30/85 | 15,000.00 | |
| | 10/19/84 | 3,000.00 | |
| | 11/16/84 | 2,000.00 | |
| | 12/17/84 | 23,000.00 | 311,800.00 |
| MR. JOHN C. OLIVER, JR. | 02/20/85 | 100.00 | |
| 548 OLIVER BLDG | 04/23/85 | 1,000.00 | |
| PITTSBURGH, PA 15222 | 10/25/84 | 1,095.00 | 2,195.00 |

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| CONTRIBUTOR | DATE | AMOUNTS | INDIVIDUAL AGGREGATE |
|---|---|---|---|
| MR. W. B. OSBORN, JR.<br>P. O. BOX 8C<br>SAN ANTONIO, TX 78286 | 04/15/85 | 2,500.00 | 2,500.00 |
| GEORGE S. PATTON<br>650 ASBURY STREET<br>SOUTH HAMILTON, MA 01982 | 11/27/84<br>02/27/85 | 30.00<br>100.00 | 130.00 |
| MR./MRS. NOLAN PENTECOST<br>SANCO ROUTE<br>ROBERT LEE, TX 76945 | 02/21/85 | 100.00 | 100.00 |
| DR W. C. PERRY<br>3820 AUSTIN AVE.<br>WACO, TX 76710 | 01/16/85 | 5.00 | 5.00 |
| MR./MRS. JULIUS PIERCE<br>6040 MOSS RANCH ROAD<br>MIAMI, FL 33156 | 01/16/85<br>10/19/84<br>11/02/84<br>11/27/84 | 1,500.00<br>2,101.00<br>1,000.00<br>4,700.00 | 9,301.00 |
| MR. JOHN W. RAMSEY, JR.<br>3510 CRANBROOK<br>WICHITA FALLS, TX 76308 | 03/06/84<br>04/19/85 | 3,000.00<br>2,500.00 | 5,500.00 |
| DARWIN L. RENNER<br>1314 CEDAR HILL AVENUE<br>DALLAS, TX 75208 | 01/16/85 | 250.00 | 250.00 |
| KENNETH H. ROSE<br>13140 WRAYBURN ROAD<br>ELM GROVE, WI 53122 | 03/01/85 | 25.00 | 25.00 |
| HARRIS SAUNDERS, JR.<br>201 OFFICE PARK DRIVE<br>BIRMINGHAM, AL 35223 | 12/31/84 | 1,000.00 | 1,000.00 |
| MR. E. C. SCURLOCK<br>3739 KNOLLWOOD<br>HOUSTON, TX 77019 | 04/23/85 | 1,000.00 | 1,000.00 |
| MR./MRS. HARRY SEGGERMAN<br>5060 CONGRESS STREET<br>FAIRFIELD, CT 06430 | 04/23/85<br>11/30/84 | 1,000.00<br>500.00 | 1,500.00 |
| MR. CHARLES N. SHARPE, JR.<br>500 E. 9TH STREET<br>KANSAS CITY, MO 64106 | 12/12/84 | 100.00 | 100.00 |

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| CONTRIBUTOR | DATE | AMOUNTS | INDIVIDUAL AGGREGATE |
|---|---|---|---|
| MR. RICHARD T. SINK<br>624 INDIANA STREET<br>WICHITA FALLS, TX 76302 | 02/20/85 | 100.00 | 100.00 |
| MR. JAMES SOUTER<br>1603 S.E. 19TH ST., #112<br>EDMOND, OK 73034 | 04/25/85 | 1,000.00 | 1,000.00 |
| SPENCER'S INC.<br>MOUNT AIRY, N.C. | 03/01/85 | 100.00 | 100.00 |
| MR. R. A. STRANAHAN, JR.<br>P. O. BOX 910<br>TOLEDO, OH 43661 | 04/25/85 | 1,000.00 | 1,000.00 |
| KATHERINE M. SWIM<br>P. O. BOX 1590<br>MONTEREY, CA 93942 | 11/02/84<br>12/31/84 | 500.00<br>1,000.00 | 1,500.00 |
| V. E. TAYLOR<br>3459 BINKLEY<br>DALLAS, TX 75205 | 04/23/85<br>05/13/85<br>01/16/85<br>02/21/85 | 100.00<br>560.00<br>500.00<br>300.00 | 1,460.00 |
| ELEANOR K. VAN DUSEN<br>RT. 1, BOX 209<br>EASTON, MD 21601 | 01/16/85 | 1,500.00 | 1,500.00 |
| VENEER SERVICE INC.<br>C/O JOHN TURNBULL<br>P.O. BOX 768<br>NEWBERG, OR 97132 | 03/01/85 | 250.00 | 250.00 |
| JAMES H. WARE, JR.<br>1512 SOUTH WOODHAVEN<br>BATON ROUGE, LA 70815 | 04/06/84<br>11/02/84<br>11/27/84 | 100.00<br>500.00<br>100.00 | 700.00 |
| MR./MRS. DAVID H. WARM<br>RT. 1, MAPLE HILL FARM<br>NORTHPORT, MI 49670 | 04/23/85<br>04/23/85<br>05/30/85 | 2,500.00<br>100.00<br>1,000.00 | 3,600.00 |
| MARY ALICE WILLS<br>503 SOUTH EVANS<br>BLOOMINGTON, IL 61701 | 04/06/84 | 100.00 | 100.00 |

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| CONTRIBUTOR | DATE | AMOUNTS | INDIVIDUAL AGGREGATE |
|---|---|---|---|
| MRS. FRANK E. WILSON<br>P. O. BOX 207<br>ELKINS, WV 26241 | 11/07/84 | 100.00 | 100.00 |
| TOTALS | | 560,815.22 | 560,815.22 |

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AMERICAN CONSERVATIVE TRUST STATE ELECTION FUND
CASH DISBURSEMENTS AND ACCRUALS
SCHEDULE B INCEPTION THRU OCTOBER 24, 1985

| DATE | PAYEE | AMOUNT | DESCRIPTION |
|---|---|---|---|
| 10/31/83 | CHRISTINA CRAWFORD | 500.00 | CONSULTING |
| 10/31/83 | CHRISTINA CRAWFORD | 27.05 | OFFICE SUPPLY |
| 10/31/83 | CRAWFORD PRINTING | 90.00 | PRINTING |
| 10/31/83 | SEDAM & HERGE | 994.17 | LEGAL |
| 10/31/83 | CARL R. CHANNELL | 750.00 | CONSULTING |
| 10/31/83 | ROGER WILKINS | 500.00 | SALARY |
| 10/31/83 | CARL R. CHANNELL | 75.00 | TRAVEL |
| 10/31/83 | MIKE LURIA | 300.00 | CONSULTING |
| 10/31/83 | D.C. TREASURER | 70.00 | PARKING |
| 11/30/83 | MIKE LURIA | 300.00 | PRINTING |
| 11/30/83 | BANK CHARGES | 32.56 | CHECK PRINTING |
| 11/30/83 | CARL R. CHANNELL | 500.00 | CONSULTING |
| 11/30/83 | LOUIS BONSIGNORE | 500.00 | CONSULTANT |
| 11/30/83 | CARL R. CHANNELL | 110.89 | OFFICE SUPPLY |
| 12/31/83 | CARL R. CHANNELL | 250.00 | MEETING EXPENSE |
| 12/31/83 | DAVID WHITEHILL | 60.00 | UTILITIES |
| 12/31/83 | ROGER WILKINS | 500.00 | SALARY |
| 12/31/83 | C & P TELEPHONE | 36.08 | TELEPHONE |
| 12/31/83 | DAVID WHITEHILL | 60.00 | UTILITIES |
| 12/31/83 | LOUIS BONSIGNORE | 500.00 | CONSULTANT |
| 12/31/83 | CARL R. CHANNELL | 500.00 | CONSULTANT |
| 12/31/83 | LOUIS BONSIGNORE | 500.00 | CONSULTANT |
| 01/31/84 | SEDAM & HERGE | 216.80 | LEGAL |
| 02/28/84 | CARL R. CHANNELL | 300.00 | CONSULTANT |
| 02/28/84 | C & P TELEPHONE | 72.79 | TELEPHONE |
| 02/28/84 | VALLEE, INC. | 425.00 | RENT |
| 02/28/84 | CARL R. CHANNELL | 2,000.00 | CONSULTANT |
| 03/31/84 | CHANNELL CORP. | 900.00 | EQUIP. RENT |
| 03/31/84 | ROGER WILKINS | 1,712.21 | SALARY |
| 03/31/84 | NATIONAL JOURNAL | 82.68 | PUBLICATIONS |
| 03/31/84 | THE TROVER SHOP | 19.61 | PUBLICATIONS |
| 03/31/84 | THE MONOCLE | 130.00 | PUBLICATIONS |
| 03/31/84 | C & P TELEPHONE | 35.98 | TELEPHONE |
| 03/31/84 | MIKE LURIA | 300.00 | PRINTING |
| 03/31/84 | CLIFF SMITH | 400.00 | SALARY |
| 04/30/84 | KAY JOY HOFNER | 420.00 | CONSULTING |
| 04/30/84 | CARL R. CHANNELL | 500.00 | SALARY |
| 04/30/84 | CHANNELL CORP. | 400.00 | RENT |
| 04/30/84 | U.S. POSTMASTER | 45.00 | POSTAGE |
| 04/30/84 | PRE-PRESS STUDIO DESIGN | 519.82 | PRINTING |
| 04/30/84 | LANIER BUS. EQUIPMENT | 1,139.54 | EQUIP. RENT |

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COMMONWEALTH OF VIRGINIA

STATE BOARD OF ELECTIONS

# COMMITTEE CAMPAIGN CONTRIBUTIONS AND EXPENDITURES

American Conservative Trust
State Election Fund
Name of Committee

1331 Pennsylvania Ave., NW
Street or Box Number

Washington, DC 20004
City, State, ZIP

(202) 662-8700
Area Code - Daytime Telephone Number

## TYPE OF REPORT
(Check appropriate box)

- ☐ January 15
- ☐ 8 days before 1st Tuesday in March
- ☐ 8 days before 1st Tuesday in May
- ☐ 8 days before 2nd Tuesday in June
- ☐ 8 days before November General Election
- ☒ 30 days after November General Election 1985
- ☐ Final Report*

*Final Report to be filed no later than 30 days after the closing of the account and must include a termination statement signed by an officer of the committee.

## SUMMARY

Report Covering Period From 10/25/85 through 11/30/85

| | | |
|---|---|---|
| 1. Balance on Hand (Line 6 of Last Report) | | $ 13,261.51 |
| 2. Contributions Received (Line 17—page 2) | | 25,000.00 |
| 3. Add: Balance Outstanding Loans (Line 28—page 2) | | |
| 4. Total Expendable Funds | | $ 38,261.51 |
| 5. Expenses: | | |
| a. (Line 23—page 2) | $ 34,789.81 | |
| b. Add: Outstanding Loans (Prev. Report—Line 3) | | ( ) |
| 6. Balance on Hand (Line 4 less Line 5) | | $ 3,471.70 |

## TOTALS TO DATE

| | |
|---|---|
| 7. Contributions (Line 7 of Last Report plus Line 2 of this Report) | $ 585,815.22 |
| 8. Expenses (Line 8 of Last Report plus Line 5a of this Report) | $ 582,343.52 |
| 9. Liabilities Remaining Unpaid—Schedule D | $ |
| 10. Campaign Depository | |
| Account Number | |

## OATH OR AFFIRMATION

Under penalty of perjury, I declare that I have examined this report, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete.

F. Clifton Smith
(Signature of Treasurer or Appropriate Person)

Subscribed and sworn to (affirmed) before me this 13th day of December, 19 86.

My commission expires: ~~My Commission Expires October 14,~~ 1990

Notary Public

FCPA-12 11/86 3M

0 0 0 4 0 7 9 4 4 5 2

## STATEMENT OF RECONCILIATION OF FUNDS

Report Covering Period From 10/25/85 through 11/30/85

Full Name of Candidate or Committee: American Conservative Trust STate Election Fund

### FUNDS RECEIVED

CONTRIBUTIONS

| | | | |
|---|---|---|---|
| 11. Schedule A (Over $100) | # 1 | $ 25,000.00 | |
| 12. Itemized ($100 or less) | # | $ | |
| 13. TOTAL (Add Lines 11 & 12) | # | | $ 25,000.00 |
| 14. Less: Rebates and Refunds | | $ | |
| 15. Less: Other | | $ | |
| 16. TOTAL (Add Lines 14 & 15) | | | ( ) |
| Net To Line 2—Summary (Line 13 less Line 16) | | | $ 25,000.00 |

### FUNDS DISBURSED

EXPENDITURES

| | | |
|---|---|---|
| 18. Schedule B | | $ 34,789.81 |
| 19. Less: Utility Deposits Refundable | $ | |
| 20. Less: Rent Deposits Refundable | $ | |
| 21. Less: Other | $ | |
| 22. TOTAL (Add Lines 19, 20, 21) | | ( ) |
| Net To Line 5A—Summary (Line 18 less Line 22) | | $ 34,789.81 |

### LOAN ACCOUNT

| | |
|---|---|
| 23. Loan Account Balance—Last Report | $ |
| 24. Loans Received this Period—Schedule C—Part I | $ |
| 25. SUBTOTAL (Add Lines 24 & 25) | $ |
| 26. Less: Loans Repaid This Period—Schedule C—Part II | ( ) |
| Loan Balance to Date—to Line 3—Summary | $ |

00407944

# SCHEDULE A
## ITEMIZATION OF CONTRIBUTIONS OVER $100

American Conservative Trust State Election Fund

Full Name of Candidate or Committee

| (Mo., Day, Year) | Contributor's Full Name, Mailing Address, and ZIP Code (List Alphabetically) | Occupation and Principal Place of Business Of Contributions of More Than $250 In the Aggregate | Amount of Receipt This Period |
|---|---|---|---|
| 10/25/85 | Mrs. St. John Garwood<br>1802 San Gabriel<br>Austin, TX 78701 | Aggregate to Date $68,658.69 | This period $ 25,000.00 |
| | | Aggregate to Date $ | This period $ |
| | | Aggregate to Date $ | This period $ |
| | | Aggregate to Date $ | This period $ |
| | | Aggregate to Date $ | This period $ |
| | | Aggregate to Date $ | This period $ |
| | | Aggregate to Date $ | This period $ |
| | | Aggregate to Date $ | This period $ |
| | | Aggregate to Date $ | This period $ |
| | | Aggregate to Date $ | This period $ |
| | | Aggregate to Date $ | This period $ |
| | | Aggregate to Date $ | This period $ |

TOTAL THIS PERIOD $ _____
(Complete only if this is last page of Schedule A)

_____ Page _____ of _____

C00407944

AMERICAN CONSERVATIVE TRUST STATE ELECTION FUND
CASH DISBURSEMENTS
PERIOD OCTOBER 25, 1985 THRU NOVEMBER 30, 1985

SCHEDULE B

| DATE | PAYEE | AMOUNT | DESCRIPTION |
|---|---|---|---|
| 10/31/85 | DURETTE FOR GOV | 16,000.00 | POL. CONTRIBUTION |
| 10/31/85 | ROBERT GOODMAN AGENCY | 10,000.00 | ADVERTISEMENT |
| 10/31/85 | IRS | 276.00 | 3RD QTR P/R TAX |
| 10/31/85 | DC TREASURER | 67.63 | JULY W/H TAX |
| 10/31/85 | DC DOES | 1,440.63 | UNEMPLOYMENT TAX |
| 10/31/85 | VA DEPT OF TAX | 10.00 | FILING FEES |
| 11/30/85 | UNITED VIRGINIA | 1,000.00 | PUB. RELATIONS/FUNDRAISIN |
| 11/30/85 | PUBLIC MANAGEMENT INST | 2,500.00 | CONSULTANT FEE |
| 11/30/85 | CLIFF SMITH | 8.00 | CABS |
| 11/30/85 | LA BRASSERIE | 65.35 | PUB. RELATIONS |
| 11/30/85 | C. CHANNELL | 3,000.00 | CONSULTANT FEE |
| 11/30/85 | ENTRE COMPUTERS | 74.20 | COMPUTER SUPPLIES |
| 11/30/85 | CLIFF SMITH | 8.00 | CABS |
| 11/30/85 | CASH | 150.00 | PETTY CASH/CABS, MISC SUP |
| 11/30/85 | DAVID WHITEHILL | 190.00 | MAINTENANCE |
| | TOTAL | 34,789.81 | |

C00407944 53

COMMONWEALTH OF VIRGINIA

STATE BOARD OF ELECTIONS

# COMMITTEE CAMPAIGN CONTRIBUTIONS AND EXPENDITURES

American Conservative Trust
State Election Fund
Name of Committee

1331 Pennsylvania Ave., NW
Street or Box Number

Washington, DC 20004
City, State, ZIP

(202) 662-8700
Area Code - Daytime Telephone Number

## TYPE OF REPORT
(Check appropriate box)

XX ☐ January 15 1986
☐ 8 days before 1st Tuesday in March
☐ 8 days before 1st Tuesday in May
☐ 8 days before 2nd Tuesday in June
☐ 8 days before November General Election
☐ 30 days after November General Election
☐ Final Report*

*Final Report to be filed no later than 30 days after the closing of the account and must include a termination statement signed by an officer of the committee.

## SUMMARY

Report Covering Period From 11/30/85 through 12/31/85

| | | |
|---|---|---|
| 1. Balance on Hand (Line 6 of Last Report) | | $ 3,471.70 |
| 2. Contributions Received (Line 17—page 2) | | -0- |
| 3. Add: Balance Outstanding Loans (Line 28—page 2) | | |
| 4. Total Expendable Funds | | $ 3,471.70 |
| 5. Expenses: | | |
| a. (Line 23—page 2) | $ 2,285.35 | |
| b. Add: Outstanding Loans (Prev. Report—Line 3) | | ( ) |
| 6. Balance on Hand (Line 4 less Line 5) | | $ 1,186.35 * |

## TOTALS TO DATE

| | |
|---|---|
| 7. Contributions (Line 7 of Last Report plus Line 2 of this Report) | $ 585,815.22 |
| 8. Expenses (Line 8 of Last Report plus Line 5a of this Report) | $ 584,628.87 |
| 9. Obligations Remaining Unpaid—Schedule D | $ * |
| 10. Campaign Depository | |
| Account Number | |

## OATH OR AFFIRMATION

Under penalty of perjury, I declare that I have examined this report, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete.

J. C. Thomas Jr.
(Signature of Treasurer or Appropriate Person)

Subscribed and sworn to (affirmed) before me this 23rd day of January, 19 86.

My commission expires: ~~My Commission Expires~~ October 14, 1990

Notary Public

FEPA - 82 11/86 5M

0 0 0 4 0 0 7 9 4 4 9

## STATEMENT OF RECONCILIATION OF FUNDS

Report Covering Period From 11/30/85 through 12/31/85

Full Name of Candidate or Committee: American Conservative Trust State Election Fund

### FUNDS RECEIVED

CONTRIBUTIONS

| | | | |
|---|---|---|---|
| 11. | Schedule A (Over $100) | #_____ | $_____ |
| 12. | Unitemized ($100 or less) | #_____ | $_____ |
| 13. | TOTAL (Add Lines 11 & 12) | #_____ | $ -0- |
| 14. | Less: Rebates and Refunds | | $_____ |
| 15. | Less: Other _____ | | $_____ |
| | TOTAL (Add Lines 14 & 15) | | ( _____ ) |
| | Net To Line 2—Summary (Line 13 less Line 16) | | $ -0- |

### FUNDS DISBURSED

EXPENDITURES

| | | | |
|---|---|---|---|
| 18. | Schedule B | | $ 2,285.35 |
| 19. | Less: Utility Deposits Refundable | $_____ | |
| 20. | Less: Rent Deposits Refundable | $_____ | |
| 21. | Less: Other _____ | $_____ | |
| 22. | TOTAL (Add Lines 19, 20, 21) | | ( -0- ) |
| | Net To Line 5A—Summary (Line 18 less Line 22) | | $ 2,285.35 |

### LOAN ACCOUNT

| | | |
|---|---|---|
| 23. | Loan Account Balance—Last Report | $_____ |
| 24. | Loans Received this Period—Schedule C—Part I | $_____ |
| 25. | SUBTOTAL (Add Lines 24 & 25) | $_____ |
| 26. | Less: Loans Repaid This Period—Schedule C—Part II | ( _____ ) |
| 27. | Loan Balance to Date—to Line 3—Summary | $_____ |

C00407944 57

AMERICAN CONSERVATIVE TRUST STATE ELECTION FUND
CASH DISBURSEMENTS
PERIOD 11/30/85 THRU 12/31/85

SCHEDULE B

| DATE | PAYEE | AMOUNT | DESCRIPTION |
|---|---|---|---|
| 12/31/85 | IRS | 255.35 | 1ST QTR 85 ADDT'L P/R TAX |
| 12/31/85 | MID-ATLANTIC POL. REPORT | 30.00 | PUBLICATION |
| 12/31/85 | UNITED VIRGINIA | 500.00 | PUB.RELATION/FUNDRAISING |
| 12/31/85 | CPAC '86 | 1,500.00 | ADVERTISEMENT |
| | TOTAL | 2,285.35 | |

C00407948

COMMONWEALTH OF VIRGINIA

STATE BOARD OF ELECTIONS

# COMMITTEE CAMPAIGN CONTRIBUTIONS AND EXPENDITURES

American Conservative Trust
State Election Fund
Name of Committee

1331 Pennsylvania Ave., NW
Street or Box Number

Washington, DC 20004
City, State, ZIP

(202) 662-8700
Area Code - Daytime Telephone Number

**TYPE OF REPORT**
(Check appropriate box)

- ☐ January 15
- ☒ 8 days before 1st Tuesday in March 1986
- ☐ 8 days before 1st Tuesday in May
- ☐ 8 days before 2nd Tuesday in June
- ☐ 8 days before November General Election
- ☐ 30 days after November General Election
- ☐ Final Report*

*Final Report to be filed no later than 30 days after the closing of the account and must include a termination statement signed by an officer of the committee.

## SUMMARY

Report Covering Period From 1/1/86 through 2/21/86

| | | |
|---|---|---|
| 1. Balance on Hand (Line 6 of Last Report) | | $ 1,186.35 |
| 2. Contributions Received (Line 17—page 2) | | 2,900.00 |
| 3. Add: Balance Outstanding Loans (Line 28—page 2) | | |
| 4. Total Expendable Funds | | $ 4,086.35 |
| 5. Expenses: | | |
| a. (Line 23—page 2) | $ 956.35 | |
| b. Add: Outstanding Loans (Prev. Report—Line 3) | | 956.35 |
| 6. Balance on Hand (Line 4 less Line 5) | | $ 3,130.00 |

## TOTALS TO DATE

| | |
|---|---|
| 7. Contributions (Line 7 of Last Report plus Line 2 of this Report) | $ 588,715.22 |
| 8. Expenses (Line 8 of Last Report plus Line 5a of this Report) | $ 585,585.22 |
| 9. Obligations Remaining Unpaid—Schedule D | $ |
| 10. Campaign Depository | |
| Account Number | |

## OATH OR AFFIRMATION

Under penalty of perjury, I declare that I have examined this report, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete.

F. Clifton Smith Jr.
(Signature of Treasurer or Appropriate Person)

Subscribed and sworn to (affirmed) before me this 23rd day of October, 19 86.

My commission expires: My Commission Expires October 14, 1990

Notary Public

FEPA - 02 11/86 3M

2 0 0 4 0 7 9 4 4 5 9

# STATEMENT OF RECONCILIATION OF FUNDS

Report Covering Period From 1/1/86 through 2/21/86

Full Name of Candidate or Committee: American Conservative Trust State Election Fund

## FUNDS RECEIVED

CONTRIBUTIONS

| | | | |
|---|---|---|---|
| Schedule A (Over $100) | # 1 | $ 2,900.00 | |
| Unitemized ($100 or less) | # | $ | |
| 13. TOTAL (Add Lines 11 & 12) | # | | $ 2,900.00 |
| 14. Less: Rebates and Refunds | | $ | |
| 15. Less: Other | | $ | |
| 16. TOTAL (Add Lines 14 & 15) | | | ( ) |
| Net To Line 2—Summary (Line 13 less Line 16) | | | $ 2,900.00 |

## FUNDS DISBURSED

EXPENDITURES

| | | |
|---|---|---|
| 18. Schedule B | | $ 956.35 |
| 19. Less: Utility Deposits Refundable | $ | |
| 20. Less: Rent Deposits Refundable | $ | |
| 21. Less: Other | $ | |
| 22. TOTAL (Add Lines 19, 20, 21) | | ( ) |
| Net To Line 5A—Summary (Line 18 less Line 22) | | $ 956.35 |

## LOAN ACCOUNT

| | |
|---|---|
| Loan Account Balance—Last Report | $ |
| Loans Received this Period—Schedule C—Part I | $ |
| 26. SUBTOTAL (Add Lines 24 & 25) | $ |
| Less: Loans Repaid This Period—Schedule C—Part II | ( ) |
| Loan Balance to Date—to Line 3—Summary | $ |

C00079460

AMERICAN CONSERVATIVE TRUST STATE ELECTION FUND
CASH DISBURSEMENTS
PERIOD 1/1/86 THRU 2/21/86

SCHEDULE B

| DATE | PAYEE | AMOUNT | DESCRIPTION |
|---|---|---|---|
| 01/31/86 | INTERNAL REVENUE SERVICE | 383.85 | INT., LATE PAY., 1984 W/H |
| 01/31/86 | INTERNAL REVENUE SERVICE | 164.50 | FUTA TAX 1985 |
| 01/31/86 | DAVID WHITEHILL | 190.00 | UTILITIES |
| 02/05/86 | G.M.H ENTERPRISES | 28.00 | PUBLICATIONS |
| 02/06/86 | DAVID WHITEHILL | 190.00 | MAINTENANCE/CLEANING |
| | TOTAL | 956.35 | |

00040794461

COMMONWEALTH OF VIRGINIA

STATE BOARD OF ELECTIONS

# COMMITTEE CAMPAIGN CONTRIBUTIONS AND EXPENDITURES

American Conservative Trust
State Election Fund
Name of Committee

1331 Pennsylvania AVe., NW
Street or Box Number

Washington, DC 20004
City, State, ZIP

(202) 662-8700
Area Code - Daytime Telephone Number

**TYPE OF REPORT**
(Check appropriate box)

- ☐ January 15
- ☐ 8 days before 1st Tuesday in March
- ☒ 8 days before 1st Tuesday in May 1986
- ☐ 8 days before 2nd Tuesday in June
- ☐ 8 days before November General Election
- ☐ 30 days after November General Election
- ☐ Final Report*

*Final Report to be filed no later than 30 days after the closing of the account and must include a termination statement signed by an officer of the committee.

## SUMMARY

Report Covering Period From 2/22/86 through 4/25/86

| | | |
|---|---|---|
| 1. Balance on Hand (Line 6 of Last Report) | | $ 3,130.00 |
| 2. Contributions Received (Line 17—page 2) | | -0- |
| 3. Add: Balance Outstanding Loans (Line 28—page 2) | | 3,130.00 |
| 4. Total Expendable Funds | | $ |
| 5. Expenses: | | |
| a. (Line 23—page 2) | $ 99.18 | |
| b. Add: Outstanding Loans (Prev. Report—Line 3) | | ( 99.18 ) |
| c. Balance on Hand (Line 4 less Line 5) | | $ 3,030.82 |

## TOTALS TO DATE

| | |
|---|---|
| 7. Contributions (Line 7 of Last Report plus Line 2 of this Report) | $ 588,715.22 |
| 8. Expenses (Line 8 of Last Report plus Line 5a of this Report) | $ 585,684.40 |
| 9. Obligations Remaining Unpaid—Schedule D | $ |
| 10. Campaign Depository | |
| Account Number | |

## OATH OR AFFIRMATION

Under penalty of perjury, I declare that I have examined this report, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete.

J. Clifton Smith Jr.
(Signature of Treasurer or Appropriate Person)

Subscribed and sworn to (affirmed) before me this 23rd day of October, 19 86.

My Commission Expires October 14, 1990

My commission expires: _____, 19____.

Notary Public

FEPA - 02 11/86 344

00040794462

## STATEMENT OF RECONCILIATION OF FUNDS

Report Covering Period From 2/22/86 through 4/25/86

Full Name of Candidate or Committee: American Conservative Trust STate Election Fund

### FUNDS RECEIVED

CONTRIBUTIONS

| | | | | |
|---|---|---|---|---|
| | Schedule A (Over $100) | # | $ | |
| | Itemized ($100 or less) | # | $ | |
| 13. | TOTAL (Add Lines 11 & 12) | # | | $ |
| 14. | Less: Rebates and Refunds | | $ | |
| 15. | Less: Other | | $ | |
| 16. | TOTAL (Add Lines 14 & 15) | | | ( ) |
| 17. | Net To Line 2—Summary (Line 13 less Line 16) | | | $ -0- |

### FUNDS DISBURSED

EXPENDITURES

| | | | |
|---|---|---|---|
| 18. | Schedule B | | $ 255.89 |
| 19. | Less: Utility Deposits Refundable | $ | |
| 20. | Less: Rent Deposits Refundable | $ | |
| 21. | Less: Other US Treasury W/H Tax Refund | $ 156.71 | |
| 22. | TOTAL (Add Lines 19, 20, 21) | | ( 156.71 ) |
| 23. | Net To Line 5A—Summary (Line 18 less Line 22) | | $ 99.18 |

### LOAN ACCOUNT

| | | |
|---|---|---|
| 24. | Loan Account Balance—Last Report | $ |
| 25. | Loans Received this Period—Schedule C—Part I | $ |
| 26. | SUBTOTAL (Add Lines 24 & 25) | $ |
| 27. | Less: Loans Repaid This Period—Schedule C—Part II | ( ) |
| 28. | Loan Balance to Date—to Line 3—Summary | $ |

FEC 9044079

AMERICAN CONSERVATIVE TRUST STATE ELECTION FUND
CASH DISBURSEMENTS
PERIOD 2/22/86 THRU 4/25/86

SCHEDULE B

| DATE | PAYEE | AMOUNT | DESCRIPTION |
|---|---|---|---|
| 02/28/86 | WASHINGTON REPUBLICANS 86 | 45.00 | PUBLICATIONS |
| 02/28/86 | BRADDOCK PUBLICATIONS | 39.95 | PUBLICATIONS |
| 02/28/86 | WASH. BUSINESS JOURNAL | 14.97 | PUBLICATIONS |
| 03/31/86 | CLIFF SMITH | 16.00 | LOCAL TRANSPORT/CABS |
| 03/31/86 | WASH. BUSINESS JOURNAL | 14.97 | PUBLICATIONS |
| 03/31/86 | DELTA AIRLINES | 100.00 | TRAVEL/FUNDRAISING |
| 04/03/86 | DC TREASURER | 25.00 | ANNUAL REPORT FILING FEE |
| | TOTAL | 255.89 | |

00407994564

COMMONWEALTH OF VIRGINIA

STATE BOARD OF ELECTIONS

# COMMITTEE CAMPAIGN CONTRIBUTIONS AND EXPENDITURES

American Conservative Trust
State Election Fund
Name of Committee

1331 Pennsylvania AVe., NW
Street or Box Number

Washington, DC 20004
City, State, ZIP

(202) 662-8700
Area Code - Daytime Telephone Number

**TYPE OF REPORT**
(Check appropriate box)

- ☐ January 15
- ☐ 8 days before 1st Tuesday in March
- ☐ 8 days before 1st Tuesday in May
- ☒ 8 days before 2nd Tuesday in June 1986
- ☐ 8 days before November General Election
- ☐ 30 days after November General Election
- ☐ Final Report*

*Final Report to be filed no later than 30 days after the closing of the account and must include a termination statement signed by an officer of the committee.

## SUMMARY

Report Covering Period From 4/26/86 through 5/31/86

| | | |
|---|---|---|
| 1. Balance on Hand (Line 6 of Last Report) | | $ 3,030.82 |
| 2. Contributions Received (Line 17—page 2) | | |
| 3. Add: Balance Outstanding Loans (Line 28—page 2) | | |
| 4. Total Expendable Funds | | $ 3,030.82 |
| 5. Expenses: | | |
| a. (Line 23—page 2) | $ | |
| b. Add: Outstanding Loans (Prev. Report—Line 3) | | ( ) |
| 6. Balance on Hand (Line 4 less Line 5) | | $ 3,030.82 |

## TOTALS TO DATE

| | |
|---|---|
| 7. Contributions (Line 7 of Last Report plus Line 2 of this Report) | $ 588,715.22 |
| 8. Expenses (Line 8 of Last Report plus Line 5a of this Report) | $ 585,684.40 |
| 9. Obligations Remaining Unpaid—Schedule D | $ |
| 10. Campaign Depository | |
| Account Number | |

## OATH OR AFFIRMATION

Under penalty of perjury, I declare that I have examined this report, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete.

J. Clifford Smith
Signature of Treasurer or Appropriate Person

Subscribed and sworn to (affirmed) before me this 23rd day of June, 19 86.

My commission expires: My Commission Expires October 14, 1990, 19 ____.

Notary Public

FEPA - 82 11/84 5M

0 0 4 0 4 9 4 6 3

## STATEMENT OF RECONCILIATION OF FUNDS

Report Covering Period From 4/26/86 through 5/31/86

Full Name of Candidate or Committee: American Conservative Trust State Election Fund

### FUNDS RECEIVED

CONTRIBUTIONS

| | | | | |
|---|---|---|---|---|
| 11. | Schedule A (Over $100) | # | $ -0- | |
| 12. | Itemized ($100 or less) | # | $ | |
| 13. | TOTAL (Add Lines 11 & 12) | # | | $ -0- |
| 14. | Less: Rebates and Refunds | | $ | |
| 15. | Less: Other | | $ | |
| | TOTAL (Add Lines 14 & 15) | | | ( ) |
| | Net To Line 2—Summary (Line 13 less Line 16) | | | $ -0- |

### FUNDS DISBURSED

EXPENDITURES

| | | | |
|---|---|---|---|
| 18. | Schedule B | | $ -0- |
| 19. | Less: Utility Deposits Refundable | $ | |
| 20. | Less: Rent Deposits Refundable | $ | |
| 21. | Less: Other | $ | |
| 22. | TOTAL (Add Lines 19, 20, 21) | | ( ) |
| | Net To Line 5A—Summary (Line 18 less Line 22) | | $ -0- |

### LOAN ACCOUNT

| | | |
|---|---|---|
| 23. | Loan Account Balance—Last Report | $ |
| 24. | Loans Received this Period—Schedule C—Part I | $ |
| 25. | SUBTOTAL (Add Lines 24 & 25) | $ |
| 26. | Less: Loans Repaid This Period—Schedule C—Part II | ( ) |
| | Loan Balance to Date—to Line 3—Summary | $ |

00049794650

COMMONWEALTH OF VIRGINIA

STATE BOARD OF ELECTIONS

# COMMITTEE CAMPAIGN CONTRIBUTIONS AND EXPENDITURES

American Conservative Trust
STate Election Fund
Name of Committee

1331 Pennsylvania AVE NW
Street or Box Number

Washington, DC 20004
City, State, ZIP

(202) 662-8700
Area Code - Daytime Telephone Number

**TYPE OF REPORT**
(Check appropriate box)

- ☐ January 15
- ☐ 8 days before 1st Tuesday in March
- ☐ 8 days before 1st Tuesday in May
- ☐ 8 days before 2nd Tuesday in June
- XX☒ 8 days before November General Election 1986
- ☐ 30 days after November General Election
- ☐ Final Report*

*Final Report to be filed no later than 30 days after the closing of the account and must include a termination statement signed by an officer of the committee.

## SUMMARY

Report Covering Period From 6/1/86 through 10/15/86

| | | |
|---|---|---|
| 1. Balance on Hand (Line 6 of Last Report) | | $ 3,030.82 |
| 2. Contributions Received (Line 17—page 2) | | -0- |
| 3. Add: Balance Outstanding Loans (Line 28—page 2) | | |
| 4. Total Expendable Funds | | $ 3,030.82 |
| 5. Expenses: | | |
| a. (Line 23—page 2) | $ 1,143.47 | |
| b. Add: Outstanding Loans (Prev. Report—Line 3) | | ( 1,143.47 ) |
| c. Balance on Hand (Line 4 less Line 5) | | $ 1,887.35 * |

## TOTALS TO DATE

| | |
|---|---|
| 7. Contributions (Line 7 of Last Report plus Line 2 of this Report) | $ 588,715.22 |
| 8. Expenses (Line 8 of Last Report plus Line 5a of this Report) | $ 586,827.87 |
| 9. Expenditures Remaining Unpaid—Schedule D | $ * |
| 10. Campaign Depository | |
| Account Number | |

## OATH OR AFFIRMATION

Under penalty of perjury, I declare that I have examined this report, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete.

(Signature of Treasurer or Appropriate Person)

Subscribed and sworn to (affirmed) before me this 22nd day of October, 19 86.

My commission expires: My Commission Expires October 14, 1990

Notary Public

PEPA - EE - 1/86-5M

0 0 0 7 9 4 9 6 7

## STATEMENT OF RECONCILIATION OF FUNDS

Report Covering Period From 6/1/86 through 10/15/86

Full Name of Candidate or Committee: American Conservative Trust State Election Fund

### FUNDS RECEIVED

CONTRIBUTIONS

| | | | | |
|---|---|---|---|---|
| | Schedule A (Over $100) | # | $ | |
| | Unitemized ($100 or less) | # | $ | |
| 13. | TOTAL (Add Lines 11 & 12) | # | | $ |
| 14. | Less: Rebates and Refunds | | $ | |
| 15. | Less: Other | | $ | |
| 16. | TOTAL (Add Lines 14 & 15) | | | ( ) |
| | Net To Line 2—Summary (Line 13 less Line 16) | | | $ -0- |

### FUNDS DISBURSED

EXPENDITURES

| | | | |
|---|---|---|---|
| 18. | Schedule B | | $ 1,413.55 |
| 19. | Less: Utility Deposits Refundable | $ | |
| 20. | Less: Rent Deposits Refundable | $ | |
| 21. | Less: Other refund PC Research Service | $ 270.08 | |
| 22. | TOTAL (Add Lines 19, 20, 21) | | ( 270.08 ) |
| | Net To Line 5A—Summary (Line 18 less Line 22) | | $ 1,143.47 |

### LOAN ACCOUNT

| | | |
|---|---|---|
| | Loan Account Balance—Last Report | $ |
| | Loans Received this Period—Schedule C—Part I | $ |
| 25. | SUBTOTAL (Add Lines 24 & 25) | $ |
| | Less: Loans Repaid This Period—Schedule C—Part II | ( ) |
| | Loan Balance to Date—to Line 3—Summary | $ |

AMERICAN CONSERVATIVE TRUST STATE ELECTION FUND
CASH DISBURSEMENTS
PERIOD 6/1/86 THRU 10/24/86

SCHEDULE B

| DATE | PAYEE | AMOUNT | DESCRIPTION |
|---|---|---|---|
| 7/31/86 | J. PARKER BAILEY | 132.00 | ACCOUNTING |
| 8/31/86 | J. PARKER BAILEY | 132.00 | ACCOUNTING |
| 8/31/86 | PC RESEARCH SERVICES | 540.00 | PUBLICATIONS |
| 8/31/86 | HERGE, SPARKS, C. & B. | 260.36 | LEGAL |
| 8/31/86 | KING FLORIST INC. | 110.00 | PUBLIC RELATIONS |
| 09/04/86 | WESTLAND PRINTERS | 84.80 | STATIONARY |
| 09/04/86 | MCI MAIL | 4.00 | ELECTRONIC MAIL ACCESS |
| 09/04/86 | BAUMGARTEN | 10.00 | 3 RUBBER STAMPS |
| 09/04/86 | SCRIPPS HOWARD BUS. JRNL | 15.89 | 1 YR. SUBSCRIPTION |
| 09/04/86 | FT. WORTH STAR TELEGRAM | 37.50 | 3 MOS DAILY DELIVERY |
| 10/02/86 | KING FLORIST | 57.00 | PUBLIC RELATIONS/FLOWERS |
| 10/14/86 | HUMAN EVENTS | 30.00 | 1 YR SUBSCRIPTION |
| | TOTAL | 1,413.55 | |

0 0 0 4 0 7 9 4 4 6 9

HERGE, SPARKS, CHRISTOPHER & BIONDI
ATTORNEYS AT LAW
SUITE 200
8201 GREENSBORO DRIVE
McLEAN, VIRGINIA 22102
(703) 848-4700

J. CURTIS HERGE
ROBERT R. SPARKS, JR
A. MARK CHRISTOPHER
GEORGE V. BIONDI
DONNA LYNN MILLER
CARRIE LEE GLASER

TELECOPIER NUMBER
(703) 893-7371

FEDERAL ELECTION COMMISSION
88 FEB -1 PM 3:53

January 29, 1988

RECEIVED
FEDERAL ELECTION COMMISSION
OFFICE OF GENERAL COUNSEL
88 FEB -1 PM 3:00

Susan Beard, Esq.
Office of General Counsel
Federal Election Commission
999 E Street, N.W.
Washington, D. C. 20463

RE: MUR 2406 - Sentinel

Dear Ms. Beard:

This letter is written on behalf of Sentinel in response to the letter from the Chairman of the Federal Election Commission to me, dated December 17, 1987, advising us that the Commission has found reason to believe that Sentinel violated 2 U.S.C. §§433, 434, 441a(f) and 441b(a).

In furtherance of the discussions had at our meeting on Wednesday, January 20, 1988,

Sentinel is providing and/or stipulating the following:

1) Enclosed is a copy of the Articles of Incorporation of Sentinel, dated April 30, 1985; its Certificate of Incorporation, dated May 10, 1985; and, its Bylaws.



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2) The incorporators of Sentinel were: Carl R. Channell, Edward Donahue, III and Ron Deener.

3) The addresses of Sentinel were: 305 Fourth Street, N.E., Washington, D.C. from date of organization until August, 1986; 1331 Pennsylvania Avenue, N.W., Washington, D.C. from August, 1986 until June, 1987; and, 2032 Belmont Road, N.W., Washington, D.C. from June, 1987, until the present.

4) Enclosed is a copy of the letter from the Internal Revenue Service to Sentinel, dated February 7, 1986, containing the Service's original determination that Sentinel is an organization described in section 501(c)(4) of the Internal Revenue Code.

5) By letter from the Internal Revenue Service to Sentinel, dated August 25, 1987, the Service stated its intention to revoke the exempt status of Sentinel on or about September 25, 1987 if an appeal was not filed. No appeal was filed, thus the revocation became effective automatically.

6) The members of the Board of Directors of Sentinel were:

Carl R. Channell - May 10, 1985 to the present
Edward Donahue, III - May 10, 1985 to the present
Roy Beheler - May 10, 1985 to the present
Richard Scarino - May 10, 1985 to the present

Ron Deener, listed in the Articles of Incorporation as a member of the initial Board of Directors, passed away prior to the date of the organizational meeting of the Board.

7) The corporate officers of Sentinel were:

Carl R. Channell, President - May 10, 1985 to the present
Edward Donahue, III, Vice President - May 10, 1985 to the present
Roy Beheler, Sec./Treas. - May 10, 1985 to the present

8) Sentinel maintained its bank accounts at The Palmer National Bank and E.F. Hutton, both in Washington, D. C. Its securities account was maintained at E. F. Hutton.

9) Sentinel's accounts, books and records were maintained separate and apart from those of any other organization and person. Upon the best information available, they were maintained by Michael D. Barnes and Stephen McMahon, who were consultants and/or employees of Sentinel. Messrs. Barnes and McMahon were the individuals responsible for, among other things, allocating overhead and other expenses between Sentinel and other organizations which used common facilities, equipment and personnel. They were also responsible for the payment of invoices. The last known address for Mr. Barnes and Mr. McMahon was 1322 Corcoran Street, N.W., Washington, D. C. 20009.

10) The accounting firm of Simmermacher & Felts audited the revenues of Sentinel for the year ended December 31, 1986. A copy of their report is enclosed. Upon information and belief, Simmermacher & Felts did not compile a similar report for 1985, nor did they compile financial statements for 1985 or 1986 as suggested in their report.

Counsel is not aware of the existence of any other financial statement of Sentinel for 1985 or 1986.

11) Enclosed are detailed listings of 1985 and 1986 project invoices rendered by the Robert Goodman Agency for the production and broadcast of television advertisements by Sentinel, National Endowment for the Preservation of Liberty, American Conservative Trust and American Conservative Trust State Election Fund, together with an accompanying "analysis" prepared by Stephen McMahon. The analysis is dated "1/5/86," but, because it includes data through December, 1986, it is evident the analysis should have been dated "1/5/87." A separate "analysis" dated "1/5/87," reflecting the same figures in a different format is also enclosed.

For all intents and purposes, Sentinel's programmatic activities consisted of the television advertising program described in our letter to the Commission, dated July 16, 1987. The cost of producing and broadcasting those advertisements is reported in the listing of invoices from the Goodman Agency attached to the McMahon analysis.

Sentinel asserts, for the record, that the financial records described in paragraph (11), which are submitted herewith, are proprietary records, not subject to disclosure under the Freedom of Information Act. Further, Sentinel does not consent to this letter and its enclosures being made part of the public record in this matter.

We look forward to assisting you and in working with you in this matter.

Sincerely yours,

J. Curtis Herge
Counsel to Sentinel

:sbl

Enclosures

ARTICLES OF INCORPORATION

OF

SENTINEL

We, the undersigned, natural persons of the age of eighteen years or more, acting as incorporators of a corporation, adopt the following Articles of Incorporation for such a corporation pursuant to the District of Columbia Nonprofit Corporation Act.

FIRST: The name of the corporation is SENTINEL, hereinafter referred to as the "Corporation."

SECOND: The period of its duration is perpetual.

THIRD: The objects and purposes of the Corporation, which is not formed for pecuniary profit or financial gain, shall be exclusively to receive contributions, or make expenditures, or both, directly or indirectly, for the education of the genreal public on issues, appropriations and causes concerning our national defense.

In support of these objectives, the Corporation shall sponsor, conduct and support public discussion groups, panels, forums, lectures and conferences, to which will be invited members of the general public, politicians, governmental leaders and others for the discussion and exchange of ideas and views and the instruction of the public on the subject or subjects then under discussion. The Corporation shall sponsor and disseminate research relevant to its purposes to interested groups.

For the accomplishment of these purposes and without, in any particular, limiting the generality of the foregoing, the Corporation shall have the power to own, operate, print, publish, manage and distribute such books, magazines, papers and other literature for the dissemination and exchange of information as

FILED
MAY 10 1985

BY: [signature]

will further the objects and purposes of the Corporation; to purchase, lease or otherwise acquire, and hold, own, use and operate, or mortgage or otherwise encumber, or sell, real and personal property as may be necessary to carry out the objects and purposes of the Corporation; to receive and maintain a fund or funds of real or personal property, or both, and, subject to the restrictions and limitations hereinafter set forth, to use and apply the whole or any part of the income therefrom and the principal thereof exclusively in furtherance of the objects and purposes of the Corporation and by making contributions to organizations that qualify as organizations described in Sections 501(c)(3), or 501(c)(4) or successor Sections, of the Internal Revenue Code and the Regulations promulgated thereunder as they now exist or as they may hereafter be amended.

No part of the net earnings of the Corporation shall inure to the benefit of any member, director or officer of the Corporation, or any private individual (except that reasonable compensation may be paid for services rendered to or for the Corporation affecting one or more of its purposes). The Corporation shall not participate in, nor intervene in (including the publication or distribution of statements) any political campaign on behalf of, or in opposition to, any candidate for public office.

Upon the dissolution of the Corporation or the winding up of its affairs, the assets of the Corporation shall be distributed, subject to the laws of the District of Columbia, exclusively to charitable, religious, scientific, literary, or educational organizations which would then qualify under the provisions of Sections 501(c)(3), or 501(c)(4) or successor Sections, of the Internal Revenue Code and the Regulations promulgated thereunder as they now exist or as they may hereafter

be amended. No member, director or officer of the Corporation, or any private individual, shall be entitled to share in the distribution or division of any of the corporate assets on dissolution of the Corporation.

Notwithstanding any other provision of these Articles of Incorporation, the Corporation shall not carry on any activities not permitted to be carried on by an organization exempt under Section 501(c)(4) of the Internal Revenue Code and its Regulations as they now exist or as they may hereafter be amended. Alternatively, the Corporation shall have the power to, and shall, conduct and carry on activities required to be conducted or carried on in order to acquire and maintain a determination that it is an organization exempt under Section 501(c)(4), or successor Section, of the Internal Revenue Code and Regulations promulgated thereunder as they now exist or as they may hereafter be amended.

FOURTH: The Corporation shall have no members.

FIFTH: The Directors of the Corporation shall hold office for a term of one (1) year, and until their respective successors have been elected and qualified, and shall, with the exception of the initial Directors, be elected by a majority vote of the Directors in office immediately preceding the expiration of each term. Any vacancy in the Board of Directors that shall occur prior to the expiration of a term shall be filled by such person as shall be appointed by the then Chairman of the Board of Directors and the person so elected shall hold office until the expiration of the term to which he or she succeeded.

SIXTH: The post office address of the initial registered office is 1250 Eye Street, Suite 1000, Washington, D.C. 20005. The name of its initial registered agent is Charles D. Reed, who is a resident of the District of Columbia and who is a

member of the District of Columbia Bar and whose business office is the same as the registered office of the Corporation.

**SEVENTH:** The number of Directors constituting the initial Board of Directors shall be five (5) and the names and addresses of the persons who are to serve as the initial Directors are:

| Names | Addresses |
|---|---|
| Roy Beheler | 4000 Cathedral Avenue<br>#846B<br>Washington, D.C. 20016 |
| Carl R. Channell | 2032 Belmont Road, Apt. 608<br>Washington, D.C. 20009 |
| Ron Deener | 1220 19th Street, N.W.<br>6th Floor<br>Washington, D.C. 20036 |
| Edward J. Donahue, III | 1453 Corcoran Street, N.W.<br>Washington, D.C. 20009 |
| Richard Scarino | 1453 Corcoran Street, N.W.<br>Washington, D.C. 20009 |

**EIGHTH:** The names and the addresses, including street and number, of the Incorporators are:

| Names | Addresses |
|---|---|
| Ron Deener | 1220 19th Street, N.W.<br>6th Floor<br>Washington, D.C. 20036 |
| Carl R. Channell | 2032 Belmont Road, N.W.,<br>Apt. 608<br>Washington, D.C. 20009 |
| Edward J. Donahue,III | 1453 Corcoran Street, N.W.<br>Washington, D.C. 20009 |

IN WITNESS WHEREOF, for the purpose of forming the Corporation under the laws of the District of Columbia, the undersigned Incorporators of the Corporation have executed these Articles of Incorporation this 30th day of August, 1985.

Ronald Deener
Ron Deener

Carl R. Channell

Edward J. Donahue, III

DISTRICT OF COLUMBIA ) to-wit:

I, the undersigned, a Notary Public, do hereby certify that on the 30th day of June, 1983, personally appeared before me RON DEENER, who signed the foregoing document as Incorporator and acknowledged that the statements therein contained are true.

Notary Public

My Commission Expires: 9/30/83

DISTRICT OF COLUMBIA ) to-wit:

I, the undersigned, a Notary Public, do hereby certify that on the 30th day of June, 1983, personally appeared before me CARL R. CHANNELL, who signed the foregoing document as Incorporator and acknowledged that the statements therein contained are true.

Notary Public

My Commission Expires: 9/30/83

DISTRICT OF COLUMBIA ) to-wit:

I, the undersigned, a Notary Public, do hereby certify that on the 30th day of June, 1983, personally appeared before me EDWARD J. DONAHUE, III, who signed the foregoing document as Incorporator and acknowledged that the statements therein contained are true.

Notary Public

My Commission Expires: 9/30/83

GOVERNMENT OF THE DISTRICT OF COLUMBIA
DEPARTMENT OF CONSUMER AND REGULATORY AFFAIRS

Business Regulation Administration
Corporations Division
614 H Street, N.W.
Washington, D.C. 20001-2782

# CERTIFICATE

THIS IS TO CERTIFY THAT ALL PROVISIONS OF THE DISTRICT OF COLUMBIA NON-PROFIT CORPORATION ACT HAVE BEEN COMPLIED WITH AND ACCORDINGLY THIS CERTIFICATE OF Incorporation

IS HEREBY ISSUED TO THE SENTINEL

AS OF THE DATE HEREINAFTER MENTIONED.

DATE May 10, 1985

CAROL B. THOMPSON
Director

Miriam Hellen Jones
Superintendent of Corporations

GOVERNMENT OF THE DISTRICT OF COLUMBIA
MARION BARRY, JR., MAYOR
REV. JANUARY 1985

BY-LAWS

OF

SENTINEL

ARTICLE I

Offices

Section 1. Registered Office. The Corporation shall have and continuously maintain in the District of Columbia a registered office, with a registered agent whose business office is identical with such registered office, as required by the District of Columbia Nonprofit Corporation Act. The address of the registered office may be changed from time to time by the Board of Directors.

Section 2. Other Offices. The Corporation may also have an office or offices at such other place or places within or without the District of Columbia as the Board of Directors may, from time to time, designate and as the business of the Corporation may require.

ARTICLE II

Purpose

Section 1. Nature of Corporation. The Corporation is a nonprofit, nonmember corporation formed under the District of Columbia Nonprofit Corporation Act, which is organized and shall be exclusively operated for educational and charitable purposes in accordance with the provisions of Section 501(c)(4) of the

Internal Revenue Code and the Regulations promulgated and applicable rulings issued thereunder.

Section 2. Primary Purpose. The Corporation is organized and shall be exclusively operated in accordance with its Articles of Incorporation as filed with the Corporate Division of the Business Regulation Administration of the Department of Consumer and Regulatory Affairs of the District of Columbia.

ARTICLE III

Members

The Corporation shall have no members.

ARTICLE IV

Board of Directors

Section 1. General Powers. The Board of Directors shall have the general power to manage and control the affairs and property of the Corporation, and shall have full power, by majority vote, to adopt rules and regulations governing the action of the Board. The making of grants and contributions and otherwise rendering financial assistance for the purposes expressed in the Articles of Incorporation of the Corporation shall be within the exclusive power of the Board of Directors. In furtherance of the purpose set forth in Article Third of the Articles of Incorporation, the Board of Directors shall have the power to make grants or contributions to any organization organized and operated exclusively for charitable, religious,



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literary, scientific or educational organizations which then qualify under the provisions of Sections 501(c)(3), 501(c)(4) or successor Sections, of the Internal Revenue Code and the Regulations promulgated thereunder, as the same may be from time to time amended. The Board of Directors shall review all requests for funds from such organizations, may require that such requests specify the use to which the funds will be put, and, if the Board of Directors approves the request, shall authorize the payment of such funds to the approved grantee. The Board of Directors may require that the grantees furnish a periodic accounting to show that the funds were expended for the purposes which were approved by the Board of Directors. The Board of Directors may, in its absolute discretion, refuse to make any grants or contributions, or otherwise render financial assistance to or for any or all of the purposes for which funds are requested.

Section 2. Exclusive Control. The Corporation shall neither solicit nor accept contributions upon condition that the amount received be paid by the Corporation to any other organization or for any specific purpose unless, prior to the time such contribution is solicited or received, the Board of Directors shall have approved a grant to such other organization or such specific purpose and unless the Board of Directors shall at all times have the right to withdraw approval of such grant and withhold transmission of funds in accordance with the terms of the grant or such specific purpose.

Section 5. Annual Meetings. The annual meeting of the Board of Directors shall be held without other notice than this By-law, at the Corporation's principal office on the second Wednesday in January of each year.

Section 6. Special Meetings. Special meetings of the Board of Directors may be called by or at the request of the Chairman or any two of the Directors. The person or persons authorized to call special meetings of the Board of Directors may fix any place, either within or without the District of Columbia, as the place for holding any special meeting of the Board called by them.

Section 7. Notice. Notice of any special meeting of the Board of Directors shall be given at least five (5) days previously thereto by written notice delivered personally or sent by mail or telegram to each Director at his address as shown in the records of the Corporation. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail in a sealed envelope so addressed, with postage prepaid. If notice be given by telegram, such notice shall be deemed to be delivered when the telegram is delivered to the telegraph company. Any Director may waive notice of any meeting. The attendance of a Director at any meeting shall constitute a waiver of notice of such meeting, except where a Director attends a meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened. The business to be transacted at, and the purpose of,

Section 3. Number, Qualifications, Election and Tenure of Director. The number of Directors shall be five. Directors need not be residents of the District of Columbia.

The initial Board of Directors shall be composed of those Directors named in the Corporation's Articles of Incorporation as filed with the Corporate Division of the Business Regulation Administration of the Department of Consumer and Regulatory Affairs for the District of Columbia. Each Director shall hold office from the date of the Organization Meeting of the Corporation until the first annual meeting of the Board of Directors and until his successor is elected and qualified. At each annual meeting of the Board of Directors, the Directors shall stand for re-election to the Board of Directors for a one (1) year term of office and until their respective successors are elected and qualified. Each successor Director shall hold office for a term of one (1) year. Election to the Board of Directors shall be by majority vote of the then members of the Board of Directors.

Section 4. Vacancies. Any vacancy occurring in the Board of Directors that shall occur prior to the expiration of a term shall be filled by such person as shall be appointed by the then Chairman of the Board of Directors of the Corporation. A Director so appointed to fill a vacancy shall hold office for the unexpired term of his predecessor in office.

any special meeting of the Board of Directors need not be specified in the notice or waiver of notice of such meeting.

Section 8. Quorum. A majority of the total number of members of the Board of Directors shall constitute a quorum for the transaction of business at any meeting of the Board; but, if less than a majority of the Directors are present at said meeting, a majority of the Directors present may adjourn the meeting from time to time without further notice.

Section 9. Manner of Acting. The Board of Directors shall act only by majority vote at a meeting at which a quorum is present unless the act of a greater number is required by law or by these By-laws. Members of the Board of Directors may participate in a meeting of such Board by means of a conference telephone or similar communications equipment whereby all persons participating in the meeting can hear each other, and participation by such means shall constitute presence in person at such a meeting. When a meeting is conducted by means of a conference telephone or similar communications equipment, a written record shall be made of the action taken at such meeting.

Section 10. Compensation. Directors as such shall not receive any stated salaries for their services, but by resolution of the Board of Directors a fixed sum and expenses may be allowed for attendance at each annual or special meeting of the Board; but nothing herein contained shall be construed to preclude any Director from serving the Corporation in any other capacity and receiving compensation therefor.

Section 11. Informal Action by Directors. Any action required to be taken at a meeting of Directors, or any action which may be taken at a meeting of Directors, may be taken without a meeting if a consent in writing setting forth the action so taken, shall be signed by all of the Directors.

Section 12. Resignation of Directors. A Director may resign from the Board of Directors at any time by giving written notice of his resignation addressed to the President or Secretary of the Corporation, or by presenting his written resignation at an annual or special meeting of the Board of Directors.

ARTICLE V

Officers

Section 1. Officers. The officers of the Corporation shall be a President, a Vice President, a Secretary and a Treasurer and such other offices as may be elected in accordance with the provisions of this Article. The Board of Directors may elect or appoint such other officers including an Executive Director or one or more Assistant Secretaries, and one or more Assistant Treasurers, as it shall deem desirable, such officers to have the authority and perform the duties prescribed, from time to time, by the Board of Directors. Any two or more offices may be held by the same person, except the offices of President and Secretary.

Section 2. Election and Term of Office. The officers of the Corporation shall be elected by the Board of Directors at each annual meeting of the Board. If the election of officers shall not be held at such meeting, such election shall be held as soon thereafter as conveniently may be. New offices may be created and filled at any meeting of the Board of Directors. Each officer shall hold office for a term of one (1) year and until his successor shall have been duly elected and qualified.

Section 3. Removal. Any officer elected or appointed by the Board of Directors may be removed by the Board upon an affirmative vote of two-thirds of the entire Board of Directors, whenever in its judgment the best interests of the Corporation would be served thereby.

Section 4. Vacancies. A vacancy in any office because of death, resignation, removal, disqualification or otherwise, shall be filled by such person as shall be appointed thereto by the then Chairman of the Board of Directors for the unexpired portion of the term to which he or she succeeds.

Section 5. President. The President shall be the chief executive officer of the Corporation and shall, in general, supervise and control all of the business and affairs of the Corporation. He shall preside at all meetings of the Board of Directors as Chairman of the Board of Directors. He may sign, with the Secretary or any other proper officer of the Corporation authorized by the Board of Directors, any deed, mortgages, bonds, contracts, or other instruments which the Board of Directors has

authorized to be executed, except in cases where the signing and execution thereof shall be expressly delegated by the Board of Directors or by these By-laws or by statute to some other officer or agent of the Corporation; and, in general he shall perform all duties incident to the office of President and such other duties as may be prescribed by the Board of Directors from time to time.

Section 6. Vice President. In the event of the death or resignation of the President, the Vice President, if there shall be one or if not, the Treasurer, shall have all powers of, and be subject to all restrictions upon, the President.

Section 7. Treasurer. The Treasurer shall have charge and custody of and be responsible for all funds and securities of the Corporation; receive and give receipts for monies due and payable to the Corporation from any source whatsoever, and deposit all such monies in the name of the Corporation in such banks, trust companies or other depositories as shall be selected in accordance with the provisions of Article VI of these By-laws; and, in general, perform all the duties as from time to time may be assigned to him by the President or by the Board of Directors. If required by the Board of Directors, the Treasurer shall give a bond for the faithful discharge of his duties in such sum and with such surety or sureties as the Board of Directors shall determine.

Section 8. Secretary. The Secretary shall keep the minutes of the meetings of the Board of Directors in one or more books provided for that purpose; see that all notices are duly

given in accordance with the provisions of these By-laws or as required by law; be custodian of the corporate records and of the seal of the Corporation and see that the seal of the Corporation is affixed to all documents, the execution of which on behalf of the Corporation under this seal is duly authorized in accordance with the provisions of these By-laws; keep a register of the post office address of each Director which shall be furnished to the Secretary by such Director; and in general perform all duties incident to the office of secretary and such other duties as from time to time may be assigned to him by the President or by the Board of Directors.

Section 9. Assistant Secretaries and Assistant Treasurers. The Assistant Treasurers and Assistant Secretaries, in general, shall perform such duties as shall be assigned to them by the Treasurer, the Secretary, the President, or by the Board of Directors. If required by the Board or Directors, the Assistant Treasurers shall give bonds for the faithful discharge of their duties in such sums and with such sureties as the Board of Directors shall determine.

ARTICLE VI

Committees

Section 1. Executive Committee of Directors. The Board of Directors may designate and appoint an Executive Committee, which shall consist of two or more Directors, one of whom shall be the President of the Corporation, which committee shall have and exercise the authority of the Board of Directors

in the management of the Corporation during the intervals between meetings; provided, however, that such committee shall not have the authority of the Board of Directors in reference to amending altering or repealing the By-laws; electing appointing or removing any Director of the Corporation; amending the Articles of Incorporation; adopting a plan of merger or adopting a plan of consolidation with another corporation; authorizing the sale, lease, exchange or mortgage of all or substantially all of the property and assets of the Corporation; authorizing the voluntary dissolution of the Corporation or revoking proceedings therefor; or amending, altering or repealing any resolution of the Board of Directors which by its terms provides that it shall not be amended, altered or repealed by such committee. The designation and appointment of any such committee and the delegation thereto of authority shall not operate to relieve the Board of Directors or any individual Director, of any responsibility imposed upon it or him by law.

Section 2. National Advisory Committee and Other Committees. The Board of Directors may also appoint such other committees, including a National Advisory Committee, as the Board may determine, which shall have such powers and duties as shall from time to time be prescribed by the Board. The President shall be a member ex-officio of each committee appointed by the Board of Directors.

Section 3. Term of Office. Each member of a committee shall continue as a member thereof until the next annual meeting

of the Directors of the Corporation and until his successor is appointed, unless the committee shall be sooner terminated, or unless such member be removed from such committee, or unless such member shall cease to qualify as be member thereof.

Section 4. Chairman of Committees. One member of each committee shall be appointed Chairman thereof; provided, however, that the President shall appoint the Chairman of the National Advisory Committee and shall serve as the Chairman of the Executive Committee.

Section 5. Vacancies. Vacancies in the membership of any committee may be filled by appointments made in the same manner as provided in the case of the original appointments.

Section 6. Quorum. Unless otherwise provided in the resolution of the Board of Directors designating a committee, a majority of the whole committee shall constitute a quorum and the act of a majority of the members present at a meeting at which a quorum is present shall be the act of the committee.

Section 7. Rules. Each committee may adopt rules for its own government not inconsistent with these By-laws or with rules adopted by the Board of Directors.

ARTICLE VII

Contracts, Checks, Deposits and Funds

Section 1. Contracts. The Board of Directors may authorize any officer or officers, agent or agents of the Corporation, in addition to the officers so authorized by these By-laws, to enter into a contract or execute and deliver any

instrument in the name of and on behalf of the Corporation, and such authority may be general or confined to specific instances.

Section 2. Checks, Drafts, etc. All checks, drafts or orders for the payment of money, notes or other evidences of indebtedness issued in the name of the Corporation shall be signed by officer or officers, agent or agents of the Corporation as shall from time to time be determined by resolution of the Board of Directors.

Section 3. Deposits. All funds of the Corporation shall be deposited from time to time to the credit of the Corporation in such banks, trust companies or other depositories as the Board of Directors may select.

Section 4. Gifts and Contributions. The Board of Directors may accept on behalf of the Corporation any contribution, gift, bequest or devise for the general purposes or for any special purpose of the Corporation. Such contributions, gifts, bequests, or devises shall be in conformity with the laws of the United States, the District of Columbia, or any other relevant jurisdiction.

ARTICLE VIII

Books and Records

The Corporation shall keep correct and complete books and records of account and shall also keep minutes of the proceedings of its Board of Directors and committees having any of the authority of the Board of Directors.

ARTICLE IX

Fiscal Year

The fiscal year of the Corporation shall begin on the first day of January and end on the last day of December in each year.

ARTICLE X

Seal

The Board of Directors shall provide a corporate seal, which shall be in the form of a circle and shall have inscribed thereon the words: "SENTINEL, District of Columbia, 1985."

ARTICLE XI

Waiver of Notice

Whenever any notice is required to be given under the provisions of the District of Columbia Nonprofit Corporation Act or under the provisions of the Articles of Incorporation or the By-laws of the Corporation, a waiver thereof in writing signed by the person or persons entitled to such notice, whether before or after the time stated therein, shall be deemed equivalent to the giving of such notice.

ARTICLE XII

Indemnification

The Corporation shall indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending, or completed action, suit or proceeding, whether criminal, administrative or investigative (including an action or

suit by or in the right of the Corporation to procure a judgment in its favor) by reason of the fact that he is or was serving at the request of the Corporation, or is or was serving at the request of the Corporation as a director or officer of another corporation, parntership, joint venture, trust, or other enterprise, against judgments, fines, amounts paid in settlement and expenses (including attorneys fees) actually and reasonably incurred by him in connection with such action, suit or proceeding except only in relation to any claim, issue or matter as to which such person shall have finally adjudged to be liable for his gross negligence or willful misconduct. Each such indemnity shall inure to the benefit of the heirs, executors and administrators of such person.

Any such indemnity shall (unless authorized by a court) be made by the Corporation only as authorized in the specific case upon a determination that the director or officer was not guilty of gross negligence or willful misconduct in the performance of his duty and, in case of settlement, that such settlement was, or if still be made, is consistent with such indemnity and the best interests of the Corporation. Such determination shall be made by the Board of Directors by a majority vote of a quorum.

ARTICLE XIII

Dissolution

The Corporation may dissolve and wind up its affairs in accordance with the procedures set forth in the District of Columbia Nonprofit Corporation Act. Upon dissolution of the

Corporation and the winding up of its affairs, the assets of the Corporation shall be distributed exclusively to charitable, religious, scientific, literary or educational organizations which would then qualify under the provisions of Sections 501(c)(3), 501(c)(4), or successor Sections, of the Internal Revenue Code and the Regulations promulgated thereunder.

ARTICLE XIV

Amendments to By-laws

These By-laws may be altered, amended or repealed and new By-laws may be adopted by the affirmative two-thirds vote of the Directors present at any annual meeting or at any special meeting if at least five days written notice is given of intention to alter, amend or repeal or to adopt new By-laws at such meeting.

SIMMERMACHER & FELTS
CERTIFIED PUBLIC ACCOUNTANTS
1023 POTOMAC STREET, N.W.
WASHINGTON, D.C. 20007
(202) 337-5400

MEMBERS: AMERICAN INSTITUTE OF
CERTIFIED PUBLIC ACCOUNTANTS

Board of Directors
Sentinel Corporation

We have examined the statement of revenue of the Sentinel Corporation for the year ended December 31, 1986. Our examination was made in accordance with generally accepted auditing standards and, accordingly, included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

We are in the process of examining the financial statements of the Sentinel Corporation for the years ended December 31, 1986 and 1985 and will issue our report thereon in the near future.

In our opinion, the statement of revenue referred to above presents fairly the revenue of the Sentinel Corporation for the year ended December 31, 1986, in conformity with generally accepted accounting principles applied on a consistent basis.

Simmermacher & Felts

Washington, D.C.
March 5, 1987

C0040794

Sentinel Corporation
Statement of Revenue
for the year ended December 31, 1986

| | Amount | % |
|---|---|---|
| Contributions from private individuals in the United States | $329,215 | 81.5% |
| Contributions from foundations in the United States | 65,828 | 16.3 |
| Contributions from corporations in the United States | 11,005 | 2.7 |
| Realized losses on securities | (2,628) | (0.6) |
| Dividend and interest income | 364 | 0.1 |
| | $403,784 | 100.0% |

See accompanying accountants' report

Internal Revenue Service
District Director

Department of the Treasury

Date: FEB 7 1986

OMB Clearance Number:
1545-0056
Employer Identification Number:
52-1417701
Contact Person:
R.E. REULING
Contact Telephone Number:
301-962-4773

SENTINEL
C/O SEDAM & HERGE
J CURTIS HERGE
SUITE 1000 8300 GREENSBORO DRIVE
MCLEAN, VA 22102

Internal Revenue Code
Section 501(c)(4)

Accounting Period Ending:
DECEMBER 31

Form 990 Required: YES

0 0 4 0 7 9 4 4 0 8

Dear Applicant:

Based on information supplied, and assuming your operations will be as stated in your application for recognition of exemption, we have determined you are exempt from Federal income tax under the provisions of the Internal Revenue Code section indicated above.

Unless specifically excepted, you are liable for taxes under the Federal Insurance Contributions Act (social security taxes) for each employee to whom you pay $100 or more duirng a calendar year. And, unless excepted, you are also liable for tax under the Federal Unemployment Tax Act for each employee to whom you pay $50 or more during a calendar quarter if, during the current or preceding calendar year, you had one or more employees at any time in each of 20 calendar weeks or you paid wages of $1,500 or more in any calendar quarter. If you have any question about excise, employment or other Federal taxes, please address them to this office.

If your purposes, character, or method of operation change, please let us know so we can consider the effect of the change on your exempt status. Also, you should inform us of all changes in your name and address.

Because you are not an organization described in section 170(c) of the Code, donors may not deduct contributions to you. You should advise your contributors to that effect.

The block checked at the top of this letter shows whether you must file Form 990, Return of Organization Exempt from Income Tax. If the Yes box is checked, you are only required to file Form 990 if your gross receipts each year are normally more than $25,000. If a return is required, it must be filed by the 15th day of the fifth month after the end of your annual accounting period. The law provides for a penalty of $10 a day, up to a maximum of $5,000, when a return is filed late, unless there is reasonable cause for the delay. This penalty may also be charged if a return is not

SENTINEL

complete. So please make sure your return is complete before you file it.

You are not required to file Federal income tax returns unless you are subject to the tax on unrelated business income under section 511 of the Internal Revenue Code. If you are subject to this tax, you must file an income tax return on Form 990-T, Exempt Organization Business Income Tax Return. In this letter we are not determining whether any of your present or proposed activities are unrelated trade or business as defined in section 513.

You need and employer identification number even if you have no employees. If an employer identification number was not entered on your application, a number will be assigned to you and you will be advised of it. Please use that number on all returns you file and in all correspondence with the Internal Revenue Service.

Because this letter could help resolve any questions about your exempt status, you should keep it in your permanent records.

If you have any questions, please contact the person whose name and telephone number are shown in the heading of this letter.

Sincerely yours,

Teddy R. Kern

Teddy R. Kern
District Director

"cc" Power of Attorney
J. Curtis Herge
Donna Lynn Miller
Sedam and Herge
8300 Greenspring Drive Suite 1100
Mc Lean, Va. 22102

MEMORANDUM

DATE: 1/5/86
TO: SPITZ
FROM: STEVE
RE: GOODMAN ANALYSIS 1985 AND 1986

Presented below is the summary of billings from Goodman Agency and the corresponding payments for the years 1985 and 1986.

9004079450

ROBERT GOODMAN AGENCY
1985 PROJECT INVOICES

AMOUNT INVOICED

0004079451

MEMORANDUM

DATE 1/5/87

TO: SPITZ

FROM: STEVE

RE: GOODMAN ANALYSIS 1985 AND 1986

Summarized below are the results of the audit I performed on the billing from Goodman and the payments thereon.

0004079502

HERGE, SPARKS, CHRISTOPHER & BIONDI
ATTORNEYS AT LAW
SUITE 200
8201 GREENSBORO DRIVE
McLEAN, VIRGINIA 22102
(703) 848-4700

J. CURTIS HERGE
ROBERT R. SPARKS, JR.
A. MARK CHRISTOPHER
GEORGE V. BIONDI
DONNA LYNN MILLER
CARRIE LEE GLASER

TELECOPIER NUMBER
(703) 893-7371

FEDERAL ELECTION COMMISSION
83FEB-1 P12:57

January 29, 1988

83FEB-1 P1:00

Susan Beard, Esq.
Office of General Counsel
Federal Election Commission
999 E Street, N.W.
Washington, D. C. 20463

RE: MUR 2406 - American Conservative Trust

Dear Ms. Beard:

This letter is written on behalf of American Conservative Trust (hereinafter referred to as "ACT") in response to the letter from the Chairman of the Federal Election Commission to me, dated December 17, 1987, advising us that the Commission has found reason to believe that ACT violated 2 U.S.C. §433(b)(2).

In furtherance of the discussions had at our meeting on Wednesday, January 20, 1988,

ACT is providing and/or stipulating the following:

1) Enclosed is a copy of the Articles of Incorporation of ACT, dated September 17, 1984; its Certificate of Incorporation, dated October 16, 1984; and, its Bylaws.

2) The incorporators of ACT were: Carl R. Channell, Albert Ferri, Jr. and Roger Wilkins.

3) The addresses of ACT were: 305 Fourth Street, N.E., Washington, D.C. from date of organization until August, 1986; 1331 Pennsylvania Avenue, N.W., Washington, D.C. from August, 1986 until June, 1987; and, 515 Second Street, N.E., Washington, D.C. from June, 1987, until the present.

4) The members of the Board of Directors of ACT were:

Carl R. Channell - October 16, 1984 to the present
Roger Wilkins - October 16, 1984 to June 15,1987
Albert Ferri, Jr. - October 16, 1984 to December 18, 1985
John Ramsey - October 16, 1984 to the present

5) The corporate officers of ACT were:

Carl R. Channell, Chairman - October 16, 1984 to the present
Roger Wilkins, Secretary - October 16, 1984 to June 15, 1987
Albert Ferri, Jr., Treasurer - October 16, 1984 to December 18, 1985
F. Clifton Smith, Treasurer - December 18, 1985 to May 28, 1987
Carl R. Channell, Treasurer - July 22, 1987 to the present

6) ACT maintained its bank account at The Palmer National Bank in Washington, D.C.

7) ACT's accounts, books and records were maintained separate and apart from those of any other organization and person. Upon the best information available, they were maintained by Michael D. Barnes and Stephen McMahon, who were consultants and/or

0004707

employees of ACT. Messrs. Barnes and McMahon were the individuals responsible for, among other things, allocating overhead and other expenses between ACT and other organizations which used common facilities, equipment and personnel. They were also responsible for the payment of invoices. The last known address for Mr. Barnes and Mr. McMahon was 1322 Corcoran Street, N.W., Washington, D. C. 20009.

8) The accounting firm of Simmermacher & Felts audited the revenues of ACT for the year ended December 31, 1986. A copy of their report is enclosed. Upon information and belief, Simmermacher & Felts did not compile a similar report for 1985, nor did they compile financial statements for 1985 or 1986 as suggested in their report.

9) Enclosed is a Statement of Assets of ACT as of December 31, 1986; a Statement of Operations of ACT for 1986; and, a listing of contributions (by date, contributor and amount) to ACT in 1986. These materials were prepared, upon information and belief, by Stephen McMahon.

10) Enclosed are detailed listings of 1985 and 1986 project invoices rendered by the Robert Goodman Agency for the production and broadcast of television advertisements by ACT, National Endowment for the Preservation of Liberty, Sentinel and American Conservative Trust-State Election Fund, together with an accompanying "analysis" prepared by Stephen McMahon. The analysis is dated "1/5/86," but, because it includes data through December, 1986, it is evident the analysis should have been dated "1/5/87." A separate "analysis" dated "1/5/87," reflecting the same figures in a different format is also enclosed.

One programmatic activity of ACT consisted of the television advertising program described in our letter to the Commission dated July 16, 1987. With respect to the television advertising program, Mr. McMahon's analysis reveals that, in 1986, the National Endowment for the Preservation of Liberty advanced funds on behalf of ACT in payment of invoices for the production and broadcast of independent expenditure commercials in opposition to Tim Wirth. Further, it was discovered in 1987 that American Conservative Trust-State Election Fund had been advancing funds to defray the administrative expenses of ACT. As a result, ACT amended its reports filed with the Federal Election Commission in order to identify, to the extent possible, the funds so expended.

ACT asserts, for the record, that the financial statement and financial records described in paragraphs (9) and (10), and which are submitted herewith, are proprietary records, not subject to disclosure under the Freedom of Information Act. Further, ACT does not consent to this letter and its enclosures being made part of the public record in this matter.

We look forward to assisting you and in working with you in this matter.

Sincerely yours,

J. Curtis Herge
Counsel to American Conservative Trust

:sbl

Enclosures

0004079450

ARTICLES OF INCORPORATION

OF

AMERICAN CONSERVATIVE TRUST, INC.

To: Recorder of Deeds
Washington, D.C.

We, the undersigned natural persons of the age of eighteen years or more, acting as incorporators of a corporation, adopt the following Articles of Incorporation for such a corporation pursuant to the District of Columbia Nonprofit Corporation Act.

FIRST: The name of the corporation is AMERICAN CONSERVATIVE TRUST, INC., hereinafter referred to as the "Corporation."

SECOND: The period of its duration is perpetual.

THIRD: The objects and purposes of the Corporation, which is not formed for pecuniary profit or financial gain, shall be to receive contributions, or to make expenditures, or both, directly or indirectly, for the purpose of influencing the selection, appointment, nomination for election, or election, of any person to any public office or for the purpose of influencing the results of a state or local primary election, caucus, or convention held for the selection of delegates to a nominating convention of a political party, or for the expression of a preference for the nomination of persons for the election to public office or party position, or for the purpose of aiding or promoting the success or defeat of a political party or principle, or of any question submitted to vote at a public election.

Notwithstanding the generality of the foregoing, the Corporation shall not engage in or include among its purposes any activities in contravention of any law, statute or regulation which would cause the Corporation to be disqualified from



FILED OCT 16 1984

BY

incorporating under the Nonprofit Corporation Act of the District of Columbia or of qualifying to conduct business in any State as the Board of Directors shall determine.

FOURTH: The Corporation shall have no members.

FIFTH: The Directors of the Corporation shall hold office for a term of one year, and until their respective successors have been elected and qualified, and shall, with the exception of the initial Directors, be elected by a majority vote of the Directors in office immediately preceding the expiration of each term. Any vacancy in the Board of Directors that shall occur prior to the expiration of a term shall be filled by such person as shall be elected by the remaining members of the then Board of Directors and the person so elected shall hold office until the expiration of the term to which he or she succeeded.

SIXTH: The post office address of the initial registered office is 305 Fourth Street, N.E., Washington, D.C. 20002. The name of its initial registered agent is Carl R. Channell.

SEVENTH: The number of Directors constituting the initial Board of Directors is four (4) and the names and addresses of the persons who are to serve as the initial Directors are:

| Name | Address |
|---|---|
| Carl R. Channell | 2032 Belmont Road, N.W.<br>Washington, D.C. 20009 |
| Roger Wilkins | 48 Hawthorne Court, N.E.<br>Washington, D.C. 20017 |
| Albert Ferri, Jr. | 3146 Q Street, N.W.<br>Washington, D.C. 20007 |
| John Ramsey | 3510 Cranbrook<br>Wichita Falls, Texas 76308 |

EIGHTH: The names and addresses, including street and number, of the Incorporators are:

| Name | Address |
|---|---|
| Carl R. Channell | 2032 Belmont Road, N.W.<br>Washington, D.C. 20009 |
| Roger Wilkins | 48 Hawthorne Court, N.E.<br>Washington, D.C. 20017 |
| Albert Ferri, Jr. | 3146 Q Street, N.W.<br>Washington, D.C. 20007 |

IN WITNESS WHEREOF, for the purposes of forming the Corporation under the laws of the District of Columbia, the undersigned Incorporators have executed these Articles of Incorporation the 17th day of ~~July~~ Sept., 1984.

CARL R. CHANNELL

ROGER WILKINS

ALBERT FERRI, JR.

DISTRICT OF COLUMBIA) to-wit:

I, the undersigned, a Notary Public, do hereby certify that on the 17th day of ~~July~~ Sept., 1984, personally appeared before me CARL R. CHANNELL, ROGER WILKINS and ALBERT FERRI, JR., who signed the foregoing document as Incorporators, and acknowledged that the statements therein contained are true.

Wilburn L. Boddie
Notary Public

My Commission Expires: July 31, 1989

BUSINESS REGULATION ADMINISTRATION
CORPORATION DIVISION
614 H STREET, N.W.
WASHINGTON, D.C. 20001

# C E R T I F I C A T E

THIS IS TO CERTIFY that all provisions of the District of Columbia Non-profit Corporation Act have been complied with and ACCORDINGLY this Certificate of Incorporation

is hereby issued to the AMERICAN CONSERVATIVE TRUST, INC.

as of the date hereinafter mentioned.

Date October 16, 1984

Carol B. Thompson
Director

Shelby Finch
Assistant Superintendent of Corporations

GOVERNMENT OF THE DISTRICT OF COLUMBIA
MARION BARRY, JR., MAYOR
APRIL 1981

0004074510

BY-LAWS

OF

AMERICAN CONSERVATIVE TRUST, INC.

ARTICLE I

Offices

Section 1. Registered Office. The Corporation shall have and continuously maintain in the District of Columbia a registered office, with a registered agent whose business office is identical with such registered office, as required by the District of Columbia Nonprofit Corporation Act. The address of the registered office may be changed from time to time by the Board of Directors.

Section 2. Other Offices. The Corporation may also have an office or offices at such other place or places within or without the District of Columbia as the Board of Directors may, from time to time, designate and as the business of the Corporation may require.

ARTICLE II

Purpose

Section 1. Nature of Corporation. The Corporation is a nonprofit, nonmember corporation formed under the District of Columbia Nonprofit Corporation Act, which is organized and shall be exclusively operated as a political committee under the

provisions of the Federal Election Campaign Act of 1971, as amended, of the United States of America.

Section 2. Primary Purpose. The Corporation is organized and shall be exclusively operated in accordance with its Articles of Incorporation and filed with the Corporate Division of the Business Regulation Administration of the Department of Consumer and Regulatory Affairs of the District of Columbia.

ARTICLE III

Members

The Corporation shall have no members.

ARTICLE IV

Board of Directors

Section 1. General Powers. Management and control of the property, affairs and business of the Corporation shall be exercised by the Board of Directors, who may delegate to officers and to committees such powers as provided for in these By-laws.

Section 2. Number, Qualifications, Election and Tenure of Director. The number of Directors shall be four (4). Directors need not be residents of the District of Columbia.

The initial Board of Directors shall be composed of those Directors named in the Corporation's Articles of Incorporation filed with the Corporate Division of the Business Regulation Administration of the Department of Consumer and Regulatory Affairs for the District of Columbia. Each Director

shall hold office from the date of the Organization Meeting of the Corporation until the first annual meeting of the Board of Directors and until his successor is elected and qualified. At each annual meeting of the Board of Directors, the Directors shall stand for re-election to the Board of Directors for a one (1) year term of office and until their respective successors are elected and qualified. Each successor Director shall hold office for a term of one (1) year. Election to the Board of Directors shall be by majority vote of the then members of the Board of Directors.

Section 3. Vacancies. Any vacancy occurring in the Board of Directors that shall occur prior to the expiration of a term shall be filled by such person as shall be elected by the remaining members of the then Board of Directors of the Corporation. A Director so elected to fill a vacancy shall hold office for the unexpired term of his predecessor in office.

Section 4. Annual Meetings. The annual meeting of the Board of Directors shall be held without other notice than this By-law, at the Corporation's principal office on the first Monday in February of each year.

Section 5. Special Meetings. Special meetings of the Board of Directors may be called by or at the request of the Chairman or by a majority of the Directors. The person or persons authorized to call special meetings of the Board of Directors may fix any place, either within or without the

District of Columbia, as the place for holding any special meeting of the Board called by them.

Section 6. Notice. Notice of any special meeting of the Board of Directors shall be given at least five (5) days previously thereto by written notice delivered personally or sent by mail or telegram to each Director at his address as shown in the records of the Corporation. If mailed, such notice shall be deemed to be delivered when deposited in the United States mail in a sealed envelope so addressed, with postage prepaid. If notice be given by telegram, such notice shall be deemed to be delivered when the telegram is delivered to the telegraph company. Any Director may waive notice of any meeting. The attendance of a Director at any meeting shall constitute a waiver of notice of such meeting, except where a Director attends a meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened. The business to be transacted at, and the purpose of, any special meeting of the Board of Directors need not be specified in the notice or waiver of notice of such meeting.

Section 7. Quorum. A majority of the members of the Board of Directors shall constitute a quorum for the transaction of business at any meeting of the Board; but, if less than a majority of the Directors are present at said meeting, a majority of the Directors present may adjourn the meeting from time to time without further notice.

Section 8. Manner of Acting. The Board of Directors shall act only by majority vote at a meeting at which a quorum is present. Members of the Board of Directors may participate in a meeting of such Board by means of a conference telephone or similar communications equipment whereby all persons participating in the meeting can hear each other, and participation by such means shall constitute presence in person at such a meeting. When a meeting is conducted by means of a conference telephone or similar communications equipment, a written record shall be made of the action taken at such meeting.

Section 9. Compensation. Directors as such shall not receive any stated salaries for their services, but by resolution of the Board of Directors a fixed sum and expenses of attendance may be allowed for attendance at each annual or special meeting of the Board; but nothing herein contained shall be construed to preclude any Director from serving the Corporation in any other capacity and receiving compensation therefor.

Section 10. Informal Action by Directors. Any action required to be taken at a meeting of Directors, or any action which may be taken at a meeting of Directors, may be taken without a meeting if a consent in writing setting forth the action so taken, shall be signed by all of the Directors.

Section 11. Resignation of Directors. A Director may resign from the Board of Directors at any time by giving written notice of his resignation in writing addressed to the Chairman or

Secretary of the Corporation, or by presenting his written resignation at an annual or special meeting of the Board of Directors.

## ARTICLE V

## Officers

Section 1. Officers. The officers of the Corporation shall be a Chairman, a Secretary and a Treasurer and such other offices as may be elected in accordance with the provisions of this Article. The Board of Directors may elect or appoint such other officers including a Vice Chairman, an Executive Director, one or more Assistant Secretaries, and one or more Assistant Treasurers, as it shall deem desirable, such officers to have the authority and perform the duties prescribed, from time to time, by the Board of Directors. Any two or more offices may be held by the same person, except the offices of Chairman and Secretary.

Section 2. Election and Term of Office. The officers of the Corporation shall be elected by the Board of Directors at each annual meeting of the Board. If the election of officers shall not be held at such meeting, such election shall be held as soon thereafter as conveniently may be. New offices may be created and filled at any meeting of the Board of Directors. Each officer shall hold office for a term of one (1) year and until his successor shall have been duly elected and qualified.

Section 3. Removal. Any officer elected or appointed by the Board of Directors may be removed by the Board upon an

affirmative vote of the entire Board of Directors, whenever in its judgment the best interests of the Corporation would be served thereby.

Section 4. Vacancies. A vacancy in any office because of death, resignation, removal, disqualification or otherwise, shall be filled by such person as shall be appointed by the Chairman of the Corporation for the unexpired portion of the term to which he or she succeeds.

Section 5. Chairman. The Chairman shall be the chief executive officer of the Corporation and shall, in general, supervise and control all of the business and affairs of the Corporation. He shall preside at all meetings of the Board of Directors as Chairman of the Board of Directors. He may sign, with the Secretary or any other proper officer of the Corporation authorized by the Board of Directors, any deed, mortgages, bonds, contracts, or other instruments which the Board of Directors has authorized to be executed, except in cases where the signing and execution thereof shall be expressly delegated by the Board of Directors or by these By-laws or by statute to some other officer or agent of the Corporation; and, in general he shall perform all duties incident to the office of Chairman and such other duties as may be prescribed by the Board of Directors from time to time.

Section 6. Vice Chairman. In the event of the death or resignation of the Chairman, the Vice Chairman, if there shall

be one or if not, the Treasurer, shall have all powers of, and be subject to all restrictions upon, the Chairman.

Section 7. Treasurer. The Treasurer shall have charge and custody of and be responsible for all funds and securities of the Corporation; receive and give receipts for moneys due and payable to the Corporation from any source whatsoever, and deposit all such moneys in the name of the Corporation in such banks, trust companies or other depositories as shall be selected in accordance with the provisions of Article VII of these By-laws; and, in general, perform all the duties as from time to time may be assigned to him by the Chairman or by the Board of Directors. If required by the Board of Directors, the Treasurer shall give a bond for the faithful discharge of his duties in such sum and with such surety or sureties as the Board of Directors shall determine.

Section 8. Secretary. The Secretary shall keep the minutes of the meetings of the Board of Directors in one or more books provided for that purpose; see that all notices are duly given in accordance with the provisions of these By-laws or as required by law; be custodian of the corporate records and of the seal of the Corporation and see that the seal of the Corporation is affixed to all documents, the execution of which on behalf of the Corporation under this seal is duly authorized in accordance with the provisions of these By-laws; keep a register of the post office address of each Director which shall be furnished to the

Secretary by such Director; and in general perform all duties incident to the office of secretary and such other duties as from time to time may be assigned to him by the Chairman or by the Board of Directors.

Section 9. Assistant Secretaries and Assistant Treasurers. The Assistant Treasurers and Assistant Secretaries, in general, shall perform such duties as shall be assigned to them by the Treasurer, the Secretary, the Chairman, or by the Board of Directors. If required by the Board or Directors, the Assistant Treasurers shall give bonds for the faithful discharge of their duties in such sums and with such sureties as the Board of Directors shall determine.

ARTICLE VI

Committees

Section 1. Executive Committee of Directors. The Board of Directors may designate and appoint an Executive Committee, which shall consist of two or more Directors, one of whom shall be the Chairman of the Corporation, which committee shall have and exercise the authority of the Board of Directors in the management of the Corporation during the intervals between meetings; provided, however, that such committee shall not have the authority of the Board of Directors in reference to amending altering or repealing the By-laws; electing appointing or removing any Director of the Corporation; amending the Articles of Incorporation; adopting a plan of merger or adopting a plan of

consolidation with another corporation; authorizing the sale, lease, exchange or mortgage of all or substantially all of the property and assets of the Corporation; authorizing the voluntary dissolution of the Corporation or revoking proceedings therefor; or amending, altering or repealing any resolution of the Board of Directors which by its terms provides that it shall not be amended, altered or repealed by such committee. The designation and appointment of any such committee and the delegation thereto of authority shall not operate to relieve the Board of Directors or any individual Director, of any responsibility imposed upon it or him by law.

Section 2. National Advisory Committee and Other Committees. The Board of Directors may also appoint such other committees, including a National Advisory Committee, as the Board may determine, which shall have powers and duties as shall from time to time be prescribed by the Board. The Chairman shall be a member ex-officio of each committee appointed by the Board of Directors.

Section 3. Term of Office. Each member of a committee shall continue as a member thereof until the next annual meeting of the Directors of the Corporation and until his successor is appointed, unless the committee shall be sooner terminated, or unless such member be removed from such committee, or unless such member shall cease to qualify as be member thereof.

Section 4. Chairman of Committees. One member of each committee shall be appointed Chairman thereof; provided, however, that the Chairman shall appoint the Chairman of the National Advisory Committee and shall serve as the Chairman of the Executive Committee.

Section 5. Vacancies. Vacancies in the membership of any committee may be filled by appointments made in the same manner as provided in the case of the original appointments.

Section 6. Quorum. Unless otherwise provided in the resolution of the Board of Directors designating a committee, a majority of the whole committee shall constitute a quorum and the act of a majority of the members present at a meeting at which a quorum is present shall be the act of the committee.

Section 7. Rules. Each committee may adopt rules for its own government not inconsistent with these By-laws or with rules adopted by the Board of Directors.

ARTICLE VII

Contracts, Checks, Deposits and Funds

Section 1. Contracts. The Board of Directors may authorize any officer or officers, agent or agents of the Corporation, in addition to the officers so authorized by these By-laws, to enter into a contract or execute and deliver any instrument in the name of and on behalf of the Corporation, and such authority may be general or confined to specific instances.

Section 2. Checks, Drafts, etc. All checks, drafts or orders for the payment of money, notes or other evidences of indebtedness issued in the name of the Corporation shall be signed by officer or officers, agent or agents of the Corporation as shall from time to time be determined by resolution of the Board of Directors.

Section 3. Deposits. All funds of the Corporation shall be deposited from time to time to the credit of the Corporation in such banks, trust companies or other depositories as the Board of Directors may select.

Section 4. Gifts and Contributions. The Board of Directors may accept on behalf of the Corporation any contribution, gift, bequest or devise for the general purposes or for any special purpose of the Corporation. Such contributions, gifts, bequests, or devises shall be in conformity with the laws of the United States, the District of Columbia, or any other relevant jurisdiction.

ARTICLE VIII

Books and Records

The Corporation shall keep correct and complete books and records of account and shall also keep minutes of the proceedings of its Board of Directors and committees having any of the authority of the Board of Directors.

ARTICLE IX

Fiscal Year

The fiscal year of the Corporation shall begin on the first day of January and end on the last day of December in each year.

ARTICLE X

Seal

The Board of Directors shall provide a corporate seal, which shall be in the form of a circle and shall have inscribed thereon the words: "AMERICAN CONSERVATIVE TRUST, INC., District of Columbia, 1984."

ARTICLE XI

Waiver of Notice

Whenever any notice is required to be given under the provisions of the District of Columbia Nonprofit Corporation Act or under the provisions of the Articles of Incorporation or the By-laws of the Corporation, a waiver thereof in writing signed by the person or persons entitled to such notice, whether before or after the time stated therein, shall be deemed equivalent to the giving of such notice.

ARTICLE XII

Indemnification

The Corporation shall indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending, or completed action, suit or proceeding, whether

criminal, administrative or investigative (including an action or suit by or in the right of the Corporation to procure a judgment in its favor) by reason of the fact that he is or was serving at the request of the Corporation, or is or was serving at the request of the Corporation as a director or officer of another corporation, parntership, joint venture, trust, or other enterprise, against judgments, fines, amounts paid in settlement and expenses (including attorneys fees) actually and reasonably incurred by him in connection with such action, suit or proceeding except only in relation to any claim, issue or matter as to which such person shall have finally adjudged to be liable for his gross negligence or willful misconduct. Each such indemnity shall inure to the benefit of the heirs, executors and administrators of such person.

Any such indemnity shall (unless authorized by a court) be made by the Corporation only as authorized in the specific case upon a determination that the director or officer was not guilty of gross negligence or willful misconduct in the performance of his duty and, in case of settlement, that such settlement was, or if still be made, is consistent with such indemnity and the best interests of the Corporation. Such determination shall be made by the Board of Directors by a majority vote of a quorum.

## ARTICLE XIII

### Amendments to By-laws

These By-laws may be altered, amended or repealed and new By-laws may be adopted by the affirmative two-thirds vote of the Directors present at any annual meeting or at any special meeting if at least five days written notice is given of intention to alter, amend or repeal or to adopt new By-laws at such meeting.

2004074523

SIMMERMACHER & FELTS
CERTIFIED PUBLIC ACCOUNTANTS
1023 POTOMAC STREET, N.W.
WASHINGTON, D.C. 20007
(202) 337-5400

MEMBERS: AMERICAN INSTITUTE OF
CERTIFIED PUBLIC ACCOUNTANTS

Board of Directors
American Conservative Trust

We have examined the statement of revenue of the American Conservative Trust for the year ended December 31, 1986. Our examination was made in accordance with generally accepted auditing standards and, accordingly, included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

We are in the process of examining the financial statements of the American Conservative Trust for the years ended December 31, 1986 and 1985 and will issue our report thereon in the near future.

In our opinion, the statement of revenue referred to above presents fairly the revenue of the American Conservative Trust for the year ended December 31, 1986, in conformity with generally accepted accounting principles applied on a consistent basis.

Simmermacher & Felts

Washington, D.C.
March 5, 1987

C00407943 29

American Conservative Trust
Statement of Revenue
for the year ended December 31, 1986

| | Amount | % |
|---|---|---|
| Contributions from private individuals in the United States | $70,025 | 93.3% |
| Contributions from a political committee in the United States | 5,000 | 6.7 |
| | $75,025 | 100.0% |

See accompanying accountants' report

C00407945 27

American Conservative Trust

Victory in 86

FEDERAL ELECTION FUND

DECEMBER 31, 1986

ASSETS

C00407945228

# Federal Election Fund

STATEMENT OF OPERATIONS
1986

| JANUARY | FEBRUARY | MARCH | APRIL | MAY | JUNE | JULY | AUGUST | SEPTEMBER | OCTOBER | NOVEMBER | DECEMBER | Y-T-D TOTALS |
|---|---|---|---|---|---|---|---|---|---|---|---|---|

9 2 5 9 4 5 7 0 4 0 0 0

1986 CASH RECEIPTS LEDGER

American Conservative Trust
Federal Election Fur

| DATE | CONTRIBUTOR | SOLICITOR | PROJECT | FUND | BANK ACCT | AMOUNT |
|---|---|---|---|---|---|---|

C00407945330

MEMORANDUM

DATE: 1/5/86
TO: SPITZ
FROM: STEVE
RE: GOODMAN ANALYSIS 1985 AND 1986

Presented below is the summary of billings from Goodman Agency and the corresponding payments for the years 1985 and 1986.

0004079453 1

ROBERT GOODMAN AGENCY
1985 PROJECT INVOICES

2004079453342

MEMORANDUM

DATE 1/5/87

TO: SPITZ

FROM: STEVE

RE: GOODMAN ANALYSIS 1985 AND 1986

Summarized below are the results of the audit I performed on the billing from Goodman and the payments thereon.

0004079455

CC # 6291

RECEIVED
FEDERAL ELECTION COMMISSION
MAIL ROOM

**MORRIS A. MARKS**
ATTORNEY AT LAW

88 FEB -4 AM 10:22

56 BREWSTER ROAD
SCARSDALE, N.Y. 10583

AREA CODE 914
725-2492

February 2, 1988

Michael Marinelli, Esq.
Federal Election Commission
Washington, D.C. 20463

RE: MUR 2406

Dear Mr. Marinelli:

I enclose Supplementary Affidavit of Jane Word Driscoll.

If I can be of further assistance, please let me know.

Very truly yours,

Morris A Marks

MORRIS A. MARKS

cc:
Jane Word Driscoll
345 Roaring Brook Road
Chappaqua, N.Y. 10514

Dewey, Ballantine, Bushby & Wood
140 Broadway
New York City
Att: William Warren, Esq.

88 FEB -4 PM 2:10
RECEIVED
FEDERAL ELECTION COMMISSION
OFFICE OF GENERAL COUNSEL

2004079434

BEFORE THE FEDERAL ELECTION COMMISSION

In Re: MUR 2406

STATE OF NEW YORK )
: ss.:
COUNTY OF WESTCHESTER )

JANE WORD DRISCOLL, being duly sworn deposes and submits this supplemental affidavit pursuant to the request of the Federal Election Commission dated January 19th, 1988.

As stated in your deponent's affidavit sworn to December 29th, 1987, your deponent is the widow of the late ROBERT S. DRISCOLL, who died on January 13, 1987.

Robert S. Driscoll was for many years a member of Lord Abett & Co., a partnership engaged in the general securities business, having its offices at 63 Wall Street, New York City.

Robert S. Driscoll at all times, independently managed his personal and business and financial affairs. I did not participate in any manner whatever in his business or financial or personal affairs. I managed our household at 345 Roaring Brook Road, Chappaqua, New York and at all times had an independent household bank account, through which I paid household bills and expenses. Mr. Driscoll paid all real estate taxes, insurance bills and all other property charges.

0004074533

From time to time, Robert S. Driscoll received invitations to attend meetings or conferences in Washington; he told me, in a general way, that they pertained to the affairs of the Republican party and the election of Congressmen and Senators and the policies of the administration.

We would be met at the railroad station in Washington by limousine and driven to the Hotel Madison or the Hay Adams Hotel where we were greeted by persons interested in political party affairs.

Mr. Driscoll and the gentlemen who invited him generally went to a private room or office and then returned to our suite.

I never asked Mr. Driscoll to tell me how much money he contributed nor do I recall the names of the people we met, though on one occasion we were taken to the White House where we were warmly greeted by the President and thanked most heartily for our contributions, and complimented for my red dress.

I have read the news article which appeared in the New York Times on April 12, 1987 (you sent a copy to Mr. Marks, my attorney, who carefully reviewed it with me) but must declare that a) I have no independent recollection of meeting face to face with a reporter and b) that I know anything about or talked about "Star Wars."

Jane Word Driscoll
JANE WORD DRISCOLL

Sworn to before me this
1st day of February, 1988.
Stephen C. Singleton

STEPHEN C. SINGLETON
Notary Public, State of New York
No. 9024360
Qualified in Westchester County
Commission Expires Aug. 31, 1988



0004079453 0

CCC #628

HAND DELIVERED

RECEIVED
FEDERAL ELECTION COMMISSION
MAIL ROOM

LAW OFFICES OF
WINTHROP, STIMSON, PUTNAM & ROBERTS
FINANCIAL CENTRE
695 EAST MAIN STREET
POST OFFICE BOX 6760
STAMFORD, CONNECTICUT 06904-6760
TELEPHONE: (203) 348-2300
TELECOPIER: (203) 327-6623

88 FEB -4 AM 11:23

February 3, 1988

RECEIVED
FEDERAL ELECTION COMMISSION
OFFICE OF GENERAL COUNSEL
88 FEB -4 PM 2:09

FEDERAL EXPRESS

Michael Marinelli, Esq.
Federal Election Commission
999 E Street, N.W.
Washington, DC 20463

Re: MUR 2406

Dear Mr. Marinelli:

In accordance with our recent telephone conversation, I am enclosing the original of Barbara Newington's Answers to your Interrogatories dated December 17, 1987 and copies of documents responsive to your Document Request of the same date. As we discussed, I have included information relating to the contributions made by securities made by Mrs. Newington, as well as gifts of money which are specifically asked for in your Interrogatories.

Thank you for your consideration in allowing us sufficient time to prepare the enclosed materials.

Sincerely,

Richard A. Horgan

RAH/edf
Enclosure

0004079443537

SCC#6287

**BEFORE THE FEDERAL ELECTION COMMISSION**

In the Matter of )
)
) MUR 2406
)

**ANSWERS AND RESPONSES OF BARBARA NEWINGTON TO THE FEDERAL ELECTION COMMISSION'S INTERROGATORIES AND REQUEST FOR PRODUCTION OF DOCUMENTS DATED DECEMBER 17, 1987**

Barbara Newington of Greenwich, Connecticut hereby answers and responds to the Federal Election Commission's interrogatories and request for documents dated December 17, 1987, as follows:

Interrogatory and Document Request No. 1

1. State whether you made any gifts of money to the National Endowment for the Preservation of Liberty, Sentinel, the American Conservative Trust, or the American Conservative Trust State Election Fund in 1985 or 1986.

Answer:

Yes, for 1985 with respect to the National Endowment for the Preservation of Liberty ("NEPL") and the American Conservative Trust State Election Fund ("ACTSEF"); no, for 1985 with respect to Sentinel and the American Conservative Trust ("ACT").

0004079453 8

Yes, for 1986 with respect to the NEPL, Sentinel and the ACTSEF: no for 1986 with respect to the ACT.

a. If so, state the date and the amount and the payee of all such gifts.

Answer:

1985 Contributions

Payee: NEPL

| Date of Check | Amount |
|---|---|
| 5/3/85 | $ 23,000. |
| 5/28/85 | 18,000. |
| 6/29/85 | 130,000. |
| 7/15/85 | 120,000. |
| 8/17/85 | 15,000. |
| 10/16/85 | 350,000. |
| Total | $ 656,000. |

Donee: NEPL

| Date of Contribution of Stock | Market Value |
|---|---|
| 11/15/85 | $ 211,810.00 |
| 11/15/85 | 288,437.50 |
| 12/4/85 | 500,967.20 |
| Total | $1,001,214.70 |

0004079459

**Payee: ACTSEF**

| Date of Check | Amount |
|---|---|
| 1/14/85 | $ 33,000. |
| 1/15/85 | 7,800. |
| 1/17/85 | 29,100. |
| 2/5/85 | 57,000. |
| 2/12/85 | 16,100. |
| 4/11/85 | 35,000. |
| 4/17/85 | 65,000. |
| 5/3/85 | 25,000. |
| Total | $ 268,800. |

**1986 Contributions**

**Payee: NEPL**

| Date of Check | Amount |
|---|---|
| 2/28/86 | $ 982.50 |
| 3/27/86 | 142,000.00 |
| 9/12/86 | 132,000.00 |
| 9/16/86 | 10,000.00 |
| 10/15/86 | 20,000.00 |
| Total | $ 304,982.50 |

**Donee: NEPL**

| Date of Contribution of Stock | Market Value |
|---|---|
| 1/17/86 | $ 209,150.00 |
| 2/23/86 | 60,699.19 |
| 2/28/86 | 499,017.50 |
| Total | $ 768,866.69 |

**Payee: Sentinel**

| Date of Check | Amount |
|---|---|
| 3/12/86 | $ 17,000. |
| 6/17/86 | 67,000. |
| 12/2/86 | 75,000. |
| Total | $ 159,000. |

0004079450

Donee: NEPL (but apparently credited to Sentinel; see below)

| Date of Contribution of Stock | Market Value |
|---|---|
| 2/10/86 | $ 59,800. |

This contribution was made to NEPL but by letter dated December 1, 1986 (copy being produced) NEPL advised that this contribution "was recorded as a gift to Sentinel..."

Donee: NEPL (but apparently credited to the American Conservative Foundation; see below)

| Date of Contribution of Stock | Market Value |
|---|---|
| 11/12/86 | $ 53,625. |

This contribution was made to NEPL but by letter dated December 1, 1986 (copy being produced) NEPL advised that this contribution "was recorded as a gift to the American Conservative Foundation..."

Payee: ACTSEF

| Date of Check | Amount |
|---|---|
| 10/24/86 | $10,000.* |
| 10/30/86 | 3,000. |

*This contribution was made by Barbara Newington in her capacity as custodian of monies belonging to her daughter, then a minor, and the check was written on a custodian account.

b. Provide a true copy of the front and back of all checks by which such gifts were made.

Answer:

A true copy of the front and back of each check listed above is being provided in response to this request.

c. Provide true copies of all correspondence and all other writings related to the making of these gifts.



0004079541

Answer:

True copies of correspondence and other writings relating to the making of the contributions listed above are being provided in response to this request.

Interrogatory and Document Request No. 2

2. State whether the National Endowment for the Preservation of Liberty, Sentinel, the American Conservative Trust, or the American Conservative Trust State Election Fund requested or solicited gifts of money from you in 1985 or 1986.

Answer:

Yes as to NEPL and ACTSEF in 1985; yes as to NEPL, ACTSEF and Sentinel in 1986.

a. If such request(s) or solicitation(s) was (were) made by telephone, state the date(s) of all such telephone calls, identify the person(s) who made the request(s) or solicitation(s) or call(s) and all other person(s) who participated in the telephone calls, identify the organization(s) on whose behalf the request(s) or solicitation(s) was (were) made, and describe in detail the content of all such telephone calls.

Answer:

Commencing in late 1984 at a date not remembered by me and continuing into 1985 and 1986, I received sporadic telephone calls from Mr. Cliff Smith who was affiliated with ACT and ACTSEF. During these telephone conversations, Mr. Smith solicited contributions to ACTSEF and stated that the funds were needed to help elect conservative candidates for the United States House of Representatives in Congressional elections. Mr. Smith was aware of my strongly-held conservative political beliefs from my financial support to various conservative organizations prior to 1985 and he urged me to support candidates for Federal elections who would support conservative causes and President Reagan's program of support for the Nicaraguan Contras. Mr. Smith stated that the funds would be used for television, radio and newspaper advertisements supporting conservative causes and President Reagan's program supporting for the Nicaraguan Contras. Mr. Smith stated that these ads would not be focused or directed for or against specific candidates for Congress but rather would express a conservative viewpoint or urge the public to support President Reagan's Contra aid program, and thereby indirectly assist conservative candidates who supported the President's Contra program. During these calls Mr. Smith would specify the name of the donee organization to whom I should

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make my gifts payable. I am unable to remember the specific dates of these telephone calls during 1985 and 1986. I do not remember any person other than Mr. Cliff Smith and myself participating in any of these telephone calls.

Commencing in February or March 1985 on a date I cannot now remember and continuing into 1986, I received sporadic telephone calls from Mr. Carl R. Channell during which he solicited contributions for ACTSEF and NEPL. During 1986 Mr. Channell also solicited me by telephone to make contributions to Sentinel. My records for 1985 and 1986 do not indicate that I made any contributions to the American Conservative Trust (as distinguished from the ACTSEF) and I do not recall whether either Mr. Smith or Mr. Channell also solicited me for contributions to ACT. I spoke by telephone to Mr. Channell on a number of occasions during 1985 and 1986 and I do not recall the specific dates of his telephone solicitations. In addition, I do not remember any other person participating in any of these telephone calls with Mr. Channell. During many of these telephone calls I received from Mr. Channell in 1985 and 1986, he solicited me to make contributions to ACTSEF, Sentinel and NEPL. I recall that Mr. Channell specified the name of the donee organization to whom I should make my gifts payable on any given occasion.

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With respect to his solicitations for ACTSEF and Sentinel, Mr. Channell in his telephone calls during 1985 and 1986 stated that the funds would be used for television, radio and newspaper advertisements supporting conservative causes and President Reagan's program supporting the Nicaraguan Contras. Mr. Channell stated that these ads would not be focused or directed for or against specific candidates for Congress but rather would set forth a conservative viewpoint or urge the public to support President Reagan's Contra aid program, and thereby indirectly assist conservative candidates who supported President Reagan's Contra program. With respect to his solicitations for NEPL, Mr. Channell in his telephone calls during 1985 and 1986 stated that the funds would be used to support and provide financial assistance to the Nicaraguan Contras. He stated that the funds would be used by the Contras for food, shelter, medical supplies, other supplies and equipment, including arms.

b. If such request(s) or solicitation(s) was (were) written, provide true copies of all such requests or solicitations that you received.

Answer:

I do not recall receiving any written requests or solicitations and I do not have copies of any written requests or solicitations from any of these organizations.

c. If such request(s) or solicitation(s) was (were) made personally or face to face, state the date and place of all such meetings, identify the person(s) participating in each meeting and the organization(s) on whose behalf the request(s) or solicitation(s) was (were) made, and describe in detail the content of all such meetings, and provide all documents relating to such request(s) or solicitation(s).

Answer:

To the best of my recollection the only persons who solicited me during 1985 and 1986 for contributions to NEPL, ACTSEF and Sentinel were Mr. Smith and Mr. Channell and these solicitations occurred in person as well as during telephone calls. I am unable to remember the details of when each and every in-person solicitation occurred. Set forth below in chronological order is the requested information for each face-to-face solicitation that I recall during 1985 and 1986:

(1) The first face-to-face solicitation from Mr. Channell may have occurred on February 8, 1985 during a luncheon I had with Mr. Channell at the Plaza Hotel in New York City. No one else was present. This luncheon followed a lunch one week earlier at the Plaza Hotel at which earlier lunch I do not believe Mr. Channell solicited any funds from me. My records indicate that I made contributions to ACTSEF and NEPL in the

first half of 1985 and I believe that the first face-to-face solicitation in behalf of ACTSEF and NEPL may have occurred at this luncheon. I do not recall any specifics as to what Mr. Channell said about ACTSEF or NEPL at this luncheon. Mr. Channell knew that I had previously made contributions to ACTSEF and he discussed the importance of private contributors such as myself continuing to support conservative causes.

(2) On June 25, 1985 during a trip to Washington, D.C. I had dinner at the restaurant at the Hay Adams Hotel in Washington with Mr. Channell, Mr. Richard R. Miller and I believe also with Mr. Daniel L. Conrad. Mr. Channell introduced Mr. Miller to me as a business associate of his and, either at this dinner or at a subsequent dinner (see below), Mr. Channell introduced Mr. Conrad as a business associate of his working on NEPL matters. During this dinner Messrs. Channell and Miller and perhaps Mr. Conrad discussed the needs of the Nicaraguan Contras for food, medicine, shelter, supplies and equipment, including arms, and discussed Colonel Oliver North's activities supporting the Contras. I had met Colonel North earlier that day at a briefing session conducted by Colonel North and attended by me and Messrs. Channell and Miller. While I do not recall the specifics of the conversation at dinner, I believe that Mr. Channell at this dinner meeting did solicit me for contributions to NEPL to assist the Contras. I remember being solicited by Mr. Channell over the telephone for



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contributions to NEPL during mid-1985 and I think he may have done so at this dinner meeting as well.

(3) On November 7, 1985 I again had dinner at the Hay Adams Hotel restaurant with Messrs. Channell and Miller and perhaps Mr. Conrad. I was told by Mr. Channell that Colonel North was scheduled to join the dinner but as events turned out, Colonel North did not join the dinner. During the dinner, Mr. Channell and Mr. Miller and perhaps also Mr. Conrad discussed the continuing needs and problems of the Nicaraguan Contras, the necessity for conservatives and conservative organizations to lobby Congress to support President Reagan's program of Contra aid, and the importance of television and newspaper advertisements supporting President Reagan's program of aid for the Contras. During this dinner Mr. Channell solicited me for contributions to NEPL and in the next two months I made substantial contributions to NEPL. Mr. Channell stated that the Nicaraguan Contras were in need of food, medicine, shelter, clothing, supplies and equipment, including arms. On one occasion, either by telephone or in a face-to-face solicitation which may have occurred at this dinner, Mr. Channell solicited funds from me for the building of an airstrip which he said the Contras needed for supplies. I subsequently contributed funds to NEPL with the understanding that my contributions were to go towards the building of an

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airstrip to be used by the Contras.

(4) On January 22, 1986 Messrs. Channell and Conrad visited my residence in Greenwich, Connecticut and during this visit Mr. Channell solicited me for funds for telephone and newspaper advertisements to support President Reagan's Contra aid program. Messrs. Channell and Conrad brought with them a VHS tape of a television spot commercial asking the public to support President Reagan's Contra aid program, which commercial they said was made possible by my contributions. We together viewed this television spot commercial on my television set at my residence.

(5) On February 27, 1986 I had dinner with Messrs. Channell, Miller and Conrad at the restaurant in the Hay Adams Hotel in Washington, D.C. and Mr. Channell solicited contributions from me to NEPL at this dinner. During dinner Messrs. Channell, Miller and Conrad discussed the needs and problems of the Contras and the need for telephone and newspaper advertisments to support President Reagan's program of Contra aid. In addition to soliciting funds for television and newspaper advertising, Mr. Channell either at this dinner or in telephone calls in early 1986, stated that the Contras were in need of a small reconnaissance aircraft to drop off food and supplies because the airplane that the Contras had been using had been knocked out by the Nicaraguan government

C01407949

forces. Mr. Channell solicited me to contribute the cost of a replacement airplane. I made substantial contributions to NEPL in early 1986 and I understood at the time that some of my contributions were used to supply a replacement airplane to the Contras.

Copies of any documents in my possession relating to any of these face-to-face solicitations are being produced in response to this request.

d. If you are unable to provide a true copy of any written document, state each and every reason why you are unable to do so, identify the person(s) who signed the document and each organization on whose behalf it was made and the date of each document, and describe in detail the content of all such documents.

Answer:

Not applicable; I am producing every responsive document in my possession.

(e) If you are unable to provide any specific fact, state each and every reason why you are unable to do so.

Answer:

I do not remember any further additional specific details relating to these face-to-face solicitations. The above summary represents an accurate summary of the facts relating to the solicitations based on my memory and the

documentation available to me, copies of which are being produced in response to this request.

Interrogatory and Document Request No. 3

State whether person(s) who requested or solicited gifts of money from you in 1985 or 1986 on behalf of the National Endowment for the Preservation of Liberty, Sentinel, the American Conservative Trust, or the American Conservative Trust State Election Fund, in any manner, informed you or represented to you that such gifts would be used to pay for the costs of television advertisements relating to the Nicaragua Freedom Fighters (or Contras) or the Strategic Defense Initiative. If so, identify the person(s) who so informed you and the organization(s) on whose behalf such funds were sought and the date(s) of all such communications and describe in detail what you were told.

Answer:

Yes with respect to the cost of television advertisements relating to the Nicaraguan Contras during 1985 and 1986, but no with respect to the cost of television advertisements relating to the Strategic Defense Initiative. During 1985 and 1986, I was solicited by Mr. Channell and Mr.

Smith to give funds to NEPL to pay for television advertising relating to the Nicaraguan Contras. It is possible that either or both of Mr. Channell and Mr. Smith also solicited contributions to ACTSEF for this purpose, but I do not recall whether they in fact did so. Mr. Channell and Mr. Smith told me that it was important for conservatives and conservative organizations to contribute funds for television advertising to increase popular support for President Reagan's program of financial assistance to the Nicaraguan Contras. As mentioned above, on January 22, 1986 Mr. Channell, accompanied by Mr. Conrad, showed me a VHS tape of a television commercial seeking popular support for President Reagan's Contra aid program. During 1985 and 1986 in response to solicitations by Mr. Channell, I gave substantial monies to NEPL for two purposes: to provide financial aid to the Contras and to fund television, radio and newspaper advertisements directed at the general public and designed to influence public opinion in favor of President Reagan's Contra aid program. From time to time, Mr. Channell and Mr. Smith would provide me with copies of selected newspaper advertisements which they said were made possible by my contributions to NEPL (and perhaps ACTSEF) during 1985 and 1986.

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Interrogatory and Document Request No. 4

State whether person(s) who requested or solicited gifts of money from you in 1985 or 1986 on behalf of the National Endowment for the Preservation of Liberty, Sentinel, the American Conservative Trust, the American Conservative Trust State Election Fund, in any manner, informed you or represented to you that such gifts were in connection with or for the purpose of influencing any election for Federal office (such as for the House of Representatives or the Senate). If so, identify the person(s) who so informed you or made such representations and the organization(s) on whose behalf such statements were made and the date(s) of all such communications and describe in detail what you were told. Provide copies of all documents relating to such statements or representations.

Answer:

Yes with respect to 1985 and 1986 for ACTSEF and with respect to 1986 for Sentinel; no with respect to NEPL and ACT. Messrs. Channell and Smith solicited funds from me on behalf of ACTSEF during 1985 and 1986 for the purpose of influencing the outcome of Federal elections for the House of Representatives and United States Senate. Mr. Channell also did so in 1986 on behalf of Sentinel.

Messrs. Channell and Smith solicited funds for television, radio and newspaper advertising to be placed in selected geographic areas where the purpose of the advertising was to influence the voting public to vote for candidates who advocated conservative positions and causes. I was advised by Mr. Channell and Mr. Smith that these advertisements would not specifically refer to candidates by name but would help conservative candidates indirectly by encouraging the voting public to vote for candidates who espoused the conservative viewpoint. On several occasions in 1985 and 1986 Mr. Smith telephoned me and read to me a form of newspaper or television advertisement. On some occasions he read to me a proposed form of advertisement and he told me that it had been rewritten so as not to be too specific or "too political" and that, as rewritten, the advertisement complied with applicable legal requirements. Messrs. Channell and Smith told me that the purpose of the advertisements was to influence voters in Congressional elections but that the advertisements had been and would be prepared in such a way to satisfy all legal requirements. I recall that some of my 1986 contributions were to be used for 1986 advertisements related to Linda Chavez' race for the United States Senate in Maryland.

Copies of all documents in my possession relating to these solicitations are being produced in response to this request.

Interrogatory and Document Request No. 5

Identify all persons (other than your attorney) including the news media to whom you have made other statements, either written or oral, about gifts of money or solicitations or requests for such gifts you may have made to the National Endowment for the Preservation of Liberty, Sentinel, the American Conservative Trust, or the American Conservative Trust State Election Fund. State the date of all such statements and provide a copy of all written statements you have made to such persons or describe in detail the content of all such statements.

Answer:

During 1985 and 1986 I obviously spoke to Messrs. Channell and Smith concerning the contributions I was then making to NEPL, ACTSEF and Sentinel. Other than Messrs. Channell and Smith, the only persons other than legal counsel to whom I have spoken or given written statements about my contributions are as follows:

(1) Mr. John J. Santella, C.P.A., B. Kweskin & Co., 1700 Bedford Street, Stamford, Connecticut 06905, business telephone 203-325-1548. Mr. Santella prepared my Federal and state income tax returns for the last several years and I have spoken briefly to him about my contributions and furnished him with copies of the relevant checks and stock certificate transmittal letters (copies of which are being produced in response to this request).

(2) Pursuant to subpoenas received from the House and Senate Select Committees investigating the Iran-Contra affair, I gave a deposition under oath on May 12, 1987 before a court reporter at the offices of the Senate Select Committee, Suite 901, Hart Senate Office Building, in Washington, D.C. Also present were my counsel and W. Thomas McGough, Jr., Esq., Associate Counsel of the Senate Select Committee, and Thomas Fryman, Esq. and Kenneth Buck, Esq., Staff Counsel of the House of Representatives Select Committee. I understand that the Rules of the Senate and House Select Committees provide that the depositions of witnesses shall be deemed confidential and not released except by vote of the respective committee.

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(3) I was interviewed by Michael R. Bromwich, Esq., Associate Counsel, of the legal staff of Independent Counsel, Lawrence Walsh, the special prosecutor investigating the Iran-Contra affair, on April 7, 1987 at the offices of the Independent Counsel, Suite 701, 555 13th Street, N.W., Washington, D.C. 20004. Special Agent of the Federal Bureau of Investigation who was assisting Mr. Bromwich also sat in during the interview, as did my counsel. During the course of this interview, I responded to Mr. Bromwich's questions concerning my contributions to NEPL, ACTSEF and Sentinel. The following day, on April 8, 1987, I testified before a Federal grand jury at the United States District Courthouse in Washington, D.C. and responded to questions propounded to me by Mr. Bromwich of the Independent Counsel's staff.

(4) On or about February 8, 1987 I was interviewed briefly on the doorstep of my Greenwich, Connecticut residence by a reporter from the Hartford Courant newspaper on the subject of my contributions to various organizations affiliated with Mr. Channell, including NEPL and ACTSEF. I do not remember the name of the newspaper reporter nor do I recall any specific statements made by me during the course of that brief interview. Included among the documents being

produced in response to this request is a copy of a February 9, 1987 article which appeared in The Stamford Advocate.

## V E R I F I C A T I O N

STATE OF CONNECTICUT)
) ss.: Stamford
COUNTY OF FAIRFIELD )

BARBARA NEWINGTON, being duly sworn, deposes and says that she resides at Field Point Circle, Greenwich, Connecticut 06830; that she has read the foregoing ANSWERS AND RESPONSES TO THE FEDERAL ELECTION COMMISSION'S INTERROGATORIES AND REQUEST FOR PRODUCTION OF DOCUMENTS DATED DECEMBER 17, 1987 and that such answers are true and correct to the best of her knowledge, information and belief.

Barbara Newington
BARBARA NEWINGTON

Sworn to before me this 3rd
day of February, 1988

Caroline Bukowski
Notary Public

CAROLINE BUKOWSKI
Notary Public
My Commission Expires March 31, 1992

"THERE IS NO LIMIT
TO WHAT A MAN CAN DO
OR WHERE HE CAN GO
IF HE DOESN'T MIND
WHO GETS THE CREDIT."

With Best Wishes
Ronald Reagan

C04007

**COPIES OF PERSONAL TELEPHONE RECORDS**
**SUBMITTED WITH THIS RESPONSE**
**HAVE BEEN REMOVED FROM THE PUBLIC FILE**

9004079560

NATIONAL SECURITY COUNCIL
WASHINGTON, D.C. 20506

May 24, 1985

Dear Mrs. Newington:

The efforts of Spitz Channell and the American Conservative Trust to help the President on his Nicaragua policy have been much appreciated here at the White House.

Supporters are critical to this struggle, and those who will commit themselves to the level you have are essential. I hope you realize how unique you are in our eyes. President Reagan and all of us here at the White House will persevere. We are confident you will do likewise.

With your continued help in this truly humanitarian endeavor, we can ensure that Nicaragua becomes a place where liberty and democracy will flourish rather than a toehold of communism in this hemisphere. We will not disappoint you in this vital cause.

Sincerely,

Oliver L. North
Deputy Director
Political-Military Affairs

Mrs. Barbara Newington
P.O. Box 1098
Greenwich, CT 06836

C00407961

FDN

FUERZA DEMOCRATICA NICARAGÜENSE

July 11th, 1985

Mrs. Barbara Newington
P.O. Box 1098
Greenwich, Connecticut 06836

Dear Mrs. Newington:

My trip to New York was an inspiration. The Larry McDonald task force is already forming.

I am grateful to Spitz Channel for the opportunity to get to know you. Your support and patriotic contribution touches all of us.

We will not disappoint you, our countrymen or President Reagan. Freedom will return to Nicaragua bacause we believe God wants it there. God bless you.

Sincerely,

Adolfo Calero Portocarrero

NATIONAL SECURITY COUNCIL
WASHINGTON, D.C. 20506

January 24, 1986

Dear Barbara:

During 1985, the hope freedom and democracy in Nicaragua was kept alive with the help of the National Endowment for the Preservation of Liberty and fine Americans such as you. Because you cared, the spark of liberty still glows in the darkness of Nicaragua.

Without patriots like you, carrying out the President's policy of support for a democratic outcome in Nicaragua would have been even more difficult. Your efforts and those of the National Endowment for the Preservation of Liberty continue to play a crucial role in the democratic drama unfolding in Nicaragua. Your support has been essential to those who struggle against the tyranny and oppression of the totalitarian communist regime in Managua. You have given hope where there would otherwise be despair.

Last year was a challenging time for America and her President. But, we are headed in the right direction. Today, in all of Central America only Nicaragua is not a democracy. You can be proud that you have made a crucial contribution in helping our President in this vital endeavor. In the weeks ahead, we will commence a renewed effort to make our assistance to the Democratic Resistance Forces even more effective. Once again your support will be essential.

All my best for the New Year and God bless you.

Sincerely,

Oliver L. North
Deputy Director
Political-Military Affairs

Mrs. Barbara Newington
P.O. Box 1098
Greenwich, CT 06836

C00407946

NATIONAL SECURITY COUNCIL
WASHINGTON, D.C. 20506

July 23, 1986

Dear Barbara:

America is now at the verge of answering the challenge the Soviets laid down in Nicaragua. When the President was most in need of support and sustained faith in this leadership, you helped to provide both. The struggle for freedom in Nicaragua must first be won in the halls of Congress. Without your dedication and resolve to stay with the President in this long campaign, neither victory would be possible. Once the Senate approves the aid, we will finally be at a point where we can truly make a contribution to a democratic outcome in Nicaragua.

All Americans owe you a great debt. As men who have lived through combat know, without a sustained level of support, those in the front lines can accomplish nothing. Your perseverance in the cause of freedom and President Reagan's dream for a free Nicaragua were the sustaining measure that will carry us that last difficult mile.

For your patriotism, courage, and dedication, thank you.

Sincerely,

Oliver L. North
Deputy Director
Political-Military Affairs

Mrs. John C. Newington
Field Point Park
P.O. Box 1098
Greenwich, CT 06836

C04074564

# America stands for freedom against tyranny

# IT'S TIME TO SUPPORT THE NICARAGUAN FREEDOM FIGHTERS

In June of 1984, Ronald Reagan, citing a growing Communist threat to democracy in the Caribbean, requested $21 million in military aid for the Freedom Fighters in Nicaragua.

A majority in the House of Representatives said no.

As a result Nicaraguan Freedom Fighters were abandoned by the United States government. They were disarmed by the order of the United States Congress just at the moment when they could have brought serious political and military pressure to negotiate on the Communists in Managua.

Seeing the Freedom Fighters disarmed and watching in amazement as their main ally turned its back on them, did the Nicaraguan Communists rest on their victory?

**No!**

Did the Nicaraguan Communists open peace negotiations with their internal opposition the Contras?

**No!**

Did the Nicaraguan Communists turn their efforts to building rural schools, creating better health, reconciling themselves to their Caribbean neighbors and halting aid to the Communist rebels trying to undermine the legitimate government of another democracy El Salvador?

2 0 0 4 0 7 9 4 5 6 5

No!

Instead, they imported $500 million in Russian military hardware including 12 MI-24 death machine helicopters

- They created 350,000 refugees by the severity of their state policies of internal terrorism and repression.
- They withdrew from the population the many freedoms which endow human life with dignity.
- They executed a policy of extermination against minority Indian groups which amounts to nothing less than genocide.
- And finally, they persecuted believers in God of all religions from burning the Synagogue of Managua to hiring thugs to spit upon the Pope and desecrate the institution of the church.

The lesson is obvious. Only the clear evidence of the American power on the move will bring any Communist nation to the negotiating table.

**To the House of Representatives:**

# GIVE THE FREEDOM FIGHTERS THE ONE INDISPENSABLE NEGOTIATING TOOL THEY NEED— THE FORCE OF AMERICAN POWER.

## Support aid to the Freedom Fighters of Nicaragua. IT IS THE KEY TO PEACE.

**Sponsored by SENTINEL**
**Advancing the Conservative Agenda**
**Carl Russell Channell, President**
**305 4th Street, N.E.**
**Washington, DC 20002**
**(202) 543-6300**

# URGENT MESSAGE

## TODAY

## *PRESIDENT RONALD REAGAN* NEEDS YOUR HELP

## YOUR CALL TODAY CAN SAVE FREEDOM IN NICARAGUA

**Today, the fate of Central America may be decided — when Congress votes on the $14 million in aid President Reagan has requested for the Nicaraguan Freedom Fighters known as "The Contras."**

**If that aid is given, the Freedom Fighters will be able to continue the struggle to recapture their country from the Soviet Bloc.**

**If that aid is denied, Communism will be consolidated in Central America; subversion and terror will spread to Nicaragua's neighbors; and the Soviet, Cuban and**

Warsaw Pact military presence in America's backyard will expand.

Equally disastrous, refugees by the millions will begin fleeing up the Pan American highway into the southwestern United States. America's defense perimeter will soon become the Rio Grande River.

That is why it is urgent that you call your Congressmen now. Ask them to support President Reagan and the Freedom Fighters.

This time, America herself is at stake.

# CALL YOUR CONGRESSMAN TODAY

## (202) 224-3121

For further information on how you can support the cause of the Freedom Fighters in Nicaragua, call or write American Conservative Trust, 305 4th Street, N.E., Washington, D.C. 20002 (202) 547-1985

Sponsored by the American Conservative Trust
Carl Russell Channell, President; Albert Ferri, Jr.,
and not by any candidate or candidate's committee.

# *The American people are keeping track.*

# *Is the Congress?*

**The Soviet shooting down of KAL007 was cold-blooded murder.**

**The Soviet killing of Major Arthur D. Nicholson was cold-blooded murder.**

**The relentless Soviet invasion of remote Afghanistan is being cruelly carried forward by cold-blooded mass murder.**

**Let's not kid ourselves.**

**Until our defenses are strong enough, the Soviets will continue their criminal behavior before an anxious world. It's obvious we're not there yet.**

9 0 0 4 0 7 9 4 3 7 0

**Let us know if you agree**
**that we must maintain our defense program.**
**Call or write the American Conservative Trust and we will**
**tell you how you can help keep America strong.**
**Our telephone number is (202) 547-1985.**
**Our address is American Conservative Trust,**
**305 Fourth St., N.E.,**
**Suite 210, Washington, D.C. 20002.**

**Carl Russell Channell**
**President**

Sponsored by the American Conservative Trust
305 Fourth St., N.E., Suite 210, Washington, D.C. 20002,
Carl Russell Channell, President; Albert Ferri, Jr., Treasurer,
and not by any candidate or candidate's committee.

# ATTENTION PARENTS OF 10 TO 15 YEAR OLD CHILDREN:

**Love and take good care of your children.**
**Too many members of the United States Congress have plans for them.**

If these Congressmen have their way within the next decade the unchecked communist fire that has so thoroughly burned up freedom in Nicaragua will have ignited Costa Rica, Honduras, Guatemala, and consumed El Salvador.

Faced with that region-wide communist eruption, the United States Congress will declare war to protect American and Mexican national security. By then, the Congress of the United States will have found an enemy of worthy size for the sacrifice of American young people. It will have no choice to do otherwise.

- Hundreds of thousands of United States soldiers who today are children ages 10 to 15 will be sent to fight and die in the jungles of Central America.
- 100 billion dollars will be automatically appropriated by the Congress for this conflict to protect American security.
- Tens of thousands of Americans will be hideously maimed by improved communist death techniques.

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• **Thousands of American soldiers will perish.**

*But this conflict will not be another Vietnam. This time the United States Congress will have formally declared war on the region — and our soldiers will win!*

All of this will come soon, if the liberals in the United States Congress succeed in their effort to abandon the freedom fighters in Nicaragua today.

Too many members of the United States Congress do not seem to have faith in the freedom fighters. But they *do* trust our own children to eventually win the region-wide war that Congressional inaction today will bring upon the United States and Central America.

It's a matter of a few years as our children become adults.

The communists, you know, have growth plans of their own in our hemisphere as we have seen in Europe, Southeast Asia, and Southern Africa.

**PARENTS LOVE AND TAKE CARE OF YOUR CHILDREN: MANY MEMBERS OF THE UNITED STATES CONGRESS HAVE EXCITING PLANS FOR THEM.**

PAID FOR BY SENTINEL
Sentinel is a lobbying organization qualified under Section 501(c)4 of the Internal Revenue Code.
Daniel Lynn Conrad, Executive Director. 1331 Penn. Ave. NW, Washington, DC 20004

# NATIONAL ENDOWMENT FOR THE PRESERVATION OF LIBERTY

305 FOURTH ST., N.E.
SUITE 1000
WASHINGTON, D.C. 20002

January 6, 1986

Mrs. John C. Newington
P.O. Box 1098
Greenwich, CT 06836

Dear Mrs. Newington:

Merry Christmas and many, many thanks for all that you have done to help strengthen the President and America in 1985.

With great appreciation and very sincere best wishes for the new year,

Spitz Channell
President

20040794573

FDN

FUERZA DEMOCRATICA NICARAGÜENSE

October 6, 1985

Mrs. Barbara Newington

Dear Mrs. Newington:

I am dictating this letter from our command center and have asked Mr. Channell to help get it to you.

You are a great lady and a true friend of the cause of freedom in Nicaragua. Your help in forming the Larry MacDonald Brigade touched us all. Without Americans like you we can not succeed.

We have begun a major push to unite the forces in the South with those fighting in the North. You will be proud to know that the Larry MacDonald Brigade is part of that effort.

We stand for Democracy in Nicaragua and your assistance stands as a shining example of Americans who have sacrificed to help us.

God bless you and we remain your constant admirers.

Sincerely,

Adolfo Calero

Adolfo Calero

0004079574

THE WHITE HOUSE

WASHINGTON

October 10, 1985

Dear Mrs. Newington:

I want to take this opportunity to express to you my deep appreciation for the selfless, patriotic support you have provided so unflinchingly to this Administration and to our policies.

Among the most important of our policies, of course, is the promotion of liberty and democracy abroad. Your invaluable assistance for the cause of freedom, in helping to educate others and in actively supporting those who so much depend on us, is a credit to this great nation.

We are grateful for your commitment to that cause and for your continuing support.

God bless you for your steadfastness.

Sincerely,

Ronald Reagan

Mrs. Barbara Newington
P.O. Box 1098
Field Point Park
Greenwich, Connecticut 06836

C0047457

# Thank you, MR. PRESIDENT

**For** acting decisively to protect American national security in the future against torrential forces for compromise.

**For** exemplifying to the world principled moral leadership which knows the right and acts on it.

**For** being strong and unpersuaded by seductive arguments which might bring you short term political gain and false praise from our adversaries.

**For** expressing trust, faith and confidence in American know-how to do the necessary work which will enable our free society to defend itself against surprise missile attack.

**And finally,**

8004077477

**For** once again reassuring us that when Reagan is Reagan all will be well for freedom.

Paid for by the
**National Endowment for the Preservation of Liberty**
1331 Pennsylvania Avenue, N.W.,
Suite 350 South
Washington D.C. 20004

**Carl Russell Channell,**
**President**
**(202) 662-8705**

# AMERICAN CONSERVATIVE TRUST

## HAIL TO OUR PRESIDENT

Dear Mr. President:

We congratulate you on this great day for freedom. All America hails you on this special day for the Republic. Benjamin Franklin, speaking for the Founding Fathers, said that they had created for America a Republic, if we could keep it.

The struggle to keep our unique form of government has been difficult, demanded great personal sacrifice, yet remains the envy of the world.

2 0 0 4 0 7 4 4 5 7 4

In 1980, you brought determined and sincere concern for the future of the Republic with you to Washington. In 1984, 60% of the voters gave you a conservative mandate to continue your historic work to restore our Republic. Working with you until his untimely and tragic death was Congressman Larry McDonald who, throughout his life of service, like you, dedicated every moment to restoring the Republic our Founding Fathers gave us..

If he had lived, Congressman McDonald would be urging you to use this triumphant occasion to continue to press for conservative goals in 10 crucial areas of concern. So on this day of republican renewal, let us remember the goals for which Congressman Larry McDonald worked and ultimately sacrificed his life. Let us dedicate our energies in the next four years to fulfilling the conservative mandate.

Mr. President, we are with you and urge the Congress to support the mandate given to you by the American People in the following areas:

1. Pursuing peace through strength by turning back calls to halt the modernization of our defense both at home and with our allies.
2. Give total support to your revolutionary concept of strategic space defense. Our most deadly adversary has been trapped for the first time in 30 years as the result of your initiatives. Full speed ahead.
3. Cut wasteful government spending. Halt all programs which compete with private enterprise.
4. Continue to cut taxes. That is the essence of our economic health.
5. Be determined to end the regulation of American life and government.
6. Search for "strict constructionists" to eventually take seats on the Supreme Court.
7. Continue to support and exemplify authentic traditional American values.
8. Cut the deficit by cutting wasteful government programs and policies in all areas.
9. Guide your policies to reestablish the process of government created for us by our Founding Fathers.
10. Trust the people who make America work every day.

Such are the conservative goals for which Congressman Larry McDonald gave his life.

Such are the goals the American people hope you will pursue in the next four years.

Mr. President, as you begin your second term, hold high the conservative mandate you have been given and remember the dedication and sacrifice of one who also dearly loved America and labored until his death to restore her republican strength and institutions.

The pursuit of a restored Republic living and growing under God's guidance will forever vindicate those who trust the people and will make worthy the lifelong mission of Congressman Larry McDonald to make the American people aware of the values of their truly unique government and nation.

Sincerely,

Carl Russell Channell
President

PAID FOR BY THE AMERICAN CONSERVATIVE TRUST STATE ELECTION FUND, CARL RUSSELL CHANNELL, PRESIDENT, F. CLIFTON SMITH, POLITICAL DIRECTOR, 305 4TH STREET N.E., WASHINGTON, D.C. 20002 AND NOT BY ANY CANDIDATE OR CANDIDATES COMMITTEE. 202-547-1985

SENTINEL

*Advancing the Conservative Agenda*

January 23, 1987

Mrs. Barbara Newington
P.O. Box 1098
Greenwich, CT 06836

Dear Mrs. Newington:

Our auditors are making an examination of our financial statements and wish to obtain direct confirmation of your contributions to us during calendar year 1986.

Our records for those years indicate that you contributed amount:

1986

$216,172.00

Please compare the above data with your records, note any exceptions in the space provided below, sign and return via Federal Express directly to our auditors, Simmermacher & Felts Certified Public Accountants, 1023 Potomac Street, N.W., Washington, D.C. 20007.

A pre-paid, addressed, Federal Express envelope is enclosed for your convenience. Please call Federal Express to arrange for them to pick up the envelope at your home or office.

Your prompt attention to this request will be appreciated.

Sincerely yours,

Daniel Lynn Conrad (mt)

Daniel L. Conrad
Executive Director

The above is correct except as noted below:

According to my records I have a figure of $218,800.00

2/19/87
Date

Barbara Newington
Signature

JOHN C. NEWINGTON
FIELD POINT CIRCLE — BOX 1098
GREENWICH, CONN. 06836

Nov. 12, 1986

Mr. Carl R. Channell
National Endowment for the Preservation
of Liberty
2032 Belmont Road, N.W.
Washington, D.C. 20009

Dear Mr. Channell,

It gives me pleasure to be able to make an additional gift this year to your Foundation.

My gift consists of 6000 shares of Valero stock which closed today on the New York Stock Exchange, at a mean average price of 8.9375. Therefore, my gift has a cash value of $53,625.

Am enclosing a stock power with my signature guaranteed by the Putnam Trust Co. of Greenwich, so that you may sell these shares through any bank or broker and have their equivalent in cash.

Would appreciate an acknowledgement of my gift for income tax purposes.

With best regards and good wishes for the continued success of the most essential work of your Foundation.

Sincerely yours,

Barbara Newington

0004007946381

0004079458842

Valise 11/12/86

Height 9 1/8 = 9.125"

Lon 8 3/4 8.75"

2 | 17.875"

Diameter → 8.9375"

Gore Addition

$1,362.50

COPIES OF PERSONAL CHECKS
SUBMITTED WITH THIS RESPONSE
HAVE BEEN REMOVED FROM THE PUBLIC FILE

90040794583

# New York Stock Exchange

**WEDNESDAY, NOVEMBER 12, 1986**

Continued From Page D14

| 52-Week High | 52-Week Low | Stock | Yld | PE | Sales 100s | High | Low | Last | Chg. |
|---|---|---|---|---|---|---|---|---|---|
| 56¾ | 35½ | UCarne | 1.64 | 2.9 | 25 | 1037 | 55⅞ | 56¾ | 55⅞ | + ¾ |
| 25½ | 18¾ | UCarb s | 1.50 | 6.5 | 11 | 1722 | 23¼ | 23½ | 23¼ | |
| 13¼ | 6 | UnionC | | | 11 | 66 | 9⅜ | 9¼ | 9¼ | — ⅛ |
| 31¾ | 19½ | UnElec | 1.92 | 6.3 | 11 | 866 | 30½ | 30¼ | 30½ | |
| 39¼ | 30 | UnEl pf | 3.50 | 8.5 | .. | z2000 | 41 | 40 | 41 | + 2½ |
| 51 | 35½ | UnEl pf | 4.00 | 8.2 | .. | z100 | 49 | 49 | 49 | |
| 58⅛ | 40 | UnEl pf | 4.56 | 7.8 | .. | z1250 | 58⅛ | 58⅛ | 58⅛ | + 1⅛ |
| 68⅝ | 56 | UnEl pf | 6.48 | 8.0 | .. | z2600 | 80½ | 80½ | 80½ | + 1⅜ |
| 34⅛ | 27½ | UnEl pfM | 4.00 | 14.2 | .. | 75 | 28⅝ | 28⅛ | 28⅛ | — ¼ |
| 77⅜ | 70 | UEI pfL | 8.00 | 8.5 | .. | z160 | 94½ | 94 | 94 | — 1 |
| 29⅜ | 26 | UnEl pf | 2.98 | 10.3 | .. | 31 | 28⅞ | 28⅝ | 28⅞ | + ⅛ |
| 26½ | 19⅜ | UnEl pf | 2.13 | 8.2 | .. | 19 | 26½ | 26½ | 26½ | |
| 93⅜ | 65½ | UnEl pf | 7.44 | 8.2 | .. | z4600 | 91¼ | 93½ | 91¼ | — ⅜ |
| 94 | 66 | UEI pfH | 8.00 | 8.9 | .. | z300 | 89½ | 89½ | 89½ | |
| 23 | 13 | UnEx n | 1.88e | 11.3 | .. | 105 | 16⅝ | 16½ | 16⅝ | + ⅛ |
| 63 | 46½ | UnPac | 1.80 | 2.9 | .. | 1682 | 62⅜ | 61¾ | 62⅝ | + ¼ |
| 132½ | 104½ | UnPc pr | 7.25 | 5.5 | .. | 21 | 131¼ | 130¾ | 131¼ | + ¼ |
| 108¼ | 67½ | UnryI pf | 8.00 | 8.0 | .. | z3600 | 100½ | 100½ | 100½ | + ½ |
| 3¼ | 1 | Unil | | | | 26 | 1½ | 1½ | 1½ | + ⅛ |
| 18⅜ | 15½ | UAM n | .03e | .2 | 35 | 30 | 18½ | 18¼ | 18¼ | |
| 36⅜ | 22½ | UnBrnd | .05e | .2 | 9 | 32 | 33¼ | 33 | 33 | — ⅛ |
| 32⅞ | 20⅜ | UCbTV s | .88 | 3.3 | 83 | 156 | 26¾ | 26½ | 26¾ | + ⅛ |
| 36¼ | 24 | UIlbm | 2.32 | 6.6 | 6 | 228 | 35¼ | 35 | 35 | — ¼ |
| 31¾ | 25½ | UIlbs pr | 3.97 | 14.3 | .. | 9 | 27¾ | 27¾ | 27¾ | — ¼ |
| 24½ | 17⅜ | UIlbs pr | 2.20 | 9.6 | .. | z200 | 23 | 23 | 23 | |
| 32½ | 28½ | UIlbs pf | 4.00 | 13.4 | .. | 7 | 29¾ | 29¾ | 29¾ | + ⅛ |
| 27⅜ | 14 | UnIInd | .64 | 4.4 | 13 | 125 | 14¾ | 14⅝ | 14⅝ | |
| 51⅜ | 39½ | UnIInn | .22 | .5 | .. | 37 | 41½ | 41 | 41 | |
| 31½ | 22¼ | UJerB s | .86 | 3.6 | 10 | 298 | 24½ | 23¾ | 24 | |
| 21½ | 9¾ | UldAMA | | | .. | 206 | 11 | 10⅝ | 10⅝ | — ½ |
| 3⅜ | 2½ | UPtMn | | | .. | 1 | 15 | 2⅜ | 2⅜ | 2⅜ + ⅛ |
| 40⅛ | 27⅞ | UsairG | .12 | .3 | 10 | 4070 | 38⅞ | 37⅞ | 38⅜ | + ⅛ |
| 9¼ | 4¾ | USHom | | | .. | 9160 | 5¼ | 4¾ | 5 | — ⅛ |
| 46 | 35½ | USLeas | .88 | 2.0 | 12 | 7 | 45 | 45 | 45 | |
| 27¼ | 19½ | USSho s | .46 | 2.0 | 23 | 520 | 23¼ | 22⅞ | 23 | — ⅛ |
| 45½ | 29⅜ | USTob | 1.96 | 4.7 | 12 | 2004 | 42¼ | 41¾ | 42½ | — ½ |
| 62 | 40¼ | USWst s | 3.04 | 5.5 | 11 | 2195 | 56½ | 55½ | 55¾ | |
| 11⅛ | 7½ | UnStck | | | .. | 20 | 76 | 8¾ | 8½ | 8¾ + ⅛ |
| 56⅛ | 39¼ | UnTech | 1.40 | 3.1 | 13 | 2084 | 45½ | 44⅜ | 45⅛ | — ⅛ |
| 31¼ | 21¾ | UniTel | 1.92 | 6.8 | .. | 1007 | 28¼ | 28¼ | 28⅜ | — ⅛ |
| 45 | 33 | UniTl pf | 1.50 | 3.6 | .. | 1 | 42¼ | 42¼ | 42¼ | — ¼ |
| 22⅜ | 12½ | UWR s | .92 | 4.7 | 17 | 79 | 19⅞ | 19⅜ | 19¾ | |
| 27½ | 10½ | UnItrde | .20 | 1.5 | 53 | 165 | 13½ | 12⅞ | 13⅛ | — ⅜ |
| 15½ | 9¾ | Univar | .20 | 1.5 | 8 | 18 | 13 | 12¾ | 13 | + ⅛ |
| 27¼ | 18⅜ | UnvFd s | .80 | 3.1 | 20 | 420 | 26½ | 25¾ | 26½ | + ⅛ |
| 31 | 19½ | UnLeaf | 1.08 | 3.7 | 11 | 133 | 29 | 28⅞ | 29 | + ⅛ |
| 22⅜ | 13¼ | UMich n | | | .. | 404 | 19¼ | 19 | 19¼ | + ¼ |
| 31⅜ | 15⅛ | Unocal | 1.00 | 3.7 | ..10 | 757 | 27⅞ | 26⅞ | 27¼ | + ⅜ |
| 103¾ | 61¾ | Uplohn s | 1.52 | 1.6 | 25 | 1009 | 96⅞ | 95¾ | 96 | — ⅜ |
| 49½ | 35¼ | USLIFE | 1.20 | 2.6 | 11 | 393 | 47 | 46 | 47 | + ⅜ |
| 37 | 33 | USLF pr | 3.33 | 9.1 | .. | 2 | 36½ | 36½ | 36½ | |
| 13¼ | 10¼ | UsiteF | 1.08e | 8.8 | .. | 73 | 12¾ | 12½ | 12¼ | |
| 37¼ | 24⅜ | UtaPL | 2.32 | 7.8 | 14 | 2585 | 30½ | 29½ | 29⅞ | — ⅛ |
| 29¼ | 20¾ | UtPL pf | 2.36 | 8.2 | .. | 5 | 28¾ | 28¾ | 28¾ | — ⅛ |
| 26⅞ | 19¾ | UtPL pf | 2.04 | 7.7 | .. | 16 | 26½ | 26½ | 26¾ | |
| 34¾ | 22⅜ | UtilICo | 1.48b | 4.4 | 11 | x99 | 33½ | 32¾ | 33½ | + ⅜ |
| 29⅜ | 23 | UtilCo pr | 2.61 | 9.0 | .. | x3 | 29½ | 29½ | 29½ | + ⅜ |
| 37⅜ | 33½ | UtilCo pf | 4.12 | 11.9 | .. | x8 | 35⅜ | 34¾ | 34¾ | — ⅜ |
| 36 | 24 | VF Cp s | .72 | 2.2 | 14 | 966 | 33¼ | 31¾ | 32¼ | — ¾ |
| 14⅛ | 6⅜ | Valero | | | | 648 | 9⅛ | 8¾ | 8⅜ | — ⅛ |
| 25⅜ | 18⅞ | ValeP pf | 3.44 | 15.5 | .. | 15 | 22¼ | 22¼ | 22¼ | — ¾ |
| 3½ | 1⅜ | Valeyin | | | 38 | 34 | 1½ | 1⅜ | 1½ | + ⅛ |
| 37⅛ | 23⅜ | VanDrn | 1.10 | 3.7 | 11 | 16 | 30 | 29¾ | 29¾ | — ⅛ |
| 5½ | 2 | Varco | | | .. | 61 | 2¼ | 2¼ | 2¼ | + ⅛ |
| 30½ | 22⅜ | Varian | .26 | .9 | .. | 3394 | 28 | 26⅞ | 27⅝ | + 1 |
| 3½ | 1¾ | Varity | | | .. | 1138 | 2 | 1⅞ | 1⅞ | — ⅛ |
| 17¾ | 12½ | Varo | .40 | 3.1 | 37 | 133 | 12⅞ | 12¾ | 12⅞ | |
| 19¾ | 12 | Vesco | .40 | 2.6 | 26 | 40 | 15¾ | 15½ | 15¾ | + ⅛ |
| 11⅛ | 5¾ | Vendo | | | .. | 122 | 7½ | 6⅞ | 7⅛ | + ⅛ |
| 14¾ | 11½ | VesSe | 1.20a | 8.7 | .. | 11 | 13⅜ | 13¾ | 13¾ | — ⅛ |
| 15¼ | 4½ | Vestrn | | | 11 | 498 | 5¾ | 5⅜ | 5½ | + ⅛ |
| 44⅞ | 25¼ | Viacm s | .28 | .6 | .. | 1584 | 43¾ | 43¾ | 43¾ | |
| 66 | 45¼ | ViaEP pf | 5.00 | 7.8 | .. | z100 | 64½ | 64½ | 64½ | + ¼ |
| 101⅜ | 70¼ | ViaEP pf | 7.72 | 7.7 | .. | z100 | 100 | 100 | 100 | — ½ |
| 107¼ | 91¾ | ViaEI pf | 8.60 | 8.1 | .. | z60 | 106 | 106 | 106 | |
| 101⅜ | 70¼ | ViaE pfJ | 7.72 | 7.7 | .. | z140 | 100⅜ | 100¼ | 100¼ | — ½ |
| 99½ | 69 | ViaEP pf | 7.45 | 7.6 | .. | z100 | 97½ | 97½ | 97½ | + 1⅜ |
| 24⅞ | 17 | Vishay | | | .. | 15 | 10 | 20¾ | 20⅜ | 20¾ — ⅛ |
| 85 | 64 | Vornad | | | .. | 20 | 2 | 74¾ | 74¾ | 74¾ — ¼ |
| 124½ | 84⅜ | VulcM | 2.96 | 2.4 | 16 | 167u | 124½ | 122¾ | 123 | — 1 |
| 46 | 27¼ | WICOR | 2.60 | 6.2 | 12 | 36 | 42⅜ | 41⅜ | 41⅞ | |
| 40 | 17½ | Wackhf | .60 | 3.0 | 16 | 246 | 20 | 19½ | 19¾ | |
| 8 | 4 | Wainoc | | | .. | 83 | 4⅜ | 4⅜ | 4⅜ | — ⅛ |
| 53⅞ | 27⅜ | WalMrt | .17 | .4 | 35 | 5168 | 47¼ | 45¾ | 46¼ | — ⅜ |
| 39½ | 24¼ | Walgrn | .54 | 1.6 | 20 | 977 | 34½ | 33⅞ | 34 | — ⅛ |
| 50¼ | 37 | WalCSv | .50 | 1.2 | 18 | 80 | 43 | 42⅜ | 43 | + ⅜ |
| 54⅜ | 30 | WallJ s | 1.40 | 2.9 | 10 | 773 | 47⅜ | 47⅛ | 47⅜ | |
| 12¼ | 9½ | WallJ pf | 1.00 | 8.3 | .. | z100 | 12 | 12 | 12 | + ⅛ |
| 28⅜ | 16¾ | WrnC s | .30 | 1.2 | 14 | 3177 | 24⅞ | 24⅜ | 24½ | — ⅛ |
| 53½ | 46¼ | WrnC pf | 3.62 | 6.8 | .. | 569 | 53½ | 53½ | 53½ | |
| 43¼ | 38⅜ | WarnrL | 1.68 | 3.0 | .. | 1376 | 56⅛ | 55¼ | 55⅜ | — ⅜ |
| 30⅜ | 20½ | WashGs | 1.76 | 6.8 | 11 | 76 | 26 | 25⅞ | 26 | + ⅛ |
| 25⅝ | 24 | WshNat | 1.08 | 3.3 | 10 | 24 | 32¾ | 32½ | 32¾ | |
| 65 | 46½ | WashN pf | 2.50 | 4.1 | .. | 2 | 61 | 61 | 61 | |
| 31⅜ | 22¼ | WshWt | 2.48 | 8.8 | 12 | 184 | 28¾ | 27⅞ | 28⅛ | + ⅛ |
| 57½ | 32¾ | Waste s | .56 | 1.0 | 28 | 2086 | 55½ | 55⅛ | 55⅜ | + ⅛ |
| 42½ | 24⅛ | WaltJn | .40 | 1.1 | 16 | 175 | 36 | 35¾ | 36 | + ⅜ |
| 28½ | 8¾ | WavGos | .20 | .9 | 19 | 20 | 23½ | 22¼ | 23⅛ | |
| 5⅜ | 2 | WeanU | | | | 9 | 2⅜ | 2⅜ | 2⅜ | — ⅛ |
| 28¼ | 18½ | WebbD | .20 | .8 | 11 | 185 | 25⅞ | 25 | 25 | — ⅛ |
| 11¾ | 2⅜ | Wedtch | | | 3 | 2289 | 3¼ | 2⅜ | 3¼ | + ⅛ |
| 25 | 19½ | WeingR | 1.56 | 7.1 | 18 | 82 | 22⅜ | 22¼ | 22½ | — ⅛ |
| 42 | 33⅛ | WelsMk | .54 | 1.4 | 19 | 203 | 38⅞ | 37½ | 38¼ | — ⅛ |
| 115 | 57½ | WellsF | 3.12 | 2.9 | 12 | 330 | 109 | 108 | 108 | — 4 |
| 53½ | 46 | WellF pf | 3.38e | 6.7 | .. | 100 | 51 | 50½ | 50½ | + ¼ |
| 58½ | 44 | WellF pf | 2.45e | 4.9 | .. | 100 | 49¾ | 49¾ | 49¾ | — ⅛ |
| 29½ | 20½ | WellFM | 2.80 | 9.7 | 12 | 1123 | 29 | 28⅝ | 28⅞ | + ⅛ |
| 17¾ | 10¾ | Wendy s | .24 | 2.1 | 89 | 1468 | 11¾ | 11⅜ | 11⅝ | — ⅛ |
| 24¼ | 22¾ | WestCo | .52 | 1.8 | 14 | 117 | 28½ | 27⅞ | 28¼ | + ⅛ |
| 58 | 42 | WPenP pf | 4.50 | 7.9 | .. | z20 | 57 | 57 | 57 | — 1 |
| 60⅝ | 41 | WsIPtP | 2.20a | 4.1 | 13 | 474 | 55 | 53⅜ | 54 | — 1 |
| 12⅞ | 8⅞ | WsIcIT g | .80 | | | 10 | 9¼ | 9¼ | 9¼ | |
| 13 | 6⅜ | WnAirL | | | 26 | 7099 | 12⅜ | 12⅜ | 12½ | — ⅛ |
| 5 | 2 | WIAir wt | | | | 633 | 3½ | 3 | 3½ | |
| 47⅜ | ⅜ | WCNA | | | | 204 | 1⅜ | ⅜ | ⅜ | — ⅛ |
| 48¾ | 3¾ | WCNA pf | 1.81l | | | 97 | 4⅝ | 4 | 4⅝ | |
| 28 | 11⅞ | WstnSL | .20 | 1.1 | 6 | 255 | 18¾ | 18⅝ | 18⅝ | |
| 15½ | 3⅜ | WUnion | | | | 825 | 4⅞ | 4½ | 4⅝ | — ⅛ |
| 7¾ | 2⅜ | WnUPtS | | | | 48 | 3¼ | 3⅛ | 3⅛ | + ⅛ |
| 14¼ | 4¾ | WnUPfE | | | | 48 | 4⅞ | 4⅞ | 4⅞ | — ⅛ |
| 43⅜ | 19 | WUTI pf | | | | 4 | 32 | 29½ | 32 | + 3½ |
| 17½ | 7⅜ | WUTI pfA | | | | 21 | 11 | 10⅞ | 10⅞ | — ⅛ |
| 60¼ | 25 | WstgE | 1.40 | 2.4 | 14 | 3651 | 58¾ | 58 | 58¾ | + ¾ |
| 39⅜ | 24 | WstVc s | 1.00 | 2.6 | 16 | 629 | 38¾ | 37¼ | 37⅞ | — ½ |
| 48¼ | 28½ | Weyerh | 1.20 | 3.4 | 24 | 1367 | 39 | 38½ | 38⅝ | — ¼ |
| 53¼ | 38 | Weyr pf | 2.80 | 5.3 | .. | 85 | 53 | 52⅜ | 53 | |
| 13⅜ | 6⅞ | viWhPfI | | | .. | 15 | 8¾ | 8¼ | 8¼ | + ⅛ |
| 23 | 13¼ | viWhPfI pf | | | .. | z250 | 15¼ | 15¼ | 15¼ | |
| 83 | 43 | WhirlpI | 2.20 | 2.9 | 13 | 423 | 74¾ | 72½ | 74¾ | + 1⅜ |
| 34⅜ | 19⅜ | WhitehI | | | 25 | 46 | 24⅜ | 24⅜ | 24⅞ | — ⅛ |
| 35 | 17¼ | Whittak | .60 | 2.0 | .. | 279 | 30⅞ | 30¼ | 30¼ | |
| 17¼ | 8 | Wilfred | .12 | 1.1 | 11 | 32 | 11¾ | 11¼ | 11¼ | — ⅛ |
| 18½ | 11⅞ | WillcxG | .15 | .9 | 9 | 30 | 16½ | 16 | 16 | — ⅛ |
| 30¼ | 17⅜ | William | 1.40 | 6.0 | .. | 4484 | 23¾ | 22¼ | 23½ | + 1½ |
| 12¼ | 4¼ | WilmEl | | | .. | 29 | 73 | 5⅜ | 5¼ | 5⅜ — ⅛ |
| 7½ | 4 | WilshrO | .10b | 1.9 | 22 | 18 | 5¼ | 5¼ | 5¼ | |
| 59 | 34⅜ | WinDix | 1.80 | 3.3 | 20 | 3210 | 56⅞ | 53¼ | 54½ | — 2⅜ |
| 20¾ | 9 | Winnbg | .20 | 1.7 | 15 | 438 | 11⅞ | 11⅜ | 11⅞ | + ⅛ |
| 9⅜ | 3½ | Winner | | | 14 | 3 | 3⅜ | 3½ | 3⅜ | + ⅛ |
| 10⅜ | 4½ | WinterJ | .10a | 1.6 | 15 | 16 | 6½ | 6¼ | 6¼ | — ⅛ |
| 64½ | 30¾ | WiscEP | 2.68 | 4.8 | 12 | 1529 | 56⅛ | 55¾ | 55⅞ | + ⅛ |
| 105 | 76 | WisE pf | 8.90 | 8.8 | .. | z60 | 101¼ | 101¼ | 101¼ | |
| 60¼ | 28½ | WiscPL | 2.96 | 5.5 | 13 | 187 | 54¼ | 53⅜ | 53¾ | |
| 63 | 38 | WiscPS | 3.00 | 5.5 | 13 | 191 | 55½ | 54⅞ | 55 | + ⅛ |
| 38½ | 22 | Witco s | 1.12 | 3.2 | 12 | 241 | 35¼ | 34⅞ | 35 | |
| 13⅜ | 8½ | WolvrW | .12l | .. | .. | 101 | 9⅜ | 9⅜ | 9½ | + ⅛ |
| 49 | 26 | Wlwth s | 1.12 | 2.5 | 15 | 1598 | 44¾ | 44⅜ | 44⅝ | |
| 137 | 75¼ | Wolw pf | 2.20 | 1.7 | .. | 13 | 126½ | 125½ | 126½ | + ⅞ |
| 5¼ | 2 | WrldAr | | | 2 | 17 | 4⅞ | 4¾ | 4¾ | — ⅛ |
| 19¾ | 19 | WrldVI n | | | | 51 | 19½ | 19 | 19 | |
| 51 | 26¾ | Wrigly s | .96 | 1.9 | 20 | 47 | 49¾ | 49¼ | 49⅝ | |
| 4⅛ | 1⅜ | Wurltzr | | | | 6 | 2⅛ | 2⅛ | 2⅛ | + ⅛ |
| 17½ | 11 | WyleLb | .32 | 2.5 | 31 | 174 | 12⅞ | 12¾ | 12¾ | — ⅛ |
| 25⅜ | 15 | Wynns | .60 | 2.7 | .. | 26 | 23 | 22½ | 22½ | — ⅜ |
| 72¼ | 48⅛ | Xerox | 3.00 | 5.2 | 13 | 2428 | 58½ | 57½ | 58 | — ⅛ |
| 58¼ | 54 | Xerox pf | 5.45 | 9.5 | .. | 295 | 57⅜ | 57¼ | 57¼ | — ⅛ |
| 28¾ | 20¾ | XTRA | .64 | 2.6 | .. | 83 | 24¼ | 23¾ | 24¼ | |
| 18¾ | 13½ | Yorkin n | | | .. | 184 | 18 | 17¾ | 17¾ | |
| 45¾ | 28½ | ZaleCp | 1.40 | 3.1 | .. | 1988 | 45 | 42¾ | 45 | + 2⅜ |
| 35 | 22½ | Zale pfA | .80 | 2.1 | .. | 1u | 37¼ | 37¼ | 37¼ | + 3 |
| 9½ | 2¼ | Zapata | .03l | .. | .. | 195 | 2½ | 2⅜ | 2⅜ | — ⅛ |
| 43⅜ | 20¾ | Zayre s | .32 | 1.2 | 19 | 2549 | 28⅛ | 27⅛ | 27½ | — ½ |
| 17 | 9¾ | Zemex | .40 | 3.6 | 12 | 9 | 11⅜ | 11¼ | 11¼ | |
| 29⅞ | 17⅜ | ZenithE | | | .. | 468 | 21½ | 20⅞ | 21 | — ⅜ |
| 18¼ | 8 | ZenLb s | | | .. | 66 | 1249 | 10¾ | 10¼ | 10½ — ⅛ |
| 22⅜ | 12⅜ | Zero s | .29 | 2.9 | 15 | 106 | 14⅞ | 14½ | 14¾ | |
| 45¾ | 32¾ | Zurnin | 1.32 | 3.4 | 15 | 69 | 39 | 38¾ | 38¾ | — ¼ |
| 10⅜ | 9½ | Zweig n | | | .. | 429 | 9⅞ | 9½ | 9⅞ | + ¼ |

SportsMonday
Monday in The New York Times

THE NATIONAL ENDOWMENT FOR THE PRESERVATION OF

# L I B E R T Y

January 23, 1987

Mrs. Barbara Newington
P.O. Box 1098
Greenwich, CT 06830

Dear Mrs. Newington:

Our auditors are making an examination of our financial statements and wish to obtain direct confirmation of your contributions to us during calendar year 1986.

Our records for those years indicate that you contributed amount:

1986

$1,070,387.87

Please compare the above data with your records, note any exceptions in the space provided below, sign and return via Federal Express directly to our auditors, Simmermacher & Felts Certified Public Accountants, 1023 Potomac Street, N.W., Washington, D.C. 20007.

A pre-paid, addressed, Federal Express envelope is enclosed for your convenience. Please call Federal Express to arrange for them to pick up the envelope at your home or office.

Your prompt attention to this request will be appreciated.

Sincerely yours,

Daniel Lynn Conrad (mt)

Daniel L. Conrad
Executive Director

The above is correct except as noted below:

According to my records I show a figure of $1,072,867.-

2/19/87
Date

Barbara Newington
Signature

1331 Pennsylvania Ave., N.W. Suite 350 South Washington, D.C. 20004 (202) 662-8700

Checks:

| | |
|---|---|
| 9/16/84 | $10,000 |
| 10/15/86 | 20,000 |
| 9/12/86 | 132,000 |
| 3/27/86 | 142,000 |
| | 304,000 |

Stocks:

| | |
|---|---|
| 1/18/86 | 209,150 |
| 2/23/86 | 60,699 |
| 2/28/86 | 301,768 |
| 2/28/86 | 197,250 |
| | $ 768,867 |

$1,072,867.

THE NATIONAL ENDOWMENT FOR THE PRESERVATION OF

# L I B E R T Y

December 1, 1986

Mrs. Barbara Nevington
Field Point Park
Box 1098
Greenvich, Connecticut 06836

Dear Barbara:

This will serve as acknowledgement of your stock contributions to the National Endowment for the Preservation of Liberty for the eleven month period ending November 30, 1986.

| DATE | SHARES | DESCRIPTION | MKT VALUE |
|---|---|---|---|
| 01/17/86 | 14,240 | GULF CANADA LIMITED | $209,150 |
| 02/23/86 | 1,347 | SUN OIL CO. | $60,699 |
| 02/28/86 | 6,353 | SUN OIL CO. | $301,768 |
| 02/28/86 | 4,000 | DOW CHEMICAL CO. | $197,250 |

Your gift of 1,300 shares of Sun Oil Co. stock given on 2/10/86 for a value of $ 59,800 is not reflected in the above summary. This contribution was recorded as a gift to Sentinel, a 501(c)(4) tax exempt (non-deductible) organization.

In addition, your gift of 6,000 shares of Valero Energy stock given on 11/12/86 for a value of $ 53,625 has also been excluded from the above summary. This contribution was recorded as a gift to the American Conservative Foundation, a 501(c)(3) tax exempt (and deductible) organization.

Sincerely,

Stephen M. McMahon, CPA

1331 Pennsylvania Ave., N.W. Suite 350 South Washington, D.C. 20004 (202) 662-8700

0004074486

004

004

JOHN C. NEWINGTON
FIELD POINT PARK - BOX 1095
GREENWICH, CONN. 06830
203) 869-0655

Feb. 28, 1986

Mr. Carl R. Channell
National Endowment for the Preservation of Liberty
2032 Belmont Road, N.W.
Washington D.C. 20009

Dear Mr. Channell,

Am very pleased to be able to make an additional gift to your Foundation.

My gift consists of 4000 shares of Dow Chemical which closed today on the New York Stock Exchange at a mean average price of 49.3125 and 6353 shares of Sun Oil which closed at a mean average price of 47.5. Therefore, my gift has a total cash value of $499,017.50.

You will find enclosed two stock powers with my signature guaranteed by the Putnam Trust Co. of Greenwich, so that you may sell these shares through any bank or broker and have the equivalent in cash.

For income tax purposes would appreciate an acknowledgement of my gift.

Am ~~also~~ enclosing a check of $982.50 to bring the amount of my gift to a total of $500,000. as promised.

With kindest personal regards and good wishes for the continued success of your vital work.

Sincerely yours,

[signature]

0004074597

0 0 0 4 0 7 9 4 5 0 0

2/28/86

Dow Chem 0 *

High 50.25 +
Low 48.375 +
98.625 *

98.625 ÷
2 =

Mean average price 49.3125

Dow Oil 2/28/86

High 48.5 +
Low 46.5 +
95. *

95. ÷
2 =

Mean average price 47.5

# NEW YORK STOCK EXCHANGE COMPOSITE TRANSACTIONS

## *Friday, February 28, 1986*

**Quotations include trades on the Midwest, Pacific, Philadelphia, Boston and Cincinnati stock exchanges and reported by the National Association of Securities Dealers and Instinet**

| Yld % | P-E Ratio | Sales 100s | High | Low | Close | Net Chg. |
|---|---|---|---|---|---|---|
| 12.6 | ... | 8 | 89½ | 89 | 89 | – 1 |
| 7.1 | 11 | 610 | 38¼ | 37⅞ | 38⅛ | – ⅛ |
| 2.3 | 13 | 330 | 25⅝ | 24½ | 24⅝ | – ¾ |
| ... | 15 | 176 | 35½ | 34¼ | 34½ | – ⅜ |
| 3.5 | ... | 7564u | 52⅛ | 51 | 51¼ | – ¼ |
| 2.7 | ... | 232u | 64 | 63 | 63⅛ | – ⅛ |
| 11.0 | ... | 9 | 109½ | 109 | 109¼ | + ¼ |
| 3.1 | 10 | 706 | 74¾ | 74⅜ | 74¾ | + ¼ |
| ... | ... | 1856 | 4⅛ | 3⅝ | 3⅝ | – ⅛ |
| ... | ... | 5 | 32⅞ | 32¾ | 32¾ | – ¼ |
| 1.0 | 16 | 131 | 33 | 32½ | 32⅞ | – ⅛ |
| 2.7 | ... | 4679 | 45¾ | 44 | 44½ | – ¾ |
| ... | ... | 1412 | 13⅜ | 13 | 13¼ | – ⅜ |
| 7.0 | ... | 4 | 33¼ | 33 | 33¼ | + ½ |
| 4.7 | ... | 2405 | 23⅜ | 23 | 23½ | ... |
| 3.5 | ... | 8 | 99 | 99 | 99 | – 3¼ |
| ... | 11 | 793 | 1⅜ | 1½ | 1½ | – ⅛ |
| ... | 11 | 172 | 28¼ | 28⅛ | 28⅛ | – ⅛ |
| 5.3 | 10 | 1337u | 76½ | 74¼ | 76½ | + 2¾ |
| 3.6 | ... | 3 | 32⅛ | 32⅛ | 32⅛ | ... |
| 3.5 | ... | 6u | 76⅛ | 75 | 76⅛ | + 1½ |
| 1.9 | 16 | 77 | 22 | 21⅜ | 21⅞ | + ⅜ |
| 2.5 | 16 | 17 | 31 | 30⅜ | 31 | + ¾ |
| 4.8 | 15 | 1908 | 77¼ | 74¾ | 77 | + 2½ |
| 1.5 | ... | 46 | 67 | 65½ | 66½ | + 1¾ |
| 1.7 | ... | 1626u | 119½ | 117 | 118 | + 1½ |
| 1.5 | ... | 152 | 23½ | 23 | 23⅛ | – ⅜ |
| 4 | ... | 65 | 30¼ | 30 | 30 | – ⅛ |
| ... | ... | 167 | 5½ | 5¼ | 5½ | + ⅛ |
| 9.2 | 25 | 2700 | 66¼ | 65 | 65⅞ | + ⅞ |
| 9 | ... | 535 | 24 | 23⅜ | 23⅝ | – ⅜ |
| 5.1 | 10 | 5184u | 26⅜ | 26⅛ | 26½ | ... |
| 1.1 | 19 | 10845u | 66⅞ | 65⅜ | 65¾ | – ½ |
| 2.2 | 21 | 495 | 39½ | 38¾ | 38¾ | – ½ |
| ... | ... | 56 | 30 | 29½ | 29½ | ... |
| 8.1 | 11 | 2082 | 40¾ | 40 | 40 | – ⅛ |
| ... | ... | 319 | 19⅝ | 19¾ | 19⅞ | + ⅜ |
| 8 | ... | 284 | 55⅜ | 55 | 55⅜ | + ⅛ |
| 3 | ... | 237 | 81⅜ | 80¼ | 80¼ | + ⅜ |
| 0.1 | 15 | 5 | 40½ | 40 | 40½ | + ½ |
| ... | ... | 411 | 10¾ | 10¼ | 10¼ | – ⅛ |
| 4.1 | 15 | 2794u | 72 | 71 | 71⅛ | – ⅛ |
| 6 | ... | 1 | 320½ | 320½ | 320½ | ... |
| 9.1 | 10 | 1529 | 112⅞ | 110¼ | 112¾ | + ¼ |
| 4.8 | 27 | 680 | 125 | 121½ | 122⅛ | – 2⅜ |
| 9 | ... | 1 | 203 | 203 | 203 | ... |
| 5.1 | 12 | 3432 | 21⅜ | 20⅜ | 20¾ | – ⅛ |

| 52 Weeks High | 52 Weeks Low | Stock | Yld % | P-E Ratio | Sales 100s | High | Low | Close | Net Chg. |
|---|---|---|---|---|---|---|---|---|---|
| 3⅞ | 2¼ | AmMot | ... | ... | 1667 | 3¼ | 3 | 3⅛ | + ⅛ |
| 28¾ | 13⅞ | APresd s | .50 | 2.8 | 10 | 1683 | 18⅝ | 17⅝ | 18 – ⅛ |
| 13¼ | 5 | ASLFla | ... | ... | ... | 736 | 12⅝ | 11⅝ | 12 – ⅛ |
| 20⅜ | 12¼ | ASLFl pf | 2.19 | 10.8 | ... | 51 | 20¾ | 20⅜ | 20¼ + ⅛ |
| 15⅜ | 9⅞ | AShip | .80 | 7.6 | 8 | 192 | 10¾ | 10½ | 10½ – ⅛ |
| 43¼ | 26¾ | AmStd | 1.60 | 3.7 | 77 | 2685 | 43¼ | 42⅝ | 43 + ⅜ |
| 68¼ | 48⅜ | AmStor | .84 | 1.3 | 12 | 1116 | 64¼ | 63½ | 64¼ + ⅞ |
| 78 | 59½ | AStr pfA | 4.38 | 5.9 | ... | 51 | 74 | 73½ | 74 + 1 |
| 60 | 53¼ | AStr pfB | 6.80 | 11.1 | ... | 39u | 61 | 59¾ | 61 + 2 |
| 25⅜ | 19⅝ | AT&T | 1.20 | 5.3 | 17 | 27995 | 22¾ | 22¾ | 22⅝ + ⅛ |
| 48 | 34⅝ | AT&T pf | 3.64 | 7.6 | ... | 557u | 48⅜ | 47⅞ | 48⅛ + ⅛ |
| 48⅞ | 36 | AT&T pf | 3.74 | 7.7 | ... | 734u | 49 | 48½ | 48⅜ |
| 33 | 21¾ | AmWtr | 1.12 | 3.6 | 10 | 185 | 30⅝ | 30¼ | 30⅜ + ⅛ |
| 14 | 11 | AWat pf | 1.25 | 9.3 | ... | 2330 | 13½ | 13½ | 13½ ... |
| 28½ | 9¼ | AmHoff | ... | ... | 4 | 886 | 10¼ | 10¼ | 10¼ + ⅛ |
| 74 | 66 | ATr pr | 5.64 | 7.7 | ... | 27 | 73¾ | 73¼ | 73⅜ – ⅛ |
| 25 | 10 | ATr sc | ... | ... | ... | 28u | 25¼ | 25⅛ | 25¼ + ⅛ |
| 96¾ | 76¼ | ATr un | 5.64 | 5.7 | ... | 17u | 98½ | 97 | 98½ + 1¾ |
| 53¾ | 30½ | Ameron | 1.60 | 2.9 | 11 | 89u | 56¼ | 53¾ | 55⅞ + 2¼ |
| 29 | 16⅝ | AmesD s | .10 | .4 | 26 | 2978 | 28⅞ | 28 | 28¼ – ¼ |
| 30⅜ | 19⅝ | Ametek | 1.00 | 3.3 | 19 | 713u | 30¾ | 29⅝ | 30½ + ⅛ |
| 11⅝ | 9¾ | AmevSc | 1.08 | 10.0 | ... | 110 | 10⅝ | 10⅜ | 10¾ – ⅛ |
| 28⅝ | 22 | Amfac | ... | ... | 303 | 1378 | 27⅞ | 27¼ | 27½ + ⅛ |
| 12⅛ | 1⅜ | vlAmfsc | ... | ... | ... | 18u | 1⅜ | 1⅛ | 1⅜ + ⅛ |
| 70¼ | 53⅛ | Amoco | 3.30b | 5.7 | 8 | 6097 | 59⅛ | 57¾ | 58 – 1⅜ |
| 42½ | 27½ | AMP | .72 | 1.8 | 40 | 5921 | 40¾ | 39½ | 39¾ ... |
| 16¾ | 11½ | Ampco | .30 | 1.9 | 43 | 696 | 15⅞ | 15⅝ | 15⅝ – ⅛ |
| 26 | 12⅝ | Amrep s | ... | ... | 13 | 79 | 25½ | 24⅝ | 25 + ½ |
| 31⅞ | 17¼ | AmSth s | 1.04 | 3.3 | 12 | 100 | 31¼ | 30⅝ | 31½ + ⅝ |
| 46⅝ | 34⅝ | Amsted | 1.60 | 3.5 | 20 | 3921 | 46¼ | 45⅝ | 46¼ + ⅝ |
| 4¾ | 2⅜ | Anacmp | ... | ... | 12 | 2931 | 4¾ | 4½ | 4⅝ + ⅛ |
| 31 | 18 | Anlog | ... | ... | 38 | 719 | 29⅝ | 28½ | 29½ + 1⅛ |
| 27⅝ | 20⅜ | Anchor | 1.48 | 5.4 | 119 | 728u | 27¾ | 26⅞ | 27⅜ + ⅛ |
| 61¼ | 35⅜ | AnClay | 1.32 | 2.4 | 31 | 215 | 55 | 54⅝ | 54⅝ – ⅛ |
| 16⅛ | 10⅜ | AndrGr | .24b | 1.7 | 16 | 123 | 14½ | 14¼ | 14⅜ + ⅛ |
| 29⅜ | 18½ | Angelic | .60 | 2.2 | 15 | 122 | 28½ | 27¾ | 27¾ – ⅜ |
| 45¾ | 24¾ | Anheus s | .80 | 1.8 | 16 | 15913 | 44¾ | 42¾ | 44⅛ + 2⅛ |
| 86⅝ | 54⅜ | Anheu pf | 3.60 | 4.2 | ... | 94u | 87 | 85 | 86 + 3⅜ |
| 22⅞ | 13½ | Anixtr | .28 | 1.3 | 21 | 946 | 21⅜ | 21⅛ | 21⅜ ... |
| 19⅝ | 10¼ | Anthem | .04 | .2 | 41 | 27 | 18⅜ | 18¼ | 18¼ + ⅛ |
| 16 | 11 | Anthny | .44b | 2.7 | 10 | 112u | 16⅜ | 16 | 16¼ + ⅛ |
| 13⅜ | 8⅞ | Apache | .28 | 3.0 | 24 | 1342 | 9¼ | 8⅞ | 9¼ + ⅛ |
| 2 | 1⅛ | ApchP wt | ... | ... | ... | 32 | ⅝ | ⅛ | ⅜ – ⅛ |
| 19⅞ | 11½ | ApchP un | 2.10 | 14.8 | ... | 1174 | 13 | 12⅝ | 12¾ – ⅛ |
| 36¾ | 25 | BrwnGp | 1.44 | 4.0 | 19 | 184 | 36¾ | 36 | 36 – ⅛ |
| 38¼ | 20⅜ | BrwnF s | ... | ... | 22 | 3029 | 37½ | 36¼ | 37 + ¾ |
| 28¼ | 15½ | Brnsw s | .56 | 2.1 | 11 | 4829 | 27⅜ | 26½ | 26⅝ – ¼ |
| 40⅜ | 29¼ | BrshWl | .52 | 1.5 | 16 | 354 | 35¾ | 35⅜ | 35⅜ – ⅜ |
| 22½ | 16⅜ | Bundy | .80 | 3.7 | 45 | 27 | 22½ | 21⅞ | 21⅞ – ⅛ |
| 20¼ | 17⅛ | BunkrH | 2.16 | 10.7 | ... | 26 | 20¼ | 20 | 20⅛ – ⅛ |
| 21⅜ | 19⅞ | BKInv n | ... | ... | ... | 1277u | 21⅛ | 21¼ | 21¾ + ⅜ |
| 21½ | 14⅞ | BurlnCf | ... | ... | 15 | 210 | 21¾ | 20⅝ | 20⅞ + ⅛ |
| 36½ | 24¼ | BurlInd | 1.64 | 4.5 | 62 | 539u | 36¾ | 35¾ | 36⅛ – ⅛ |
| 79⅞ | 49⅛ | BrlNth | 1.60 | 2.1 | 10 | 1301 | 79⅛ | 76⅛ | 77⅜ – 1⅜ |
| 8 | 6⅜ | BrlNo pf | .55 | 6.9 | ... | 7 | 8 | 8 | 8 ... |
| 25¼ | 21¼ | BrlN pf | 2.12 | 8.5 | ... | 6 | 25⅛ | 25⅛ | 25⅛ ... |
| 52 | 48½ | BrlN pf | 4.92e | 10.0 | ... | 102 | 49¼ | 49⅛ | 49¼ – ⅛ |
| 17¾ | 9⅜ | Burndy | ... | ... | ... | 320 | 13¾ | 13 | 13 ... |
| 71⅞ | 52 | Burrgh | 2.60 | 3.8 | 12 | 2297 | 70½ | 67⅞ | 67⅞ – 1⅞ |
| 20¾ | 11 | Buttrin | .52 | 3.1 | 17 | 76 | 17¼ | 16¾ | 16⅞ – ⅜ |
| | | | | – C – C – C – | | | | | |
| 28 | 18¼ | CBI In | .60 | 2.7 | ... | 570 | 22⅞ | 21½ | 22 – ⅜ |
| 127⅞ | 77½ | CBS | 3.00 | 2.2 | 171 | 5905u | 142¼ | 126⅞ | 138½ + 11¾ |
| 86 | 54½ | CBS pf | 1.00 | 1.1 | ... | 2u | 95 | 92 | 95 + 9 |
| 8¼ | 4 | CCX | ... | ... | 150 | 202 | 4¾ | 4¾ | 4½ – ⅛ |
| 72 | 47⅜ | CIGNA | 2.60 | 3.8 | ... | 2607 | 69⅜ | 68½ | 68¼ – ½ |
| 35¾ | 27⅜ | CIG pf | 2.75 | 7.9 | ... | 492 | 35¼ | 34¾ | 34¾ ... |
| 59½ | 49 | CIG pf | 4.10 | 6.9 | ... | 977 | 59 | 58¾ | 59 + ⅞ |
| 6 | 1 | vICLC | ... | ... | ... | 94 | 2⅛ | 1¾ | 1⅞ – ⅛ |
| 71⅜ | 35¼ | CNA Fn | ... | ... | 14 | 780 | 70¼ | 69½ | 70¼ + ¼ |
| 12¾ | 9⅞ | CNAI | 1.24 | 9.7 | ... | 84u | 12⅞ | 12⅜ | 12¾ ... |
| 27½ | 16¼ | CNW | ... | ... | ... | 2783u | 28¼ | 27¼ | 28¼ + 1¼ |
| | | CNW pf | 2.12 | 7.4 | ... | 2979 | 28½ | 27¾ | 28½ ... |
| 57 | 38¾ | CPC Int | 2.20 | 3.9 | 20 | 1198u | 57⅜ | 56¾ | 57⅛ + 1½ |
| 33¾ | 19⅜ | CP Ntl | 1.50 | 4.7 | 11 | 104 | 32¼ | 32 | 32 ... |
| 23 | 19½ | CRIIMI | 2.22e | 9.6 | ... | 287u | 23½ | 22¾ | 23⅛ + ⅛ |
| 19⅜ | 13⅜ | CRSS | .34 | 2.5 | 13 | 34 | 13⅞ | 13¾ | 13⅞ + ⅛ |
| 36 | 22¾ | CSX | 1.16 | 3.2 | ... | 3452u | 36⅜ | 35⅝ | 36 + 1 |
| 40¼ | 27½ | CTS | 1.00 | 2.7 | 23 | 414 | 37¾ | 37 | 37¼ ... |
| 12 | 6⅞ | C 3 Inc | ... | ... | ... | 196 | 8⅛ | 7⅞ | 7⅞ ... |
| 32⅛ | 20½ | Cabot | .92 | 3.6 | ... | 917 | 25⅝ | 25¼ | 25½ + ½ |
| 18¾ | 11⅛ | Caesar | ... | ... | 15 | 1799u | 19 | 18⅜ | 18⅝ – ⅛ |
| 35 | 14½ | CalFed | .48 | 1.4 | 6 | 2437 | 34¾ | 33½ | 33⅝ – ⅜ |
| 64¾ | 41 | CalFd pf | 4.75 | 7.6 | ... | 122 | 63¾ | 62½ | 62¾ – ¼ |
| 24⅝ | 14⅜ | Calihn | .25b | 1.3 | ... | 134 | 19⅝ | 18¾ | 19¼ + ¼ |
| 34⅜ | 20 | Calmat | .68 | 2.3 | 11 | 46 | 29⅝ | 29⅜ | 29⅞ – ⅛ |
| 15⅞ | 9¼ | Camrnl | .12 | 1.3 | 27 | 177 | 9⅜ | 9¼ | 9¼ – ⅛ |
| 26 | 15¼ | CRLk g | .40 | ... | ... | 852 | 19⅜ | 18⅞ | 19¼ – ⅛ |
| 4¾ | 1⅞ | CmpR g | .161 | ... | ... | 383 | 2 | d 1¾ | 1⅞ – ⅛ |
| 58⅛ | 32 | CamSp s | 1.32 | 2.5 | 16 | 1486 | 52 | 51¼ | 52 + 1 |
| 15⅞ | 11⅝ | CdPac s | .48 | ... | ... | 5156 | 12⅝ | 12¼ | 12½ + ⅛ |
| 245 | 170¼ | CapCits | .20 | ... | 1 | 23 | 479u | 249½ | 244¼ 249 + 4½ |
| 31 | 20⅛ | CapHd s | .82 | 2.6 | 12 | 1740u | 31¾ | 31 | 31⅜ + ⅜ |
| 110⅞ | 103¾ | CapH pf | 8.91e | 8.3 | ... | 240 | 107 | 106¾ | 107 + ¾ |
| 12⅜ | 8¾ | Caring g | .48 | ... | ... | 114 | 8⅝ | 8⅛ | 8½ ... |
| 40 | 27¼ | Carlisle | 1.08 | 2.9 | 14 | 248 | 38 | 36⅜ | 37⅜ + 1⅛ |
| 35¾ | 20⅜ | CaroFt | .44 | 1.2 | 16 | 185u | 36⅜ | 35⅞ | 36 + ⅛ |
| 33½ | 24¾ | CarPw | 2.68 | 8.1 | 9 | 1594 | 33⅜ | 33 | 33 ... |
| 27¾ | 22⅛ | CarP pf | 2.67 | 9.6 | ... | 11 | 27¾ | 27¾ | 27¾ ... |
| 47 | 29¼ | CarTec | 2.10 | 6.3 | 25 | 1528 | 33¾ | 32⅞ | 33½ + 1 |
| 11¼ | 6½ | Carrol | .10 | 1.5 | 15 | 159 | 6⅞ | 6⅝ | 6⅞ + ⅛ |
| 28⅞ | 17¾ | CarPir s | .60 | 2.3 | 10 | 143 | 26⅜ | 26⅛ | 26⅛ – ⅛ |
| 36¼ | 24½ | CartHw | 1.22 | 3.7 | 20 | 376 | 33 | 32¾ | 32⅞ – ⅛ |
| 57½ | 30½ | CartWl | .60 | 1.1 | 15 | 89 | 55⅞ | 54¾ | 55 – ¼ |
| 18⅝ | 13¾ | CascNG | 1.28 | 7.4 | 9 | 147 | 17⅞ | 17⅜ | 17⅜ ... |
| 15 | 9⅞ | CastlCk | ... | ... | ... | 1828 | 14⅜ | 13⅝ | 13¾ – ⅜ |
| 29¼ | 17¾ | CstlC pf | 2.50 | 8.8 | ... | 5 | 28¼ | 28⅛ | 28⅛ – ⅛ |
| 17½ | 12 | CstlC pf | .90 | 5.5 | ... | 506 | 17 | 16⅛ | 16½ ... |
| 50⅛ | 29¼ | CatrpT | .50 | 1.0 | 25 | 8807u | 51⅛ | 50¼ | 50¾ + ¾ |
| 32⅛ | 22⅝ | Ceco | .80 | 2.7 | 11 | 7 | 130 | 31 | 29 29¼ – 1⅞ |
| 200 | 68⅛ | Celanse | 4.80 | 2.5 | 14 | 569 | 199⅞ | 191½ | 192½ – 5¼ |
| 57 | 38 | Celan pf | 4.50 | 8.2 | ... | 25 | 55⅛ | 55 | 55 ... |
| 10⅛ | 5 | Cengy | .04e | .7 | 15 | 252 | 5¼ | 5¼ | 5⅛ + ⅛ |
| 51⅜ | 39½ | Centel | 2.44 | 4.8 | 11 | 936 | 50⅝ | 50⅜ | 50½ – ⅛ |
| 29⅝ | 20½ | Centex | .25 | .9 | 12 | 1248u | 29⅛ | 29 | 29 – ⅛ |
| 30⅞ | 21¾ | CenSotw | 2.14 | 6.9 | 9 | 1518u | 31⅛ | 30⅝ | 31⅛ + ⅛ |
| 33⅜ | 23 | CenHud | 2.96 | 9.0 | 7 | 284 | 33⅛ | 33 | 33 – ⅜ |
| 22⅛ | 17 | CnIIPS | 1.64 | 7.2 | 12 | 728u | 22⅞ | 22¼ | 22⅜ + ⅛ |
| 30⅝ | 22¼ | CnLaEl | 2.08 | 6.7 | 8 | 681u | 31½ | 30½ | 31 + ½ |
| 37⅜ | 32¾ | CLaEl pf | 4.18 | 11.1 | ... | 16 | 37⅜ | 37⅛ | 37½ + ⅜ |
| 15⅜ | 9¼ | CeMPw | 1.40 | 8.8 | 265 | 332 | 15⅞ | 15½ | 15⅝ + ⅜ |
| 23⅛ | 16½ | CVIPS | 1.90 | 8.2 | 7 | 59 | 23⅛ | 22⅝ | 23⅛ + ⅛ |
| 9⅝ | 2½ | CentrDt | ... | ... | ... | 1751 | 5⅛ | 5¼ | 5⅜ + ⅛ |
| 14⅛ | 10 | CntryTl | .82 | 5.9 | 10 | 196 | 14 | 13¾ | 14 + ¼ |
| 22½ | 15⅜ | Cenvill | 2.00 | 11.0 | 8 | 93 | 18⅜ | 17⅞ | 18⅛ + ½ |
| 28½ | 21¼ | Crt-feed | .90 | 3.2 | 10 | 167 | 28¼ | 27¾ | 27⅞ – ⅛ |
| 30½ | 16½ | CessAir | ... | ... | 28 | 4 | 29⅝ | 29¾ | 29⅞ + ⅛ |
| 28 | 20 | Chmpin | .52 | 1.9 | 17 | 3517 | 27¼ | 27¼ | 27½ + ⅛ |
| 29½ | 22¼ | Chmi pf | 1.20 | 4.2 | ... | 7 | 29⅛ | 28¾ | 28¾ – ⅛ |
| 60½ | 47⅞ | Chmi pf | 4.60 | 7.7 | ... | 44 | 60 | 59¼ | 60 + ⅛ |
| 11½ | 7¾ | ChamSp | ... | ... | 25 | 1464 | 10⅛ | 9⅞ | 9⅞ – ⅛ |
| 3 | 2 | vlChrIC | ... | ... | ... | 403 | 2½ | 2¼ | 2⅜ + ⅛ |
| 1⅛ | ⅝ | vlChi wt | ... | ... | ... | 46 | ⅝ | ½ | ½ – ⅛ |
| 34⅜ | 17⅛ | vlChrt pf | ... | ... | ... | 129 | 2⅛ | 2 | 2 – ¼ |
| 42⅛ | 24½ | Chase s | ... | ... | 7 | 6757u | 44¾ | 43¼ | 43½ + 1¼ |
| 54 | 41½ | Chase pf | 5.25 | 9.7 | ... | 90u | 54⅛ | 53¾ | 54¼ + ¼ |
| 56⅜ | 52 | Chase pf | 5.89e | 10.8 | ... | 1430 | 54⅝ | 54½ | 54½ – ⅜ |
| 56⅜ | 50½ | Chase pf | 6.95e | 13.3 | ... | 1109 | 52¾ | 52 | 52⅛ + ⅛ |
| 31⅞ | 18 | Chelsea | .72 | 2.3 | 12 | 83 | 31½ | 30¼ | 31 + 1 |
| 38½ | 26⅜ | Chemed | 1.56 | 4.0 | 16 | 117u | 39¼ | 38½ | 39 + ½ |
| 49 | 33¾ | ChmNY | 2.60 | 5.4 | 7 | 4340 | 48¾ | 47¼ | 48 + ½ |
| 48⅛ | 34½ | ChNY pf | 1.87 | 4.0 | ... | 8 | 48 | 47¼ | 47¼ + 1 |
| 56¾ | 52⅛ | ChNY pf | 5.67e | 10.4 | ... | 318 | 55 | 54⅜ | 54⅜ – ⅜ |
| 55⅜ | 51½ | ChNY pf | 5.09e | 9.4 | ... | 100 | 54¼ | 54¼ | 54¼ + ¾ |
| 41⅞ | 32¼ | Chespk | 1.24 | 2.9 | 18 | 1118u | 43¾ | 41½ | 43⅛ + 2⅛ |
| 48½ | 31 | ChesPn | 2.00 | 4.9 | 17 | 20342 | 41⅛ | 40½ | 40⅞ + ⅜ |
| 49¾ | 33 | Chevrn | 2.40 | 6.5 | 8 | 5995 | 37 | 36¼ | 36¾ – ⅛ |
| 163 | 124 | ChiMilw | ... | ... | 74 | 46 | 147½ | 146 | 147 ... |
| 80¼ | 54 | ChiMil pf | ... | ... | ... | 56 | 70 | 68½ | 68½ – 1¼ |
| 29⅝ | 19¾ | ChiPnT | ... | ... | 12 | 107 | 22¾ | 22½ | 22½ + ⅛ |
| 14¾ | 7¼ | ChkFull | .24f | 2.0 | 392 | 185 | 11⅞ | 11⅜ | 11¾ – ⅛ |
| 58¾ | 39¼ | ChrisCr | ... | ... | 624 | 34 | 56⅛ | 55½ | 56⅛ + ⅜ |
| 13¾ | 7¼ | Christn | ... | ... | ... | 1u | 7¾ | 7½ | 7½ ... |
| 88⅜ | 43¼ | Cyclops | 1.10 | 1.9 | 9 | 96 | 59 | 58 | 59 ... |
| | | | | – D – D – D – | | | | | |
| 23⅜ | 15½ | Dallas | .66 | 4.0 | 30 | 48 | 16⅝ | 16⅜ | 16½ – ⅛ |
| 17⅜ | 9½ | DamonC | .20 | 1.3 | ... | 84 | 16⅛ | 15⅞ | 15⅞ – ⅛ |
| 34⅛ | 22¼ | DanaCp | 1.20 | 3.8 | 11 | 1228 | 33⅞ | 33⅜ | 33¾ + ¼ |
| 9⅜ | 6½ | Danahr | ... | ... | 6 | 359 | 8¼ | 8 | 8⅛ – ⅛ |
| 13⅜ | 6¼ | Daniel | .18b | 2.7 | ... | 104 | 6¼ | 6½ | 6⅜ + ⅛ |
| 47 | 29⅜ | DartKr s | 1.56 | 3.3 | 15 | 3293u | 48 | 46¾ | 46⅞ – ⅛ |
| 58⅜ | 31 | DataGn | ... | ... | ... | 4939 | 42⅞ | 40½ | 41 – 1 |
| 5⅜ | 4 | Datpt n | ... | ... | ... | 436 | 5⅜ | 5¼ | 5¼ – ⅛ |
| 11⅜ | 6⅛ | DtaDsp | .24 | 2.8 | 15 | 100 | 8¾ | 8¼ | 8½ + ⅛ |
| 22 | 16⅛ | Dayco | .24 | 1.3 | 9 | 98 | 19⅜ | 19 | 19 – ½ |
| 48¾ | 35⅞ | DaytHd | .84 | 1.9 | 18 | 3557 | 44⅞ | 44¼ | 44¾ + ⅜ |
| 22⅜ | 15 | DaytPL | 2.00 | 8.7 | 23 | 1044u | 22⅞ | 22⅜ | 22⅞ + ⅜ |
| 74⅛ | 53½ | DPL pf | 7.48 | 10.1 | ... | z220 | 74 | 74 | 74 ... |
| 75½ | 57 | DPL pf | 7.70 | 10.2 | ... | z50 | 75½ | 75½ | 75½ + 1 |
| 45¼ | 29 | DeanFd | .56 | 1.2 | 20 | 344u | 47 | 45⅛ | 47 + 1¾ |
| 32⅜ | 24¼ | Deere | 1.00 | 3.3 | 83 | 4959 | 31½ | 30 | 30 – 1⅜ |
| 29⅜ | 21¾ | DelmP | 2.02 | 6.8 | 11 | 373u | 30 | 29½ | 29⅜ ... |
| 52⅜ | 36⅛ | DeltaAr | 1.00 | 2.4 | 10 | 4550 | 42½ | 41½ | 41½ – ⅜ |
| 10 | 5 | Deltona | ... | ... | ... | 147 | 7⅜ | 7⅛ | 7⅛ + ⅛ |
| 53⅜ | 30⅜ | DixCh | 1.04 | 2.1 | 20 | 679 | 51¼ | 50⅜ | 50⅜ – ⅜ |
| 28⅛ | 20¾ | DensMf | 1.20 | 4.8 | 58 | 655 | 25¼ | 24½ | 24¾ – ½ |
| 37⅜ | 31½ | DeSoto | 1.40 | 3.7 | 13 | 31u | 38⅛ | 37⅜ | 38 + ⅜ |
| 18⅜ | 14 | DetEd | 1.68 | 8.8 | 8 | 6130u | 19⅛ | 18½ | 19 + ⅛ |
| 102⅜ | 80 | DetE pf | 5.50 | 5.2 | ... | 5u | 105⅛ | 104½ | 105⅛ + 2⅜ |
| 88⅛ | 68 | DetE pf | 9.32 | 10.5 | ... | z1020u | 89 | 87¾ | 89 + ½ |
| 80 | 55 | DetE pf | 7.45 | 9.3 | ... | z760u | 80⅞ | 80 | 80 ... |
| 79⅝ | 55 | DetE pf | 7.36 | 9.3 | ... | z320 | 79¼ | 79¼ | 79¼ – ⅜ |
| 26½ | 23⅜ | DE pfF | 2.75 | 10.4 | ... | 4 | 26⅜ | 26⅜ | 26⅜ ... |
| 29 | 23⅞ | DE prR | 3.24 | 11.4 | ... | 124 | 28¾ | 28¼ | 28¾ – ⅛ |
| 29¾ | 23 | DE pfQ | 3.13 | 10.9 | ... | 57 | 28⅞ | 28½ | 28⅝ + ⅛ |
| 28½ | 23 | DE pfP | 3.12 | 11.0 | ... | 67u | 28¾ | 28¼ | 28¼ ... |
| 26⅝ | 22⅜ | DE pfB | 2.75 | 10.3 | ... | 8 | 26⅜ | 26½ | 26⅜ + ⅛ |
| 27⅝ | 24⅜ | DE pfO | 3.40 | 11.7 | ... | 4 | 29¼ | 29 | 29 – ⅛ |
| 30 | 24½ | DE pfM | 3.42 | 11.7 | ... | 293 | 29½ | 29½ | 29¼ – ⅛ |
| 33⅛ | 29⅛ | DE prL | 4.00 | 12.1 | ... | 15 | 33⅛ | 32⅜ | 33⅛ + ⅜ |
| 34⅛ | 29⅞ | DE pfK | 4.12 | 12.4 | ... | 11 | 33¼ | 33⅛ | 33⅛ + ⅛ |
| 122 | 110 | DE pfJ | 15.68 | 12.9 | ... | z100 | 122 | 122 | 122 ... |
| 23¾ | 17¼ | DetE pr | 2.28 | 9.6 | ... | 76u | 24 | 23⅝ | 23¾ ... |
| 29¾ | 18⅞ | Dexter | .80 | 2.8 | 16 | 300 | 29 | 28⅜ | 28⅜ – ⅜ |
| 22½ | 14⅛ | DiGior | .64 | 2.9 | 13 | 540u | 22⅜ | 21½ | 21⅞ – ⅜ |
| 20⅜ | 11⅛ | DiamS | 1.38e | 12.1 | ... | 3894 | 11⅞ | 11¼ | 11⅜ – ½ |
| 38⅜ | 31⅜ | DiaSh pf | 4.00 | 11.6 | ... | 20 | 34⅜ | 34⅛ | 34½ – ⅛ |
| 22⅛ | 15½ | DiaSOf n | 2.10e | 13.0 | ... | 374 | 16⅜ | 16 | 16⅛ – ⅜ |
| 11¾ | 9 | DianaCp | .30 | 2.7 | 24 | 21 | 11¼ | 11¼ | 11⅛ + ⅛ |
| 57 | 31⅞ | Diebold | 1.10 | 2.7 | 17 | 286 | 42¼ | 40¼ | 40⅜ – 1⅝ |
| 172 | 85¼ | Digital | ... | ... | 69 | 7489u | 173¾ | 168 | 168⅜ – 3⅛ |
| 135⅞ | 73⅜ | Disney | 1.20 | .9 | 27 | 2078u | 141½ | 135⅜ | 139¼ + 3⅜ |
| 34⅛ | 18⅜ | Dsney wi | ... | ... | ... | 1533u | 35½ | 34¼ | 35⅛ + 1 |
| 28⅜ | 18⅜ | DEI s | 1.40 | 6.3 | 14 | 1111 | 22¾ | 21⅜ | 22¼ + ⅜ |
| 6¾ | 4¾ | Divrsin | ... | ... | 6 | 234 | 6⅜ | 6⅛ | 6⅛ ... |
| 12¼ | 6⅞ | Dome g | .12 | ... | ... | 1246 | 9¾ | 9¾ | 9¾ + ⅛ |
| 40¾ | 26⅞ | DomRs | 2.84 | 7.2 | 11 | 1377 | 39½ | 39½ | 39⅜ + ⅜ |
| 31⅜ | 16½ | Donald | .66 | 2.2 | 11 | 138 | 31⅜ | 30⅜ | 30⅜ – ⅜ |
| 72⅛ | 51 | Donlev | 1.28 | 1.8 | 18 | 611 | 70¼ | 68⅛ | 70¼ + 1⅛ |
| 48½ | 24⅞ | Dorsev | 1.20 | 2.5 | 15 | 39 | 48½ | 48⅜ | 48½ ... |
| 46⅜ | 32⅛ | Dover | .88 | 1.9 | 17 | 642u | 47¼ | 45⅜ | 47¼ + 1¼ |
| 51½ | 28 | DowCh | 1.80 | 3.7 | 157 | 1019 | 50¼ | 48¾ | 48¾ – 1 |
| 50⅜ | 36¾ | DowJn | .82 | 1.6 | 24 | 1102u | 52¼ | 50⅜ | 52¼ + 1⅞ |
| 34⅜ | 6¾ | Downy s | ... | ... | 5 | 417u | 36⅜ | 35 | 36 + 1¼ |
| 17¼ | 11¼ | Dravo | .50 | 3.2 | 74 | 599 | 15⅞ | 15½ | 15½ – ⅜ |
| 24⅛ | 15½ | Dresr | .80 | 4.4 | ... | 2508 | 18¾ | 18⅛ | 18⅛ – ½ |
| 22⅜ | 17½ | DrexB | 2.00 | 8.9 | ... | 47 | 22⅜ | 21¾ | 22⅜ + ⅜ |
| 118½ | 44½ | Dreyfus | .84 | .8 | 22 | 793 | 108½ | 106 | 106¼ – ¾ |

| 52 Weeks High | 52 Weeks Low | Stock | Yld % | P-E Ratio | Sales 100s | High | Low | Close | Net Chg. |
|---|---|---|---|---|---|---|---|---|---|
| 72½ | 50½ | duPont | 3.00 | 4.2 | 16 | 5682 | 72¾ | 70½ | 72 ... |
| 43¼ | 33 | duPont pf | 3.50 | 8.0 | ... | 24u | 44 | 43 | 44 ... |
| 56 | 42 | duPont pf | 4.50 | 8.1 | ... | 53u | 56¼ | 55¼ | 55¼ ... |
| 39⅝ | 29½ | DukeP | 2.60 | 6.6 | 11 | 2227 | 39¾ | 39¾ | 39¾ ... |
| 100 | 73 | Duke pf | 8.70 | 8.9 | ... | z110 | 99 | 98 | 98 ... |
| 95½ | 67 | Duke pf | 8.20 | 8.5 | ... | z1070u | 97 | 94¼ | 97 ... |
| 90⅝ | 65 | Duke pf | 7.80 | 8.4 | ... | z1161 | 0u | 93⅝ | 90¼ + 93⅝ |
| 27⅜ | 24¾ | Duke pf | 2.69 | 9.8 | ... | 30 | 27½ | 27 | 27½ ... |
| 34¼ | 29¼ | Duke pf | 3.85 | 12.2 | ... | 84 | 31¼ | 31¼ | 31¼ ... |
| 96½ | 69 | Duke pf | 8.28 | 8.6 | ... | z50 | 96 | 96 | 96 ... |
| 7⅝ | 7⅜ | DukeRtn | ... | ... | ... | 11 | 7⅝ | 7⅝ | 7⅝ ... |
| 9⅞ | 9⅝ | DukeRt un | ... | ... | ... | 63 | 9¾ | 9⅝ | 9⅝ ... |
| 103½ | 68 | DunBrd | 2.20 | 2.2 | 26 | 1763 | 99½ | 98 | 99 ... |
| 19½ | 14½ | DuqLt | 2.06 | 11.0 | 8 | 2402 | 19 | 18⅝ | 18¾ ... |
| 18⅝ | 14½ | Duq pf | 2.00 | 

| | | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 88¾ | 72⅜ | SwBell | 6.00 | 6.8 | 9 | 2385 | 88¼ | 84¼ | 88¼ | + | ½ |
| 29 | 16⅜ | SwEnr | .52 | 2.7 | 8 | 303 | 19¾ | 19 | 19 | – | ⅜ |
| 29¼ | 20 | SwPS | 2.02 | 7.1 | 11 | 377 | 29 | 28⅝ | 28⅝ | – | ⅛ |
| 18⅜ | 12⅛ | Sparton | .52 | 3.0 | 441 | 129 | 17¾ | 17¼ | 17⅜ | + | ½ |
| 26 | 15⅜ | SpectP | | ... | ... | 99 | 25 | 24½ | 24¾ | – | ⅜ |
| 59 | 45½ | Sperry | 1.92 | 3.7 | 74 | 5220 | 53⅜ | 51⅞ | 52 | – | 1⅜ |
| 46¼ | 31¼ | Springs | 1.52 | 3.3 | 31 | 245u | 47 | 46 | 46¾ | + | ½ |
| 45¾ | 35⅛ | SquarD | 1.84 | 3.9 | 15 | 1048u | 46¾ | 45¾ | 46¾ | + | 1 |
| 89⅛ | 51⅛ | Squibb | 1.76 | 2.0 | 21 | 2790u | 92½ | 88⅞ | 90 | + | 1⅛ |
| 27⅛ | 18½ | Stalev | .80 | 3.0 | 91 | 3999 | 26⅝ | 26 | 26½ | + | ⅛ |
| 23⅞ | 18¾ | StBPnt | .56 | 2.5 | 13 | 179 | 22⅝ | 21⅞ | 22¼ | + | ⅛ |
| 15⅝ | 10½ | StMotr | .32 | 2.3 | 18 | 55 | 14¾ | 14¼ | 14⅝ | – | ⅛ |
| 55¾ | 42⅛ | StdOOh | 2.80 | 5.7 | 37 | 4001 | 50½ | 48¼ | 49 | – | 2¾ |
| 32½ | 14¾ | StPacCp | .40 | 1.3 | 13 | 533 | 32½ | 31⅜ | 31¾ | – | ⅜ |
| 37 | 18¾ | StdPrd | .84 | 2.3 | 9 | 139 | 36⅞ | 35¾ | 36⅝ | + | 1 |
| 16¼ | 12⅛ | Standex | .52 | 3.2 | 14 | 454 | 16¼ | 15¾ | 16¼ | + | ½ |
| 39 | 26½ | StanWk | 1.04 | 2.7 | 14 | 842 | 39 | 38½ | 39 | + | ¾ |
| 39¾ | 31¼ | Starrett | 1.08 | 2.7 | 12 | 5u | 39⅞ | 39½ | 39⅝ | + | ½ |
| 12⅛ | 9¾ | StaMSe | 1.20 | 10.1 | ... | 27 | 12 | 11⅞ | 11⅞ | | ... |
| 3¼ | 2½ | Steego | .08t | 2.9 | ... | 160 | 2¾ | 2⅝ | 2¾ | | ... |
| 16 | 10⅜ | StrlBcp | .80 | 5.2 | 11 | 76 | 15⅝ | 15½ | 15⅝ | – | ⅛ |
| 41½ | 27⅛ | SterlDg | 1.20 | 3.0 | 22 | 2797 | 40⅜ | 39⅝ | 39⅞ | – | ½ |
| 34½ | 16½ | StevnJ | 1.20 | 3.6 | ... | 1712 | 34½ | 33¼ | 33⅜ | – | ½ |
| 31 | 25½ | ShwWrn | 1.68 | 5.9 | 20 | 122 | 28¾ | 28½ | 28⅝ | + | ½ |
| 14 | 10¾ | StkVC pf | 1.00 | 8.2 | ... | z300 | 12¼ | 12⅛ | 12¼ | – | ⅛ |
| 56 | 39 | StoneW | 1.60 | 3.1 | 11 | 70 | 51½ | 49¾ | 51½ | + | 2 |
| 45¼ | 24 | StoneC | .60 | 1.5 | 172 | 890 | 42¼ | 41 | 41¼ | – | ⅛ |
| 51½ | 34¼ | StopShp | 1.10 | 2.5 | 14 | 634 | 45½ | 43⅜ | 44 | – | 1⅛ |
| 21¾ | 16⅜ | StorEq | 1.92 | 10.7 | 13 | 395 | 18 | 17¾ | 18 | + | ⅛ |
| 3⅞ | 1½ | v\|StorT | | ... | ... | 5464 | 3¾ | 3¼ | 3⅜ | + | ½ |
| 21¼ | 17 | StratMf | 1.85e | 9.3 | 11 | 361 | 20¾ | 19⅜ | 20 | + | ¾ |
| 23¾ | 14⅜ | StridRt | .80 | 3.6 | 16 | 142 | 22⅜ | 22⅛ | 22½ | + | ⅜ |
| 6¼ | 4⅛ | SuavSh | | ... | ... | 164 | 6 | 5¾ | 5⅞ | + | ⅛ |
| 39 | 32½ | SunCh | .48 | 1.3 | 15 | 73 | 36¼ | 35⅜ | 36¼ | + | 1 |
| 12⅜ | 6⅜ | SunEl | | ... | ... | 319u | 12⅞ | 12¼ | 12½ | + | ⅜ |
| 25⅛ | 19⅛ | SunEn n | 2.88 | 13.9 | ... | 249 | 21⅛ | 20⅜ | 20¾ | – | ⅛ |
| 56⅛ | 42⅛ | SunCo | 3.00 | 6.2 | 10 | 852 | 48½ | 46½ | 48½ | + | 1¼ |
| 110¾ | 90½ | SunC pf | 2.25 | 2.3 | ... | 5 | W | 97½ | W | + | 2⅜ |
| 59⅞ | 40 | Sundstr | 1.80 | 3.0 | 15 | x157 | 59⅝ | 59¼ | 59⅝ | + | ⅜ |
| 9½ | 5⅜ | SunMn | | ... | ... | 724 | 5⅜ | 5½ | 5½ | | ... |
| 8¾ | 7 | SunM pf | 1.19 | 13.6 | ... | 366 | 8¾ | 8⅝ | 8¾ | + | ⅛ |
| 40 | 31 | SunTrst | 1.20 | 3.0 | 12 | 1197u | 40½ | 39¾ | 40⅛ | + | ⅞ |
| 24¾ | 15⅛ | SupVal s | .38 | 1.6 | 18 | 2406 | 23¼ | 22⅝ | 23¼ | + | ⅜ |
| 57¼ | 33½ | SupMkt | .48 | .9 | 15 | 266 | 57¼ | 55 | 55⅛ | – | 1⅜ |
| 16⅞ | 12 | Swank | .48 | 3.2 | 28 | 48 | 15⅛ | 15 | 15⅛ | | ... |
| 16½ | 10½ | SymsCp | | ... | 17 | 88 | 13¾ | 13⅜ | 13¾ | – | ⅛ |
| 51⅛ | 26⅞ | Syntex s | 1.20 | 2.4 | 17 | 4354u | 51⅞ | 50 | 50½ | – | ⅜ |
| 52⅜ | 32¼ | Sysco | .44 | .8 | 21 | 251u | 54 | 52⅜ | 53⅛ | + | 1⅜ |
| | | | | – | T | – | T | – | | | |
| 50¼ | 30⅞ | TDK | .31e | .8 | ... | 86 | 41 | 40⅞ | 41 | | ... |
| 39⅛ | 27⅞ | TECO | 2.36 | 6.1 | 11 | 205u | 39¼ | 39 | 39 | | ... |
| 12⅜ | 7 | TGIF | | ... | 14 | 120 | 7¾ | 7 | 7⅛ | | ... |
| 21⅜ | 14¾ | TNP | 1.32 | 6.4 | 10 | 403 | 20⅞ | 20½ | 20½ | – | ⅛ |
| 31⅞ | 20¼ | TRE | 1.00 | 3.4 | 51 | 30 | 29 | 28⅝ | 29 | + | ⅛ |
| 101 | 69 | TRW | 3.00 | 3.0 | ... | 421 | 98½ | 97 | 98½ | + | ⅛ |
| 5⅜ | 1⅛ | v\|TacBt | | ... | ... | 90 | 1⅛ | 1 | 1 | | ... |
| 92 | 57½ | TaftBrd | 1.16 | 1.3 | 20 | 309u | 92¼ | 90 | 91¾ | + | 1¼ |
| 21½ | 15 | Talley | .20e | 1.0 | 14 | 502 | 20½ | 19¾ | 20½ | – | ⅛ |
| 23½ | 17½ | Talley pf | 1.00 | 4.5 | ... | 4 | 22¼ | 22¼ | 22¼ | – | ⅛ |
| 97¾ | 66 | Tambrd | 3.40 | 3.4 | 19 | 199u | 99¾ | 98¼ | 99 | + | 2 |
| 42⅜ | 28⅜ | Tandy | | ... | 19 | 4144u | 43⅜ | 42⅛ | 42⅞ | + | ⅜ |
| 18⅛ | 12¾ | Tndycft | | ... | 15 | 117 | 15½ | 15¼ | 15¼ | | ... |
| 65⅜ | 47⅜ | Tektrnx | 1.00 | 1.6 | 19 | 1011 | 63½ | 62⅞ | 63⅛ | + | ½ |
| 5¼ | 2⅜ | Telcom | | ... | 10 | 74 | 3 | 2¾ | 3 | + | ⅛ |
| 357¾ | 227 | Teldyn | | ... | 14 | 500u | 358 | 351½ | 356½ | + | 2 |
| 24 | 12⅞ | Telrate | .40 | 2.3 | 23 | 1402 | 18 | 17⅞ | 17½ | – | ⅛ |
| 67⅞ | 36½ | Telex | | ... | 15 | 1142u | 68 | 66½ | 67½ | – | ⅜ |
| 52½ | 31¾ | Tempin | .72 | 1.4 | 15 | 510 | 51½ | 51 | 51¼ | + | ⅛ |
| 45¼ | 36½ | Tennco | 3.04 | 8.2 | 50 | 3938 | 37⅜ | 36⅞ | 37⅛ | – | ⅜ |
| 105¼ | 97¾ | Tenc pr | 11.00 | 10.8 | ... | 18 | 102⅛ | 102⅛ | 102⅛ | + | ⅛ |
| 92¾ | 76¼ | Tenc pr | 7.40 | 8.0 | ... | 112u | 92⅞ | 92¾ | 92⅞ | + | ⅛ |
| 28⅜ | 17⅛ | Terdyn | | ... | 30 | 3400 | 26¼ | 25⅜ | 25¾ | – | ½ |
| 15 | 7½ | Tesoro | .40 | 4.2 | ... | 375 | 9½ | 9⅛ | 9½ | + | ¼ |
| 27½ | 19⅜ | Tesor pf | 2.16 | 10.4 | ... | 5 | 21 | 20¾ | 20¾ | | ... |
| 40¼ | 26 | Texaco | 3.00 | 10.0 | 6 | 10951 | 30¼ | 29½ | 30⅛ | | ... |
| 37 | 22¼ | TxABc | 1.52 | 6.0 | 11 | 435 | 25⅜ | 24½ | 25⅜ | + | 1 |
| 43¾ | 19⅜ | TexCm | 1.56 | 7.6 | 13 | 1798 | 21⅜ | 20½ | 20½ | – | 1 |
| 41¼ | 30¼ | TexEst | 2.20 | 6.9 | 43 | 2060 | 33⅞ | 31½ | 31⅞ | – | 2⅛ |
| 33⅞ | 25¾ | Texind | .80b | 2.7 | 12 | 400 | 30⅜ | 29¼ | 30 | + | ⅞ |
| 128¼ | 86¼ | Texinst | 2.00 | 1.6 | ... | 2285u | 129¼ | 126 | 127½ | – | ½ |
| 6⅜ | 1⅞ | Texint | | ... | ... | 1309 | 3¾ | 3⅜ | 3¾ | | ... |
| 34¾ | 24⅞ | TxPac | .40 | 1.6 | 14 | 2 | 25 | 25 | 25 | – | ¼ |
| 34¾ | 25⅞ | TexUtil | 2.68 | 7.9 | 8 | 2914 | 34¼ | 33⅞ | 34⅛ | | ... |
| 4⅞ | 2⅜ | Texfi In | | ... | 5 | 1585u | 5⅜ | 4⅜ | 5⅜ | + | ⅜ |
| 59¾ | 39¾ | Textron | 1.80 | 3.0 | 10 | 1270u | 59⅞ | 58⅛ | 59⅞ | + | 1⅞ |
| 65 | 43½ | Textr pf | 2.08 | 3.2 | ... | 6 | 65 | 64½ | 65 | + | 1¾ |
| 53 | 36½ | Textr pf | 1.40 | 2.7 | ... | 1 | 52½ | 52½ | 52½ | + | ¼ |
| 12½ | 7¾ | Thack | | ... | 358 | 30 | 10¾ | 10½ | 10¾ | + | ½ |
| 28½ | 26⅛ | Thack pf | 4.15 | 14.9 | ... | 2 | 27⅞ | 27⅞ | 27⅞ | + | ⅛ |
| 26⅛ | 14 | ThrmE s | | ... | 24 | 471 | 24½ | 23⅞ | 24½ | + | ¾ |
| 46 | 33½ | ThmBet | 1.36 | 3.0 | 21 | 405 | 45¼ | 44½ | 45¼ | + | ¼ |
| 22½ | 15⅛ | ThomIn | .68b | 3.1 | 12 | 149 | 22¼ | 22 | 22¼ | + | ¼ |
| 18⅜ | 11¾ | ThmMed | .40 | 2.8 | 12 | 66 | 14½ | 14⅛ | 14¼ | – | ⅛ |
| 26¾ | 18⅛ | Thrifty | .64 | 2.5 | 16 | 325 | 25⅞ | 25½ | 25⅜ | + | ¼ |
| 19⅛ | 8¾ | Tidwtr | .90 | 9.2 | ... | 539 | 10¼ | 9⅝ | 9¾ | – | ¼ |
| 10½ | 5⅜ | Tigerin | | ... | ... | 808 | 8 | 7¾ | 8 | | ... |
| 69 | 47 | Time | 1.00 | 1.5 | 22 | 4320 | 69 | 66¾ | 68⅜ | – | ¼ |
| 23⅞ | 14⅝ | Timplx | | ... | 14 | 142 | 16⅛ | 16⅛ | 16¼ | | ... |
| 60⅛ | 43¾ | TimeM | 1.50 | 2.5 | 17 | 1783u | 60½ | 58¾ | 60½ | + | ½ |
| 53 | 41⅜ | Timken | 1.00 | 2.3 | 57 | 127 | 44⅜ | 44 | 44¼ | – | ⅛ |
| 11⅞ | 5¼ | Tifan | | ... | ... | 350 | 11 | 9⅞ | 9⅞ | – | ⅜ |
| 13 | 9⅛ | Tifan pf | 1.00 | 8.7 | ... | 17 | 11¾ | 11¼ | 11½ | + | ⅛ |
| 39½ | 26⅜ | TodShp | 1.32 | 4.7 | 122 | 152 | 28⅜ | 28⅛ | 28⅛ | – | ⅜ |
| 21¼ | 15¾ | Tokhm s | .48 | 2.6 | 11 | 160 | 18¾ | 18¼ | 18⅜ | – | ⅛ |
| 25⅛ | 17¼ | TolEdis | 2.52 | 10.2 | 7 | 956 | 24¾ | 24⅜ | 24⅝ | | ... |
| 31½ | 25¼ | TolEd pf | 3.72 | 12.1 | ... | 23 | 30¾ | 30⅜ | 30¾ | + | ⅜ |
| 31½ | 25⅜ | TolEd pf | 3.75 | 12.1 | ... | 4 | 31 | 30⅞ | 30⅞ | – | ⅛ |
| 30⅛ | 23½ | TolEd pf | 3.47 | 11.6 | ... | 9 | 30 | 29¾ | 29⅞ | | ... |
| 36 | 29 | TolEd pf | 4.28 | 12.3 | ... | 6 | 34⅞ | 34¾ | 34⅞ | + | ⅜ |
| 22 | 16½ | TolEd pf | 2.36 | 10.8 | ... | 37u | 22½ | 21⅞ | 21⅞ | + | ⅛ |
| 20¾ | 15⅜ | TolEd pf | 2.21 | 10.7 | ... | 144u | 20⅞ | 20⅜ | 20⅜ | | ... |
| 33 | 14⅛ | Tonka s | .10 | .4 | 6 | 359 | 27¾ | 27¼ | 27⅜ | | ... |
| 68 | 29⅜ | TootRol | .48b | .8 | 15 | 293 | 61¾ | 60 | 60¼ | – | 1¾ |
| 31 | 18¼ | Trchm s | .60 | 1.9 | 14 | 2952 | 31 | 30¼ | 31 | + | ⅛ |
| 21¾ | 13¼ | ToroCo | .40 | 1.9 | 12 | 252u | 21½ | 21 | 21 | – | ⅛ |
| 5 | 1 | Tosco | | ... | 10 | 381 | 3 | 2⅞ | 2⅞ | | ... |
| 12¾ | 5 | Towle | | ... | ... | 78 | 6¼ | 6 | 6¼ | + | ⅛ |
| 41¼ | 27½ | TovRU s | | | 29 | 3801 | 39 | 37⅞ | 38 | – | ⅜ |
| 28¼ | 16 | Tracr s | .32 | 1.5 | 31 | 403 | 21⅜ | 20⅞ | 21¼ | – | ⅛ |
| 15⅛ | 12¾ | Traml n | | ... | ... | 74 | 14¼ | 14 | 14⅛ | – | ⅛ |
| 23 | 11⅞ | TWA | | ... | ... | 9515 | 17 | 16½ | 16⅝ | + | ⅜ |
| 16 | 9 | TWA pf | 2.25 | 15.7 | ... | 769 | 14⅜ | 13⅞ | 14⅜ | + | ⅜ |
| 38½ | 26⅜ | Transm | 1.68 | 4.4 | 18 | 1286 | 38⅜ | 37¼ | 38 | – | ⅛ |
| 24 | 18½ | Tranlnc | 2.28 | 9.8 | ... | 30 | 23½ | 23⅜ | 23⅜ | – | ⅛ |
| 14 | 11½ | TARitv | 1.00 | 8.2 | 121 | 65 | 12⅛ | 12 | 12⅛ | + | ⅛ |
| 25½ | 15¼ | Twid wtA | | ... | ... | 46 | 23½ | 22½ | 23¼ | + | 1 |
| 37 | 29¼ | Twid pf | 2.00 | 5.4 | ... | 11 | 36¾ | 36½ | 36¾ | + | ¾ |
| 54¾ | 39⅜ | Travler | 2.16 | 4.1 | 13 | 3086 | 53¾ | 52¾ | 53⅜ | – | ¾ |
| 61½ | 50½ | Trav pf | 4.16 | 6.8 | ... | 46 | 60¾ | 60½ | 60¾ | | ... |
| 29¾ | 22¼ | TriCon | 3.66e | 12.6 | ... | 293 | 29¼ | 28¾ | 29 | – | ⅛ |
| 33¼ | 24 | TriCn pf | 2.50 | 7.8 | ... | 20 | 32¾ | 32¼ | 32⅛ | – | ¼ |
| 22⅜ | 4¼ | Trlain s | .10 | .5 | 7 | 355 | 20¾ | 20⅜ | 20⅜ | + | ⅛ |
| 22¼ | 16 | Trlind pf | .12 | .6 | ... | 89 | 20¾ | 20¼ | 20¼ | | ... |
| 31¼ | 26⅜ | Trlind pf | 2.22 | 7.4 | ... | 78 | 30¼ | 30 | 30 | + | ⅛ |
| 46½ | 26 | TrlaPc | 1.00 | 2.1 | 12 | 470u | 46⅞ | 46 | 46⅞ | + | ½ |
| 63⅞ | 38 | Tribune | 1.00 | 1.5 | 22 | 11841u | 66⅞ | 62⅞ | 66⅞ | + | 4 |
| 6⅝ | 3⅜ | Trlcntr | .52e | 13.0 | 5 | 1 | 4 | 4 | 4 | | ... |
| 7½ | 5⅞ | Trico | .20 | 3.1 | 11 | 113 | 6½ | 6⅛ | 6⅜ | + | ⅛ |
| 17¼ | 12½ | Trinty | .50 | 2.9 | ... | 1578u | 17½ | 17 | 17⅛ | + | ¼ |
| 35½ | 16⅞ | TritEng | .10b | .5 | 14 | x448 | 19¼ | 19 | 19 | | ... |
| 49⅞ | 35⅛ | TucsEP | 3.30 | 6.5 | 12 | 769u | 51 | 49⅜ | 50⅜ | + | 1⅛ |
| 24⅜ | 11⅜ | Tultex | .48 | 2.0 | 18 | 321 | 24¼ | 22⅞ | 24⅛ | + | 1⅛ |
| 20¼ | 16 | TwinDs | .90 | 5.0 | 22 | 22 | 18⅛ | 17⅞ | 18⅛ | + | ⅜ |
| 69 | 33½ | TycoLb | .80 | 1.3 | 19 | 281 | 59⅝ | 59 | 59½ | + | ½ |
| 17 | 12⅜ | Tyler s | .40 | 2.6 | 18 | 679 | 15⅝ | 15 | 15⅛ | + | ⅜ |
| | | | | – | U | – | U | – | U | – | |
| 60⅜ | 39¾ | UAL | 1.00 | 1.7 | ... | 2894 | 59⅜ | 58½ | 58⅝ | + | ⅜ |
| 19 | 11¾ | UCCEL | | ... | 18 | 242 | 18 | 17½ | 17⅝ | | ... |
| 32¼ | 22⅜ | UDC n | 4.00 | 12.9 | 8 | 422 | 32 | 31⅛ | 31⅛ | – | ¾ |
| 26¾ | 20 | UGI | 2.04 | 7.5 | ... | 809u | 27½ | 26¾ | 27⅛ | + | ½ |
| 27 | 22½ | UGI pf | 2.75 | 10.7 | ... | z160 | 26¾ | 25¾ | 25¾ | + | ½ |
| 11¼ | 8⅝ | UNCRes | | ... | 13 | 608 | 11¼ | 10½ | 10⅞ | – | ⅜ |
| 14½ | 10¼ | URS | .40 | 2.8 | 16 | 273u | 14⅜ | 14⅜ | 14⅜ | – | ⅛ |
| 44 | 30⅛ | USFG | 2.20 | 5.5 | ... | 2053 | 41¾ | 40⅛ | 40¼ | – | ⅝ |
| 61¾ | 30⅜ | USG s | 1.92 | 3.1 | 9 | 1239u | 63¼ | 61⅞ | 62¾ | + | 1 |
| 90½ | 59¼ | USG pf | 1.80 | 1.6 | ... | 1u | 110 | 110 | 110 | + | 28½ |
| 20¼ | 12⅜ | UnIFrst | .20 | 1.0 | 18 | 83u | 20⅜ | 20⅛ | 20⅜ | + | ⅜ |
| 84½ | 48 | Unilvr | 2.27e | 2.9 | 12 | 8 | 81½ | 79½ | 79½ | – | 3 |
| 151½ | 85¼ | UniNV | 4.30e | 3.1 | 12 | 154 | 140¼ | 139 | 139⅝ | – | 1⅛ |
| 49 | 33¼ | UCamp | 1.64 | 3.4 | 25 | 835 | 48¼ | 46¾ | 48¼ | + | 1 |
| 99½ | 36 | UnCarb | 4.50 | 4.7 | ... | 6965 | 98⅜ | 94½ | 96 | – | 1⅛ |
| 20 | 16⅛ | UCarb wi | | ... | ... | 27055 | 19⅞ | 18¾ | 19⅛ | – | ⅜ |
| 42 | 37¾ | UCarb rt | | ... | ... | 6499 | 39¾ | 38¾ | 39⅛ | – | ⅛ |
| 11¾ | 5 | UnionC | | ... | ... | 587u | 11⅞ | 11½ | 11¾ | + | ⅛ |
| 25½ | 15⅜ | UnElec | 1.84 | 7.4 | 9 | 12145 | 25 | 24½ | 24¾ | + | ⅛ |
| 36 | 26⅜ | UnEl pf | 3.50 | 10.3 | ... | z50 | 34 | 34 | 34 | – | 1¾ |
| 44 | 33 | UnEl pf | 4.50 | 10.2 | ... | z200 | 44 | 44 | 44 | + | 1½ |
| 71⅛ | 47¼ | UnEl pf | 6.40 | 9.0 | ... | z13280 | 71 | 70½ | 71 | | ... |
| 34¾ | 29 | UnEl pfM | 4.00 | 12.2 | ... | 36 | 32⅞ | 32¾ | 32⅞ | + | ⅜ |
| 88½ | 59 | UEl pfL | 8.00 | 9.4 | ... | z1030 | 87 | 85½ | 85½ | | ... |
| 28⅜ | 22 | UnEl pf | 2.98 | 10.5 | ... | 30 | 28½ | 28¼ | 28¼ | – | ⅛ |
| 23½ | 16⅜ | UnEl pf | 2.13 | 9.1 | ... | 23 | 23½ | 23¼ | 23½ | | ... |
| 27¼ | 23 | UnEl pf | 2.72 | 10.1 | ... | 6 | 27 | 26¾ | 26⅞ | + | ⅜ |
| 83 | 55 | UnEl pf | 7.44 | 8.8 | ... | z5700u | 85⅜ | 83 | 84½ | + | 1½ |
| 81 | 59 | UEl pfH | 8.00 | 10.0 | ... | z200 | 80 | 80 | 80 | – | 1 |
| 24 | 15⅜ | UnExp n | 1.03e | 6.4 | ... | 217 | 16 | 15⅜ | 16 | | ... |
| 55⅛ | 45¼ | UnPac | 1.80 | 3.6 | 12 | 5626 | 51¼ | 49¾ | 50 | – | ⅜ |
| 118½ | 103 | UnPc pf | 7.25 | 6.5 | ... | 93 | 112¼ | 111 | 112 | + | 1 |
| 84½ | 50 | Unryl pf | 8.00 | 9.5 | ... | z500 | 84 | 83 | 84 | | ... |
| 4⅞ | 1¾ | UnitOr | | ... | ... | 34 | 1¾d | 1⅝ | 1¾ | | ... |
| 27⅞ | 12½ | UnBrnd | .05e | .2 | 13 | 69 | 25 | 24¼ | 24⅜ | | ... |
| 20¼ | 11¾ | UBrd pf | | ... | ... | 13 | 18¾ | 18½ | 18½ | + | ⅛ |
| 42½ | 24⅛ | UCbTV s | .10 | .2 | 65 | 217u | 43 | 42¼ | 42⅜ | + | ⅛ |
| 32½ | 15 | UIllum | 2.32 | 7.3 | 6 | 229u | 32¼ | 32 | 32 | | ... |
| 31⅜ | 25½ | UIllu pf | 3.97 | 12.7 | ... | 46 | 31⅜ | 30⅝ | 31¼ | – | ⅛ |
| 20½ | 14⅜ | UIllu pr | 2.20 | 11.0 | ... | z1150 | 20¼ | 20 | 20 | – | ½ |
| 32½ | 26⅛ | UIllu pf | 4.00 | 12.3 | ... | 12 | 32½ | 32 | 32½ | + | ⅜ |
| 16⅜ | 12⅜ | UIllu pf | 1.90 | 11.8 | ... | 22u | 16½ | 16⅛ | 16⅛ | – | ⅛ |
| 25¼ | 17½ | UnitInd | .64 | 2.6 | 10 | 228 | 24⅜ | 23¼ | 24⅜ | + | 1⅛ |
| 45 | 36 | UnitInn | .22 | .5 | 23 | 17 | 44 | 43¾ | 44 | + | ⅛ |
| 39⅜ | 23 | UJerB s | 1.16 | 2.9 | 12 | 373u | 39⅞ | 38⅞ | 39⅛ | + | ⅜ |
| 20¼ | 11½ | UtdMM | | ... | ... | 343 | 19⅝ | 19⅛ | 19⅛ | | ... |
| 3⅝ | 2 | UPRMn | | ... | 1 | 80 | 3¼ | 3⅛ | 3⅛ | | ... |
| 39⅜ | 27¼ | UsairG | .12 | .3 | 8 | 1856 | 36⅞ | 36¼ | 36⅜ | + | ⅛ |
| 8½ | 5 | USHom | | ... | ... | 1047 | 6⅜ | 6⅛ | 6⅛ | | ... |
| 42 | 31½ | USLees | .80 | 2.0 | 12 | 155 | 40¼ | 39½ | 39⅝ | + | ⅛ |
| 46⅜ | 27⅜ | USShoe | .92 | 2.0 | 15 | 947u | 47¼ | 46⅛ | 46⅛ | + | ⅛ |
| 33 | 21⅜ | USSteel | 1.20 | 5.1 | 14 | 10989 | 24⅛ | 23½ | 23⅝ | – | ⅛ |
| 56½ | 51 | USSII pf | 5.50 | 10.8 | ... | 55 | 52¼ | 52 | 52 | | ... |
| 53 | 25½ | USSII pf | 2.25 | 8.3 | ... | 320 | 27½ | 27⅛ | 27⅛ | – | ⅛ |
| 104½ | 101½ | USSII pf | 10.75 | 10.4 | ... | 600 | 103½ | 103⅛ | 103⅛ | + | ⅛ |
| ⅜ | ⅛ | USSII wt | | ... | ... | 1361u | ¾ | ⅜ | ⅜ | + | ⅛ |
| 39⅝ | 29½ | USTob | 1.96 | 6.0 | 10 | 2333 | 33¼ | 32⅝ | 32⅝ | | ... |
| 97 | 73⅛ | USWest | 6.08 | 6.3 | 10 | 1929 | 96¾ | 95¼ | 96½ | + | ¼ |
| 11½ | 6 | UnStck | | ... | 15 | 32 | 10½ | 10⅜ | 10½ | + | ⅛ |
| 53⅞ | 36¼ | UnTech | 1.40 | 2.6 | 25 | 5207 | 53⅜ | 52⅜ | 53¼ | – | ⅛ |
| 42¾ | 32¼ | UTch pf | 2.55 | 6.0 | ... | 122 | 42¾ | 41¾ | 42½ | + | ⅛ |
| 28¾ | 20½ | UniTel | 1.92 | 6.8 | 157 | 8725 | 28¾ | 27⅝ | 28¼ | + | ⅜ |
| 35 | 25 | UniT 2pf | 1.50 | 4.3 | ... | 4 | 34½ | 34½ | 34½ | – | ⅛ |
| 24¼ | 16 | UWR | 1.28 | 5.8 | 13 | 62 | 22¾ | 22¼ | 22¼ | – | ⅛ |
| 31⅛ | 17⅜ | Unitrde | .20 | .8 | 26 | 235 | 25¼ | 24 | 25½ | + | 1 |
| 25½ | 16¼ | Univer | .80 | 3.8 | 11 | 806 | 24½ | 21 | 21⅛ | – | 3¼ |
| 30⅜ | 24⅜ | UnivFd | 1.12 | 3.9 | 11 | 136 | 28⅞ | 28⅜ | 28⅜ | – | ⅛ |
| 25½ | 19½ | UnLeaf | 1.08 | 4.3 | 9 | 173u | 25¼ | 24⅞ | 25 | + | ⅛ |
| 53 | 20⅝ | Unocal | 1.20b | 5.4 | 9 | 2453 | 23⅜ | 22¼ | 22¾ | – | ⅜ |
| 151 | 73 | Upjohn | 3.04 | 2.0 | 23 | 702u | 151½ | 149⅝ | 151½ | + | ⅜ |
| 43 | 32⅝ | USLIFE | 1.12 | 2.7 | 11 | 1183 | 41½ | 40¾ | 41½ | + | ⅜ |
| 11½ | 9¼ | UsiteFd | 1.08a | 9.3 | ... | 55u | 11¾ | 11¾ | 11¾ | + | ⅛ |
| 29¼ | 21 | UtePL | 2.32 | 8.4 | 11 | 843 | 28 | 27½ | 27½ | + | ⅛ |
| 30½ | 23⅞ | UtPL pf | 2.80 | 9.4 | ... | 15 | 29¾ | 29¾ | 29¾ | + | ⅛ |
| 30¼ | 24⅛ | UtPL pf | 2.90 | 9.8 | ... | 38 | 29½ | 28⅞ | 29½ | + | ⅛ |
| 23⅜ | 17 | UtPL pf | 2.04 | 8.6 | ... | 8u | 23⅞ | 23⅜ | 23¾ | + | ⅛ |
| 27 | 19⅞ | UtilCo | 1.40b | 5.6 | 8 | 331 | 25⅛ | 24⅞ | 24⅞ | – | ⅛ |
| 24¼ | 19⅜ | UtilCo pf | 2.44 | 10.2 | ... | 10 | 24 | 23⅝ | 24 | + | ⅛ |
| 26 | 21⅛ | UtilCo pr | 2.61 | 10.0 | ... | 4u | 26½ | 26 | 26⅛ | + | ⅛ |
| 36 | 31¾ | UtilCo pf | 4.12 | 11.7 | ... | 5 | 35¼ | 35¼ | 35⅛ | – | ⅛ |
| | | | | – | V | – | V | – | | | |
| 63⅞ | 30½ | VF Corp | 1.28 | 2.0 | 14 | 738 | 63½ | 62¾ | 63⅛ | + | ⅛ |
| 14¾ | 8⅛ | Valero | | ... | 8 | 2338 | 9¼ | 8⅞ | 8⅞ | – | ⅛ |
| 25⅜ | 19½ | Valer pf | 3.44 | 14.8 | ... | 61 | 23⅜ | 23¼ | 23⅜ | – | ⅛ |
| 3½ | 2¼ | Valevin | | ... | 56 | 47 | 2¼ | 2¼ | 2¼ | | ... |
| 30⅞ | 20⅛ | VanDrn | 1.00 | 3.2 | 9 | 96u | 31 | 30⅜ | 31 | + | ⅛ |
| 5¼ | 2⅜ | Varco | | ... | ... | 18 | 3 | 2⅞ | 3 | + | ⅛ |
| 15½ | 7 | Varco pf | | ... | ... | 2 | 13½ | 13½ | 13½ | + | ⅛ |
| 40¼ | 22½ | Varian | .26 | .9 | 41 | 611 | 29 | 28¾ | 29 | | ... |
| 17 | 9⅝ | Varo | .40 | 2.6 | 781 | 141 | 16 | 15½ | 15⅝ | – | ⅛ |
| 25⅜ | 13 | Veeco | .40 | 2.1 | 25 | 334 | 19⅜ | 18¾ | 18¾ | – | ⅛ |
| 12 | 3¾ | Vendo | | ... | 14 | 61 | 8⅞ | 8¾ | 8⅞ | | ... |
| 13¼ | 9⅞ | VestSe | 1.20a | 9.4 | ... | 53 | 13 | 12¾ | 12¾ | – | ⅛ |
| 15¼ | 10⅜ | Vestrn n | | ... | 11 | 3475 | 11⅜ | 10⅞ | 11¼ | + | ⅛ |
| 66¼ | 39⅛ | Viacom | .48 | .8 | 25 | 1052 | 57⅛ | 56⅜ | 57¼ | + | ⅛ |
| 52 | 41 | ViaEP pf | 5.00 | 9.6 | ... | z210 | 52 | 52 | 52 | + | ⅛ |
| 90½ | 61½ | ViaEP pf | 7.72 | 8.9 | ... | z160 | 87 | 87 | 87 | – | 1 |
| 98¼ | 71 | ViaEP pf | 8.84 | 9.3 | ... | z150 | 95 | 95 | 95 | + | ⅛ |
| 91 | 71 | ViaEP pf | 8.60 | 9.7 | ... | 1 | 89 | 89 | 89 | + | ⅛ |
| 102 | 74 | ViaEl pf | 8.60 | 8.4 | ... | z10 | 102 | 102 | 102 | + | 1½ |
| 105 | 78 | ViaEP pf | 9.75 | 9.4 | ... | z500 | 104 | 103½ | 104 | + | ⅜ |
| 80 | 57 | ViaEP pf | 7.20 | 8.6 | ... | z4800u | 83½ | 80 | 83⅜ | + | 3⅜ |
| 24 | 13⅛ | Vishay s | | ... | 16 | 125 | 20½ | 19⅞ | 20½ | + | 1 |
| 85 | 38¼ | Vornad | | ... | 27 | 43 | 75¼ | 74 | 75¼ | + | 1¼ |
| 105½ | 70¼ | VulcnM | 2.96 | 2.8 | 17 | 167u | 106½ | 103⅞ | 104¾ | + | 1¼ |
| | | | | – | W | – | W | – | | | |
| 32⅞ | 26 | WICOR | 2.42 | 7.7 | 8 | 176 | 32½ | 31⅝ | 31⅝ | | ... |

*Continued on Page 41*


VANGUARD

# IRA

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203) 869-0656

Feb. 23, 1986

Mr. Carl S. Channell
National Endowment for the Preservation of Liberty
2042 Belmont Road, N.W.
Washington, D.C. 20009

Dear Mr. Channell,

Am happy to be able to make another contribution to your Foundation.

My gift consists of 1347 shares of Sun Co. This stock closed today on the New York Stock Exchange at a mean average price of 45.0625. Therefore, my gift has a total cash value of $60,699.19.

You will find enclosed one stock power with my signature guaranteed by the Putnam Trust Co. in Greenwich, so that you may sell these shares through any bank or broker and have its equivalent in cash.

For income tax purposes would appreciate an acknowledgement of my gift.

With kindest regards and best wishes for the continuing vital work of your Foundation.

Sincerely yours,

John C. Newington

C004079493

| | | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 51½ | 34¼ | StopShp | 1.10 | 2.6 | 14 | 512 | 43½ | 42⅝ | 43⅛+ | ⅜ |
| 21¾ | 16⅝ | StorEq | 1.92 | 10.4 | 13 | 205 | 18⅜ | 18⅛ | 18⅜ | .... |
| 3⅝ | 1½ | vjStorT | | ... | ... | 831 | 3⅜ | 3¼ | 3⅜ | .... |
| 21⅜ | 17 | StratMt | 1.85e | 9.2 | 11 | 221 | 20¼ | 19⅞ | 20⅛+ | ⅛ |
| 23¾ | 14⅜ | StridRt | .80 | 3.5 | 16 | 111 | 23 | 22½ | 22⅝− | ¼ |
| 6¼ | 4⅛ | SuavSh | | ... | ... | 35 | 5⅜ | 5½ | 5⅜ | .... |
| 39 | 32½ | SunCh | .48 | 1.3 | 15 | 29 | 35⅝ | 35 | 35⅝+ | ⅜ |
| 11¾ | 6⅜ | SunEl | | ... | ... | 121u | 11⅜ | 11⅜ | 11½− | ⅛ |
| 25⅛ | 19½ | SunEn | n2.88 | 14.2 | ... | 487 | 20¼d | 19⅛ | 20¼+ | ½ |
| 56¼ | 42¼ | SunCo | 3.00 | 6.7 | 10 | 1571 | 45⅝ | 44⅞ | 45 | .... |
| 110⅝ | 90½ | SunC pf | 2.25 | 2.5 | ... | 1 | 91 | 91 | 91 | − ⅛ |
| 58⅞ | 40 | Sundstr | 1.80 | 3.0 | 15 | 792u | 59¼ | 58 | 59⅛+ | 1⅛ |
| 9½ | 5⅛ | SunMn | | ... | ... | 857 | 5¾ | 5½ | 5⅝ | .... |
| 8¾ | 7 | SunMA | pf 1.19 | 14.0 | ... | 306 | 8⅝ | 8⅝ | 8½ | .... |
| 40 | 31 | SunTrst | 1.20 | 3.2 | 11 | 338 | 38¼ | 37¾ | 38 | .... |
| 24⅜ | 15⅛ | SupVal | s .38 | 1.7 | 18 | 1411 | 23 | 22¾ | 23 | .... |
| 56½ | 33½ | SupMkt | .48 | .8 | 16 | 140u | 57¼ | 55⅝ | 57¼+ | 1⅜ |
| 17 | 12 | Swank | .48 | 3.3 | 24 | 26 | 14⅜ | 14⅜ | 14⅜− | ¼ |
| 26¼ | 16½ | SybRn | 1.08 | 4.1 | 24 | 240 | 26⅛ | 26 | 26⅛ | .... |
| 44½ | 31 | SybRn | pf2.40 | 5.5 | ... | 50 | 43½ | 43⅜ | 43½+ | ⅜ |
| 16½ | 10½ | SymsCp | | ... | 18 | 74 | 14⅛ | 13¾ | 14⅛+ | ⅛ |
| 50⅛ | 26⅞ | Syntex | s 1.20 | 2.5 | 19 | 3581 | 48¼ | 47 | 48⅛+ | 2 |
| 52 | 32¼ | Sysco | .44 | .9 | 20 | 237 | 52 | 50½ | 50½+ | ⅛ |
| | | | | − T−T−T − | | | | | | |
| 50¼ | 30⅞ | TDK | .31e | .7 | ... | 108 | 41¾ | 41⅜ | 41¾+ | 1⅜ |
| 37¾ | 27⅝ | TECO | 2.36 | 6.2 | 11 | 356u | 38⅛ | 37½ | 38¼+ | 1 |
| 12⅜ | 7 | TGIF | | ... | 14 | 85 | 7⅜ | 7⅛ | 7⅜+ | ¼ |
| 21⅜ | 14⅜ | TNP | 1.32 | 6.4 | 10 | 26 | 20⅜ | 20½ | 20⅜+ | ⅛ |
| 31⅝ | 20¼ | TRE | 1.00 | 3.4 | 51 | 103 | 29⅜ | 28⅝ | 29 | − ½ |
| 101 | 69 | TRW | 3.00 | 3.1 | ... | 650 | 99⅛ | 96¾ | 98 | − ⅞ |
| 206 | 152¼ | TRW | pf 4.40 | 2.1 | ... | 1u | 210 | 210 | 210 | + 5½ |
| 180 | 130 | TRW | pr 4.50 | 2.5 | ... | 1 | 178½ | 178½ | 178½− | 1½ |
| 5⅛ | 1 1/16 | vjTacBt | | ... | ... | 23 | 1 | 1 | 1 | .... |
| 92 | 57½ | TaftBrd | 1.16 | 1.3 | 20 | 122 | 91¾ | 89¾ | 90¼ | .... |
| 21½ | 15 | Talley | .20e | .9 | 14 | 1568 | 21⅜ | 20½ | 21¼+ | ⅛ |
| 23½ | 17½ | Talley | pf 1.00 | 4.3 | ... | 85 | 23½ | 22½ | 23½+ | ⅜ |
| 96¼ | 66 | Tambrd | 3.40 | 3.6 | 18 | 433u | 96⅜ | 95 | 95¼− | ⅜ |
| 42⅛ | 28⅜ | Tandy | | ... | 18 | 5716u | 42⅜ | 41⅜ | 41½− | ⅛ |
| 18⅛ | 12¾ | Tndycft | | ... | 15 | 11 | 15⅜ | 15½ | 15⅜ | .... |
| 65⅞ | 47⅜ | Tektrnx | 1.00 | 1.6 | 19 | 207 | 64 | 63½ | 63¾ | .... |
| 5¼ | 2⅜ | Telcom | | ... | 10 | 48 | 3 | 2⅝ | 3 | .... |
| 354½ | 227 | Teldyn | | ... | 13 | 437 | 336 | 329½ | 334¾+ | 5½ |
| 24 | 12⅜ | Telrate | .40 | 2.3 | 23 | 583 | 17¾ | 17 | 17¾+ | ½ |
| 66⅜ | 36½ | Telex | | ... | 15 | 724u | 67½ | 66¾ | 67½+ | 1½ |
| 51½ | 31¾ | Tempin | .72 | 1.4 | 15 | 309u | 52 | 50⅜ | 51⅜+ | 1⅛ |
| 45¼ | 36½ | Tennco | 3.04 | 8.0 | 51 | 1854 | 37⅞ | 37¼ | 37⅞+ | ½ |
| 105¼ | 97¾ | Tenc pr | 11.00 | 10.6 | ... | 1 | 104 | 104 | 104 | − ⅜ |
| 90 | 76¼ | Tenc pr | 7.40 | 8.1 | ... | 177u | 91⅜ | 91 | 91¾+ | 1¾ |
| 28¾ | 17½ | Terdyn | | ... | 30 | 509 | 26½ | 26 | 26⅜− | ⅛ |
| 15 | 7½ | Tesoro | .40 | 4.8 | ... | 310 | 8¼ | 8 | 8¼+ | ⅛ |
| 27½ | 19⅜ | Tesor | pf 2.16 | 10.4 | ... | 14 | 20¾ | 20⅜ | 20¾+ | ¼ |
| 40¼ | 26 | Texaco | 3.00 | 10.3 | 6 | 23029 | 29½ | 28⅝ | 29 | − ¼ |
| 37 | 22¼ | TxABc | 1.52 | 6.5 | 10 | 86 | 23¾ | 23½ | 23⅜− | ¼ |
| 43¾ | 21½ | TexCm | 1.56 | 7.5 | 13 | 1470 | 22⅝d | 20¾ | 20¾− | 1⅜ |
| 41¼ | 30⅛ | TexEst | 2.20 | 6.4 | 46 | 2151 | 34⅞ | 34⅜ | 34⅜− | ¼ |
| 33⅜ | 25¾ | TexInd | .80b | 2.9 | 11 | 216 | 28 | 27 | 27⅛+ | ⅛ |
| 127¼ | 86¼ | TexInst | 2.00 | 1.6 | ... | 742 | 125½ | 124¼ | 125 | + ⅞ |
| 6⅜ | 1⅞ | Texint | | ... | ... | 2035 | 3 | 2¾ | 3 | .... |
| 34¾ | 24⅞ | TxPac | .40 | 1.6 | 14 | 16 | 25¾ | 25½ | 25½ | .... |
| 33⅞ | 25⅞ | TexUtil | 2.52 | 7.4 | 8 | 4780u | 34½ | 33⅝ | 34¼+ | ⅜ |
| 4⅞ | 2⅜ | Texfl | In | ... | 4 | 215 | 4½ | 4⅜ | 4½ | .... |
| 59¾ | 39¾ | Textron | 1.80 | 3.1 | 10 | 923 | 57⅜ | 56⅜ | 57¼+ | ½ |
| 65 | 43½ | Textr | pf 2.08 | 3.4 | ... | 10 | 62 | 62 | 62 | .... |
| 53 | 36½ | Textr | pf 1.40 | 2.8 | ... | 4 | 50½ | 50½ | 50½+ | ¼ |
| 12½ | 7⅜ | Thack | | ... | 363 | 38 | 10⅞ | 10⅝ | 10⅞+ | ¼ |
| 28½ | 26⅛ | Thack | pf 4.15 | 15.0 | ... | 1 | 27¾ | 27¾ | 27¾− | ⅛ |
| 26⅛ | 14 | ThrmE | s | ... | 25 | 508 | 25½ | 24⅝ | 25⅛+ | ⅛ |
| 46 | 33½ | ThmBet | 1.36 | 3.1 | 21 | 110 | 43⅜ | 43½ | 43⅜+ | ⅛ |
| 22 | 15⅛ | ThmIn | .68b | 3.1 | 12 | 61 | 22 | 21¾ | 22 | .... |
| 18⅜ | 11¾ | ThmMed | .40 | 2.9 | 12 | 135 | 14⅜ | 13⅞ | 14 | − ⅛ |
| 26⅛ | 18⅛ | Thrifty | .64 | 2.4 | 16 | 477u | 26¾ | 26 | 26⅜+ | ½ |
| 19¼ | 8¾ | Tidwtr | .90 | 9.1 | ... | 343 | 10¼ | 9¾ | 9⅞− | ¼ |
| 10½ | 5⅜ | Tigerin | | ... | ... | 872 | 8¾ | 7⅞ | 8⅛− | ¼ |
| 65⅝ | 47 | Time | 1.00 | 1.6 | 20 | 3251 | 65 | 63 | 64¼+ | 1⅞ |
| 23⅞ | 14⅜ | Timplx | | ... | 14 | 416 | 17¼ | 16 | 16¾+ | 1 |
| 59 | 43¾ | TimeM | 1.50 | 2.5 | 17 | 891u | 59⅝ | 58¼ | 59⅞+ | 1¼ |
| 53 | 41⅜ | Timken | 1.00 | 2.3 | 55 | 74 | 42⅞ | 42¼ | 42⅞+ | ½ |
| 11⅜ | 5¼ | Titan | | ... | ... | 621u | 11⅞ | 11 | 11⅜+ | ½ |
| 13 | 9⅛ | Titan | pf 1.00 | 8.2 | ... | 12 | 12¼ | 12¼ | 12¼ | .... |
| 39½ | 26⅜ | TodShp | 1.32 | 4.6 | 126 | 24 | 28⅞ | 28½ | 28⅞+ | ⅛ |
| 21¼ | 15¾ | Tokhm | s .48 | 2.6 | 11 | 542 | 18⅝ | 18⅜ | 18⅝ | .... |
| 23⅞ | 17¼ | TolEds | 2.52 | 10.5 | 7 | 875u | 24 | 23⅞ | 24 + | ¼ |
| 31½ | 25¼ | TolEd | pf 3.72 | 12.2 | ... | 31 | 30½ | 30¼ | 30½ | .... |
| 31½ | 25⅜ | TolEd | pf 3.75 | 12.2 | ... | 52 | 30¾ | 30 | 30¾+ | 1 |
| 30⅛ | 23½ | TolEd | pf 3.47 | 11.9 | ... | 22 | 29½ | 29 | 29½+ | ⅛ |
| 36 | 29 | TolEd | pf 4.28 | 12.4 | ... | 4 | 34⅞ | 34⅝ | 34⅝+ | ⅛ |
| 21⅜ | 16½ | TolEd | pf 2.36 | 10.9 | ... | 53u | 21¾ | 21½ | 21⅜+ | 1 |
| 20⅜ | 15⅜ | TolEd | pf 2.21 | 10.9 | ... | 110 | 20¼ | 19⅞ | 20¼+ | ⅜ |
| 27⅜ | 24⅜ | TolE | adjpf | ... | ... | 60 | 25 | 25 | 25 | .... |
| 33 | 12⅜ | Tonka | s .10 | .4 | 6 | 500 | 28⅛ | 27 | 27¼− | ½ |
| 64 | 29¼ | ToofRol | .48b | .7 | 17 | 48u | 66 | 62 | 66 + | 4 |
| 27¾ | 18¼ | Trchm | s .60 | 2.1 | 13 | 3330u | 29 | 27⅞ | 29 + | 1⅜ |
| 20⅜ | 13¼ | ToroCo | .40 | 2.0 | 12 | 243 | 20¾ | 20¾ | 20½+ | ⅛ |
| 5 | 1 | Tosco | | ... | 9 | 647 | 3 | 2⅜ | 2⅜− | ⅜ |
| 14⅜ | 5 | Towle | | ... | ... | 36 | 6⅛ | 6 | 6⅛+ | ¼ |
| 8¼ | 2¾ | Towle | pf | ... | ... | 24 | 3 | 3 | 3 | .... |
| 41¼ | 27½ | ToyRU | s | ... | 27 | 10402 | 35⅜ | 34¼ | 35¼+ | ¾ |
| 28¼ | 16 | Tracr | s .32 | 1.5 | 30 | 1150 | 20¾ | 19⅝ | 20¾+ | 1⅛ |
| 15⅛ | 12¾ | Trami | n | ... | ... | 254 | 13⅜ | 13¼ | 13½+ | ⅛ |
| 23 | 11⅞ | TWA | | ... | ... | 864 | 14¼ | 14 | 14¼+ | ¼ |
| 16 | 9 | TWA | pf 2.25 | 17.3 | ... | 397 | 13⅜ | 12¾ | 13 + | ⅛ |
| 38 | 26⅜ | Transm | 1.68 | 4.4 | 18 | 1383u | 38¼ | 37¾ | 38¼+ | ⅜ |
| 23⅜ | 18½ | TranInc | 2.28 | 9.5 | ... | 47u | 24 | 23½ | 24 + | ⅜ |
| 14 | 11½ | TARity | 1.00 | 8.2 | 121 | 5 | 12⅛ | 12 | 12⅛+ | ⅛ |
| 21½ | 12¾ | TrnCda | n 1.12 | 8.5 | 5 | 558 | 13⅛ | 13 | 13⅛+ | ¼ |
| 63½ | 44 | Transco | 6.56e | 12.7 | 57 | 1033 | 52⅜ | 51¾ | 51¾− | 1 |
| 75 | 53 | Trnsc | pf 3.87 | 6.0 | ... | 8 | 64¾ | 64¼ | 64½− | ½ |
| 59 | 50½ | Trnsc | pf 4.75 | 8.8 | ... | 31 | 54¼ | 53¾ | 53¾− | ½ |
| 24⅞ | 15⅜ | TranEx | 2.36 | 14.2 | ... | 626 | 16⅜ | 16¼ | 16⅜+ | ¼ |
| 12⅜ | 5⅞ | Transcn | | ... | 23 | 253 | 10⅞ | 10⅜ | 10⅞+ | ¼ |
| 98 | 87 | TrGP | pf 8.64 | 9.0 | ... | z180 | 96¼ | 96 | 96¼+ | ¼ |
| 26½ | 23¼ | TrGP | pf 2.50 | 9.6 | ... | 3 | 26 | 26 | 26 | .... |
| 16½ | 8⅜ | TrnsOh | | ... | 7 | 76 | 15¾ | 15⅜ | 15⅛− | ⅜ |
| 43¼ | 32 | Trnwld | .48 | 1.1 | 7 | 4374 | 41⅞ | 41½ | 41⅞+ | ⅜ |
| 25½ | 15¼ | Twld | wtA | ... | ... | 68 | 24 | 23¾ | 24 | .... |
| 36¼ | 29¼ | Twld | pf 2.00 | 5.4 | ... | 37u | 36⅞ | 36¼ | 36⅞+ | ⅞ |
| 54¾ | 39⅜ | Travler | 2.16 | 4.0 | 13 | 1458 | 54⅜ | 53⅞ | 54⅜+ | ⅞ |
| 61 | 50½ | Trav | pf 4.16 | 6.8 | ... | 68u | 61½ | 60½ | 61½+ | 1¼ |
| 29¼ | 22¼ | TriCon | 3.66e | 12.4 | ... | 335u | 29¾ | 29⅛ | 29⅜+ | ⅜ |
| 32⅛ | 24 | TriCn | pf 2.50 | 7.7 | ... | 39u | 33¼ | 32½ | 32½+ | ¼ |
| 22¾ | 4¼ | Trialn | s .10 | 5 | 7 | 860 | 20¾ | 20¾ | 20¾+ | ¾ |
| 20¼ | 16 | TwinDs | .90 | 5.2 | 20 | 9 | 17¼ | 17 | 17¼+ | ⅛ |
| 59⅜ | 33½ | TycoLb | .80 | 1.3 | 19 | 419u | 60 | 59¾ | 60 + | ⅞ |
| 17¾ | 12⅜ | Tyler | s .40 | 2.7 | 18 | 67 | 14⅞ | 14½ | 14¾+ | ¼ |
| | | | | − U−U−U − | | | | | | |
| 60⅜ | 39¾ | UAL | 1.00 | 1.7 | ... | 3660 | 60⅜ | 59¾ | 59¾+ | ⅜ |
| 18⅛ | 11¾ | UCCEL | | ... | 19 | 489u | 18¼ | 17⅝ | 18½+ | ⅜ |
| 30 | 22⅜ | UDC | n 4.00 | 13.7 | 8 | 1543 | 29½ | 28½ | 29¼+ | 1⅜ |
| 25¼ | 20 | UGI | 2.04 | 8.4 | ... | 718 | 24⅝ | 23⅝ | 24¼+ | ¼ |
| 27 | 22½ | UGI | pf 2.75 | 10.3 | ... | z900 | 26¾ | 26 | 26¾+ | ¾ |
| 11¼ | 8⅝ | UNCRes | | ... | 13 | 2650 | 11½ | 10¼ | 10¾+ | ⅜ |
| 13¾ | 10¼ | URS | .40 | 3.0 | 15 | 1068 | 13⅜ | 12½ | 13¾+ | 1¼ |
| 44 | 30⅛ | USFG | 2.20 | 5.4 | ... | 2059 | 41¾ | 40⅝ | 40⅞− | ⅛ |
| 57¾ | 30¾ | USG | s 1.92 | 3.3 | 9 | 2705u | 58¼ | 57 | 58 + | 1¾ |
| 20¼ | 12⅜ | UniFrst | .20 | 1.0 | 17 | 21 | 19¾ | 19½ | 19¾ | .... |
| 84½ | 48 | Unilvr | 2.27e | 2.8 | 12 | 6 | 82 | 82 | 82 + | 2 |
| 151½ | 85¼ | UniNV | 4.30e | 3.1 | 12 | 296 | 140¾ | 139 | 140¼− | ¼ |
| 49 | 33¼ | UCamp | 1.64 | 3.4 | 25 | 2235 | 48¼ | 47¼ | 48¼+ | ⅜ |
| 87¼ | 36 | UnCarb | 4.50 | 5.2 | ... | 2308u | 87⅜ | 86 | 86¾ | .... |
| 11 | 5 | UnionC | | ... | ... | 1919u | 11¾ | 11 | 11½+ | ⅜ |
| 25½ | 15⅜ | UnElec | 1.84 | 7.5 | 9 | 3020 | 24⅝ | 24½ | 24⅝− | ⅛ |
| 34 | 26⅝ | UnEl | pf 3.50 | 10.7 | ... | z70 | 32¾ | 32¾ | 32¾+ | ¼ |
| 41 | 29½ | UnEl | pf 4.00 | 9.6 | ... | z200u | 41½ | 41 | 41½+ | 1½ |
| 42½ | 33 | UnEl | pf 4.50 | 10.7 | ... | z240 | 42 | 40¾ | 42 + | 1½ |
| 49 | 30 | UnEl | pf 4.56 | 9.0 | ... | 1200u | 50¾ | 46 | 50⅜+ | 5⅜ |
| 67½ | 47¼ | UnEl | pf 6.40 | 9.5 | ... | z3820u | 70 | 67½ | 67½+ | 1 |
| 34⅜ | 29 | UnEl | pfM 4.00 | 12.3 | ... | 43 | 32¾ | 32¼ | 32⅜+ | ⅛ |
| 81 | 59 | UEI | pfL 8.00 | 9.9 | ... | z330 | 81 | 81 | 81 | .... |
| 28⅜ | 22 | UnEl | pf 2.98 | 10.6 | ... | 45 | 28⅛ | 28 | 28⅛+ | ⅛ |
| 21⅞ | 16⅛ | UnEl | pf 2.13 | 9.7 | ... | 31u | 22 | 21¾ | 21⅞ | .... |
| 27¼ | 23 | UnEl | pf 2.72 | 10.3 | ... | 6 | 26⅜ | 26¼ | 26⅜ | .... |
| 81⅜ | 55 | UnEl | pf 7.44 | 9.5 | ... | z1750 | 81¼ | 78 | 78 + | 2½ |
| 77 | 59 | UEI | pfM 8.00 | 9.9 | ... | z830u | 81 | 75 | 81 + | 5 |
| 24 | 15⅛ | UnExp | n 1.03e | 6.5 | ... | 553 | 15⅝ | 15⅜ | 15⅝+ | ⅛ |
| 55¼ | 45¼ | UnPac | 1.80 | 3.6 | 12 | 3278 | 49⅞ | 48⅞ | 49⅝+ | ⅜ |
| 118½ | 103 | UnPc | pf 7.25 | 6.6 | ... | 127 | 110 | 108½ | 110 + | 2 |
| 84½ | 50 | Unryl | pf 8.00 | 9.8 | ... | z100 | 82 | 82 | 82 | .... |
| 5 | 1¾ | UnitDr | | ... | ... | 50 | 1⅞ | 1¾ | 1¾− | ⅛ |
| 27⅞ | 12½ | UnBrnd | .05e | .2 | 12 | 47 | 24½ | 23¾ | 24 | .... |
| 20¼ | 11¾ | UBrd | pf | ... | ... | x18 | 18¼ | 18 | 18¼+ | ¼ |
| 39½ | 24 | UCbTV | s .10 | .3 | 60 | 102 | 39½ | 38⅝ | 39½+ | ¾ |
| 32⅛ | 15 | Utilum | 2.32 | 7.7 | 5 | 199 | 30⅜ | 29⅝ | 30 − | ½ |
| 30⅜ | 25½ | Utilu | pf 3.97 | 13.2 | ... | 35 | 30 | 29¾ | 30 + | ⅛ |
| 20½ | 14⅜ | Utilu | pr 2.20 | 10.9 | ... | z350 | 20¼ | 19⅜ | 20¼+ | ½ |
| 22¼ | 26⅛ | Utilu | pf 4.00 | 12.5 | ... | 4 | 31⅜ | 31½ | 31⅜+ | ⅜ |
| 16⅜ | 12⅜ | Utilu | pf 1.90 | 12.1 | ... | 16 | 16 | 15⅝ | 15⅜− | ¼ |
| 25⅛ | 17½ | Unitind | .60b | 2.4 | 11 | 374u | 25¼ | 24⅞ | 25 | ... |
| 45 | 36 | Unitinn | .22 | .5 | 22 | 1 | 44⅜ | 44⅜ | 44⅜+ | ⅛ |
| 38 | 23 | UJerB | s 1.16 | 3.1 | 12 | 871 | 37½ | 36¾ | 37½+ | ⅜ |
| 20¼ | 11½ | UtdMM | | ... | ... | 159 | 18 | 17¾ | 17⅞− | ⅛ |
| 3⅞ | 2 | UPkMn | | ... | 1 | 5 | 2⅞ | 2¾ | 2⅞+ | ⅛ |
| 39⅜ | 27¼ | UsairG | .12 | .3 | 8 | 720 | 37⅜ | 36⅜ | 37⅛+ | ¼ |
| 8⅞ | 5 | USHom | | ... | ... | 4420 | 7 | 6¾ | 6⅞+ | ⅛ |
| 42¼ | 31½ | USLees | .80 | 2.1 | 11 | 366 | 38½ | 38 | 38½+ | ½ |
| 46⅛ | 27⅜ | USShoe | .92 | 2.0 | 15 | 677 | 46⅛ | 45¾ | 46 + | ¼ |
| 33 | 21⅜ | USSteel | 1.20 | 5.4 | 13 | 12500 | 22⅜ | 22⅛ | 22⅜ | .... |
| 56½ | 51 | USSII | pf 5.59e | 10.7 | ... | 7 | 52⅜ | 52¼ | 52⅛− | ½ |
| 33 | 25½ | USSII | pf 2.25 | 8.5 | ... | 305 | 26½ | 25⅞ | 26½+ | ⅜ |
| 104½ | 101½ | USSII | pf 10.75 | 10.3 | ... | 118 | 104 | 103 | 104 + | 1½ |
| ½ | ⅜ | USSII | wt | ... | ... | 630 | ½ | ½ | ½ | .... |
| 39⅞ | 29½ | USTob. | 1.96 | 6.1 | 10 | 614 | 32⅛ | 31¾ | 32 + | ¼ |
| 95⅜ | 73⅛ | USWest | 6.08 | 6.3 | 10 | 1605u | 96⅜ | 95⅜ | 96⅜+ | ¼ |
| 11¾ | 6 | UnStck | | ... | 15 | 87 | 10⅞ | 10⅜ | 10⅞+ | ⅛ |
| 53⅜ | 36¼ | UnTech | 1.40 | 2.6 | 25 | 5213u | 53⅞ | 53½ | 53¾+ | ¾ |
| 42½ | 32¼ | UTch | pf 2.55 | 6.0 | ... | 243u | 42¾ | 42¼ | 42¼+ | ¼ |
| 28⅝ | 20¼ | UnITel | 1.92 | 6.7 | 160 | 18995u | 28¾ | 28¼ | 28⅝+ | ⅜ |
| 24⅛ | 25 | UnIT | 2pf 1.50 | 4.3 | ... | 3u | 35 | 35 | 35 | .... |
| 24¼ | 16 | UWR | 1.28 | 5.4 | 14 | 44 | 23½ | 23 | 23½+ | ¼ |
| 32½ | 17¾ | Unitrde | .20 | .7 | 27 | 180 | 26¼ | 26¼ | 26¼+ | ¼ |
| 25½ | 16¼ | Univar | .80 | 3.2 | 14 | 85 | 24⅞ | 24½ | 24⅞+ | ⅛ |
| 30⅜ | 24⅜ | UnivFd | 1.12 | 3.7 | 12 | 643 | 30¼ | 29¾ | 30¼+ | ¼ |
| 24⅜ | 19¼ | UnLeaf | 1.08 | 4.4 | 9 | 86 | 24⅜ | 24¼ | 24⅜+ | ¼ |
| 53 | 20⅜ | Unocal | 1.20b | 5.3 | 10 | 5445 | 22⅝ | 22¼ | 22⅝+ | ⅜ |
| 148½ | 73 | Upjohn | 3.04 | 2.0 | 23 | 746u | 150⅞ | 148⅜ | 150⅛+ | 2¼ |
| 43 | 32⅜ | USLIPE | 1.12 | 2.7 | 11 | 754 | 41¾ | 40⅝ | 41¾+ | ⅛ |
| 11½ | 9¼ | UsliePd | 1.08e | 9.5 | ... | 21 | 11½ | 11⅜ | 11⅜ | .... |
| 28⅞ | 21 | UtiPL | 2.32 | 8.0 | 12 | 655u | 29¼ | 28⅝ | 29⅛+ | ⅛ |
| 29⅜ | 23⅜ | UtPL | pf 3.80 | 9.6 | ... | 10u | 29½ | 29½ | 29½+ | .... |
| 30 | 24⅜ | UtPL | pf 2.90 | 9.7 | ... | 3 | 29⅝ | 29¾ | 29⅝+ | .... |
| 28½ | 19 | UtPL | pf 2.36 | 8.9 | ... | 20 | 26½ | 26¾ | 26⅝− | .... |
| 23 | 17 | UtPL | pf 2.04 | 8.6 | ... | 38u | 23⅜ | 23 | 23⅜+ | ⅛ |
| 27 | 19⅝ | UtlIlCo | 1.40b | 5.5 | 8 | 62 | 25¼ | 25 | 25¼+ | ⅛ |
| 25¼ | 21⅛ | UtlICo | pr 2.61 | 10.1 | ... | 15 | 25¾ | 25⅛ | 25⅜+ | ⅜ |
| | | | | − V−V−V − | | | | | | |
| 63⅞ | 30⅛ | VF Corp | 1.28 | 2.0 | 14 | 484 | 63¾ | 62⅝ | 63⅜− | ⅛ |
| 14⅜ | 8⅛ | Valero | | ... | 8 | 3814 | 8¾ | 8⅛ | 8½+ | ⅛ |
| 25⅜ | 19½ | Valer | pf 3.44 | 14.7 | ... | 40 | 23⅞ | 23⅜ | 23⅜− | ⅛ |
| 3⅛ | 2¼ | Valeyln | | ... | 59 | 63 | 2⅜ | 2¼ | 2⅜ | .... |
| 30⅛ | 20⅛ | VanDrn | 1.00 | 3.3 | 9 | 45u | 30⅜ | 30 | 30⅜+ | ⅛ |
| 5¾ | 2⅜ | Varco | | ... | ... | 211 | 3¼ | 3 | 3¼+ | ⅛ |
| 15½ | 7 | Varco | pf | ... | ... | 135 | 14¼ | 14 | 14 | .... |
| 41¼ | 22½ | Varian | .26 | .9 | 43 | 821 | 30 | 29⅜ | 29⅝− | ⅛ |
| 17 | 9⅜ | Varo | .40 | 2.5 | 45 | 98 | 16¼ | 15⅞ | 16¼+ | ⅜ |
| 25⅜ | 13 | Veeco | .40 | 2.1 | 26 | 505 | 19¾ | 19¼ | 19¾+ | ⅛ |
| 12 | 3⅜ | Vendo | | ... | 15 | 148 | 9⅜ | 9 | 9¼− | ⅛ |
| 12¾ | 9⅜ | VestSe | 1.20e | 9.2 | ... | 172u | 13¼ | 12⅜ | 13 | ¼ |
| 15¼ | 11⅜ | Vestrn | n | ... | 11 | 3957 | 13⅜d | 10⅞ | 11¼ − | 2⅜ |
| 66¼ | 38⅛ | Viacom | .48 | .9 | 24 | 930 | 55⅞ | 54⅜ | 55 − | ½ |
| 52 | 41 | VaEP | pf 5.00 | 9.6 | ... | z20 | 52 | 52 | 52 | .... |
| 87 | 61½ | VaEP | pf 7.72 | 8.8 | ... | z600u | 88½ | 88 | 88 + | 1 |
| 90 | 71 | VaEP | pf 8.60 | 9.5 | ... | 1u | 91 | 91 | 91 + | 1⅜ |
| 104 | 78 | VaEP | pf 9.75 | 9.5 | ... | z160 | 103 | 102¼ | 102¼− | ¾ |
| 81 | 59¾ | VaEP | pf 7.45 | 9.2 | ... | z10 | 81 | 81 | 81 | .... |
| 24 | 13½ | Vishay | s | ... | 16 | 49 | 21⅜ | 20½ | 20⅝− | ⅛ |
| 85 | 35¼ | Vornad | | ... | 27 | 35 | 76½ | 76¼ | 76½+ | ⅜ |
| 105½ | 70¼ | VulcnM | 2.96 | 2.8 | 17 | 91 | 104½ | 101½ | 104½+ | 2½ |
| | | | | − W−W−W − | | | | | | |
| 32⅞ | 26 | WICOR | 2.42 | 7.9 | 7 | 52 | 31½ | 30⅝ | 30⅝+ | ⅛ |
| 28¼ | 16⅜ | Wackht | .60 | 2.2 | 15 | 161 | 27 | 26⅜ | 26⅝− | .... |
| 10⅜ | 4⅝ | Walnoc | | ... | ... | 156 | 5⅜ | 5⅜ | 5⅜+ | ⅛ |
| 34½ | 21⅜ | WlMrt | s .14 | .4 | 30 | 8199 | 32⅜ | 31⅜ | 32⅜+ | ⅜ |
| 30¼ | 22½ | Walgrn | s .50 | 1.6 | 20 | 2228u | 31⅛ | 30 | 30⅜+ | ⅛ |
| 25⅛ | 18⅛ | WkHRs | g 1.48 | ... | ... | 581 | 20½ | 20⅛ | 20¼+ | ⅛ |
| 45¼ | 31½ | WalCSv | .50 | 1.1 | 20 | 63 | 44¼ | 44¼ | 44⅜+ | ⅛ |
| 50⅛ | 31 | WaltJm | 1.40 | 2.7 | 10 | 1259u | 51⅜ | 50½ | 51⅛+ | 1 |
| 10¾ | 8½ | WaltJ | pf 1.00 | 10.3 | ... | z20 | 9¾ | 9¾ | 9¾− | ⅛ |
| 65½ | 43⅛ | WaltJ | pf 1.60 | 2.3 | ... | 5u | 68½ | 68½ | 68½+ | ½ |
| 22½ | 20⅜ | Warnco | .88 | 2.7 | 14 | 679 | 32¼ | 32⅛ | 32¼+ | ⅛ |
| 40 | 23 | WrnCm | .50 | 1.3 | 13 | 3326 | 38¼ | 37½ | 37½− | ⅛ |
| 49⅜ | 33¼ | WarnrL | 1.56 | 3.3 | ... | 1774 | 47¾ | 47 | 47⅜+ | ⅛ |
| 23½ | 18⅝ | WashGs | 1.66 | 7.2 | 9 | 1458 | 23½ | 22⅜ | 23½+ | ⅜ |
| 29¾ | 21¾ | WshNat | 1.08 | 3.6 | 9 | 211 | 29¾ | 29½ | 29¾+ | ⅜ |
| 27¼ | 19 | WshWt | 2.48 | 9.3 | 9 | 366 | 26⅞ | 26¾ | 26¾+ | ⅛ |
| 41½ | 23 | Waste | s | ... | 24 | 3691 | 41¼ | 40¾ | 41¼+ | ⅛ |
| 29½ | 21⅛ | WaltJn | .36 | 1.3 | 15 | 136 | 28¾ | 28¾ | 28⅝− | ⅛ |

*Continued on Preceding Page*


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JOHN C. NEWINGTON
FIELD POINT PARK
GREENWICH, CONN. 06830
(203) 869-0656

Jan. 17, 1986

Mr. Carl R. Channell
National Endowment for the Preservation of Liberty
2032 Belmont Road, N.W.
Washington, D.C. 20009

Dear Mr. Channell,

I am happy to be in a position to make a contribution to you Foundation this year.

My gift consists of 14,240 shares of Gulf Oil Of Canada. This stock closed today, on the American Stock Exchange, at a mean average price of 14.6875. Therefore, my gift has a total cash value of $209,150.

You will find enclosed one stock power with my signature guaranteed by the Putnam Trust Co. in Greenwich, so that you may sell these shares through any bank or broker and have its equivalent in cash.

For income tax purposes would appreciate an acknowledgement of my gift.

Wishing you continued success in the vital work you are accomplishing.

Sincerely yours,

John C. Newington

0004079450

Gulf & Can. 1/17/86

| | | |
|---|---|---|
| high | 14 7/8 | 14.875 |
| Low | 14 1/2 | 14.5 |
| Close | 14 5/8 | 14.6875 |

14.875
14.5
2 | 29.375
14.6875

Mean average 14.6875
Shares 14240
$209,150.00

0004079450

# American Stock Exchange

CONSOLIDATED TRADING / WEEK ENDED FRIDAY, JANUARY 17, 1986

## MOST ACTIVE STOCKS WEEK ENDED JAN. 17, 1986

(Consolidated)

| Company | Sales | Last | Net Chng |
|---|---|---|---|
| Wickes | 5,417,600 | 4⅝ | – |
| WangB | 3,731,900 | 20 | + |
| BAT In | 2,638,900 | 4-16/16 | + |
| EchoBay | 2,032,500 | 14⅞ | – |
| DomePet | 1,131,600 | 2-3/16 | + |
| TexAir | 909,300 | 16 | + |
| Cablevsn | 811,500 | 14½ | . |
| ChtMA | 760,600 | 19⅛ | – |
| GulfCan | 728,000 | 14⅝ | – |
| WestDigital | 704,300 | 12 | + |

## MARKET DIARY

| | Last Week | Prev. Week |
|---|---|---|
| Advances | 482 | 311 |
| Declined | 279 | 467 |
| Unchanged | 162 | 142 |
| Total Issues | 923 | 919 |
| New Highs | 76 | 105 |
| New Lows | 21 | 4 |

## VOLUME

| (4 P.M. New York Close) | Last Week | Year To Date |
|---|---|---|
| Total Sales | 50,657,985 | 137,593,120 |
| Same Per. 1985 | 51,884,375 | 103,830,360 |

## MARKET INDEX

| | High | Low | Last | Net Change |
|---|---|---|---|---|
| Composite | 248.38 | 243.41 | 247.68 | -3.72 |

| 12-Month High | Low | Stock | Div | Yld % | P E | Sales hds. | Week's High | Low | Last | Net Chg. |
|---|---|---|---|---|---|---|---|---|---|---|
| 40 | 2¼ | 11 | – | 47⅝ | 11¼ | 9⅞ | 11¼ | + | 1¼ |
| | ¼ | 250 | 32.2u | 10½ | 2 | 8⅝ | 10 | + | 1⅛ |
| | – | 9 | 6 | 18 | 18⅝ | 19 | – | – | ⅛ |
| | – | 7 | 179 | 17⅜ | 17 | 17¼ | – | – | ⅛ |
| | – | 100 | 986 | 8¼ | 7⅜ | 8 | – | – | – |
| | – | – | 499 | 3⅛ | 3⅛ | 3⅜ | + | ⅛ | |
| | – | – | 952 | 4⅜ | 4¼ | 4⅜ | + | ⅛ | |
| | – | 8 | 177 | ⅜ | ⅛ | ⅜ | + | ⅛ | |
| | 15 | 2710 | 17 | 15 | 14⅝ | 14⅞ | + | ⅛ | |
| | – | 8 | 737 | 13⅞ | 13½ | 13⅝ | + | ⅛ | |
| | – | 9 | 66 | 26 | 25½ | 25⅞ | – | ⅛ | |
| 1.80 | 15.2 | – | x161 | 12½ | 11½ | 11⅝ | + | ⅛ | |
| 28e | 1.5 | – | 166 | 18⅞ | 18⅜ | 18⅞ | + | ⅛ | |
| | – | 31 | 278 | 4⅛ | 3⅛ | 3⅜ | | | |
| | – | – | 71 | ⅝ | ⅝ | ⅝ | – | ⅛ | |
| 16e | 3.3 | – | 1028 | 11⅛ | 10⅛ | 11 | + | ⅛ | |
| 17e | 2.5 | – | 17 | 2⅜ | 2⅜ | 2⅜ | + | ⅛ | |
| 5e | 1.4 | 10 | 13 | 11½ | 11 | 11 | | | |
| 44 | 4.0 | 16 | 284 | 36½ | 35⅜ | 36⅛ | – | ⅛ | |
| 40e | 2.5 | 13 | 9 | 40½ | 40⅛ | 40⅜ | – | ⅛ | |
| | – | 9 | 97 | 18½ | 18⅛ | 18⅛ | – | ⅛ | |
| | – | 8 | 29 | 15⅜ | 15⅛ | 15⅛ | – | ⅛ | |
| 92 | 7.5 | – | 14 | 25⅜ | 25⅛ | 25⅜ | – | ⅛ | |
| | – | – | 9 | 8⅜ | 8⅛ | 8⅛ | | | |
| | – | 1 | 1854 | ⅜ | ⅜ | ⅜ | | | |
| | – | – | 21532 | 4½d | ⅜ | ⅜ | | | |
| 39 | 17 | 12 | 774 | 23½ | 22⅝ | 23⅛ | + | 1 | |
| 72 | 33 | 10 | 171 | 28⅛ | 26⅝ | 28 | + | 1 | |
| | – | – | 407 | 1⅛ | ½ | ⅜ | + | ⅛ | |
| 91 | 4.0 | – | 474 | 2 | 1⅞ | 2 | + | ⅛ | |
| | – | – | 9 | 5¼ | 5⅛ | 5⅛ | – | | |
| 30 | 26.7 | – | 541 | 8 | 7⅞ | 7½ | – | | |
| 30 | 29.7 | – | 939 | 8⅜ | 7⅛ | 7⅜ | – | | |
| | – | – | 863 | 4⅛ | 3⅝ | 3⅞ | – | ⅛ | |
| 10 | 13.7 | – | x5 | 18⅜ | 18⅛ | 18¼ | – | ⅛ | |
| 10 | 13.6 | – | x29 | 22¾ | 22¼ | 22¼ | – | ⅛ | |
| 6 | 1.6 | – | 4865 | 16½ | 15 | 16¼ | + | 1 | |
| | – | 6 | 224 | 8¾ | 7⅜ | 8⅜ | + | ⅛ | |
| | – | – | 22 | 3½ | 3 | 3 | – | ⅛ | |
| | – | – | 6 | 3⅜ | 3½ | 3⅜ | | | |
| 2 | 1.4 | 11 | 14 | 37⅜ | 36⅝ | 37 | + | ⅛ | |
| 4 | 10.6 | 9 | x89 | 16⅜ | 15⅞ | 16⅜ | + | ⅜ | |
| | – | – | 1637 | ¾ | ¾ | ¾ | – | ⅛ | |
| | – | 13 | 1 | 10½ | 10½ | 10½ | | | |
| 1 | 5.4 | 106 | 107 | 4⅜ | 4⅛ | 4⅛ | – | ⅛ | |
| | – | 16 | 194 | 11¾ | 11½ | 11¾ | – | ½ | |
| | – | 675 | 47 | 14¾ | 14 | 14⅜ | + | ⅜ | |
| 1 | 195. | – | 383 | 7.3d | 7¼ | 7⅜ | – | ⅛ | |
| | – | 102 | 649 | 8¼ | 7⅜ | 8⅛ | + | ⅛ | |
| | – | 91 | 276 | 7⅜ | 7¼ | 7¼ | – | ⅛ | |
| | 7 | 17 | 1541u | 28⅞ | 26 | 28 | + | 1½ | |
| | – | – | 160 | 1¼ | 1⅛ | 1⅛ | – | ⅛ | |
| | – | – | 14 | 1⅛ | 1⅛ | 1⅛ | – | ⅛ | |
| | – | 21 | 1796u | 44½ | 41 | 44¼ | + | 3¼ | |
| | – | 20 | 134 | 4⅛ | 3⅜ | 4 | + | ⅛ | |
| | – | 21 | 42 | 5⅜ | 5½ | 5⅜ | + | ⅛ | |
| | – | – | 11316 | 2⅜ | 2⅛ | 2⅜ | + | ⅛ | |
| | – | – | 850 | 1½ | 1½ | 1½ | – | ⅛ | |
| | – | – | 414 | 16¼ | 15⅜ | 16⅛ | + | ⅛ | |
| | – | – | 163 | 1½ | 1⅜ | 1½ | + | ⅛ | |
| | – | 19 | 16 | 8 | 7¾ | 7¾ | – | ⅛ | |
| 2.6 | 39 | 277 | 31⅛ | 30 | 31⅛ | + | 1⅛ | | |
| 2.7 | 10 | 168 | 20⅜ | 18⅞ | 19¼ | – | 1⅜ | | |
| 2.5 | 18 | 395 | 16⅜ | 15⅜ | 16 | + | ⅜ | | |
| 3.0 | 11 | 15 | 26¼ | 26 | 26¼ | – | ⅛ | | |

### F G H

| | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| 44 | 36 | 186 | 9⅛ | 8½ | 9 | + | ⅜ | | |
| 22 | 26 | 119 | 15⅛ | 14½ | 14⅞ | + | ⅜ | | |
| | 21 | 444 | 9⅞ | 9⅜ | 9⅜ | + | ⅛ | | |
| 47 | 12 | 260 | 7⅞ | 7¼ | 7⅞ | + | ⅜ | | |
| | – | 206 | 2⅜ | 2⅛ | 2¼ | | | | |
| 5.3 | 10 | 31 | 19⅛ | 19 | 19 | – | ⅛ | | |
| 14.0 | 6 | 70 | 30.9d | 29⅜ | 29⅞ | – | ⅛ | | |
| | – | 20225u | 16¼ | 14 | 14⅞ | – | ⅛ | | |
| | – | 38 | 13⅛ | 13⅛ | ⅜ | – | ⅛ | | |
| 5.0 | 12 | 413 | 29⅜ | 27½ | 27.3d | – | ⅛ | | |
| | 47 | 69.4u | 7¼ | 6½ | 6⅜ | – | ⅛ | | |
| 2 | – | 40 | 12⅜ | 12⅜ | 12⅜ | – | ½ | | |
| | 5 | 134 | 6⅛ | 5⅝ | 5⅞ | + | ⅛ | | |
| | – | 140 | 4 | ⅜ | 3⅞ | + | ⅛ | | |
| 2.6 | – | 98.1u | 16.3d | 14 | 14⅜ | – | ⅜ | | |
| | – | 110 | 1⅜ | 1⅜ | 1⅜ | + | ⅛ | | |
| | 5 | 84 | 6.3d | 6 | 6⅛ | + | ⅛ | | |
| | – | 136 | 3⅜ | ½ | 11⅝ | + | 3⅛ | | |
| 2.5 | 10 | 421 | 16½ | 14.8d | 16 | + | 1½ | | |
| 4.8 | – | 26 | 3.3d | 3⅛ | 3⅛ | | | | |
| | 9 | 39 | 10.3d | 10⅛ | 10⅛ | + | ⅛ | | |
| 2.0 | 9 | 70 | 20.9d | 19.3d | 20 | – | ⅛ | | |
| | – | 38 | 1¼ | 1¼ | 1¼ | – | ⅛ | | |
| 1.93 | 21 | 2 | 38½ | 38.8d | 38½ | + | ⅛ | | |
| 1.2 | 12 | 257 | 10.9d | 9¼ | 9.9d | – | ⅜ | | |
| 9 | 28 | 37u | 11 | 9⅞ | 11 | + | 1 | | |
| 1.8 | 27 | 518u | 11 | 9⅜ | 10⅞ | + | ⅜ | | |
| 2.2 | 17 | 485u | 12⅜ | 11¼ | 12½ | + | ⅜ | | |
| | 51 | 30 | 11⅜ | 10.3d | 10.3d | – | ⅛ | | |
| 2 | 8 | 32 | 22.3d | 22¼ | 22.7d | – | ⅛ | | |
| | 13 | 175 | 18⅝ | 18 | 18¼ | – | ⅛ | | |
| | – | 18 | 2⅜ | 2¼ | 2¼ | – | ⅛ | | |
| 0 | – | 738 | 15⅜ | 15⅜ | 15½ | | | | |
| | – | 302 | 5¼ | 4⅞ | 4⅞ | – | ⅛ | | |
| | – | 1971u | 10½ | 9⅜ | 10⅜ | + | ⅜ | | |
| | – | 6560 | 6½ | 5½ | 6½ | + | ⅜ | | |
| 5 | 8 | 17 | 11⅞ | 11⅜ | 11⅜ | + | ⅛ | | |
| 0 | 13 | 121 | 13⅜ | 13⅛ | 13⅜ | – | ⅛ | | |
| 5 | 9 | 669 | 17¼ | 15⅜ | 16⅞ | + | ⅛ | | |
| 7 | 22 | 83 | 14.3d | 14 | 14.3d | + | ⅛ | | |

| 12-Month High | Low | Stock | Div | Yld % | P E | Sales hds. | Week's High | Low | Last | Net Chg. |
|---|---|---|---|---|---|---|---|---|---|---|
| | 27⅜ | 3½ | Grant wt | | | – | | 27 | ¼ | 3½ | ¼ | + | ⅛ |
| | 14½ | 9⅜ | GrTech | | | – | 18 | 70 | 12¼ | 12½ | 12½ | – | ⅛ |
| | 44¼ | 32 | GrTLkC | .48 | 1.3 | 17 | 2209 | 37⅜ | 36⅜ | 36⅞ | + | ⅛ |
| | 20 | 14⅜ | Greenan | | | 14 | 473 | 23⅜ | 22⅜ | 22⅜ | – | ⅛ |
| | 13¾ | 6⅜ | Greiner | .98t | 7.6 | 13 | 160 | 13¼ | 12¼ | 12⅜ | + | ⅛ |
| | 13⅜ | 9¼ | GrdCh | .50b | 4.0 | 11 | 140 | 13 | 12½ | 12⅝ | – | ⅛ |
| | 15¼ | 11⅜ | GtRCd g | .52 | | | 7280 | 14⅞ | 14½ | 14⅜ | + | ⅛ |
| | 37 | 24⅞ | Gtfstr | .60 | 1.1 | 13 | 242 | 36½ | 36⅜ | 36½ | | |
| | 16⅜ | 8¾ | Guill | .05e | .4 | 16 | 324 | 15 | 13⅜ | 13⅜ | – | ⅛ |
| | 10½ | 7⅛ | HAL | .10e | 1.1 | – | 51 | 8¾ | 8¼ | 8¾ | + | ⅛ |
| | 12⅞ | 10½ | HMG | .60 | 5.5 | – | 23 | 11⅛ | 11 | 11 | – | ⅛ |
| | 26 | 12¾ | HUBC | .68a | 2.8 | 14 | 227 | 25¾ | 23¾ | 23⅞ | – | 2⅛ |
| | 6½ | 4⅛ | Halifax | .04e | 8 | – | 18 | 5⅜ | 5⅛ | 5⅛ | – | ⅛ |
| | 3½ | 1⅜ | Halmi | | | 38 | 2173 | 2¾ | 2⅜ | 2⅜ | + | ⅛ |
| | 1⅜ | 1 | Halmi wt | | | – | 164 | 1½ | 1¼ | 1½ | | |
| | 10½ | 6½ | Hampt | .93t | 9.5 | 10 | 55 | 9⅝ | 9⅜ | 9⅜ | | |
| | 29⅝ | 21¾ | Hndvrn n | .05e | .2 | 9 | 148 | 27½ | 26¾ | 26¾ | – | ⅛ |
| | 28½ | 14½ | Hantfd s | .50 | 2.0 | 15 | 390 | 27 | 25½ | 25½ | – | ⅛ |
| | 2½ | ⅜ | Harven | | | – | 199 | 1¾ | 1½ | 1⅝ | + | ⅛ |
| | 39½ | 23½ | Hasbro | .15 | 4 | 10 | 4245 | 35½ | 33½ | 35¼ | + | 1⅜ |
| | 43 | 28 | Hasbr pf | 2.00 | 5.1 | – | 554 | 39½ | 37⅜ | 39¼ | + | 1⅜ |
| | 41⅜ | 28¼ | Hasting | .40a | 1.1 | 12 | 20 | 36 | 35¼ | 35¾ | + | ⅛ |
| | 9⅝ | 7¾ | Hll n | | | – | 16 | 787 | 9⅜ | 9⅛ | + | ⅛ |
| | 17½ | 12⅜ | HithCr s | .38t | 2.6 | 8 | 126 | 14¾ | 14¼ | 14⅜ | – | ⅛ |
| | 10¼ | 6¼ | HlthEx | | | – | 483 | 9⅜ | 8¾ | 9⅜ | + | ⅛ |
| | 16⅜ | 11⅜ | HelthM | .64 | 4.2 | 10 | 51 | 15¼ | 14⅜ | 15⅛ | + | ⅛ |
| | 9⅜ | 7½ | HeinWr | .25e | 3.1 | 8 | 66 | 8¼ | 7⅞ | 8⅛ | + | ⅛ |
| | 17½ | 12¾ | Heinick | .10 | .6 | 10 | 123 | 16½ | 15½ | 16⅜ | + | ⅛ |
| | 3½ | 1⅜ | Heldor | | | – | 279 | 2¾ | 2⅜ | 2½ | + | ⅛ |
| | 9 | 2⅞ | Hetiont | | | – | 298 | 3 | 2⅞ | 3⅛ | | |
| | 1½ | 3⅛ | HetmR | | | – | 274 | ⅜ | ⅜ | ⅜ | – | ⅛ |
| | 5⅜ | 3⅜ | HershO | | | 88 | 5 | 4¼ | 4 | 4⅜ | + | ⅛ |
| | 3⅞ | 1¼ | Hindrt | | | – | 1 | 4⅜ | 4 | 4⅜ | + | ⅛ |
| | 17 | 11⅜ | Hiptron | | | 17 | 89 | 16⅛ | 15 | 16⅛ | + | 1 |
| | 4½ | 1⅞ | Hotman | | | – | – | 2⅛ | 2⅛ | 2⅛ | | |
| | 12½ | 8¼ | HollyC n | | | – | – | 30.9u | 12½ | 10⅛ | 12¼ | + | 1⅛ |
| | 27⅛ | 15½ | HmeG n | | | – | – | 48.9d | 25⅜ | 24 | 24⅜ | | |
| | 23⅜ | 20 | Hmlns pf | 2.95 | 12.6 | – | – | 2009 | 23⅜ | 22⅝ | 23⅜ | + | ⅛ |
| | 26½ | 15 | Hormi s | .56 | 2.3 | 12 | x342 | 24½ | 22⅛ | 24½ | + | 2⅛ |
| | 12 | 6 | HrnHar | | | – | – | 13.6d | 7⅜ | 6½ | 6⅝ | – | ⅛ |
| | 3⅞ | 9⅛ | HrnH wt | | | – | – | 115 | 1⅜ | ⅜ | ⅜ | | |
| | 19.3d | 14½ | HotlPty | 1.80 | 9.5 | 17 | 412 | 19⅜ | 18½ | 18⅝ | – | ⅛ |
| | 6⅜ | 2⅜ | HotlP wt | | | – | 97 | 6¼ | 5⅝ | 5⅞ | – | ⅛ |
| | 5⅜ | 3 | HouOT | .87e | 22.5 | – | 1764 | 3⅞ | 3½ | 3⅞ | + | ⅛ |
| | 18½ | 13 | HovnE | | | 9 | 361 | 17⅜ | 15⅞ | 17½ | + | 1⅜ |
| | 14½ | 8⅛ | Howlin | .25e | 1.7 | 9e | 13 | 14⅜ | 14⅛ | 14⅜ | | |
| | 27 | 18.3d | HubelA s | .76 | 2.8 | 15 | 4u | 27 | 26⅛ | 27 | + | 1⅛ |
| | 26½ | 18½ | HubelB s | .76 | 2.8 | 14 | 465 | 26⅛ | 24⅛ | 25.3d | + | 1 |
| | 68½ | 48 | Hubbl pf | 2.06 | 3.0 | – | 2u | 68½ | 68½ | 68½ | + | 3⅜ |
| | 22½ | 17.3d | HudGn | .40 | 1.9 | 17 | 51 | 22¼ | 21 | 21 | – | ⅜ |
| | 9⅛ | 6½ | Husky g | .36 | 5.0 | – | 6035 | 7½ | 7⅛ | 7⅛ | – | |

| 12-Month High | Low | Stock | Div | Yld % | P E | Sales hds. | Week's High | Low | Last | Net Chg. |
|---|---|---|---|---|---|---|---|---|---|---|
| | 4⅞ | 2⅜ | Kidde wt | | | – | 242 | 3⅜ | 3 | 3⅛ | – | ⅛ |
| | 4½ | 3½ | KlArn | | | 15 | 9 | 4⅜ | 4 | 4⅛ | | |
| | 4⅜ | 3½ | Klamrk | | | – | 148 | 3⅞ | 3¾ | 3⅞ | + | ⅛ |
| | 4 | 2¼ | Kirby | | | 15 | 37 | 2¾ | 2⅝ | 2⅝ | – | ⅛ |
| | 7 | 4⅜ | Kit Mfg | | | – | 37 | 6¼ | 5⅞ | 6⅛ | + | ⅛ |
| | 3⅜ | 2 | KlaserV | .03e | 1.3 | – | 107 | 2¼ | 2⅛ | 2⅛ | – | ⅛ |
| | 16⅜ | 12 | Knoll | | | 16 | 280 | 16 | 15½ | 16 | + | ⅜ |
| | 30½ | 25⅛ | KogerC | 2.32 | 8.8 | 95 | 663 | 26⅜ | 25⅜ | 26½ | + | ⅜ |
| | 2⅜ | 1⅜ | LSB | | | – | 252 | 2¼ | 2¼ | 2¼ | – | ⅛ |
| | 3⅜ | 1½ | LaBarg | | | – | 107 | 1⅜ | 1½ | 1⅜ | + | ⅛ |
| | 6⅜ | 3⅜ | LaPint | | | 11 | 33 | 5 | 4¾ | 4¾ | – | ⅛ |
| | 22 | 12⅜ | LndBnc | .40 | 3.7 | 10 | 152 | 16⅜ | 16⅛ | 16⅛ | – | ⅛ |
| | 21½ | 15 | Lndmrk | .40 | 2.0 | 7 | 154 | 20¼ | 19⅜ | 20 | + | ⅛ |
| | 14⅜ | 8½ | Laser | | | – | 1111 | 11⅜ | 10⅜ | 11½ | + | 1 |
| | 12 | 8⅜ | Lauren | | | – | 22 | 8⅞ | 8½ | 8½ | – | ⅛ |
| | 5¾ | 3⅜ | LazKap | | | – | 1 | 5¼ | 5¼ | 5¼ | – | ⅛ |
| | 27¾ | 15⅜ | LearPf | 3.00 | 17.0 | – | 231 | 17⅜ | 16⅜ | 17⅛ | + | ⅛ |
| | 9⅝ | 2¾ | LeaPn | | | 13 | 747 | 9⅛ | 9 | 9⅜ | + | ⅛ |
| | 35 | 21⅞ | Lehigh s | .40 | 1.3 | 11 | 39 | 32 | 31 | 32 | | |
| | 7½ | 4¾ | LeisurT | | | – | 135 | 6¼ | 6 | 6 | – | ⅛ |
| | 8½ | 5½ | Levitt | | | 11 | 6 | 7 | 7 | 7 | + | ⅛ |
| | 35 | 16½ | LbtlFin | .50 | 1.6 | 11 | 218 | 32½ | 30⅝ | 31 | – | 1½ |
| | 3 | 1⅜ | LilleRst | | | – | 307 | 2 | 1⅜ | 1⅜ | – | |
| | 14 | 13¼ | LncNC n | | | – | 158 | 13⅞ | 13¼ | 13¼ | – | |
| | 1½ | 1 | LncNC wt | | | – | 210 | 1⅛d | 1 | 1⅛ | + | |
| | 15¼ | 14 | LncNC un | | | – | 372 | 14.4d | 14 | 14⅜ | + | ⅛ |
| | 6⅜ | 4¼ | Lionel | .24t | 3.7 | 5 | 6499u | 6⅜ | 6 | 6⅛ | + | ⅛ |
| | 1⅜ | ⅜ | Lionl wtA | | | – | 515 | 1⅛ | ⅝ | 1 | – | |
| | 1 | ⅜ | Lionl wtB | | | – | 604u | 1 | ⅝ | 1⅛ | + | ⅜ |
| | 6⅜ | 2½ | LitFid | | | – | 32 | 3⅜ | 3⅛ | 3⅛ | – | |
| | 2⅜ | 1¼ | Lodge | | | – | 17 | 1⅜ | 1⅜ | 1⅜ | – | |
| | 33⅜ | 16⅜ | LorlCo | | | – | 48 | 20¼ | 19⅜ | 20¼ | + | ⅛ |
| | 47⅜ | 28⅜ | Lorimr | | | – | 17 | 40.2 | 47½ | 45⅜ | + | 1⅜ |
| | 19 | 11⅜ | Lumax | .08 | .5 | 33 | x271 | 17 | 16⅛ | 17 | + | ⅛ |
| | 14½ | 10 | LundvE | | | – | 358 | 14⅛ | 12⅜ | 14⅛ | + | 1⅜ |
| | 13⅜ | 9½ | Lynch | | | – | 11 | 186 | 12⅛ | 11¼ | 11¼ | – | ⅜ |
| | 15⅜ | 12⅛ | Lydal | | | – | 10 | 92 | 15⅜ | 15½ | 15½ | + | ⅛ |
| | 26½ | 8¼ | LynCS s | .20 | 1.4 | 13 | 229 | 13⅛ | 12 | 12⅝ | + | ⅛ |
| | 16 | 8⅜ | LynchC | .20 | 1.5 | 26 | 113 | 14¼ | 13½ | 13⅝ | – | ⅛ |

### M N O P

| | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|
| 15⅛ | 12¾ | MCD Hd | – | 16 | 548u | 15¼ | 14½ | 15⅛ | + 1 |
| 2⅜ | 1½ | MCD Rt | – | – | 438 | 1⅞ | 1⅜ | 1⅝ | – |
| 9⅜ | 7⅜ | MSA | .84e | 9.5 | – | 198 | 8⅞ | 8½ | 8⅝ | + ⅛ |
| 1⅜ | ⅞ | MSA wt | – | – | – | 21 | 1⅛ | 1⅛ | 1⅛ | + ⅛ |
| 12⅜ | 6¾ | MSI Dt | – | – | – | 151 | 11⅛ | 10⅜ | 11¼ | + ⅜ |
| 6½ | 2¼ | MSR | – | – | – | 276 | 2½ | 2¼ | 2⅜ | – |
| 15⅛ | 7⅜ | MacGrg | – | – | – | 939 | 12 | 10¼ | 11⅜ | + 1⅛ |
| 23½ | 10½ | MacSch | .16 | .8 | 58 | 680 | 21¼ | 18⅞ | 21 | + 2 |
| 2¼ | ⅜ | Macrod | – | – | – | 433 | ⅞ | 13⅛ | ⅞ | + ⅛ |
| 13⅞ | 5 | Mag Bk | – | – | 6 | 772 | 12⅜ | 11½ | 12⅛ | + ⅜ |
| 26⅜ | 10⅞ | MaPS | – | 1.4 | 3 | 346u | 26⅜ | 23⅝ | 25½ | + 2 |
| 15⅛ | 8½ | Malari g | .40e | – | – | x549 | 12⅜ | 11¾ | 12⅜ | + ⅛ |
| 24½ | 10⅛ | Mangd | – | – | 17 | 61 | 11⅜ | 10½ | 10½ | – ⅜ |
| 6 | 2½ | MrthOf | – | – | – | 64 | 4¾ | 4¾ | 4¾ | – |
| 21⅜ | 5¼ | MarkIV | – | – | 17 | 603 | 20¼ | 19⅜ | 20 | – |
| 22⅜ | 21¼ | Marm pf | 2.35 | 10.6 | – | 24 | 22¼ | 22⅛ | 22⅛ | – |
| 83 | 14½ | MarlPr | – | – | 20 | 49 | 59⅞ | 57¼ | 59⅜ | + ⅜ |
| 25½ | 11¼ | Masind | .20a | 8 | – | 107u | 25½ | 24⅜ | 25⅛ | + ⅜ |
| 7⅜ | 4⅜ | Matec | – | – | 88 | 88 | 5¼d | 4⅜ | 5⅛ | – ⅛ |
| 22½ | 9⅜ | MatRsh | .12 | .9 | 22 | 397 | 13⅜ | 12¼ | 13⅜ | + 1⅜ |
| 20 | 9⅜ | MatSci | – | – | 8 | 801 | 17⅜ | 15½ | 16½ | + 1⅜ |
| 26¼ | 15½ | Matrix s | – | – | 24 | 1952 | 24½ | 22¼ | 22¼ | – 2⅛ |
| 16⅜ | 7 | MayEng | 1.50 | 19.0 | – | 308 | 8¼ | 7½ | 7⅞ | – ⅛ |
| 26⅜ | 17¼ | Mayfhw | .80 | 4.0 | 9 | 565 | 21½ | 19⅜ | 20⅛ | – 1 |
| 6⅜ | 3¼ | McDow | – | 3.5 | – | 26 | 3⅜ | 3⅜ | 3⅜ | – |
| 12 | 5⅜ | McFad | – | – | 7 | 840 | 6½d | 5⅜ | 5⅜ | – ⅜ |
| 7⅜ | 1⅜ | McRae A | .20e | 3.8 | 15 | 144 | 5⅜ | 4 | 5¼ | + 1¼ |
| 7¼ | 1⅜ | McRae B | – | – | 13 | 39 | 4¾ | 3⅞ | 4½ | + ⅛ |
| 86.4d | 65½ | Media | – | 1.6 | 15 | 158 | 79¾ | 76 | 76 | – 4 |
| 16½ | 10⅛ | Medlic s | – | .16 | 11 | 19 | 462 | 15⅜ | 14⅜ | 15⅛ | + ⅛ |
| 18⅞ | 13⅜ | Mem s | – | .60 | 3.2 | 8 | 18u | 18⅞ | 18¼ | 18⅞ | + ⅜ |
| 13 | 6½ | MercSL | – | .20r | 1.6 | 8 | 1715u | 13 | 13¼ | 12¼ | – ⅜ |
| 25⅜ | 9⅜ | MetPro | – | .15 | 9 | 21 | 128 | 16⅜ | 16¼ | 16⅜ | + ⅛ |
| 20½ | 11 | Metex s | – | – | – | 9 | 159 | 15⅞ | 14⅜ | 15⅜ | + ⅛ |
| 27⅜ | 18½ | MetroC | – | – | 117 | 154 | 25⅞ | 25¼ | 25⅜ | – |
| 8⅛ | 3¼ | MichGn | – | – | 7 | 2879 | 4 | 3½ | 3¾ | + ⅛ |
| 12 | 8¼ | MidAm | .20 | 2.1 | 13 | 99 | 10 | 9⅞ | 9¾ | + ⅛ |
| 33⅜ | 19⅜ | Midind | .40 | 1.3 | 10 | 20 | 31⅞ | 31¼ | 31½ | + ⅛ |
| 51 | 42 | MilnP pf | 5.00 | 9.8 | – | x375 | 51 | 49 | 51 | + 3 |
| 75 | 60¼ | MilnP pf | 7.36 | 10.1 | – | z250 | 73 | 73 | 73 | – 1 |
| 90⅜ | 72½ | MilnP pf | 8.90 | 10.1 | – | z320u | 90⅜ | 88½ | 88½ | – |
| 9⅛ | 7½ | MissnW | 24 | 3.0 | 88 | 40 | 8 | 7⅞ | 8 | + ⅛ |
| 18 | 12⅜ | MitchE | 24 | 1.8 | 32 | 1626 | 13¼ | 12⅜ | 13 | – |
| 17⅜ | 9¾ | MonMg | 60 | 3.5 | 11 | 12 | 17⅜ | 16⅜ | 17⅛ | + ⅛ |
| 43 | 34⅜ | MonP pf | 4.40 | 11.0 | – | z60 | 40⅛ | 40⅛ | 40⅛ | – |
| 20⅜ | 12¼ | MoopB | 20 | 1.1 | 17 | 36 | 19⅛ | 18¼ | 18⅜ | + ⅛ |
| 20½ | 12 | MoogA | 28 | 1.5 | 17 | 626 | 19¼ | 18 | 18⅜ | + |
| 23⅜ | 15⅜ | MMed n | – | – | 15 | 73 | 21¼ | 21 | 21 | – |
| 4⅜ | 1½ | MtgRt wt | – | – | – | 274 | ⅜ | ⅜ | ⅜ | – ⅛ |
| 19⅜ | 16⅜ | MtgGth | 1.60 | 8.9 | 11 | 374 | 18 | 17⅜ | 18 | – |
| 10 | 8 | MtgPl n | 1.00 | 11.1 | – | 544 | 9⅛ | 8⅞ | 9 | – |
| 2⅛ | 1 | Martrn | – | – | – | 171 | 1⅜ | 1⅛ | 1⅜ | – |
| 21⅜ | 7⅜ | Matts | 20 | 2.2 | – | 18 | 9 | 8¾ | 9 | + ⅛ |
| 8¼ | 3⅜ | MtMad | – | – | 20 | 344 | 8⅛ | 7¼ | 7¾ | + ⅜ |
| 20¼ | 13⅜ | MovStr | – | – | – | 5 | 14⅜ | 14⅛ | 14½ | + ⅜ |
| 6⅜ | 5¼ | MovieL | – | – | – | 35 | 7¾ | 7 | 7¾ | + ⅜ |
| 1⅛ | 1 | Murpin | – | – | – | 59 | 1½ | 1⅜ | 1⅜ | – ⅛ |
| 1⅛ | 1/64 | Muse wt | – | – | – | 149 | 1⅛ | 1/64 | 1⅛ | + 1/32 |
| 13⅛ | 9¼ | Myerin | .28b | 2.6 | 9 | 16 | 10⅜ | 10⅜ | 10⅜ | – |
| 17 | 11 | NRM n | – | – | – | 541 | 13⅛ | 12⅜ | 12⅜ | – |
| 20⅜ | 17 | NRM pf | 2.60 | 13.6 | – | 217 | 19⅜ | 18½ | 19⅛ | + |
| 10⅜ | 6⅛ | Nantck | – | – | 17 | 644u | 10⅜ | 9¼ | 10⅜ | + ⅛ |
| 14⅜ | 10⅛ | NtGsO | 40b | 3.7 | 11 | 61 | 11⅛ | 10⅜ | 10⅜ | – |
| 14⅜ | 12⅜ | NtPatnt | 10 | 4 | – | 4383 | 24⅛ | 21½ | 23⅛ | + ⅛ |
| 23⅜ | 15⅜ | NMxAr | 79 | 4.4 | 19 | 53 | 18⅛ | 16⅜ | 18 | + ⅛ |
| 17⅜ | 14⅛ | NPtnRt | 1.08 | 6.1 | 16 | 214 | 17⅜ | 16⅜ | 17⅜ | + ⅜ |
| 19⅜ | 14⅜ | NProc | 1.25e | 4.7 | 13 | 178 | 27⅛ | 26⅜ | 26⅜ | + ⅜ |
| 19⅜ | 7½ | NWdP n | | | | 93 | 7777 | 19⅜ | 19⅜ | – |

| 12-Month High | Low | Stock | Div | Yld % | P E | Sales hds. | Week's High | Low | Last | Net Chg. |
|---|---|---|---|---|---|---|---|---|---|---|
| | 21⅛ | 16 | PGEpfK | 2.04 | 10.2 | – | x726u | 21⅛ | 19⅝ | 20 | + | ⅜ |
| | 22⅜ | 17⅜ | PGEpfJ | 2.32 | 11.0 | – | x31 | 22⅛ | 20⅞ | 21 | + | ⅛ |
| | 11⅜ | 8¼ | PGEpfI | 1.09 | 10.3 | – | x10u | 11¼ | 10⅝ | 10⅝ | – | ⅛ |
| | 30⅜ | 19⅞ | PGTrn | 1.24 | 4.2 | 11 | 643 | 30 | 29½ | 29½ | + | ⅛ |
| | 43⅛ | 35½ | PacLt pf | 4.36 | 10.1 | – | z1210u | 43¼ | 42¾ | 43¼ | + | ⅛ |
| | 44 | 35 | PacLt pf | 4.40 | 10.2 | – | z900u | 43¼ | 42¾ | 43¼ | + | ⅛ |
| | 45½ | 36¼ | PacLt pf | 4.50 | 10.0 | – | z2600 | 45½ | 45 | 45 | – | ⅛ |
| | 47⅜ | 38¼ | PacLt pf | 4.75 | 10.1 | – | z2600 | 47½ | 46¾ | 47 | – | ⅛ |
| | 75½ | 60¼ | PacLt pf | 7.44 | 10.2 | – | x400 | 75½ | 73 | 73 | – | 1⅜ |
| | 50¼ | 40 | PacIf pf | 5.00 | 10.6 | – | x400 | 48¼ | 47¾ | 47¾ | – | ⅜ |
| | 22 | 21½ | PalCp s | .30 | 1.2 | 25 | 1217u | 25 | 23¾ | 24¾ | + | 2⅛ |
| | 9⅛ | 5½ | Panlast | | | – | 282 | 8¾ | 8¾ | 8¾ | – | ⅛ |
| | 20½ | 19⅛ | ParkCh | 1.00a | 3.7 | 11 | 77 | 27 | 26¾ | 27 | + | ⅛ |
| | 13½ | 6⅛ | PatTch | | | – | 28 | 7¾ | 7⅝ | 7⅝ | – | ⅛ |
| | 13¾ | 7 | PaulPl | | | – | 15 | 10⅜ | 9⅞ | 10⅛ | + | ⅛ |
| | 5⅜ | 2⅞ | PayFon | | | – | 61 | 12⅜ | 6¼ | 6¼ | – | ⅛ |
| | 2⅛ | 1⅝ | PEC Isr | .82t | 6.8 | – | 1528 | 12 | 11⅞ | 12 | + | ⅛ |
| | 11⅜ | 8¼ | PeerTu | .40b | 4.1 | 13 | 28 | 10 | 9⅞ | 10 | – | ⅛ |
| | 45½ | 22 | PenEM | .60 | 2.0 | 13 | 28 | 30 | 29⅝ | 29⅝ | – | ⅛ |
| | 28⅞ | 17½ | PenTr | 1.20 | 4.5 | 10 | 85 | 26⅜ | 25⅞ | 26⅜ | + | 1⅛ |
| | 1⅜ | ⅜ | PE Cp | .25t | 50.0 | – | 781 | ⅝ | ⅝ | ⅝ | – | ⅛ |
| | 26⅜ | 21¾ | PenRE s | 2.00 | 7.9 | 12 | 66 | 25⅜ | 25⅛ | 25⅜ | + | ⅛ |
| | 13⅜ | 9⅜ | Penob$ | .40 | 3.7 | – | 2 | 10⅞ | 10⅞ | 10⅞ | – | ⅛ |
| | 13

THE NATIONAL ENDOWMENT FOR THE PRESERVATION OF

# L I B E R T Y

For Your Information
REF

**STATEMENT BY**

**CARL RUSSELL CHANNELL**

**PRESIDENT of NEPL**

Dispatches from Knight-Ridder News Service and the Lowell Massachusetts Sun have alleged my involvement with Lt. Col. Oliver L. North in the diversion of profits from Iranian arms sales to the funding of domestic political campaigns. These are outrageous, libelous lies. Neither I nor any of the organizations I founded and manage received any funds other than those we solicited from patriotic American citizens who ardently support the policies of President Reagan. Funding for all our activities is derived solely from U.S. private citizens.

Our annual income audit of all our contributor records by a major accounting firm will soon verify the accuracy of statements.

Major news organizations are now beginning to confirm what we have stated unequivocally since the unfounded allegations were first made. The National Endowment for the Preservation of Liberty, the Anti-Terrorism American Committee, the American Conservative Trust and Sentinel have never received any monies from or through sources related to either a foreign citizen, bank, corporation, or nation. Nor have they ever been solicited or offered.

All programs of these organizations were designed and directed by our own professional staffs and derived from information available from public sources. At no time did we institute a program suggested to us by a member of the Government.

1331 Pennsylvania Ave., N.W. Suite 350 South Washington, D.C. 20004 (202) 662-8700

Internal Revenue Service
District Director

Department of the Treasury

Date: DEC 12 19[illegible]

Employer Identification Number:

Accounting Period Ending:
DECEMBEC 31

Foundation Status Classification:
509(a)(1) AND 170(b)(1)(A)

Advance Ruling Period Ends:
DECEMBEC 31, 198

Person to Contact:
R.D. MORRIS

Contact Telephone Number:
488-3100

NATIONAL ENDOWMENT FOR THE
PRESERVATION OF LIBERTY
305 FOURTH STREET, N.E. SUITE 100
WASHINGTON, D.C. 20002

Dear Applicant:

Based on information supplied, and assuming your operations will be as stated in your application for recognition of exemption, we have determined you are exempt from Federal income tax under section 501(c)(3) of the Internal Revenue Code.

Because you are a newly created organization, we are not now making a final determination of your foundation status under section 509(a) of the Code. However, we have determined that you can reasonably be expected to be a publicly supported organization described in sections 509(a)(1) AND 170(b)(1)(A)(vi)*

Accordingly, you will be treated as a publicly supported organization, and not as a private foundation, during an advance ruling period. This advance ruling period begins on the date of your inception and ends on the date shown above.

Within 90 days after the end of your advance ruling period, you must submit to us information needed to determine whether you have met the requirements of the applicable support test during the advance ruling period. If you establish that you have been a publicly supported organization, you will be classified as a section 509(a)(1) or 509(a)(2) organization as long as you continue to meet the requirements of the applicable support test. If you do not meet the public support requirements during the advance ruling period, you will be classified as a private foundation for future periods. Also, if you are classified as a private foundation, you will be treated as a private foundation from the date of your inception for purposes of sections 507(d) and 4940.

Grantors and donors may rely on the determination that you are not a private foundation until 90 days after the end of your advance ruling period. If you submit the required information within the 90 days, grantors and donors may continue to rely on the advance determination until the Service makes a final determination of your foundation status. However, if notice that you will no longer be treated as a section * organization is published in the Internal Revenue Bulletin, grantors and donors may not rely on this determination after the date of such publication. Also, a grantor or donor may not rely on this determination if he or she was in part responsible for, or was aware of, the act or failure to act that resulted in your loss of section * status, or acquired knowledge that the Internal Revenue Service had given notice that you would be removed from classification as a section * organization.

(over)

31 Hopkins Plaza, Baltimore, MD 21201

Letter 1045(DO) (Rev 1(

If your sources of support, or your purposes, character, or method of operation change, please let us know so we can consider the effect of the change on your exempt status and foundation status. Also, you should inform us of all changes in your name or address.

As of January 1, 1984, you are liable for taxes under the Federal Insurance Contributions Act (social security taxes) on remuneration of $100 or more you pay to each of your employees during a calendar year. You are not liable for the tax imposed under the Federal Unemployment Tax Act (FUTA).

Organizations that are not private foundations are not subject to the excise taxes under Chapter 42 of the Code. However, you are not automatically exempt from other Federal excise taxes. If you have any questions about excise, employment, or other Federal taxes, please let us know.

Donors may deduct contributions to you as provided in section 170 of the Code. Bequests, legacies, devises, transfers, or gifts to you or for your use are deductible for Federal estate and gift tax purposes if they meet the applicable provisions of sections 2055, 2106, and 2522 of the Code.

You are required to file Form 990, Return of Organization Exempt from Income Tax, only if your gross receipts each year are normally more than $25,000. If a return is required, it must be filed by the 15th day of the fifth month after the end of your annual accounting period. The law imposes a penalty of $10 a day, up to a maximum of $5,000, when a return is filed late, unless there is reasonable cause for the delay.

You are not required to file Federal income tax returns unless you are subject to the tax on unrelated business income under section 511 of the Code. If you are subject to this tax, you must file an income tax return on Form 990-T, Exempt Organization Business Income Tax Return. In this letter, we are not determining whether any of your present or proposed activities are unrelated trade or business as defined in section 513 of the Code.

You need an employer identification number even if you have no employees. If an employer identification number was not entered on your application, a number will be assigned to you and you will be advised of it. Please use that number on all returns you file and in all correspondence with the Internal Revenue Service.

Because this letter could help resolve any questions about your exempt status and foundation status, you should keep it in your permanent records.

If you have any questions, please contact the person whose name and telephone number are shown in the heading of this letter.

Sincerely yours,

Teddy R. Kern

District Director

Power of Attorney

J. Curtis Herge
Barnes, Richardson
Sedam & Herge
[illegible]
[illegible]

Letter 1045(DO) (Rev. 10-

# NATIONAL ENDOWMENT FOR THE PRESERVATION OF LIBERTY

305 FOURTH ST., N.E.
SUITE 1000
WASHINGTON, D.C. 20002

February 28, 1986

Mrs. Barbara Newington
P. O. Box 1098
Greenwich, CT 06836

Dear Mrs. Newington:

Thank you for your gift of $23,000.00 on May 6, 1985 to the National Endowment for the Preservation of Liberty. We greatly appreciate your participation in our project.

Thank you again.

Sincerely,

Spitz Channell

0004079460

# NATIONAL ENDOWMENT FOR THE PRESERVATION OF LIBERTY

305 FOURTH ST., N.E.
SUITE 1000
WASHINGTON, D.C. 20002

February 28, 1986

Mrs. Barbara Newington
P. O. Box 1098
Greenwich, CT 06836

Dear Mrs. Newington:

Thank you for your gift of $18,000.00 on May 30, 1985 to the National Endowment for the Preservation of Liberty. We greatly appreciate your participation in our project.

Thank you again.

Sincerely,

Spitz Channell

0004079460 2

# NATIONAL ENDOWMENT FOR THE PRESERVATION OF LIBERTY

305 FOURTH ST., N.E.
SUITE 1000
WASHINGTON, D.C. 20002

February 28, 1986

Mrs. Barbara Newington
P. O. Box 1098
Greenwich, CT 06836

Dear Mrs. Newington:

Thank you for your gift of $130,000.00 on July 1, 1985 to the National Endowment for the Preservation of Liberty. We greatly appreciate your participation in our project.

Thank you again.

Sincerely,

Spitz Channell

0004079460

# NATIONAL ENDOWMENT FOR THE PRESERVATION OF LIBERTY

305 FOURTH ST., N.E.
SUITE 1000
WASHINGTON, D.C. 20002

February 28, 1986

Mrs. Barbara Newington
P. O. Box 1098
Greenwich, CT 06836

Dear Mrs. Newington:

Thank you for your gift of $120,000.00 on July 17, 1985 to the National Endowment for the Preservation of Liberty. We greatly appreciate your participation in our project.

Thank you again.

Sincerely,

Spitz Channell

00040794604

# NATIONAL ENDOWMENT FOR THE PRESERVATION OF LIBERTY

305 FOURTH ST., N.E.
SUITE 1000
WASHINGTON, D.C. 20002

February 28, 1986

Mrs. Barbara Newington
P. O. Box 1098
Greenwich, CT 06836

Dear Mrs. Newington:

Thank you for your gift of $350,000.00 on October 18, 1985 to the National Endowment for the Preservation of Liberty. We greatly appreciate your participation in our project.

Thank you again.

Sincerely,

Spitz Channell

0004074463

# NATIONAL ENDOWMENT FOR THE PRESERVATION OF LIBERTY

305 FOURTH ST., N.E.
SUITE 1000
WASHINGTON, D.C. 20002

February 28, 1986

Mrs. Barbara Newington
P. O. Box 1098
Greenwich, CT 06836

Dear Mrs. Newington:

Thank you for your gift of $33,800.00 on January 15, 1985 to the National Endowment for the Preservation of Liberty. We greatly appreciate your participation in our project.

Thank you again.

Sincerely,

Spitz Channell

0004079450

# NATIONAL ENDOWMENT FOR THE PRESERVATION OF LIBERTY

305 FOURTH ST., N.E.
SUITE 1000
WASHINGTON, D.C. 20002

February 28, 1986

Mrs. Barbara Newington
P. O. Box 1098
Greenwich, CT 06836

Dear Mrs. Newington:

Thank you for your gift of $16,100.00 on February 14, 1985 to the National Endowment for the Preservation of Liberty. We greatly appreciate your participation in our project.

Thank you again.

Sincerely,

Spitz Channell

0004074507

# NATIONAL ENDOWMENT FOR THE PRESERVATION OF LIBERTY

305 FOURTH ST., N.E.
SUITE 1000
WASHINGTON, D.C. 20002

February 28, 1986

Mrs. Barbara Newington
P. O. Box 1098
Greenwich, CT 06836

Dear Mrs. Newington:

Thank you for your gift of $29,100.00 on January 18, 1985 to the National Endowment for the Preservation of Liberty. We greatly appreciate your participation in our project.

Thank you again.

Sincerely,

Spitz Channell

00040794608

# NATIONAL ENDOWMENT FOR THE PRESERVATION OF LIBERTY

305 FOURTH ST., N.E.
SUITE 1000
WASHINGTON, D.C. 20002

February 28, 1986

Mrs. Barbara Newington
P. O. Box 1098
Greenwich, CT 06836

Dear Mrs. Newington:

Thank you for your gift of $57,000.00 on February 6, 1985 to the National Endowment for the Preservation of Liberty. We greatly appreciate your participation in our project.

Thank you again.

Sincerely,

Spitz Channell

00040794509

# NATIONAL ENDOWMENT FOR THE PRESERVATION OF LIBERTY

305 FOURTH ST., N.E.
SUITE 1000
WASHINGTON, D.C. 20002

February 28, 1986

Mrs. Barbara Newington
P. O. Box 1098
Greenwich, CT 06836

Dear Mrs. Newington:

Thank you for your gift of $65,000.00 on April 17, 1985 to the National Endowment for the Preservation of Liberty. We greatly appreciate your participation in our project.

Thank you again.

Sincerely,

Spitz Channell

0004079461 0

# NATIONAL ENDOWMENT FOR THE PRESERVATION OF LIBERTY

305 FOURTH ST., N.E.
SUITE 1000
WASHINGTON, D.C. 20002

February 28, 1986

Mrs. Barbara Newington
P. O. Box 1098
Greenwich, CT 06836

Dear Mrs. Newington:

Thank you for your gift of $35,000.00 on March 15, 1985 to the National Endowment for the Preservation of Liberty. We greatly appreciate your participation in our project.

Thank you again.

Sincerely,

Spitz Channell

0004079461 1

# NATIONAL ENDOWMENT FOR THE PRESERVATION OF LIBERTY

305 FOURTH ST., N.E.
SUITE 1000
WASHINGTON, D.C. 20002

February 28, 1986

Mrs. Barbara Newington
P. O. Box 1098
Greenwich, CT 06836

Dear Mrs. Newington:

Thank you for your gift of $25,000.00 on May 6, 1985 to the National Endowment for the Preservation of Liberty. We greatly appreciate your participation in our project.

Thank you again.

Sincerely,

Spitz Channell

0004079461 2

# NATIONAL ENDOWMENT FOR THE PRESERVATION OF LIBERTY

305 FOURTH ST., N.E.
SUITE 1000
WASHINGTON, D.C. 20002

February 28, 1986

Mrs. Barbara Newington
P. O. Box 1098
Greenwich, CT 06836

Dear Mrs. Newington:

Thank you for your gift of $50,000.00 on March, 8, 1985 to the National Endowment for the Preservation of Liberty. We greatly appreciate your participation in our project.

Thank you again.

Sincerely,

Spitz Channell

0004079461 3

# NATIONAL ENDOWMENT FOR THE PRESERVATION OF LIBERTY

305 FOURTH ST., N.E.
SUITE 1000
WASHINGTON, D.C. 20002

February 28, 1986

Mrs. Barbara Newington
P. O. Box 1098
Greenwich, CT 06836

Dear Mrs. Newington:

Thank you for your gift of $25,000.00 on November 16, 1985 to the National Endowment for the Preservation of Liberty. We greatly appreciate your participation in our project.

Thank you again.

Sincerely,

Spitz Channell

0004079461 4

# NATIONAL ENDOWMENT FOR THE PRESERVATION OF LIBERTY

305 FOURTH ST., N.E.
SUITE 1000
WASHINGTON, D.C. 20002

February 28, 1986

Mrs. Barbara Newington
P. O. Box 1098
Greenwich, CT 06836

Dear Mrs. Newington:

Thank you for your gift of $15,000.00 on May 30, 1985 to the National Endowment for the Preservation of Liberty. We greatly appreciate your participation in our project.

Thank you again.

Sincerely,

Spitz Channell

0004079461 3

JOHN C. NEWINGTON
FIELD POINT PARK
GREENWICH, CONN 06830
203 869-0656

Box 1048

Dec. 4, 1985

Mr. Carl R. Channell
National Endowment for the Preservation of Liberty
2032 Belmont Road, N.W.
Washington, D.C. 20009

Dear Mr. Channell,

Once again, I am glad to be in a position to be able to make another contribution to your Foundation.

My gift consists of 34,400 shares of Gulf Oil of Canada. This stock closed today, on the American Stock Exchange, at a mean average price of 14.563. Therefore, my gift has a total cash value of $500,967.20.

You will find enclosed one stock power with my signature guaranteed by the Putnam Trust Co. of Greenwich, so that you may sell these shares through any bank or broker and have its equivalent in cash.

For income tax purposes would appreciate an acknowledgement of my gift.

May you have continued success and positive results in your vital work.

Sincerely yours,

0004079461 0

High 14 5/8 = 14.625

Low 14 1/2 = 14.5

2 | 29.125

14.563 mean average price

34,400 Shares

× 14.563

500,967.20

12/4/85

0004079465117

# American Stock Exchange

TUESDAY, DECEMBER 3, 1985

## DIVIDENDS

TUESDAY, DECEMBER 3, 1985

| | Per | Stk of record | Pay-able |
|---|---|---|---|
| **IRREGULAR** | | | |
| Entrivisa Co | — | .69 | 12-20 1-13 |
| Petroleum Invest | — | .15 | 12-16 12-30 |
| **STOCK** | | | |
| Allan Group | x | | 12-23 1-7 |
| x-5 for 4 split. | | | |
| Browning Ferrisind | x | | 12-13 1-3 |
| x-2 for 1 split. | | | |
| Master Inc | x | | 12-23 1-9 |
| x-2 for 1 split. | | | |
| Seamark Stardust | x | | 12-31 1-27 |
| x -4 for 3 split. | | | |
| Telefono Mx ADR | — | 614pc | 12-27 1-28 |
| **INCREASED** | | | |
| Allan Group | — | .175 | 12-13 1-7 |
| Browning Ferrisind | — | .22 | 12-13 1-3 |
| HomeFedSvLaMarsh | S | .35 | 12-2 1- |
| Never Electronics | A | .02 | 12-16 12- |
| Stanadyne Inc | — | .27 | 12-13 1- |
| **RESUMED** | | | |
| Washington,Gas Cp | — | .03 | 12-17 1- |
| **INITIAL** | | | |
| Lamas Mig Corp | — | .50 | 12-13 12- |
| MCA Inc n | — | .17 | 12-24 1- |
| x-equal to .255 prior to 3 for 2 split. | | | |
| **REGULAR** | | | |
| Allegheny Intl | Q | .35 | 12-13 1- |
| AmCapGvt Secur | M | .10 | 12-2 12- |
| Bristol Myers | Q | .47 | 1-3 12- |
| Collins Foods | Q | .03 | 12-27 1- |
| Communicatn Syst | — | .06 | 12-13 12- |
| Davis Dana | Q | .22 | 12-31 1-15 |
| Friedman Indust | Q | .07 | 1-10 2-14 |
| Jaclyn Inc | Q | .125 | 1-14 2-14 |
| Lasalex Cm | s | .08 | 12-15 12-30 |
| Mackinlay Inc | Q | .1375 | 12-31 1-15 |
| Murray Ohio | Q | .15 | 12-13 12-27 |
| Nevada Svgs&Loan | Q | .125 | 12-20 1-20 |
| Preston Corp | Q | .225 | 12-31 1-31 |
| Rapan, Brad | Q | .03 | 12-27 1-15 |
| Rexnord Inc | Q | .05 | 12-20 1-14 |
| Sequoia O, | Q | .06 | 12-16 1-2 |
| Telefonos Mx ADR | x | .0822 | 12-27 1-28 |
| x-exercise per share. | | | |
| Tracer Inc | Q | .08 | 12-16 1-6 |
| Unocal Corp | Q | .30 | 1-10 2-10 |
| Vetco Int NV | Q | .23 | 12-3 1-2 |
| g-Payable in Canadian Funds. | | | |

| 52-Week High | Low | Stock | Yld | PE | Sales 100s | High | Low | Last | Chg. |
|---|---|---|---|---|---|---|---|---|---|
| 17½ | 10¾ | ESD n | .40 | 2.9 | 9 11 | 14¼ | 14 | 14 | |
| 12⅞ | 8⅜ | Eroind | | | — 9 | 22 | 10½ | 10⅜ | 10⅜ — ⅛ |
| 9⅜ | 4⅞ | Eskey | | | — — | 1 | 7¼ | 7¼ | 7¼ — |
| 8⅜ | 5⅞ | Eskey pf | 1.00 | 13.3 | — — | 10 | 7½ | 7½ | 7½ — ⅛ |
| 25 | 15½ | Espey | .40 | 2.3 | 8 11 | 1774 | 17½ | 17½ | 17¼ + ⅛ |
| 4⅜ | ⅞ | Esprit | | | — — | 12 | 1¼ | 1⅛ | 1¼ + ⅛ |
| 37¼ | 33¼ | EsqRd | .72a | 1.9 | 310 | 2 | 37¼ | 37¼ | 37¼ + ⅛ |
| 34¾ | 9⅞ | EtzLav | .11e | .9 | 16 | 430 | 13½ | 12½ | 12½ — ⅜ |
| 10½ | 6½ | EvrJ B | .10 | 1.0 | 26 | 2 | 10⅜ | 10⅜ | 10⅜ — |
| 10¼ | 6 | EvrJ A | .20 | 2.0 | 25 | 223 | 10⅛ | 10⅛ | 10⅛ — |
| 9¾ | 6½ | Excel | .40b | 4.0 | 13 | 31u | 10 | 9⅞ | 10 + ¼ |
| 12⅞ | 8¼ | FPA | | | — 48 | 2 | 10½ | 10½ | 10½ — |
| 22¾ | 16⅞ | Fabind | .5a | 2.2 | 8 | 2u | 22⅞ | 22¾ | 22⅞ — |
| 18¼ | 6½ | FairFin | | | — 12 | 12 | 16½ | 16⅜ | 16½ — ⅛ |
| 6¾ | 1½ | FairmC | | | — — | 8 | 1¾ | 1¾ | 1⅞ — ⅛ |
| 19 | 15⅞ | Farty pf | .471 | 2.9 | — 51 | 51 | 16⅜ | 16⅛ | 16⅜ — |
| 10½ | 3¾ | Fidata | | | — — | 904 | 5¼ | 4⅞ | 5⅛ — ⅛ |
| 6 | 1⅜ | FCapHd | | | — — | 382 | 5¼ | 5¼ | 5⅛ — |
| 12⅜ | 9⅞ | FtConn | 1.00a | 8.5 | 8 1 | 1134 | 11¾ | 11⅜ | 11⅜ — ⅛ |
| 15½ | 11 | FWymB | .80 | 6.5 | 12 | 186 | 12⅜ | 11⅞ | 12⅜ + ⅛ |
| 13½ | 9⅜ | Fstcrp s | | | — 8 | 1 | 13½ | 13½ | 13½ — |
| 15¾ | 11⅞ | FischP | .68t | 4.9 | 21 | 25 | 13⅞ | 13½ | 13⅞ + ⅛ |
| 13 | 6⅜ | FlicGE | | | — — | 10 | 10¼ | 10¼ | 10¼ — ⅛ |
| 30¾ | 23⅜ | FlIGE pf | 4.00 | 13.4 | — — | 1 | 29¾ | 29¾ | 29¾ — ⅛ |
| 44 | 28¾ | FlaRck | .70 | 1.6 | 8 | 18 | 43¼ | 43 | 43¼ — |
| 30⅜ | 21 | Fluke | 1.38t | 5.0 | 15 | 29 | 27¾ | 26⅞ | 27¾ + ⅛ |
| 14⅜ | 7¾ | Foodrm | | | — 5 | 8 | 12⅜ | 12⅛ | 12¾ + ⅛ |
| 10 | 7 | FooteM | | | — — | 5 | 7⅜ | 7⅜ | 7⅜ — ⅛ |
| 9⅞ | 5½ | FthillG | | | — — | 35 | 6⅛ | 5⅞ | 5⅞ — |
| 117¾ | 89½ | FordCn g | 14.00e | | — | z390 | 112 | 112 | 112 — 2¼ |
| 32½ | 12½ | ForestL | | | — 33 | 112 | 29¼ | 28⅜ | 29¼ + ⅜ |
| 2 | ⅜ | Fotomt | | | — — | 69 | 1⅜ | 1½ | 1½ — |
| 7⅞ | 4¼ | FrdHly | | | — — | 20 | 5⅜ | 5⅜ | 5⅜ — |
| 26 | 14 | FreaEl | | | — 19 | 55 | 25⅜ | 25 | 25⅜ — ⅛ |
| 12⅜ | 5 | FriesEn | | | — 17 | 298 | 10¼ | 9¾ | 10¼ + ⅛ |
| 26 | 14½ | Frischs | .22b | | .9 25 | 3 | 24½ | 24½ | 24½ + ⅛ |
| 16⅜ | 6¾ | FurVtl | .20 | 1.3 | 29 | 94 | 15⅜ | 15½ | 15½ — |
| 5¼ | ¼ | GNC v | | | — — | 3 | ⅜ | ⅜ | ⅜ — |
| 6⅞ | 4 | GRI | | | — — | 8 | 4½ | 4⅜ | 4⅜ — ⅛ |
| 4⅜ | 1⅜ | GTI | | | — — | 61 | 2 | 1⅞ | 2 + ⅛ |
| 15¼ | 10¼ | GalaxC | | | — 10 | 21 | 11¾ | 11½ | 11½ — ½ |
| 2⅜ | 1¼ | GalaxyO | | | — 21 | 122 | 1¼ | 1¼ | 1¼ — |
| 30¼ | 25 | Garan | 1.20 | 4.4 | 16 | 2 | 27⅛ | 27⅛ | 27⅛ — ⅛ |
| 16⅞ | 7⅞ | GatLit | | | — — | 50 | 8¾ | 8¾ | 8¾ + ⅛ |
| 13⅜ | 10¼ | GelmS | | | — 43 | 63 | 13⅛ | 13 | 13 — |
| 6¾ | 1⅜ | Gemco | | | — — | 65 | 2 | 1⅞ | 2 — |
| 18¼ | 12⅜ | GDefns | .88 | 6.9 | 8 | 133 | 13⅜ | 12⅝ | 12¾ — ⅜ |
| 5 | 2⅜ | GnEmp | .20 | 7.3 | 28 | 33 | 2¾ | 2¾ | 2¾ — |
| 17⅜ | 13 | GnMicr | .10b | .7 | 12 | 3 | 14⅜ | 14⅜ | 14⅜ — ⅛ |
| 6 | 2⅜ | Genisco | | | — — | 338u | 6⅜ | 5⅜ | 5½ — |
| 15⅜ | 9⅛ | GenvDr | .20 | 1.9 | 11 | 31 | 10¾ | 10½ | 10¾ + ⅛ |
| 14 | 7¼ | GeoRes | | | — 4 | 32 | 11¾ | 11½ | 11⅜ — |
| 4¼ | 1⅜ | GeoR wt | | | — — | 3 | 3⅛ | 3 | 3 — |
| 12⅜ | 8½ | GeoRs pf | 1.00 | 9.1 | — 3 | 11 | 11 | 11 | — |
| 26⅜ | 13⅛ | GlanF s | .50 | 1.9 | 14 | 116 | 26⅛ | 25⅜ | 26 — |
| 20 | 8 | GntYl g | | | — — | 28 | 16 | 15¾ | 15⅞ + ⅛ |
| 40 | 20½ | Glatfil | .88 | 2.2 | 13 | 18 | 39¾ | 39½ | 39½ — ⅜ |
| 37 | 23¾ | Glnmr | 1.00b | 3.5 | 19 | 22 | 28¾ | 28¼ | 28¾ + ⅛ |
| 4¾ | 2¾ | GlobNR | | | — — | 6 | 3¾ | 3¾ | 3¾ — |
| 6⅜ | 3 | GoldW | | | — — | 3 | 3¾ | 3¾ | 3¾ — |
| 1⅛ | ⅜ | GldFld | | | — — | 317 | 1⅛ | ⅜ | ⅜ — |
| 19⅞ | 15¾ | GorRp s | .76 | 3.8 | 8 | 5 | 19¾ | 19⅜ | 19¾ — |
| 29¾ | 22⅜ | GouldT | 2.00t | 6.8 | 9 | 4 | 29⅜ | 29 | 29⅜ + ⅛ |
| 16 | 6¾ | Graham | .32 | 4.2 | — | 18 | 7¾ | 7¾ | 7¾ — |
| 11 | 5¼ | GrahMc | 1.70e | 31.6 | 17 | 179 | 5½ | 5¼ | 5⅜ — |
| 12 | 7¾ | Grant | | | — 11 | 31 | 8¼ | 8¼ | 8⅛ — |
| 14⅜ | 9⅜ | GrTech | | | — 17 | 29 | 12¼ | 11⅞ | 12 — ⅛ |
| 44⅛ | 27 | GrtLkC | .48 | 1.3 | 17 | 217 | 36½ | 35⅞ | 36¼ — ⅛ |
| 36 | 12⅜ | Gramm s | | | — 15 | 161 | 26⅞ | 26¼ | 26⅝ + 1 |
| 11¾ | 5½ | Greiner | | | — — | 18 | 11⅜ | 11¼ | 11¼ — |
| 12¾ | 9⅛ | GrdCh | .50b | 4.1 | 10 | 21 | 12¼ | 12¼ | 12¼ — ⅛ |
| 15¼ | 11 | GRCd e | .52 | | — — | 56 | 14¾ | 14½ | 14¾ — |
| 36¾ | 24 | Gtsltr | .60 | 1.1 | 12 | 96 | 35⅞ | 35¾ | 35⅞ + ⅜ |
| 15½ | 8 | Gull | .05e | .4 | 18 | 5 | 13¾ | 13¾ | 13¾ — |
| 10⅛ | 6⅞ | HAL | .10e | 1.2 | — | 10 | 8⅛ | 8⅛ | 8⅛ — |
| 13⅛ | 10¼ | HMG | .60 | 5.7 | — | 1 | 10½ | 10½ | 10½ — |
| 6½ | 4⅛ | Halifax | .04e | .7 | — | 5 | 5⅞ | 5¾ | 5⅞ + ⅛ |
| 3⅛ | 1⅛ | Halmi | | | — — | 590 | 2¾ | 2¾ | 2¾ — ⅛ |
| 1⅜ | 1 | Halmi wt | | | — — | 20u | 1½ | 1⅜ | 1½ + ⅛ |
| 10⅛ | 6½ | Hampll | 931 | 10.8 | 9 | 29 | 8¾ | 8¾ | 8¾ + ⅜ |
| 29⅜ | 21¾ | Hndym n | .05e | .2 | 9 | 10 | 26⅜ | 26½ | 26½ + ⅛ |
| 28⅛ | 13½ | Hanird s | .50 | 1.9 | 16 | 5 | 26⅜ | 26⅜ | 26⅜ — ⅛ |
| 2½ | ⅜ | Harvey | | | — — | 72 | 1⅞ | 1¾ | 1¾ — ⅛ |
| 39½ | 21⅛ | Hasbr s | .15 | .4 | 10 | 556 | 35¾ | 34¾ | 35⅜ + ⅛ |

| 52-Week High | Low | Stock | Yld | PE | Sales 100s | High | Low | Last | Chg. |
|---|---|---|---|---|---|---|---|---|---|
| 12 | 8⅜ | MidAm | .20 | 2.3 | 11 17 | 8¾ | 8⅝ | 8⅝ — | ⅛ |
| 33⅜ | 17⅜ | Midas | .40 | 1.3 | 9 8 | 30¼ | 30⅛ | 30⅛ + | ⅛ |
| 9⅛ | 7⅛ | Mitsui | .24 | 2.9 | 92 14 | 8⅜ | 8¼ | 8¼ — | |
| 18 | 12⅜ | Modtch | .24 | 1.7 | 28 186 | 14 | 13¾ | 13⅞ — | |
| 16⅞ | 9⅜ | Monrch | .60 | 3.7 | 10 21 | 16¼ | 16 | 16⅛ — | ⅛ |
| 18½ | 10½ | Morgn | .20 | 1.1 | 16 3 | 17¾ | 17¾ | 17¾ — | ⅛ |
| 18¾ | 10½ | Morgn | .20 | 1.6 | 16 55 | 18 | 17¾ | 17⅞ — | ⅛ |
| 22½ | 15¾ | MMan n | | | — 15 | 43 | 21¼ | 20⅞ | 20⅞ — ⅜ |
| 4⅜ | 1⅜ | Mtlnd wt | | | — — | 20 | 1⅞ | 1¾ | 1⅞ + ¼ |
| 19⅜ | 16⅜ | MtlSo n | 1.56 | 8.8 | 7 | 20 | 17¾ | 17¾ | 17¾ — |
| 10 | 8 | Mtlsn | 1.80 | 11.6 | — 113 | 8¾ | 8½ | 8⅝ — | |
| 2½ | 1 | Mtlsn | | | — 51 | 1¼ | 1¼ | 1¼ — | ⅛ |
| 13¼ | 7⅞ | Mtlsn | .20 | 2.5 | — 6 | 8⅛ | 8⅛ | 8⅛ — | ⅛ |
| 6¾ | 3 | Mtlsn | | | — 84 | 5 | 5⅜ | 5⅜ — | ⅛ |
| 9⅜ | 4¾ | Mtlsn | | | — 7 | 7⅜ | 7½ | 7¾ + | ⅜ |
| 4⅜ | 1½ | Mtlsn | | | — 15 | 1½ | 1½ | 1½ — | |
| 1⅝ | 1/32 | Mtlsn wt | | | — 14 | 1/32 | 1/32 | 1/32 — | 1/32 |
| 13¾ | 9⅛ | Mtlsn | .20b | 2.5 | 9 5 | 11⅛ | 11⅛ | 11⅛ — | ⅛ |
| 17 | 13 | NBI n | 2.60 | 10.7 | — 207 | 14 | 13⅜ | 13⅜ + | ⅛ |
| 20⅜ | 18⅛ | NBI pf | 2.60 | 14.1 | — 141 | 18⅝ | 18⅛ | 18½ — | |
| 14¾ | 10⅛ | NBO | .48b | 3.9 | 10 5 | 10¼ | 10¼ | 10¼ — | |
| 21½ | 12⅞ | NHmt | 10 | .4 | — 301 | 18 | 17 | 17⅛ — | ⅜ |
| 23⅜ | 14⅜ | NMar | .79 | 4.5 | 19 1 | 17⅜ | 17⅜ | 17⅜ + | ⅛ |
| 17⅜ | 13⅜ | NPSI | 1.88 | 6.7 | 15 42 | 15¾ | 15¾ | 15¾ — | ⅛ |
| 27 | 13 | NTelc | 1.28e | 4.5 | 13 46 | 26⅜ | 26⅜ | 26½ + | ⅛ |
| 11¼ | 7½ | NWP n | | | — 51 | 211 | 10⅜ | 9⅞ | 10¼ — ⅛ |
| 49¼ | 33½ | NYTimes | .60 | 1.3 | 17 491 | 48⅛ | 47⅜ | 47½ — | ⅛ |
| 6⅛ | 3½ | NanDE | .25r | 5.9 | 9 17 | 4¼ | 4¼ | 4¼ — | |
| 17⅜ | 11 | Nashcor | .32 | 2.9 | — 41 | 11¼ | 11⅛ | 11⅛ — | |
| 16⅜ | 11¼ | Natls n | | | — 142 | 16⅜ | 15¾ | 16¼ + | ⅜ |
| 17¾ | 13⅛ | NtlEl | 1.50 | 8.8 | 12 7 | 17⅛ | 17 | 17 — | |
| 13⅜ | 6⅜ | Nilsn n | | | — 22 | 71 | 8⅜ | 8¼ + | ⅛ |
| 13⅜ | 6⅜ | Nilsts | | | — 7 | 26 | 9½ | 9¼ — | ⅜ |
| 5 | 1⅜ | Nolind | | | — — | 80 | 4⅜ | 4⅜ — | ⅛ |
| 4½ | 2¼ | Nolrx | | | — 22 | 78 | 4½ | 4¼ — | ⅛ |
| 11½ | 9⅜ | NOCO g | s | | — — | 24 | 10⅜ | 10½ — | |
| 37 | 29¾ | NIPS pf | 4.25 | 12.7 | — z820 | 33½ | 33⅜ | 33⅜ + | ⅛ |
| 4½ | 2⅛ | Nutrz | | | — 11 | 42 | 3⅞ | 3¾ — | |
| 1⅛ | ⅞ | Nutr wt | | | — — | 25 | 1⅜ | ¾ — | ⅛ |
| 11⅜ | 4½ | NUDI | | | — 10 | 6 | 5¾ | 5¾ + | ⅛ |
| 12¼ | 8⅛ | Nuhac | | | — — | 131 | 10 | 9¾ 10 + | ⅛ |
| 24¼ | 16⅜ | OEA | | | — 14 | 6 | 19⅜ | 19½ 19½ — | ⅛ |
| 18¼ | 12 | Oakwd s | | | — 13 | 21 | 16⅜ | 16 16⅜ — | |
| 12 | 4⅛ | OhtA n | | | — — | 52 | 7⅛ | 6⅞ 7⅛ + | ⅛ |
| 16⅛ | 5¼ | OhtB | | | — — | 6 | 8 | 8 8 — | |
| 24⅞ | 13⅜ | Ohtrl | .24 | .9 | 364 | 5u | 25½ | 25¼ 25½ + | ⅜ |
| 27⅜ | 10⅞ | Olden s | .24 | .9 | 20 | 58 | 26⅞ | 26¼ 26⅜ + | ⅛ |
| 7⅛ | 3⅛ | Oleo | | | — — | 2 | 4 | 4 4 — | |
| 8 | 4⅜ | Openh | .05a | 1.1 | — | 57 | 4½ | 4 4⅜ + | ⅛ |
| 8 | 4⅜ | OptH A | .15 | 2.5 | 30 | 21 | 6 | 6 6 + | ⅛ |
| 7⅞ | 4⅜ | OptH B | .20 | 3.5 | 29 | 2 | 5¾ | 5¾ 5¾ — | |
| 26¼ | 16 | Ovrn s | .42 | 1.7 | 17 | 26 | 25⅜ | 24¾ 25 — | ⅜ |
| 17⅜ | 6⅛ | OxfdF | .82t | 5.0 | 12 | 56 | 16¾ | 16½ 16½ — | |
| 14⅜ | 8¼ | OzarkH | .20 | 1.5 | 28 | 208 | 13¾ | 13⅜ 13⅜ — | |
| 9¼ | 5½ | PLM | .12 | 1.4 | 6 | 20 | 8⅜ | 8½ 8⅜ — | |
| 15 | 11⅜ | PGEptA | 1.50 | 10.7 | — | 24 | 14¼ | 13⅞ 14 + | ⅛ |
| 13⅜ | 10⅜ | PGEptB | 1.37 | 10.9 | — | 6 | 12¾ | 12⅜ 12⅜ — | |
| 12⅜ | 9⅜ | PGEptC | 1.25 | 10.0 | — | 20u | 12½ | 12½ 12½ + | ⅜ |
| 12¼ | 9⅜ | PGEptD | 1.25 | 10.4 | — | 50 | 12 | 11⅜ 12 — | |
| 12½ | 9⅜ | PGEptE | 1.25 | 10.5 | — | 380 | 12⅛ | 11⅞ 11⅞ — | |
| 12⅛ | 8⅜ | PGEptG | 1.20 | 10.4 | — | 139 | 11⅞ | 11⅜ 11½ — | |
| 36 | 32 | PGEptF | 4.34 | 12.9 | — | 17 | 34 | 33¾ 33¾ — | |
| 33¼ | 30 | PGEptZ | 4.86 | 12.6 | — | 13 | 32½ | 32 32½ — | ⅛ |
| 29⅞ | 24½ | PGEptY | 3.28 | 11.1 | — | 41 | 29 | 28⅞ 28⅞ — | |
| 24⅞ | 19½ | PGEptW | 2.53 | 10.6 | — | 58 | 24⅜ | 24¼ 24¼ — | |
| 22½ | 17½ | PGEptV | 2.32 | 10.5 | — | 142 | 22¼ | 21¾ 22 — | |
| 24½ | 19 | PGEptT | 2.56 | 10.5 | — | 2 | 24¼ | 24¼ 24¼ — | |
| 25⅜ | 19¾ | PGEptS | 2.62 | 10.5 | — | 72 | 25 | 24¾ 25 — | |
| 23 | 17⅜ | PGEptR | 2.37 | 10.6 | — | 5 | 22⅜ | 22⅜ 22⅜ — | ⅜ |
| 20⅜ | 15½ | PGEptP | 2.05 | 10.4 | — | 56 | 19¾ | 19½ 19¾ + | ⅛ |
| 20⅜ | 14½ | PGEptO | 2.00 | 10.6 | — | 34 | 19⅛ | 18⅞ 18⅞ — | |
| 19⅜ | 14⅜ | PGEptM | 1.96 | 10.5 | — | 124 | 18⅝ | 18½ 18⅝ — | |
| 21 | 16⅜ | PGEptL | 2.25 | 10.7 | — | 13u | 21⅛ | 20⅜ 21⅛ + | ⅜ |
| 20¼ | 15¼ | PGEptK | 2.04 | 10.4 | — | 168 | 19⅜ | 19¼ 19⅜ — | |
| 21⅜ | 17⅜ | PGEptJ | 2.32 | 11.2 | — | 4 | 21⅛ | 20¾ 20¾ — | |
| 11⅛ | 8½ | PGEptI | 1.09 | 10.3 | — | 7 | 10⅝ | 10⅜ 10⅝ — | ⅛ |
| 29 | 16⅜ | PGTrn | 1.24 | 4.3 | 11 | 166 | 29⅛ | 28⅞ 28⅞ — | |
| 43⅜ | 34⅜ | PacLt pf | 4.50 | 11.0 | — | z10 | 41 | 41 41 — | |
| 73¼ | 58½ | PacLt pf | 7.44 | 10.6 | — | z1460 | 72⅜ | 72⅛ 72⅛ — | |
| ⅜ | ⅜ | Page g | | | — — | 18 | ⅛ | ⅜ ⅛ + | 1/16 |
| 43½ | 32⅜ | PailCp | .48 | 1.1 | 23 | 182 | 43½ | 42 43½ + | 1¼ |
| 8⅜ | 5½ | Pantasi | | | — — | 68 | 7¾ | 7¾ 7¾ — | |
| 13⅞ | 4⅛ | ParTch | | | — 27 | 164 | 4½ | 4¼ 4⅜ — | |

| 52-Week High | Low | Stock | Yld | PE | Sales 100s | High | Low | Last | Chg. |
|---|---|---|---|---|---|---|---|---|---|
| 23⅜ | 14¾ | PhilLD | .26a | 13.9 | 2 25 | 19 | 18¾ | 19 — | |
| 5⅛ | 1⅜ | PicoPd | | | — — | 68 | 2⅞ | 2⅜ 2⅜ — | ⅛ |
| 7 | 2⅛ | Pier 1 wt | | | — — | 4 | 6⅛ | 6¼ 6⅛ — | ⅛ |
| 7⅞ | 2⅞ | PionrSv | | | — — | 45 | 3⅜ | 3⅜ 3⅜ — | ⅛ |
| 5⅜ | 4⅜ | PitWVa | .56 | 10.2 | 10 10 | | 5½ | 5½ 5½ — | |
| 77 | 68½ | Pittwsv | 1.80 | 2.4 | 12 2 | | 76½ | 76½ 76½ + | ⅜ |
| 18¼ | 6⅜ | Pizzaln | .08 | 1.1 | — 28 | | 7¼ | 7¼ 7½ + | ⅛ |
| 28½ | 15⅜ | PlcrD g | .30 | | — 43 | | 17⅜ | 17⅜ 17⅜ + | ⅛ |
| 16½ | 12½ | PlyGm s | .16 | 1.0 | 15 | 146u | 16⅜ | 16 16½ + | ⅛ |
| 4⅜ | 2¼ | PlyR B | | | — 3 | | 3¼ | 3¼ 3¼ + | ⅛ |
| 23 | 17⅜ | PneuSc | 1.00 | 4.4 | — 5 | | 23 | 22½ 22½ — | |
| 6⅜ | 3 | PopEye | | | — 116 | | 3⅜ | 3⅛ 3⅜ + | ⅛ |
| 13¼ | 7⅜ | PortSys | | | — 25 | | 34 | 11⅜ 11⅜ + | ⅛ |
| 17½ | 12⅜ | PostIPr | .20 | 1.4 | 13 | 45 | 14½ | 14⅜ 14⅜ — | |
| 24⅛ | 13 | PrattL s | | | — 11 | 18 | 23⅜ | 23½ 23¼ — | ⅛ |
| 1⅜ | ½ | PremRs | | | — — | 34 | ½ | ½ ½ — | |
| 12⅜ | 7⅜ | PresR B | 1.00 | 9.4 | 4 | 6 | 10⅝ | 10½ 10⅝ + | ⅛ |
| 4⅜ | 3⅛ | Presid | | | — 15 | 46 | 3⅝ | 3⅝ 3⅝ — | |
| 22½ | 19½ | PropCT | 1.60 | 8.3 | 13 | 14 | 19⅜ | 19⅜ 19⅜ — | ⅛ |
| 23⅞ | 15⅜ | PrvEn s | 1.64 | 7.1 | 9 | 2 | 23¼ | 23¼ 23¼ — | ⅛ |
| 48 | 33 | PSCol pf | 4.25 | 10.9 | — | z1300 | 39½ | 38¾ 39 + | 1 |
| 22½ | 16⅞ | Pgt prC | 2.34 | 10.9 | — | 339 | 21½ | 21⅜ 21½ + | ⅛ |
| 34⅜ | 30½ | Pgt prE | 4.37 | 13.3 | — | 10 | 32⅞ | 32¾ 32⅞ — | |
| 24¼ | 18 | Pgt prD | 2.34 | 9.7 | — | 60 | 24⅛ | 24⅛ 24⅛ — | |
| 8¼ | 2⅜ | PuntaG | | | — — | 29 | 4⅜ | 4½ 4⅜ — | ⅛ |

## Q R S T

| | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| 10¾ | 6 | Queb g s | .14 | 2.1 | — | 59 | 9⅛ | 9 | 9⅛ + | ⅛ |
| 7¾ | 5½ | RAI | .33t | 4.7 | 21 | 32 | 7⅛ | 7 | 7 — | ⅛ |
| 5⅛ | 3⅜ | RMS El | | | — — | 4 | 3⅜ | 3¾ | 3⅜ — | |
| 20¾ | 15⅜ | Ragan | .12 | .6 | 49 | 44 | 20½ | 20⅛ | 20½ + | ⅜ |
| 20 | 15 | Ramsbg | .72 | 3.9 | 29 | 65 | 18⅜ | 17½ | 18⅜ + | ⅜ |
| 1½ | ⅛ | Ratlfft | | | — — | 2 | ⅞ | ⅜ | ⅜ — | 1/16 |
| 14⅜ | 11 | Raven | .42 | 3.5 | 9 | 2 | 12⅛ | 12⅛ | 12⅛ — | |
| 10⅞ | 6¾ | RtlncT | | | — 13 | 1 | 10⅜ | 10⅜ | 10⅜ — | |
| 17⅞ | 16 | RtlSo n | 1.22e | 7.8 | — — | 5 | 17½ | 17¾ | 17⅜ — | ⅜ |
| 2½ | 1¼ | RtlSo wt | | | — — | 15 | 1¾ | 1⅝ | 1⅝ — | ⅜ |
| 20½ | 16⅜ | RtlSo un | 1.22e | 6.5 | — — | 5 | 18⅞ | 18¾ | 18⅞ + | ⅜ |
| 4½ | 1⅜ | Redlaw | | | — — | 2 | 2⅞ | 2⅞ | 2⅞ — | |
| 16¼ | 10½ | RepalB | .60b | 3.7 | 15 | 52 | 16¼ | 15½ | 16¼ + | ⅜ |
| 50¾ | 36 | Resrt A | | | — — | 65 | 45 | 44¼ | 44½ — | ⅜ |
| 6⅞ | 3¾ | RstAsB | | | — 11 | 2 | 6⅜ | 6⅜ | 6⅜ — | ⅛ |
| 6¼ | 3⅞ | RstAsA | | | — 10 | 10 | 6⅛ | 6 | 6 — | ⅛ |
| 4¾ | 3¼ | RexNor | .10e | 2.4 | 12 | 10 | 4⅜ | 4¼ | 4¼ + | ⅜ |
| 12½ | 9½ | RibtelP | .20 | 1.8 | 16 | 38 | 11 | 10¾ | 11 + | ⅜ |
| 19½ | 8½ | Rckwy s | .28 | 1.7 | 23 | 98 | 16¼ | 16½ | 16⅜ + | ⅛ |
| 30⅜ | 17¼ | Rogers | .12 | .6 | 20 | 17 | 19⅞ | 19¾ | 19⅞ — | ⅛ |
| 5¾ | 1⅜ | RoomyP | | | — — | 185 | 1¾ | 1½ | 1⅝ — | |
| 7 | 3⅜ | RoyPtm | | | — — | 15 | 6½ | 6⅜ | 6½ + | ⅛ |
| 24 | 22¾ | Rudick | .56a | 2.2 | 10 | x3 | 26 | 26 | 26 — | |
| 8¾ | 4⅜ | RBW | | | — 8 | 12 | 8¼ | 8¼ | 8¼ — | |
| 20 | 12⅞ | Russell | .30 | 1.6 | 14 | 1020 | 19¼ | 19⅛ | 19¼ — | |
| 29½ | 16⅜ | Rykoff | .60 | 2.5 | 13 | 220 | 24 | 23⅞ | 23⅞ + | ⅜ |
| 8¾ | 3½ | SFM | | | — 11 | 15 | 4½ | 4⅜ | 4½ + | ⅛ |
| 8¼ | 7 | SFN pfA | | | — — | 3 | 8⅛ | 8 | 8⅛ + | ⅛ |
| 40⅜ | 21⅜ | SJW s | 1.45 | 3.7 | 13 | 6 | 39¼ | 39⅛ | 39¼ — | |
| 5 | 2⅜ | SMD | | | — 10 | 30 | 3½ | 3⅜ | 3½ — | |
| 10¼ | 6⅜ | Sage | | | — — | 57 | 7⅞ | 7¾ | 7⅞ — | ⅛ |
| 68½ | 53⅜ | SDgo pf | 7.20 | 10.7 | — | 250 | 67½ | 67½ | 67½ — | 1 |
| 25 | 19¾ | SDgo pf | 2.47 | 10.2 | — | 9 | 24½ | 24¼ | 24¼ — | ⅛ |
| 39¾ | 34½ | SDgo pf | 4.65 | 12.0 | — | 16 | 38⅞ | 38¾ | 38⅞ + | ⅛ |
| 26 | 20¾ | SDgo pf | 2.68 | 10.6 | — | 1 | 25¼ | 25¼ | 25¼ + | ⅛ |
| 15 | 13¼ | Sandy n | | | — 37 | | 14⅞ | 14¾ | 14¾ — | |
| 5⅞ | 3⅞ | Sanmrk | .43t | 7.8 | 12 | 220 | 5½ | 5⅜ | 5½ + | ⅜ |
| 11 | 9⅞ | Saund pf | 1.20 | 11.7 | — | 25 | 10¼ | 10¼ | 10¼ — | |
| 9¾ | 7 | SaxnO n | 1.20 | 14.1 | — | 30 | 8½ | 8½ | 8½ — | |
| 17½ | 11¼ | Sberro n | | | — 20 | 52 | 17⅛ | 16⅞ | 16⅞ — | ⅛ |
| 5 | 3¼ | Sceptr n | | | — — | 42 | 3¾ | 3¼ | 3¾ + | ⅛ |
| 30¾ | 17⅜ | Schelb | .56 | 1.9 | 14 | 36 | 29 | 28¾ | 29 — | |
| 24¾ | 17⅜ | SchoolP | | | — 35 | 32 | 1 Wed | 17¾ | 17¾ — | ⅛ |
| 14¼ | 9⅜ | Schwab | .48 | 4.6 | 24 | 14 | 10½ | 10¼ | 10½ + | ⅛ |
| 7¾ | 3¾ | SciMgt | .10 | 1.8 | — | 12 | 5¾ | 5½ | 5¾ — | |
| 32 | 11½ | SciLog | | | — 8 | 159 | 12⅜ | 12⅜ | 12⅜ + | ⅛ |
| 40¼ | 32⅞ | Scope | .43 | 1.3 | 10 | 1 | 33½ | 33½ | 33½ — | ⅛ |
| 20 | 12¼ | ScurRn | | | — — | x17 | 17¾ | 17½ | 17¾ — | |
| 70¼ | 42½ | SbdCp | .50 | .7 | 7 | 3 | 70 | 69¾ | 69¾ — | |
| 2½ | 1⅛ | Seaport | | | — — | 10 | 1⅜ | 1⅜ | 1⅜ — | |
| 15¾ | 9¾ | SecCap | .16 | 1.5 | 10 | 77 | 10¾ | 10⅜ | 10¾ + | ⅛ |
| 4⅜ | 2 | SeisPro | | | — — | 24 | 2⅜ | 2⅜ | 2⅜ — | |
| 1⅞ | 9½ | SeisDif | | | — — | 388 | 3⅜ | 9½ | 9½ — | |
| 8⅛ | 3⅜ | Selas | | | — 24 | 9 | 4 | 3⅞ | 4 — | |
| 6 | 3⅜ | SeligAs | | | — 11 | 15 | 5⅜ | 5⅜ | 5⅜ — | |
| 14¼ | 9⅜ | Srvisco | .28 | 2.4 | — 1 | 1 | 11⅜ | 11⅜ | 11⅜ — | ⅛ |
| 11 | 7⅜ | Servo | | | — 13 | 2 | 10¼ | 10¼ | 10¼ — | |
| 13⅜ | 6⅞ | Servotr | .86t | 7.2 | 18 | 7 | 12 | 12 | 12 — | |
| 12⅛ | 9⅜ | Seton s | .0* | .9 | 11 | 1 | 10 | 10 | 10 — | |
| 13⅜ | 8⅛ | ShaerS | 1.00e | 8.0 | 8 | 17 | 12½ | 12½ | 12½ — | ⅛ |
| 3⅜ | ⅜ | Sharon | | | — — | 544 | ⅜ | ⅜ | ⅜ — | |
| 15½ | 9 | Shopwl s | .16 | 1.5 | — | 35 | 11⅛ | 10⅞ | 10⅞ — | ⅛ |
| 11⅜ | 4¼ | SierHS n | | | — 38 | 103 | 6⅜ | 6⅜ | 6⅜ + | ⅜ |
| 15⅛ | 9½ | SierSp n | .27t | 2.1 | 30 | 52 | 12¾ | 12⅜ | 12¾ — | ⅛ |
| 15⅛ | 7¼ | Siercn | .20t | | — 49 | 73 | 7¾ | 7⅜ | 7⅜ — | |
| 7⅛ | 4 | Sifco | .10t | | — 17 | 22 | 4¾ | 4½ | 4⅝ — | ⅛ |
| 5⅛ | 3⅛ | SilkesA | .20 | 1.7 | 13 | 64 | 11½ | 11 | 11½ + | ⅛ |
| 5

JOHN C. NEWINGTON
FIELD POINT PARK - Box 1048
GREENWICH, CONN. 06830
(203) 869-0656

Nov. 15, 1985

Mr. Carl R. Channell
National Endowment for the Preservation of Liberty
2032 Belmont Road, N.W.
Washington, D.C. 20009

Dear Mr. Channell,

Am pleased to be able to make a substantial contribution to your Foundation.

My gift consists of 14,360 shares of Gulf Oil of Canada and 130,000 shares of Dome Petroleum. Gulf Oil stock closed today, on the ~~New York~~ American Stock Exchange, at a mean average price of 14.750 and Dome at 2.21875. Therefore, my gift has a total cash value of $500,247.50.

Enclosed you will find one stock power for each stock with my signature guaranteed by the Putnam Trust Co. of Greenwich so that you may sell these shares through any bank or broker and have their equivalent in cash.

For income tax purposes would appreciate an acknowledgement of my gift.

With kind personal regards, and wishing you great success with your splendid efforts, I am

Sincerely yours,

John C. Newington

0004079461 9

Gulf & Canada 10/14/85

High 14.875
Low 14.625
2 | 29.500
14.750

14.750 mean average
14360 shares
$211,810

288437.50
211.810.-
$500,247.50
Total

Home Petroleum, Ltd. 11/14/85

High 2.375
Low 2.0625
2 | 4.4375
2.21875

~~2.21875~~
~~130~~
130000 shares
2.21875 mean average
$288,437.50

00040794620

# American Stock Exchange

THURSDAY, NOVEMBER 14, 1985

| 52-Week High | Low | Stock | Div | Yld % | PE Ratio | Sales 100s | High | Low | Last | Chg. |
|---|---|---|---|---|---|---|---|---|---|---|
| 15½ | 8¼ | CareA | 10 | 7 | 16 | 1 | 14½ | 14½ | 14½ | — ⅛ |
| 83⅛ | 41⅜ | CareE B | | | 16 | 6 | 7 | 6⅞ | 7 | + ⅛ |
| 8⅛ | 6¼ | CareE A | | | 15 | 1 | 6⅝ | 6⅝ | 6⅝ | |
| 5⅛ | 2¼ | Casbian | 661 | 25 | 1 | 45 | 2⅜ | 2⅛ | 2⅜ | + ⅛ |
| 27½ | 14⅜ | CastlA | 80b | 5 | 11 | 1 | 15¾ | 15¾ | 15¾ | |
| 32⅞ | 25⅜ | CasFd | 2.20a | 8.2 | | 10 | 26¾ | 26½ | 26¾ | — ⅛ |
| 2⅞ | ⅛ | CasFd rt | | | | 101 | 1⅛ | 1½ | 1½ | — ⅛ |
| 7⅜ | 2 | Castina | | | | 36 | 2⅞ | 2⅝ | 2⅝ | — ⅛ |
| 9⅜ | 4⅜ | Centeni | | | | 9 | 9 | 8¾ | 8¾ | — ⅛ |
| 11 | 20⅜ | CenM pf | 3.50 | 11.9 | | z80 | 29½ | 29½ | 29½ | + ⅛ |
| 14⅛ | 10¾ | CentSe | 1.57e | 12.4 | | 2 | 12⅝ | 12⅝ | 12⅝ | — ⅛ |
| 17⅛ | 14⅜ | CtryBu | | | | 2 | 15⅝ | 15⅝ | 15⅝ | — ⅛ |
| 9⅛ | 5¾ | Celec | 20 | 3.0 | 16 | 41 | 6¾ | 6⅝ | 6¾ | |
| 4 | 1½ | ChmpH | | | 29 | 519 | 2 | 2 | 2 | — |
| 17 | 12½ | ChmpP | 72 | 4.3 | 16 | 24 | 16⅞ | 16½ | 16¾ | + ⅛ |
| 29¾ | 16⅞ | ChtMA s | 16 | 9 | 14 | x1242 | 19½ | 18 | 18⅜ | — 1⅛ |
| 29 | 17¼ | ChtMB s | 16 | 8 | 16 | x6 | 21 | 21 | 21 | — ⅜ |
| 11¼ | 16½ | ChiRv | 1.20a | 6.1 | 12 | 5 | 19¾a | 19¾a | 19¾a | — ⅛ |
| 10¾ | 6⅜ | ChfDv g | | | | 46 | 9⅞ | 9½ | 9⅝ | + ⅛ |
| 18¼ | 17½ | Chiltn s | 17 | 5 | 29 | 74 | 33½ | 32½ | 32¾ | — ½ |
| 13⅞ | 13⅜ | Citadel | | | | 5 | 47 | 29 | 29 | |
| 5 | 19⅛ | CitFst | 1.00b | 3.0 | 9 | 14 | 32⅜ | 32⅜ | 32⅜ | + ⅛ |
| 13¾ | 35¼ | Clarmt | 1.93e | 4.4 | | 7u | 43¾ | 43¾ | 43¾ | + ⅛ |
| 2 | 11⅛ | Clopay s | 16 | 1.2 | | 17 | 13⅞ | 13¼ | 13½ | + ⅛ |
| 3¾ | 3½ | Cognistr | | | | 29 | 4¾ | 4⅜ | 4¾ | + ⅜ |
| 14⅜ | 6⅜ | Cohu | 20 | 2.1 | 9 | 52 | 9½ | 9⅛ | 9½ | + ⅛ |
| 1 | 1⅜ | ColF wt s | | | | 37 | 4⅞ | 4¾ | 4⅞ | |
| 4 | 9⅞ | Comted | | | 6 | 165 | 22⅞ | 22½ | 22½ | — ⅛ |
| 1⅛ | 8⅛ | Cominc | 16 | — | | 53 | 8⅜ | 8¼ | 8¼ | |
| 2 | 6⅜ | ComD | | | | 55 | 12 | 11¾ | 11⅞ | — ⅛ |
| 3⅛ | 4½ | CmpCn | | | | 154 | 6 | 6¼ | 6⅛ | |
| 2⅛ | 5½ | CmpFct | | | 16 | 42 | 7⅝ | 7⅜ | 7⅜ | + ⅛ |
| 2½ | 1⅝ | Cnchm | 40 | 2.1 | 14 | 15 | 19⅛ | 18⅝ | 19⅛ | + ⅜ |
| 8 | 6⅜ | Conniv | | | 9 | 6 | 17¾ | 17¾ | 17¾ | — ⅛ |
| 5⅛ | 13⅛ | ConrCp | | | 7 | 52 | 19⅛ | 18¼ | 19⅛ | + 1 |
| 9⅞ | 5⅜ | Const | | | 103 | 98 | 8⅝ | 8¼ | 8¼ | — ⅛ |
| 5⅝ | 1⅞ | Cona wt | | | | 35 | 4⅜ | 4¼ | 4¼ | |
| 3 | 4⅜ | ConsOG | | | | 85 | 5⅛ | 5 | 5⅛ | + ⅛ |
| 2 | 16½ | CnStor n | | | 27 | 424u | 28 | 26 | 27½ | + 1⅛ |
| 1 | 2⅜ | CnStr wi | | | | 35u | 14⅛ | 13½ | 13½ | |
| 7⅛ | 7⅛ | viConIA | | | 4 | 400 | 13⅛ | 13 | 13⅛ | |
| 0 | 9¼ | viCntA pf | | | | 38 | 16⅛ | 16⅛ | 16⅛ | |
| 6 | 17⅛ | ContAtl | | | 9 | 21 | 25 | 24½ | 25 | + ⅛ |
| 4¾ | 18¾ | Convst n | 1.80 | 15 | 5 | 142 | 11⅝ | 11⅜ | 11⅝ | + ⅛ |
| 23⅛ | 17¾ | Copley n | 28e | 1.5 | | 15 | 19 | 18¾ | 18¾ | |
| 3⅞ | 2⅜ | CosCr n | | | 21 | 17 | 2⅞ | 2¾ | 2¾ | |
| 1 | 3⅛ | CosCr wt | | | | 3 | ⅜ | ⅜ | ⅜ | |
| 3 | 7⅝ | CntrAm n | | | | 27 | 9⅜ | 9⅛ | 9⅜ | |
| 2 | 7½ | CrsIFo | 15e | 1.5 | 9 | 59 | 10⅛ | 10 | 10⅛ | |
| 5 | 25⅜ | Cross | 1.44 | 4.1 | 16 | 28 | 34¾ | 34½ | 34¾ | |
| 9 | 28⅜ | CrowlM | 1.00a | 2.6 | 9 | 4 | 38⅛ | 37⅜ | 37⅜ | + ⅛ |
| 3 | 9⅞ | CrnCP | | | 9 | 32 | 17 | 16⅝ | 16⅝ | — ⅛ |
| 8⅞ | 7⅜ | CrCPB | | | 6 | 3 | 12⅜ | 12⅜ | 12⅜ | |
| 19⅜ | 17⅛ | CwCP pf | 1.92 | 8.3 | | 15 | 23¼ | 23¼ | 23¼ | + ⅛ |
| 4 | 4⅜ | CrownC | | | | 15 | 7½ | 7½ | 7½ | |
| 6 | ⅞ | CrutcR | | | 1 | 151 | ½ | ½ | ½ | + ⅛ |
| 2 | ½ | CrystO | | | | 9860 | ⅝ | ⅝ | ⅝ | — ⅛ |
| 1 | 13¾ | Cubic | 39 | 1.8 | 12 | 97 | 22¼ | 22 | 22¼ | + ⅛ |
| 23⅛ | 9 | Curtice | 92 | 3.7 | 9 | 25 | 25 | 24⅜ | 24¾ | — ⅛ |
| 1 | ⅛ | CustEn | | | | 148 | ⅛ | ⅛ | ⅛ | |
| 1 | ½ | DWG | 38f | 4.9 | | 1 | ⅜ | ⅜ | ⅜ | |
| 5 | 7¾ | DamEA | 2.00 | 23 | 5 | | 8¼ | 8⅛ | 8⅛ | |
| 6 | 6½ | DamEB | 2.30 | 30 | 7 | | 90 | 7⅞ | 7⅞ | + ⅛ |
| 4 | 3¾ | Damson | | | | 5 | 126 | 3¼ | 3½ | — ⅛ |
| 2 | 17¾ | Dams pf | 2.50 | 14 | 2 | | 55 | 18 pd | 17¾ | — ⅛ |
| 19 | 19½ | Dams pr | 3.75 | 16 | 8 | | 4 | 22¾ | 22¾ | |
| 10 | 10¾ | DataPd | 16 | 1.1 | | 48 | 14 | 13¾ | 14 | + ⅛ |
| 3 | 3½ | Datarm | | | | 248u | 8½ | 7⅞ | 8¼ | + ⅛ |
| 2 | 2 | DeRose | | | | 24 | 3¼ | 3⅛ | 3¼ | + ⅛ |
| 4 | 3⅜ | Decrat s | | | | 2 | 3⅞ | 3¾ | 3⅞ | |
| 26 | 25⅜ | DelLab | 5c | 4.1 | 11 | 4 | 26½ | 26½ | 26½ | |
| 16 | 12⅜ | DelVal | 1.74 | 11.0 | 9 | | 15 | 15¾ | 15⅜ | — ⅛ |
| 1 | | Delmed | | | | 230 | | 1 | 1 | |
| 3 | 3⅜ | Dsgntrn | 22f | 3.8 | 11 | 10 | | 3⅞ | 4 | |
| 7 | 7⅜ | Desgnl | | | 13 | 5 | 8⅛ | 8⅛ | 8⅛ | + ⅛ |
| 14 | 10⅞ | DevlCp | | | 388 | 1 | 13⅛ | 13⅛ | 13⅛ | |
| 9 | 9⅛ | DvnRs n | 1.20 | 13.0 | | 18 | 9⅛ | 9¼ | 9¼ | — ⅛ |
| 5 | 5⅛ | Diag A | | | 84 | 20 | 7 | 6¾ | 6¾ | — ⅛ |
| 5 | 5⅛ | Diag B | | | 75 | 4 | 6 | 6 | 6 | |
| 6 | 6 | DiaBth s | | | 15 | 32 | 24⅜ | 23¼ | 24 | — ⅜ |
| 1 | 1⅛ | Digicon | | | | 39 | 1⅛ | 1⅛ | 1⅛ | |
| 2 | 2⅛ | Digic wt | | | | 25 | ¼ | ¼ | ¼ | |
| 36 | 36¼ | Diltrg | 1.20 | 3.3 | 17 | 45 | 69½ | 68¼ | 68½ | — 1 |
| 2 | 2⅞ | Diodes | | | | 20 | 3⅛ | 3⅛ | 3⅛ | + ⅛ |
| 4 | 4⅞ | DirAct n | | | | 11 | 5 | 4¾ | 5 | + ⅛ |
| 11 | 11½ | DomeP | | | | 10143 | 2⅝ | 2⅝ | 2⅝ | + ⅛ |
| 7 | 7 | DmdP s | | | | | 6⅝ | 6⅝ | 6⅝ | + ⅛ |
| 12 | 12 | Domtr s | 1e | | | 1 | 13 | 13 | 13 | + ⅛ |
| 1 | 1⅛ | Driller | | | | | 2 | 1⅞ | 1⅞ | |
| 23 | 23 | Ducom | 5c | | | | 28 | 27¾ | 28 | + ⅛ |
| 12 | 12⅜ | Duplex s | 40c | 3.6 | 11 | | 8 | 18 | 18 | — ⅛ |
| 12 | 12 | DurTst | 40b | 3.4 | 11 | | 12 | 13¼ | 13¼ | — ⅛ |
| 9 | 9⅛ | Dymet | 27e | 2.0 | 11 | 343 | 13¼ | 13 | 13¼ | + ⅛ |
| 18 | 18⅛ | Dynger | 80 | 2.9 | 12 | 19 | 27¾ | 27¼ | 27⅜ | |

## E F G H

| | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| 6 | 6⅛ | EAC | 40 | 1.8 | 40 | 28 | 8½ | 8⅜ | 8⅜ | |
| 13 | 13⅛ | EECO | 12 | 1.3 | 28 | 306 | 16¼ | 15¾ | 16⅛ | + ⅛ |
| 4 | 4½ | ERC | | | 17 | 166 | 7 | 7 | 7 | + ⅛ |
| 2 | 2⅛ | ESI | 1 | .1e | 12 | 188 | 8 | 7¾ | 8 | + ⅛ |
| 2 | 2⅛ | EaglC | | | 13 | 60 | 2⅜ | 2⅜ | 2⅜ | |
| 30 | 30⅛ | Eslqp | 1.40e | 5.0 | 14 | 7 | 28 | 28 | 28 | |
| 7 | 7¼ | EchoB | | | | 142 | 3 | 2⅞ | 3 | + ⅛ |
| | | ElAudD | | | | | | | | |
| 5 | 5⅛ | ElcAm | 4c | | | | 2 | 2 | 2 | |
| 2 | 2⅛ | ElecSd | | | | | 1 | 1 | 1 | |
| 2 | 2⅜ | Elsinor | | | | 188 | 2 | 2 | 2 | |
| 0 | 0 | EmMd | .03e | | | | 2 | 2 | 2 | |
| 12 | 12⅛ | EgyDv | 3.50 | 22.4 | | 5 | 15½ | 15½ | 15½ | — ⅛ |
| 4 | 4⅜ | EngMgt | | | | | 4 | 4 | 4 | |
| 4 | 4⅜ | EngOil | | | | | 2 | 2 | 2 | |
| 1 | 1 | EnrSrv | | | | | 1 | 1 | 1 | |
| 10 | 10¼ | ESD | 1c | 2.0 | 9 | 4 | 13 | 13 | 13 | + ⅛ |
| 2 | 2⅛ | Enstr pf | 24e | 14.2 | | | 3⅜ | 3⅜ | 3⅜ | + ⅛ |

# DIVIDENDS

THURSDAY, NOVEMBER 14, 1985

| | Period | Rate | Amount of record | Payable |
|---|---|---|---|---|
| **IRREGULAR** | | | | |
| Current IncoShs | x | .325 | 11-29 | 12-13 |
| x—payment includes an extra distribution of five cents from income. | | | | |
| **STOCK** | | | | |
| Accelerator Corp | — | 4pc | 11-25 | 12-16 |
| BlockDrug A&B | x | 3pc | 12-3 | 12-10 |
| x—payable in class A shares. | | | | |
| BlockDrug A&B | x | | 11-25 | 12-2 |
| x—2 for 1 split. | | | | |
| Fur Vault | x | | 12-6 | 12-20 |
| x-3 for 2 split. | | | | |
| RviPalm SvgsAssn | x | | 11-25 | 12-2 |
| x—6 for 5 stock split. | | | | |
| Safety Kleen | x | | 11-25 | 12-9 |
| x—3 for 2 split. | | | | |
| **INCREASED** | | | | |
| Marion Labs Inc | — | .09 | 12-20 | 1-20 |
| Maytag Co | — | .75 | 12-1 | 12-14 |
| Reynolds&Reynolds | — | .25 | 12-13 | 1-13 |
| Ryan Homes inc | — | .30 | 1-6 | 1-25 |
| **INITIAL** | | | | |
| Block Drug A n | — | .125 | 12-3 | 1-2 |
| Fedl ind A n | — | .075 | 12-10 | 1-1 |
| Safety Kleen n | x | equal to .12 pd | | |
| Block Drug | | | | |
| x—dividends de... rescinded by co... | | | | |
| FortHowardPaper | | | | |
| x—initial dividend... | | | | |
| following a 2 for... was omitted. | | | | |
| Piper Jaffray | | | | |
| Advest Group | | | | |
| Arrow Automotive | | | | |
| AxeHoughtn IncoF | | | | |
| Best Products | | | | |

| | Period | Rate | Amount of record | Payable |
|---|---|---|---|---|
| ... | .38 | | 12-23 | 1-6 |
| ...ional. | | | | |
| ...CTION | | | | |
| ... | x | | | |
| ... Oct. 29 have been | | | | |
| ... | x | .23 | 1-3 | 1-24 |
| ...on the new shares ...ed yesterday into 'w' | | | | |
| ...-END | | | | |
| ... | .10 | 12-3 | 12-17 | |
| ... | .01 | 12-6 | 1-15 | |
| ...RA | | | | |
| ... | | | | |
| Maytag Co | .59 | 12-14 | 1-1 | |
| ...AN | | | | |
| ... | .10 | 12-12 | 1-2 | |
| ...Q | .125 | 11-15 | 11-25 | |
| ...Q | .06 | 11-29 | 12-13 | |
| **REGULAR** | | | | |
| Colonese Cda | Q | .05 | 12-6 | 12-31 |
| ColgatePalmolive | Q | .34 | 1-22 | 2-15 |
| Coll Indust | Q | .425 | 12-13 | 12-31 |
| CooperTire&Rubber | Q | .10 | 12-05 | 12-24 |
| Equitabletowne Cos | Q | .32 | 11-26 | 12-12 |
| Frozen Food Exp | Q | .07 | 11-25 | 12-11 |
| General Instr | Q | .025 | 12-2 | 1-3 |
| Gifford Hill&Co | Q | .13 | 11-22 | 12-9 |
| Guardsman Chem | Q | .125 | 12-3 | 12-17 |
| Lehigh Press | Q | .10 | 11-29 | 12-13 |
| MAPCO Inc | Q | .25 | 11-26 | 12-10 |
| MassMutl Incominv | Q | .33 | 11-29 | 12-12 |
| Pittway Corp | Q | .45 | 12-13 | 1-2 |
| Quaker Oats Co | Q | .35 | 12-23 | 1-15 |
| Sensormatic Elec | Q | .025 | 12-6 | 1-6 |
| Stop & Shop | Q | .275 | 11-29 | 1-2 |
| Talley Industries | — | .05 | 11-29 | 1-8 |
| Traders Grp A | g | .10 | 12-6 | 1-1 |
| Transway Intl | Q | .45 | 11-26 | 12-9 |
| Triton Energy Cp | Q | .025 | 12-5 | 12-19 |
| USG Cp | Q | .42 | 11-26 | 12-15 |
| Unifirst Corp | Q | .05 | 12-6 | 1-7 |
| Wal Mart | Q | .035 | 12-12 | 1-3 |
| g-Payable in Canadian Funds. | | | | |

| 52-Week High | Low | Stock | Div | Yld % | PE Ratio | Sales 100s | High | Low | Last | Chg |
|---|---|---|---|---|---|---|---|---|---|---|
| 12½ | 8 | Eroind | | | 9 | 16 | 10¼ | 9⅞ | 10¼ | + |
| 9¾ | 4⅜ | Eskay | | | | 12 | 7½ | 7½ | 7½ | |
| 6⅜ | 5⅞ | Eskay pf | 1.00 | 13.6 | | 8 | 7⅜ | 7¼ | 7⅜ | |
| 26½b | 15½ | Espey | .40 | 2.3 | 8 | 47 | 17¾ | 17¼ | 17¾ | + |
| 6⅜ | ⅜ | Esprit | | | | 18 | 1¾ | 1¼ | 1¼ | |
| 10½ | 6¼ | EwrJ B | 10 | 1.0 | 25 | 2 | 10 | 10 | 10 | — |
| 10½ | 6 | EwrJ A | .20 | 2.2 | 23 | 13 | 9¼ | 9⅛ | 9¼ | — |
| 9½ | 6½ | Excel | .60b | 4.3 | 12 | 10 | 9¼ | 9¼ | 9¼ | + |
| 22½ | 16⅞ | Febind | .40 | 2.0 | 7 | 7 | 20½ | 20⅜ | 20½ | + |
| 18 | 6 | FairFin | | | 13 | 120u | 18⅛ | 17¾ | 17⅞ | + |
| 19 | 15⅝ | Farly pf | .471 | 2.8 | | 15 | 16½ | 16⅜ | 15½ | |
| 10⅜ | 3¾ | Fidata | | | | 33 | 7¾ | 7⅛ | 7⅛ | — |
| 5⅜ | 1¼ | FCapHd | | | | 115 | 4⅞ | 4¾ | 4⅞ | |
| 12⅜ | 9⅞ | FtComn | 1.00a | 8.5 | 8 | 4 | 11⅞ | 11¾ | 11¾ | + |
| 15½ | 11 | FWymB | .80 | 6.5 | 12 | 21 | 12⅜ | 12⅛ | 12⅜ | + |
| 13½ | 9¾ | FstCrp s | | | 7 | 43 | 13⅜ | 13⅛ | 11½ | — |
| 15¾ | 11⅞ | FtschP | .68 | 4.9 | 21 | 33 | 13⅜ | 13¼ | 13¾ | + |
| 13 | 6⅞ | FtcGE | | | 5 | 15 | 12 | 11⅞ | 11⅞ | — |
| 30¾ | 23⅜ | FtcGE pf | 4.00 | 13.8 | | 4 | 29 | 29 | 29 | — |
| 10⅝ | 5¾ | vlFlamg | | | | 11 | 5½d | 5¼ | 5¼ | — |
| 43⅞ | 28¾ | FlaRck | .70 | 1.7 | 8 | 28 | 40⅜ | 40 | 40¼ | — |
| 30⅜ | 21 | Fluke | 1.38f | 5.6 | 13 | 93 | 24¾ | 24⅛ | 24¾ | + |
| 14⅜ | 7½ | Foodrm | | | 5 | 9 | 12½ | 12⅜ | 12⅜ | — |
| 34½ | 29½ | Foote pf | 80i | | | 2 | 29⅜b | 29⅜b | 29⅜b | — |
| 9⅞ | 5⅛ | FthillG | | | | 29 | 5¾ | 5½ | 5⅝b | |
| 25 | 19¾b | ForstC B | 18 | .7 | 28 | 3 | 25 | 25 | 25 | |
| 32½ | 12⅛ | ForestL | | | 32 | 401 | 28½ | 27¼ | 28½ | + |
| 2 | ¾ | Fotomi | | | | 88 | 1⅜ | 1⅛ | 1⅛ | |
| 26 | 14 | FreqEl | | | 16 | 164 | 22 | 21¾ | 21¾ | — |
| 10⅛ | 7⅜ | Friedm | .28b | 3.3 | 13 | 1 | 8½ | 8 | 8½ | |
| 12⅜ | 5 | FriesE n | | | 17 | 53 | 10½ | 10⅛ | 10⅛ | — |
| 23⅞ | 10⅜ | FrntHd | | | 9 | 310u | 24 | 23⅜ | 23⅜ | + |
| 14½ | 4½ | FrtA wt | .171 | 1.2 | | 22u | 14⅜b | 14⅜b | 14⅜b | + |
| 15 | 6¾ | FurVlt | .20 | 1.3 | 28 | 441u | 15½ | 14⅜b | 15 | + |
| 5⅞ | ⅛ | GNC v | | | | 50 | ⅜ | ⅜ | ⅜ | + |
| 6⅞ | 4⅛ | GRI | | | | 2 | 4¼ | 4¼ | 4¼ | |
| 4⅜ | 1⅜ | GTI | | | | 49 | 2½ | 2 | 2 | — |
| 15¼ | 10⅛ | GalaxC | | | 10 | 16 | 11⅜ | 11½ | 11⅜ | + |
| 2¾ | 1¼ | GalaxyO | | | 23 | 32 | 1⅜ | 1⅜ | 1⅜ | |
| 16⅞ | 7⅞ | GatLif | | | | 146 | 9⅛ | 8⅝ | 9 | — |
| 13⅜ | 9⅛ | GelmS | | | .43 | 75 | 12⅞ | 12⅝ | 12⅞ | |
| 4⅜ | 2¼ | Gemco | | | | 67 | 2⅜ | 2¼ | 2⅜ | |
| 18½ | 12⅜ | GDefns | .38 | 6.5 | 7 | 2189 | 13⅞ | 13⅜ | 13⅜ | — |
| 5 | 2⅜ | GnEmp | .20 | 6.7 | 12 | 10 | 3 | 2⅞ | 3 | |
| 17⅜ | 3 | GnMicr | .10b | .7 | 13 | 5 | 15⅛ | 15 | 15⅛ | — |
| 6 | 2⅞ | Genisco | | | | 35 | 5¼ | 5⅛ | 5¼ | |
| 15⅞ | 9⅛ | GenvDr | .20 | 1.7 | 10 | 51 | 11¾ | 10⅝ | 11½ | + 1 |
| 12 | 7¼ | GeoRes | | | 4 | 35 | 11½ | 11⅜ | 11½ | |
| 4¼ | 1⅜ | GeoR wt | | | | 1 | 3⅛ | 3⅛ | 3⅛ | — |
| 12⅜ | 8½ | GeoRs pf | 1.00 | 9.4 | | 12 | 10⅝ | 10¼ | 10⅝ | + |
| 25¼ | 12½ | GianF s | .50 | 2.1 | 14 | 107 | 24⅜ | 23 | 24⅛ | + |
| 20 | 3 | GnlYl g | | | | 22 | 14⅞ | 14⅜ | 14⅜ | — |
| 35⅜ | 20 | Gianit | .88 | 2.5 | 12 | 98 | 35½ | 35 | 35½ | + |
| 37 | 23¾ | Glmtr | 1.00b | 3.4 | 20 | 25 | 29⅜ | 29⅜ | 29⅜ | — |
| 4⅜ | 2⅜ | GlobNR | | | | 55 | 3⅛ | 3⅛ | 3⅛ | — |
| 6⅜ | 3 | GoldW | | | | 294 | 4 | 3⅞ | 4 | — |
| 1¼ | ⅜ | GldFld | | | | 166 | 1¼ | ¾ | 1¼ | |
| 19⅛ | 15⅜ | GorRp s | .6 | 4.0 | 8 | 1 | 19⅛ | 19⅛ | 19⅛ | — |
| 29¾ | 22⅜ | GouloT | 2.00f | 6.8 | 9 | 5 | 29¼ | 29¼ | 29¼ | — |
| 16 | 6⅞ | Graham | .32 | 4.6 | | 111 | 7 | 6¾ | 7 | + |
| 11 | 5¼ | GrahMc | 1.70e | 30.9 | 7 | 110 | 5⅝ | 5¾ | 5¾ | — |
| 24⅜ | 16½ | GrndAu | .40 | 2.1 | 12 | 31 | 19 | 18¾ | 19 | + |
| 12 | 7¾ | Grant | | | 11 | 15 | 8¾ | 8½ | 8⅝ | |
| 2⅞ | 1⅛ | Grant wt | | | | | ⅞ | ¾ | ¾ | |
| 15 | 9⅜ | GrTecII | | | | 7 | 11⅜ | 11⅛ | 11⅜ | |
| 44¾ | 27 | GrtLkC | .48 | 1.3 | 17 | 87 | 38 | 37¾ | 38 | + |
| 16 | 12⅜ | Grenm s | | | 13 | 50 | 23⅞ | 23 | 23⅜ | — |
| 11⅜ | 5⅛ | Greiner | .98i | 8.5 | 11 | 26 | 11⅝ | 11⅜ | 11½ | + |
| 13 | 8⅞ | GrdCh | .50b | 3.9 | 11 | 48 | 12⅞ | 12¾ | 12¾ | + |
| 15 | 11 | GiffCd s | .52 | | | 795 | 14⅞ | 14⅜ | 14⅜ | — |
| 16¾ | 24 | GtSft | .40 | 1.1 | 14 | 60 | 35½ | 35 | 35¼ | + |
| 15½ | 8 | Gull | .05e | 4 | 18 | 96 | 13½ | 12⅝ | 13 | + |
| 13¾ | 10⅛ | HMG | .66 | 5.8 | | 10 | 10½d | 10⅜ | 10⅜ | — |
| 21 | 16¾ | HUBC | .68a | 3.3 | 13 | 4 | 20¾ | 20½ | 20¾ | + |
| 8½ | 4⅜ | Hahtax | .04e | 7 | | 3 | 5¼ | 5¼ | 5¼ | |
| 3⅛ | 1⅛ | Haimi | | | | 503 | 2⅜ | 2⅛ | 2⅜ | |
| 10⅞ | 6½ | Hamsll | 93i | 11.3 | 8 | 4 | 8¼ | 8 | 8¼ | + |
| 29⅝ | 21¾ | Hndvm n | .05e | 2 | 9 | 25 | 24½ | 24¼ | 24⅜ | + |
| 27¼ | 13⅜ | Hanfrd s | .50 | 1.9 | 16 | 14 | 26¼ | 26 | 26 | + |
| 2 | ¾ | Harvey | | | | 11 | 1⅛ | 1⅛ | 1⅛ | |

| 52 Week High | Low | Stock | Div | Yld % | PE Ratio | Sales 100s | High | Low | Last | Chg |
|---|---|---|---|---|---|---|---|---|---|---|
| 22⅛ | 13½ | Ionics s | | | 21 | 146 | 22 | 21⅜b | 21⅞ | — ⅛ |
| 41 | 25 | IrvqBrd | | | 33 | 25 | 34⅞ | 34½b | 34⅞ | + 1 |
| 16 | 11 | Jachyn | .50b | 4.3 | 11 | 13 | 11⅜b | 11¼ | 11⅜b | + ⅜ |
| 7¾ | 5½ | Jacobs | | | | 43 | 5¾ | 5½ | 5¾ | — ⅛ |
| 4⅜ | 2¼ | JetAm | | | 8 | 62 | 4 | 3⅞ | 3⅞ | |
| 1 | ½ | JetA wt | | | | 16 | ⅜ | ⅜ | ⅜ | — ⅛ |
| 19⅜ | 5½ | Jetron | .71t | 10.0 | 12 | 106 | 7¼ | 6⅞ | 7⅛ | — ⅛ |
| 6½ | 2½ | JohnPd | | | | 18 | 3⅜ | 3¼ | 3⅜ | — ⅛ |
| 11⅞ | 5¾ | JohnAm | .30 | 5.1 | 9 | 78 | 6 | 5¾ | 5⅞ | — ⅛ |
| 13⅛ | 6 | Johnind | | | 3 | 4 | 7⅜ | 7⅛ | 7⅜ | + ⅛ |
| 6⅞ | 2½ | JumpJk | | | 16 | 5 | 2⅞ | 2⅞ | 2⅞ | — |
| 39⅞ | 31⅛ | KnGs pf | 4.50 | 11.8 | | z200 | 38 | 37½ | 38 | + 1 |
| 16⅛ | 10 | KayCp | .20 | 1.5 | 9 | 208 | 13¾ | 13½ | 13¾ | + ⅛ |
| 13⅛ | 10⅜ | KayJ n | .30e | 2.2 | 11 | 66u | 13⅜ | 13 | 13½ | + ⅛ |
| 15½ | 9¾ | KeeprNt | .40 | 3.9 | 14 | x8 | 10⅜ | 10⅛ | 10¼ | — ⅛ |
| 24 | 15⅜ | Kemrin | .80a | 4.2 | 9 | 2 | 18⅞ | 18⅞ | 18⅞ | + ⅛ |
| 23⅜ | 14 | Ketchm | .65i | 3.5 | 18 | 28 | 19⅛ | 18⅝ | 18⅝ | — ⅜ |
| 3¼ | 2⅜ | KeyCoB | .15i | 4.4 | 20 | 1 | 3⅜ | 3⅜ | 3⅜ | + ⅛ |
| 4 | 2⅛ | KeyCoA | .15e | 4.6 | 19 | 4 | 3¼ | 3⅛ | 3¼ | + ⅛ |
| 12¾ | 7⅛ | KeyPh | .20 | 2.1 | 17 | 2568 | 9⅜ | 9 | 9⅜ | + ⅛ |
| 7⅜ | 2½ | KeyCa | | | 9 | 4 | 2⅜ | 2⅜ | 2⅜ | |
| 11⅜ | 2¼ | Kidde wt | | | | 87 | 4 | 3⅞ | 4 | + ⅛ |
| 3⅜ | 3⅛ | Kinark | | | | 20 | 3⅜ | 3⅜ | 3⅜ | |
| 4⅛ | 2⅜ | Kirby | | | | 545 | 2⅜ | 2½ | 2⅜ | |
| 3⅜ | 1⅝ | Kit Mfg | | | 15 | 5 | 1⅝ | 1⅝ | 1⅝ | |
| 3⅝ | 2 | KleerV | .02r | .9 | | 14 | 2¼ | 2¼ | 2¼ | — ⅛ |
| 10⅛ | 10¼ | Knoll | | | | 16 | 35 | 15½ | 15½ | + ⅜ |
| 40⅛ | 27¾ | KoperC | 2.32 | 8.7 | 95 | 102 | 26¾ | 26½ | 26¾ | — ⅛ |
| 1⅜ | 1⅛ | LSB | | | | 4 | 1⅞ | 1⅞ | 1⅞ | — ⅛ |
| 3⅜ | 1½ | LaBarg | | | | 48 | 1⅝ | 1½ | 1⅝ | + ⅛ |
| 3⅜ | 3⅛ | LaPnt | | | | 23 | 4⅜ | 4¼ | 4⅜ | + ⅛ |
| 20½ | 11⅜ | LndBn n | .60 | 2.9 | 12 | 42 | 20⅝ | 19⅞ | 20⅜ | |
| 20⅜ | 13¼ | Lndmk | .40 | 2.0 | 14 | 23 | 19⅞ | 19⅜ | 19⅜ | + ⅛ |
| 14⅜ | 8½ | Laser | | | 36 | 127 | 10⅜ | 10⅛ | 10⅜ | + ⅛ |
| 13 | 9 | Lauren | | | 30 | 11 | 83⅜d | 8⅜ | 8⅜ | — ⅜ |
| 5¾ | 4⅜ | LazKap | | | | 20 | 5⅛ | 5⅛ | 5⅛ | — |
| 17¾ | 16¼ | LearPP | 3.00 | 15.1 | | 12 | 20 | 19⅞ | 19⅞ | |
| 1⅜ | 2⅛ | LeePh | | | 11 | 45 | 7 | 6⅞ | 6⅞ | + ⅛ |
| 21⅜ | 19⅜ | Lehigh s | .20i | .7 | 10 | 13 | 29¾a | 29¼a | 29¾a | + ⅜ |
| 34⅜ | 27¼ | LeisurT | | | 9 | 170u | 7¼ | 6½ | 7⅛ | + ⅜ |
| 34⅞ | 9½ | LbtFPh | .50 | 1.7 | 10 | 59 | 28⅜ | 28¾ | 28¾ | — ⅛ |
| 3 | 1⅜ | LifeRsl | | | | 282 | 1⅞ | 1½ | 1⅜ | + ⅛ |
| 4¾ | 2 | Liftfd | | | | 26 | 3⅜ | 3½ | 3½ | — |
| 2 | 1 | Lodge | | | | 30 | 1½ | 1½ | 1½ | |
| 33⅜ | 16⅞ | LoriCp | | | | 159 | 20¾ | 19⅞ | 20⅜ | + ⅜ |
| 27⅛ | 17¼ | Lorimr | | | 19 | 2368 | 37½ | 36¾ | 37¼ | + ⅜ |
| 1 | 10⅛ | Lumex | .08 | .5 | 33 | 87 | 17¼ | 16¾ | 17 | + ⅛ |
| 4 | 3⅛ | LundvE | | | | 16 | 5½ | 12 | 13⅜ | 12 | + ⅛ |
| 4 | 3⅛ | Luria | | | | 11 | 7⅞ | 11⅜ | 11¼ | + ⅛ |
| 10 | 10 | Lydal | | | | 9 | 1 | 13⅜ | 13⅜ | 13⅜ | |
| 8⅛ | 8⅛ | LynCS s | .20 | 1.7 | 12 | 146 | 12⅛ | 11⅞ | 12 | |
| 9 | 8⅜ | LynchC | .20 | 2.1 | 18 | 6 | 9¾ | 9¾ | 9¾ | + ⅛ |

## M N O P

| | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| 13 | 12¾ | MCO Hd | | | 8 | 77 | 13⅜ | 13⅛ | 13⅜ | — ⅛ |
| 1 | 1 | MCO Rs | | | | 134 | 1¾ | 1⅝ | 1⅝ | + ⅛ |
| 7⅞ | 7⅜ | MSA | .88e | 10.4 | | 6 | 8⅜ | 8½ | 8½ | |
| 1¾ | ⅞ | MSA wt | | | | 4 | 1¼ | 1⅛ | 1⅛ | |
| 12⅜ | 6¼ | MSI DI | | | 34 | 8 | 8⅞ | 8¾ | 8¾ | — ⅛ |
| 4 | 2⅜ | MSR | | | | 106 | 2¾ | 2¾ | 2¾ | — ⅛ |
| 15⅜ | 7⅜ | MacGrg | | | 8 | 828 | 8⅛ | 7⅞ | 8⅛ | + ⅛ |
| 19 | 8½ | MacSch | .16 | .8 | 67 | 45u | 19½ | 19 | 19½ | + ⅛ |
| 2 | ¾ | Macrod | | | | 95 | ⅞ | ⅞ | ⅞ | |
| 1 | ⅜ | Mag Bk | | | 6 | 17 | 11 | 11 | 11 | — |
| 10⅞ | 7⅜ | MePS | .35i | 1.7 | 3 | 21 | 20¾b | 20¼b | 20¼ | — ⅛ |
| 15 | 8½ | Maiart g | .40e | | | 12 | 11¾ | 11⅜b | 11⅜b | — ⅛ |
| 2 | 2⅛ | Mangd | | | | 36 | 14 | 13½ | 13⅝ | + ⅛ |
| 2 | 2⅛ | MrthOf | | | | 27 | 4⅞ | 4¾ | 4⅞ | + ⅛ |
| 17 | 4⅛ | MrkIV s | | | 14 | 45 | 16⅜b | 15¾b | 16⅛ | + ⅛ |
| 22 | 21¼ | Marm pf | 2.35 | 10.7 | | 29 | 22 | 21¾b | 22 | + ⅛ |
| 83 | 13⅛ | MartPr | | | 20 | 17 | 57⅜b | 57 | 57⅜b | + ⅜ |
| 19 | 10⅜

# NATIONAL ENDOWMENT FOR THE PRESERVATION OF LIBERTY

305 FOURTH ST., N.E.
SUITE 1000
WASHINGTON, D.C. 20002

February 28, 1986

Mrs. Barbara Newington
P. O. Box 1098
Greenwich, CT 06836

Dear Mrs. Newington:

Thank you for your gift of stock with a value of $500,967.20 on December 6, 1985 to the National Endowment for the Preservation of Liberty. We greatly appreciate your participation in our project.

Thank you again.

Sincerely,

Spitz Channell

0004079462

# KUYKENDALL COMPANY

Dan Kuykendall
President

February 17, 1987

Dan H. Kuykendall

517 3rd St. SE
Washington, D.C. 20003
(202) 546-2196

Mrs. Barbara Newington
P. O. Box 1098
Greenwich, Connecticut 06836

Dear Barbara;

First, I wish to express my thanks for your hospitality last week and tell you that I can not recall having enjoyed a visit in anyone's home as much as yours.

The two names that you requested at Texas A & M University are as follows:

Dr. Dean Corrigan
Dean, College of Education
Texas A & M University
College Station, Texas 77843-4222

Dr. William Nash
Director of Gifted and Talented Institute
College of Education
Texas A & M University
College Station, Texas 77843-4222

Barbara, the attacks on our Contra Aid program are going "all out". There is almost a "blood frenzy" with the liberals attacking our entire Contra Aid program with specific attacks on Spitz Channell and our own efforts. It is essential that people like you and other members of our nationwide team continue the crusade if we are going to save Central America.

Today and tomorrow I am personally visiting with several Congressmen who are strong supporters of Contra Aid to reinforce our efforts in the next few months. Each of them is giving Spitz strong encouragement in writing to continue our efforts. I am sure that he will share these with you.

Again, I enjoyed the day with you and, to repeat my last comment, "Let's save the country so that we can spend our old age enjoying things beautiful."

Sincerely,

Dan Kuykendall

F. CLIFTON SMITH
4849 Connecticut Avenue, NW, No. 721
Washington, DC 20008

March 17, 1987

Mrs. John C. Newington
P.O. Box 1098
Field Point Park
Greenwich, CT 06836

Dear Mrs. Newington:

Please forgive my long delay in writing to thank you for the lovely visit at your home several weeks ago. I appreciated so much your gracious hospitality. It was a welcome retreat from the madness and mania of Washington. I value your friendship and our mutual concern for the causes we care so much for and dreams we have for this troubled world.

Don't forget that I want to tour your museum in the not too distant future. I would like to bring my friend Kim Miles who is a great admirer of Jasper Cropsey and his unique perspective.

Sincerely yours,

Cliff

Cliff Smith

20040794524

# Dollars for contra fund

## Greenwich woman gave PAC $324,800, met with Oliver North

Staff and Wire Reports

A wealthy Greenwich woman, who was the principal benefactor of a political group involved in a pro-contra lobbying drive, has acknowledged meeting Lt. Col. Oliver L. North on several different occasions.

The woman, Barbara Newington, met North for dinner on one of those occasions, she said.

Newington helped bankroll a Virginia-based political action committee headed by her friend, Washington fund-raiser Carl "Spitz" Channell, public records show.

Her role suggests a close link between North, the fired White House aide, and Channell's efforts to conduct a nationwide media campaign in support of President Reagan's pro-contra policies.

Also present at one or more of those meetings was Channell, the organizer of a network of conservative groups and the head of the group to which Newington's money went. Channell, who worked with North to carry out the public relations and lobbying campaigns on behalf of the rebels fighting the Nicaraguan government, is a friend of Newington.

Newington is listed in documents on file with the Commonwealth of Virginia as having given $324,800 to one of Channell's groups over the past three years. It could not be determined whether she had given more money to other Channell groups whose lists of contributors are kept secret.

Channell financed speaking trips by Nicaraguan rebels and a television advertising campaign of at least $1 million that targeted congressional opponents of President Reagan's plan to give $100 million in military and other aid to the contras.

The source of the money has come into question, with congressional and federal investigators examining a report in the Lowell (Mass.) Sun that North provided profits from Iranian arms sales for the campaign.

Although Channell has denied that Iranian money was used in the media effort or that North solicited contributions, he has acknowledged that North spoke to groups of his contributors and provided written material that was used in the advertising campaign backing Reagan's contra and defense policies.

Newington also has given money to conservative political candidates, such as extremist presidential candidate Lyndon H. LaRouche Jr. and the late Rep. Larry McDonald, D-Ga.

Newington, who neighbors say is the widow of a wealthy oil magnate, and who is the daughter of a six-term mayor of Hastings, N.Y., declined to discuss her finances or the source of her wealth.

According to documents on file with the Commonwealth of Virginia, Newington was the principal contributor to one of Channell's organizations, the Virginia-based American Conservative Trust State Election Fund.

"She was probably his biggest contributor," said Adam Goodman of the Robert Goodman Agency, which produced television advertisements for Channell's campaign backing Reagan's policies.

The meetings with Newington suggest a close link between North and the efforts of Channell to put together a costly public relations blitz.

Please turn to **CONTRAS** Page A6

## Contras

■ Continued from Page A1

After first claiming to have met North only once, at a White House session for Channell contributors, she subsequently conceded she met with him on various occasions, including for dinner. At least once, Channell was present.

North, who was a senior staff aide on Reagan's National Security Council, was fired Nov. 25 for his role in the diversion of profits from Iranian arms sales to the contras.

Newington said North did not solicit money from her. She said there was "never a direct pitch from him."

As a Marine and a member of the administration, North was barred from soliciting political contributions or engaging in lobbying.

She initially said the money was not really hers, then later — when a reporter noted that the financial disclosure data listed her as the donor — she said it was her money "in a way."

"And so what, who cares?" she said. "It's nobody's business."

She told a Hartford Courant reporter who visited her home yesterday that she did not make contributions directly. "I do it through a board," she said, declining to name board members.

She also refused to talk about her private life and her late husband, John C. Newington, who neighbors say died about 10 years ago.

Newington lives in the Belle Haven section of Greenwich. Her home sits on a bluff that looks down onto Long Island Sound.

She has lived in an exclusive section of the neighborhood, called Field Point Circle, for about 20 years, neighbors said. The park, which contains about 25 palatial homes, is patrolled by a private security force.

John Newington, who died about 10 years ago, donated one of the original rescue boats to the Greenwich Police Department.

The Advocate Feb 9, 1987

0014079452

SENSITIVE

BEFORE THE FEDERAL ELECTION COMMISSION

| | | |
|---|---|---|
| In the Matter of | ) | |
| | ) | |
| Carl Russell Channell; | ) | |
| National Endowment for the | ) | |
| Preservation of Liberty; | ) | MUR 2406 |
| Sentinel; American Conservative | ) | |
| Trust State Election Fund; and | ) | |
| American Conservative Trust and | ) | |
| Carl Russell Channell, as treasurer) | | |

EXECUTIVE SESSION
FEB 09 1988

88 JAN 32 AM 9:53

RECEIVED
FEDERAL ELECTION COMMISSION
SECRETARIAT

GENERAL COUNSEL'S REPORT

I. BACKGROUND

On December 8, 1987, the Commission found reason to believe the National Endowment for the Preservation of Liberty ("NEPL") violated 2 U.S.C. §§ 433, 434, 441b(a), and 441a(f); Sentinel and the American Conservative Trust State Election Fund violated 2 U.S.C. §§ 433, 434, and 441b(a); Carl Russell Channell, as an officer of the National Endowment for the Preservation of Liberty, Sentinel, and the American Conservative Trust State Election Fund, violated 2 U.S.C. § 441b(a); and the American Conservative Trust and Carl Russell Channell, as treasurer, violated 2 U.S.C. § 433(b)(2). These findings were based on the solicitation of funds for these organizations and their expenditure for television advertising and speaking tours and the relationship among these organizations. The Commission also approved letters and interrogatories to the Respondents and to a selected group of 12 contributors and letters requesting voluntary assistance to the Independent Counsel and the Senate and House Select Committees. These letters were dated and mailed December 17, 1987.

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## II. UPDATE

Since then, the following developments have occurred in this matter.

### A. Respondents

In a letter dated December 30, 1987, counsel for the Respondents requested an extension of time until January 25, 1988, which was granted in a letter dated January 11, 1988. Nevertheless, on January 20, 1988, prior to submitting a response and answers to the interrogatories, counsel for the Respondents met with staff of the Office of the General Counsel for a general discussion of the background relating to this matter and Commission enforcement procedures. Counsel also outlined certain difficulties the Respondents face in complying with the interrogatories, but counsel indicated that the Respondents would attempt to comply with the request to the best of their ability. Counsel also discussed with the staff of this Office the means by which resolution of this matter could be best expedited.

9004079946927

Counsel also raised a question regarding proceeding against Mr. Channell personally because of the plea agreement with the Independent Counsel. Counsel indicated that this issue would be discussed further in the response. Therefore, a further analysis of this issue will be made after receiving that response.

### B. Contributors

As of January 25, 1988, substantive responses have been received from five of the twelve contributors to whom letters

were sent.*/ Responses are expected from four additional contributors. The letter to one contributor was returned as undeliverable and has been resent to a more current address. One contributor has not responded in any manner, nor has this Office received the returned letter or the return receipt. One contributor is now deceased. Once it appears that this Office has received all of the responses that it is likely to receive, an analysis of all responses will be made.

### C. Independent Counsel and Senate and House Select Committees

The Independent Counsel has received the Commission's letter requesting his voluntary assistance in this matter, but he has not as yet responded. The staff directors of the Select Committees have contacted staff of this Office, and discussions are continuing with regard to the possibility of the Commission's obtaining information from the Committees. It appears that representations may have been made to Mr. Channell that his records would not be turned over to any other investigative agency. Instead, it appears they will be sent to the National Archives and not returned to Mr. Channell. Thus, it is not certain at this time whether either Committee will be able to provide the Commission with any information regarding this matter.

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*/ A letter acknowledging the receipt of these responses and thanking the contributors for their cooperation has been sent to each contributor who has responded.

## III. FURTHER INVESTIGATION

Contemporaneously with the circulation of the First General Counsel's Report in this matter, this Office also circulated to the Commission on an informational basis certain excerpts from the public report of the Senate and House Select Committees. These excerpts contained new information relevant to the allegations and issues being investigated in this matter. Specifically, these excerpts stated:

> The major vehicle in the "public education" campaign was a series of television advertisements prepared by the Robert Goodman Agency in Baltimore that cost NEPL $1 million. ...
> Supplementing the television programs were press conferences and speaking tours by persons supporting the Contras. These were arranged by IBC and another public relations firm, Edelman, Inc., retained by Channell, which was paid $92,000 by NEPL.
>
> NEPL paid $115,000 for extensive polling by the Finkelstein Company as an aid to selecting areas where television advertisements and speaking tours would most likely have a favorable effect on a Congressional vote. He also retained two companies, Miner & Fraser and the Lichtenstein Company, to generate letters to Congressman supporting Contra aid ... .

See page 98 of Chapter 4 of the report's excerpts. The television advertisements, speaking tours, and poll were discussed in the First General Counsel's Report. The Select Committees' report, however, identifies the vendors that provided these services to NEPL. Questions relating to these activities were included in the interrogatories directed to the Respondents, but counsel for the Respondents has indicated there may be some

2 3 0 4 0 7 9 4 6 2 9

difficulty in their complying fully with the interrogatories and request for documents, since they are not in possession of all of their records. The information relating to the letter-writing campaigns and the identity of the vendors which provided these services is new information not previously provided in this matter. Therefore, questions relating to this activity were not included in the interrogatories directed to the Respondents. Nevertheless, it appears that this letter-writing activity was related to the television advertisements and speaking tours or was conducted in conjunction with them.

Therefore, this Office recommends that the Commission approve the sending of the attached proposed subpoenas to the Robert Goodman Agency, Arthur J. Finkelstein and Associates, Daniel J. Edelman, Inc., Miner & Fraser Public Affairs, Inc. and Lichtenstein and Company for information and documents relating to the above activities for NEPL and the other organizational respondents. See Attachment 2. Because of the uncertainty of obtaining information relating to these activities from either the Respondents or the Senate and House Select Committees, the Commission's seeking this information now, by subpoena, and directly from these vendors will significantly expedite the investigation of this matter. In this manner, sufficient information will be available so that if the Respondents do request preprobable cause conciliation, this matter may be resolved expeditiously.

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**IV. RECOMMENDATIONS**

Approve the attached subpoenas and orders to the Robert Goodman Agency, Arthur J. Finkelstein and Associates, Daniel J. Edelman, Inc., Miner & Fraser Public Affairs, Inc., and Lichtenstein and Company.

Date 1/29/88

Lawrence M. Noble
General Counsel

Attachments
Letters and Subpoenas and Orders (5)

20004079463 1

FEDERAL ELECTION COMMISSION
WASHINGTON D.C. 20463

MEMORANDUM TO: LAWRENCE M. NOBLE
GENERAL COUNSEL

FROM: MARJORIE W. EMMONS/JOSHUA MCFADDEN

DATE: FEBRUARY 3, 1988

SUBJECT: OBJECTION TO MUR 2406 - General Counsel's Report Signed January 29, 1988

The above-captioned document was circulated to the Commission on Monday, February 1, 1988 at 4:00 P.M.

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

| | |
|---|---|
| Commissioner Aikens | |
| Commissioner Elliott | X |
| Commissioner Josefiak | |
| Commissioner McDonald | |
| Commissioner McGarry | |
| Commissioner Thomas | |

This matter will be placed on the Executive Session agenda for February 9, 1988.

Please notify us who will represent your Division before the Commission on this matter.

0004079465342

BEFORE THE FEDERAL ELECTION COMMISSION

| | | |
|---|---|---|
| In the Matter of | ) | |
| | ) | |
| Carl Russell Channell; | ) | MUR 2406 |
| National Endowment for the | ) | |
| Preservation of Liberty; | ) | |
| Sentinel; American Conservation | ) | |
| Trust State Election Fund; and | ) | |
| American Conservative Trust and | ) | |
| Carl Russell Channell, as treasurer | ) | |

CERTIFICATION

I, Mary W. Dove, recording secretary for the Federal Election Commission executive session of February 9, 1988, do hereby certify that the Commission decided by a vote of 6-0 to return this matter to the Office of General Counsel for revisions and corrections pursuant to the discussion held in the meeting and to be circulated on a tally vote basis.

Commissioners Aikens, Elliott, Josefiak, McDonald, McGarry and Thomas voted affirmatively for this decision.

Attest:

2-9-88
Date

Mary W. Dove
Mary W. Dove
Administrative Assistant

0004079463 3

HAND DELIVERED

RECEIVED
FEDERAL ELECTION COMMISSION
MAIL ROOM

88 FEB 10 AM 9:53

6775

*Mosbacher Management Company*

*Texas Commerce Bank Building*
*712 Main Street, Suite 2200*
*Houston, Texas 77002-3290*

*713 546-2500*

FEDERAL EXPRESS

February 9, 1988

Federal Election Commission
Room 659
999 E Street, N.W.
Washington, D. C. 20463

Attention: Lawrence M. Noble
General Counsel

Re: MUR 2406

Gentlemen:

On behalf of Robert Mosbacher, Jr., we hereby request an extension of time to respond to the Interrogatories received in our office on January 26, 1988, for an additional period of two weeks. This extension is necessary to complete compilation of data and to prepare a formal response to such Interrogatories.

This morning, the undersigned spoke to Michael Marinelli with respect to whether the Interrogatories are directed to Robert Mosbacher, Sr. or Robert Mosbacher, Jr. I received a message from Mr. Marinelli to the effect that the required response is from Mr. Robert Mosbacher, Jr. and not Robert Mosbacher, Sr., and we are proceeding to respond accordingly.

Please confirm at your earliest convenience whether the requested extension of time is granted.

Very truly yours,

MOSBACHER MANAGEMENT COMPANY

Pamela Stockton
Vice President, Counsel & Secretary

PS/mah
BE:2/9
cc: Michael Marinelli

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OFFICE OF GENERAL COUNSEL
88 FEB 10 AM 11:37

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

February 11, 1988

Ms. Pamela Stockton
Mosbacher Management Company
Texas Commerce Bank Building
712 Main Street, Suite 2200
Houston, Texas 77002-3290

RE: MUR 2406

Dear Ms. Stockton:

This is in response to your letter dated February 9, 1988, which we received on February 10, 1988, requesting an extension of 14 days until March 9, 1988, to respond to interrogatories and a request for the production of documents. After considering the circumstances presented in your letter, I have granted the requested extension. Accordingly, your response is due by close of business on March 9, 1988.

If you have any questions, please contact Michael Marinelli, the attorney assigned to this matter, at (202) 376-5690.

Sincerely,

Lawrence M. Noble
General Counsel

By: Lois G. Lerner
Associate General Counsel

0004079453

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SECRETARIAT

88 FEB 12 PM 1:14

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

February 12, 1988

**MEMORANDUM**

TO: The Commission

FROM: Lawrence M. Noble
General Counsel

SUBJECT: Revised Questions in MUR 2406

On February 9, 1988, the Commission returned the proposed questions to five witnesses in MUR 2406 to the Office of the General Counsel for revision and recirculation.

At the Commission's direction, the following revisions have been made to the proposed questions: (1) the word "congressmen" has been replaced by "Members of Congress" in the proposed questions to Miner & Fraser Public Relations, Inc., and Lichtenstein and Company; (2) the question in each of the five sets of questions referring to total "costs" or "funds expended" has been revised to refer to "total amount charged." In addition, the subpoena for each witness has been revised to list the instructions and definitions as attachments as well as the questions and requests for documents. All revisions have been underlined in the attachments.*/

Accordingly, this Office recommends that the Commission approve the attached proposed subpoenas and letters to these five witnesses.

**RECOMMENDATION**

Approve the attached letters, subpoenas and orders to the Robert Goodman Agency, Arthur J. Finkelstein and Associates, Daniel J. Edelman, Inc., Miner & Fraser Public Affairs, Inc., and Lichtenstein and Company.

Attachments
Letters and Supoenas
and Orders (5)

*/ This Office understands that proposed question 5 in the Finkelstein set of questions would remain as originally proposed.

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BEFORE THE FEDERAL ELECTION COMMISSION

| | | |
|---|---|---|
| In the Matter of | ) | |
| | ) | |
| Carl Russell Channell; | ) | |
| National Endowment for the | ) | MUR 2406 |
| Preservation of Liberty; | ) | |
| Sentinel; American Conservative | ) | |
| Trust State Election Fund; and | ) | |
| American Conservative Trust and | ) | |
| Carl Russell Channell, as treasurer | ) | |

CERTIFICATION

I, Marjorie W. Emmons, Secretary of the Federal Election Commission, do hereby certify that on February 18, 1988, the Commission decided by a vote of 6-0 to approve the letters, subpoenas and orders to the Robert Goodman Agency, Arthur J. Finkelstein and Associates, Daniel J. Edelman, Inc., Miner & Fraser Public Affairs, Inc., and Lichtenstein and Company, as recommended in the General Counsel's memorandum to the Commission dated February 12, 1988.

Commissioners Aikens, Elliott, Josefiak, McDonald, McGarry, and Thomas voted affirmatively for the decision.

Attest:

2/19/88
Date

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

Received in the Office of Commission Secretary: Fri., 2-12-88, 1:14
Circulated on 48 hour tally basis: Tues., 2-16-88, 11:00
Deadline for vote: Thurs., 2-18-88, 11:00

0004079463 7

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

February 23, 1988

**CERTIFIED MAIL**
**RETURN RECEIPT REQUESTED**

Jack Lichtenstein
President, Lichtenstein and Co.
230 E Street, N.E.
Washington, D.C. 20002

Re: MUR 2406

Dear Mr. Lichtenstein:

The Federal Election Commission has the statutory duty of enforcing the Federal Election Campaign Act of 1971, as amended. The Commission has issued the attached subpoena and order which requires you to provide certain information in connection with an investigation it is conducting. The Commission does not consider you a respondent in this matter, but rather a witness only.

Because this information is being sought as part of an investigation being conducted by the Commission, the confidentiality provision of 2 U.S.C. § 437g(a)(12)(A) applies. That section prohibits making public any investigation conducted by the Commission without the express written consent of the person with respect to whom the investigation is made. You are advised that no such consent has been given in this case.

You may consult with an attorney and have an attorney assist you in the preparation of your responses to this subpoena and order. However, you are required to submit the information under oath within 15 days of your receipt of this letter.

If you have any questions, please direct them to Judybeth Greene, the attorney handling this matter, at (202) 376-5690.

Sincerely,

Lawrence M. Noble
General Counsel

Enclosure
Subpoena and Order

0004079463 8

**BEFORE THE FEDERAL ELECTION COMMISSION**

In the Matter of )
)
) MUR 2406
)

**SUBPOENA TO PRODUCE DOCUMENTS**
**ORDER TO SUBMIT WRITTEN ANSWERS**

TO: Lichtenstein and Co.
230 E Street, N.E.
Washington, D.C. 20002

Pursuant to 2 U.S.C. § 437d(a)(1) and (3), and in furtherance of its investigation in the above-captioned matter, the Federal Election Commission hereby orders you to submit written answers to the questions attached to this Order and subpoenas you to produce the documents requested on the attachment to this Order. Legible copies which, where applicable, show both sides of the documents, may be substituted for originals.

Such answers must be submitted under oath and must be forwarded to the Commission along with the requested documents within 15 days of your receipt of this Order and Subpoena.

WHEREFORE, the Chairman of the Federal Election Commission has hereunto set his hand in Washington, D.C., on this 22nd day of February, 1988.

Thomas J. Josefiak, Chairman
Federal Election Commission

ATTEST:

Marjorie W. Emmons
Secretary to the Commission

Attachments
Instructions
Definitions
Questions and Document Request (2 pages)

0004079463 9

## INSTRUCTIONS

In answering these interrogatories and request for production of documents, furnish all documents and other information, however obtained, including hearsay, that is in your possession, or is known by or otherwise available to you, including documents and information appearing in your records.

Each answer is to be given separately and independently, and unless specifically stated in the particular discovery request, no answer shall be given solely by reference either to another answer or to an exhibit attached to your response.

The response to each interrogatory propounded herein shall set forth separately the identification of each person capable of furnishing testimony concerning the response given, denoting separately those individuals who provided informational, documentary or other input, and those who assisted in drafting the interrogatory response.

If you cannot answer the following interrogatories in full after exercising due diligence to secure the full information to do so, answer to the extent possible and indicate your inability to answer the remainder, stating whatever information or knowledge you have concerning the unanswered portion and detailing what you did in attempting to secure the unknown information.

Should you claim a privilege with respect to any documents, communications, or other items about which information is requested by any of the following interrogatories and requests for production of documents, describe such items in sufficient detail to provide justification for the claim. Each claim of privilege must specify in detail all the grounds on which it rests.

Unless otherwise indicated, the interrogatories and requests shall refer to the time period from January 1, 1985, to the present.

The following interrogatories and requests for production of documents are continuing in nature so as to require you to file supplementary responses or amendments during the course of this investigation if you obtain further or different information prior to or during the pendency of this matter. Include in any supplemental answers the date upon which and the manner in which such further or different information came to your attention.

0004079490

**DEFINITIONS**

For the purpose of these discovery requests, including the instructions thereto, the terms listed below are defined as follows:

"You" shall mean the named respondents in this action to whom these discovery requests are addressed, including all officers, employees, agents or attorneys thereof.

"Persons" shall be deemed to include both singular and plural, and shall mean any natural person, partnership, committee, association, corporation, or any other type of organization or entity.

"Document" shall mean the original and all non-identical copies, including drafts, of all papers and records of every type in your possession, custody, or control, or known by you to exist. The term document includes, but is not limited to books, letters, contracts, notes, diaries, log sheets, records of telephone communications, transcripts, vouchers, accounting statements, ledgers, checks, money orders or other commercial paper, telegrams, telexes, pamphlets, circulars, leaflets, reports, memoranda, correspondence, surveys, tabulations, audio and video recordings, drawings, photographs, graphs, charts, diagrams, lists, computer print-outs, and all other writings and other data compilations from which information can be obtained.

"Identify" with respect to a document shall mean state the nature or type of document (e.g., letter, memorandum), the date, if any, appearing thereon, the date on which the document was prepared, the title of the document, the general subject matter of the document, the location of the document, the number of pages comprising the document.

"Identify" with respect to a person shall mean state the full name, the most recent business and residence addresses and telephone numbers, the present occupation or position of such person, the nature of the connection or association that person has to any party in this proceeding. If the person to be identified is not a natural person, provide the legal and trade names, the address and telephone number, and the full names of both the chief executive officer and the agent designated to receive service of process for such person.

"And" as well as "or" shall be construed disjunctively or conjunctively as necessary to bring within the scope of these interrogatories and requests for the production of documents any documents and materials which may otherwise be construed to be out of their scope.

20040794541

**INTERROGATORIES AND
REQUESTS FOR DOCUMENTS
MUR 2406**

1. State whether whether Lichtenstein and Co. was retained by the National Endowment for the Preservation of Liberty (NEPL), Sentinel, the American Conservative Trust, or Carl Channell to generate letters to Members of Congress supporting Contra aid. If so, state the terms of that agreement and provide a copy of the contract along with all correspondence, memoranda, instructions, notes and other documents pertaining to the initiation and execution of the contract.

2. Explain how Lichtenstein and Co. generated letters to Members of Congress supporting Contra aid pursuant to the contract(s) and state the dates and locations of these efforts.

3. Provide copies of all materials including draft letters and promotional advertisements used to generate letters to Members of Congress supporting Contra aid pursuant to the contract(s).

4. State the total amount charged by Lichtenstein and Co. for its services in connection with its efforts to generate letters to Members of Congress supporting Contra aid, the total funds paid to Lichtenstein and Company for these services, and the amount and source of such funds. Provide copies of all invoices and all checks relating to the payment for these services.

5. Describe in detail the basis on which Members of Congress were selected to receive letters pursuant to the contract(s) and identify all sources of information used in selecting these Members of Congress and all persons who participated in the selection of these Members of Congress.

6. State whether any polling data was used in the selection of the Members of Congress to be targeted. If so, please identify the poll(s) so used.

7. State whether Carl Channell or anyone on his behalf informed anyone at Lichtenstein and Co. of the purposes of its efforts to generate letters to Members of Congress supporting Contra aid. If so, describe in detail the purposes represented to you.

8. Identify all persons employed by Lichtenstein and Co. who participated in initiation and execution of the plan to generate letters to Members of Congress supporting Contra aid pursuant to the contract(s) and describe in detail the nature of each person's participation or role.

9. Explain the relationship between Lichtenstein and Co. and Miner & Fraser Public Affairs, Inc., with respect to the above activities.

9004079946 42

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

February 23, 1988

**CERTIFIED MAIL**
**RETURN RECEIPT REQUESTED**

Miner & Fraser Public Affairs, Inc.
c/o C.T. Corporation System
1030 15th St., N.W.
Washington, D.C. 20006

Re: MUR 2406

Dear Sir or Madam:

The Federal Election Commission has the statutory duty of enforcing the Federal Election Campaign Act of 1971, as amended. The Commission has issued the attached subpoena and order which requires you to provide certain information in connection with an investigation it is conducting. The Commission does not consider you a respondent in this matter, but rather a witness only.

Because this information is being sought as part of an investigation being conducted by the Commission, the confidentiality provision of 2 U.S.C. § 437g(a)(12)(A) applies. That section prohibits making public any investigation conducted by the Commission without the express written consent of the person with respect to whom the investigation is made. You are advised that no such consent has been given in this case.

You may consult with an attorney and have an attorney assist you in the preparation of your responses to this subpoena and order. However, you are required to submit the information under oath within 15 days of your receipt of this letter.

If you have any questions, please direct them to Judybeth Greene, the attorney handling this matter, at (202) 376-5690.

Sincerely,

Lawrence M. Noble
General Counsel

Enclosure
Subpoena and Order

2004079453

**BEFORE THE FEDERAL ELECTION COMMISSION**

In the Matter of )
)
) MUR 2406
)

**SUBPOENA TO PRODUCE DOCUMENTS**
**ORDER TO SUBMIT WRITTEN ANSWERS**

TO: Miner & Fraser Public Affairs, Inc.
c/o C.T. Corporation System
1030 15th St., N.W.
Washington, D.C. 20005

Pursuant to 2 U.S.C. § 437d(a)(1) and (3), and in furtherance of its investigation in the above-captioned matter, the Federal Election Commission hereby orders you to submit written answers to the questions attached to this Order and subpoenas you to produce the documents requested on the attachment to this Order. Legible copies which, where applicable, show both sides of the documents, may be substituted for originals.

Such answers must be submitted under oath and must be forwarded to the Commission along with the requested documents within 15 days of your receipt of this Order and Subpoena.

WHEREFORE, the Chairman of the Federal Election Commission has hereunto set his hand in Washington, D.C., on this 22nd day of February, 1988.

Thomas J. Josefiak, Chairman
Federal Election Commission

ATTEST:

Marjorie W. Emmons
Secretary to the Commission

Attachments
Instructions
Definitions
Questions and Document Request (2 pages)

2004079454

## INSTRUCTIONS

In answering these interrogatories and request for production of documents, furnish all documents and other information, however obtained, including hearsay, that is in your possession, or is known by or otherwise available to you, including documents and information appearing in your records.

Each answer is to be given separately and independently, and unless specifically stated in the particular discovery request, no answer shall be given solely by reference either to another answer or to an exhibit attached to your response.

The response to each interrogatory propounded herein shall set forth separately the identification of each person capable of furnishing testimony concerning the response given, denoting separately those individuals who provided informational, documentary or other input, and those who assisted in drafting the interrogatory response.

If you cannot answer the following interrogatories in full after exercising due diligence to secure the full information to do so, answer to the extent possible and indicate your inability to answer the remainder, stating whatever information or knowledge you have concerning the unanswered portion and detailing what you did in attempting to secure the unknown information.

Should you claim a privilege with respect to any documents, communications, or other items about which information is requested by any of the following interrogatories and requests for production of documents, describe such items in sufficient detail to provide justification for the claim. Each claim of privilege must specify in detail all the grounds on which it rests.

Unless otherwise indicated, the interrogatories and requests shall refer to the time period from January 1, 1985, to the present.

The following interrogatories and requests for production of documents are continuing in nature so as to require you to file supplementary responses or amendments during the course of this investigation if you obtain further or different information prior to or during the pendency of this matter. Include in any supplemental answers the date upon which and the manner in which such further or different information came to your attention.

9040794545

**DEFINITIONS**

For the purpose of these discovery requests, including the instructions thereto, the terms listed below are defined as follows:

"You" shall mean the named respondents in this action to whom these discovery requests are addressed, including all officers, employees, agents or attorneys thereof.

"Persons" shall be deemed to include both singular and plural, and shall mean any natural person, partnership, committee, association, corporation, or any other type of organization or entity.

"Document" shall mean the original and all non-identical copies, including drafts, of all papers and records of every type in your possession, custody, or control, or known by you to exist. The term document includes, but is not limited to books, letters, contracts, notes, diaries, log sheets, records of telephone communications, transcripts, vouchers, accounting statements, ledgers, checks, money orders or other commercial paper, telegrams, telexes, pamphlets, circulars, leaflets, reports, memoranda, correspondence, surveys, tabulations, audio and video recordings, drawings, photographs, graphs, charts, diagrams, lists, computer print-outs, and all other writings and other data compilations from which information can be obtained.

"Identify" with respect to a document shall mean state the nature or type of document (e.g., letter, memorandum), the date, if any, appearing thereon, the date on which the document was prepared, the title of the document, the general subject matter of the document, the location of the document, the number of pages comprising the document.

"Identify" with respect to a person shall mean state the full name, the most recent business and residence addresses and telephone numbers, the present occupation or position of such person, the nature of the connection or association that person has to any party in this proceeding. If the person to be identified is not a natural person, provide the legal and trade names, the address and telephone number, and the full names of both the chief executive officer and the agent designated to receive service of process for such person.

"And" as well as "or" shall be construed disjunctively or conjunctively as necessary to bring within the scope of these interrogatories and requests for the production of documents any documents and materials which may otherwise be construed to be out of their scope.

0004079446

**INTERROGATORIES AND
REQUESTS FOR DOCUMENTS
MUR 2406**

1. State whether whether Miner & Fraser Public Affairs, Inc. was retained by the National Endowment for the Preservation of Liberty (NEPL), Sentinel, the American Conservative Trust or Carl Channell to generate letters to Members of Congress supporting Contra aid. If so, state the terms of that agreement and provide a copy of the contract along with all correspondence, memoranda, instructions, notes and other documents pertaining to the initiation and execution of the contract.

2. Explain how Miner & Fraser Public Affairs, Inc. generated letters to Members of Congress supporting Contra aid pursuant to its contract with Carl Channell or NEPL and state the dates and locations of these efforts.

3. Provide copies of all materials including draft letters and promotional advertisements used to generate letters to Members of Congress supporting Contra aid pursuant to the above contract(s).

4. State the total amount charged by Miner & Fraser Public Affairs, Inc. for its services in connection with its efforts to generate letters to Members of Congress supporting Contra aid under the contract(s), the total funds paid to Miner & Fraser Public Affairs, Inc. for these services, and the amount and source of such funds. Provide copies of all invoices and all checks relating to the payment for these services.

5. Describe in detail the basis on which Members of Congress were selected to receive letters pursuant to the contract(s) and identify all sources of information used in selecting these Members of Congress and all persons who participated in the selection of these Members of Congress.

6. State whether any polling data was used in the selection of the Members of Congress to be targeted. If so, please identify the poll(s) so used.

7. State whether Carl Channell or anyone on his behalf informed anyone at Miner & Fraser of the purposes of its efforts to generate letters to Members of Congress supporting Contra aid. If so, describe in detail the purposes represented to you.

8. Identify all persons employed by Miner & Fraser Public Affairs, Inc. who participated in initiation and execution of the plan to generate letters to Members of Congress supporting Contra aid pursuant to the contract(s) and describe in detail the nature of each person's participation or role.

0004074947

9. Explain the relationship between Miner and Fraser Public Affairs, Inc. and Lichtenstein and Co. with respect the above activities.

2004079465418

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

February 23, 1988

**CERTIFIED MAIL**
**RETURN RECEIPT REQUESTED**

Daniel J. Edelman, Inc.
c/o C.T. Corporation System
1030 15th St., N.W.
Washington, D.C. 20005

Re: MUR 2406

Dear Sir or Madam:

The Federal Election Commission has the statutory duty of enforcing the Federal Election Campaign Act of 1971, as amended. The Commission has issued the attached subpoena and order which requires you to provide certain information in connection with an investigation it is conducting. The Commission does not consider you a respondent in this matter, but rather a witness only.

Because this information is being sought as part of an investigation being conducted by the Commission, the confidentiality provision of 2 U.S.C. § 437g(a)(12)(A) applies. That section prohibits making public any investigation conducted by the Commission without the express written consent of the person with respect to whom the investigation is made. You are advised that no such consent has been given in this case.

You may consult with an attorney and have an attorney assist you in the preparation of your responses to this subpoena and order. However, you are required to submit the information under oath within 15 days of your receipt of this letter.

If you have any questions, please direct them to Judybeth Greene, the attorney handling this matter, at (202) 376-5690.

Sincerely,

Lawrence M. Noble
General Counsel

Enclosure
Subpoena and Order

0004079465 49

**BEFORE THE FEDERAL ELECTION COMMISSION**

In the Matter of ) MUR 2406

**SUBPOENA TO PRODUCE DOCUMENTS**
**ORDER TO SUBMIT WRITTEN ANSWERS**

TO: Daniel J. Edelman, Inc.
c/o C.T. Corporation System
1030 15th St., N.W.
Washington, D.C. 20005

Pursuant to 2 U.S.C. § 437d(a)(1) and (3), and in furtherance of its investigation in the above-captioned matter, the Federal Election Commission hereby orders you to submit written answers to the questions attached to this Order and subpoenas you to produce the documents requested on the attachment to this Order. Legible copies which, where applicable, show both sides of the documents, may be substituted for originals.

Such answers must be submitted under oath and must be forwarded to the Commission along with the requested documents within 15 days of your receipt of this Order and Subpoena.

WHEREFORE, the Chairman of the Federal Election Commission has hereunto set his hand in Washington, D.C., on this 22nd day of February, 1988.

Thomas J. Josefiak, Chairman
Federal Election Commission

ATTEST:

Marjorie W. Emmons
Secretary to the Commission

Attachments
Instructions
Definitions
Questions and Document Request (2 pages)

0004074460

## INSTRUCTIONS

In answering these interrogatories and request for production of documents, furnish all documents and other information, however obtained, including hearsay, that is in your possession, or is known by or otherwise available to you, including documents and information appearing in your records.

Each answer is to be given separately and independently, and unless specifically stated in the particular discovery request, no answer shall be given solely by reference either to another answer or to an exhibit attached to your response.

The response to each interrogatory propounded herein shall set forth separately the identification of each person capable of furnishing testimony concerning the response given, denoting separately those individuals who provided informational, documentary or other input, and those who assisted in drafting the interrogatory response.

If you cannot answer the following interrogatories in full after exercising due diligence to secure the full information to do so, answer to the extent possible and indicate your inability to answer the remainder, stating whatever information or knowledge you have concerning the unanswered portion and detailing what you did in attempting to secure the unknown information.

Should you claim a privilege with respect to any documents, communications, or other items about which information is requested by any of the following interrogatories and requests for production of documents, describe such items in sufficient detail to provide justification for the claim. Each claim of privilege must specify in detail all the grounds on which it rests.

Unless otherwise indicated, the interrogatories and requests shall refer to the time period from January 1, 1985, to the present.

The following interrogatories and requests for production of documents are continuing in nature so as to require you to file supplementary responses or amendments during the course of this investigation if you obtain further or different information prior to or during the pendency of this matter. Include in any supplemental answers the date upon which and the manner in which such further or different information came to your attention.

9004079451

**DEFINITIONS**

For the purpose of these discovery requests, including the instructions thereto, the terms listed below are defined as follows:

"You" shall mean the named respondents in this action to whom these discovery requests are addressed, including all officers, employees, agents or attorneys thereof.

"Persons" shall be deemed to include both singular and plural, and shall mean any natural person, partnership, committee, association, corporation, or any other type of organization or entity.

"Document" shall mean the original and all non-identical copies, including drafts, of all papers and records of every type in your possession, custody, or control, or known by you to exist. The term document includes, but is not limited to books, letters, contracts, notes, diaries, log sheets, records of telephone communications, transcripts, vouchers, accounting statements, ledgers, checks, money orders or other commercial paper, telegrams, telexes, pamphlets, circulars, leaflets, reports, memoranda, correspondence, surveys, tabulations, audio and video recordings, drawings, photographs, graphs, charts, diagrams, lists, computer print-outs, and all other writings and other data compilations from which information can be obtained.

"Identify" with respect to a document shall mean state the nature or type of document (e.g., letter, memorandum), the date, if any, appearing thereon, the date on which the document was prepared, the title of the document, the general subject matter of the document, the location of the document, the number of pages comprising the document.

"Identify" with respect to a person shall mean state the full name, the most recent business and residence addresses and telephone numbers, the present occupation or position of such person, the nature of the connection or association that person has to any party in this proceeding. If the person to be identified is not a natural person, provide the legal and trade names, the address and telephone number, and the full names of both the chief executive officer and the agent designated to receive service of process for such person.

"And" as well as "or" shall be construed disjunctively or conjunctively as necessary to bring within the scope of these interrogatories and requests for the production of documents any documents and materials which may otherwise be construed to be out of their scope.

0004079465 2

**INTERROGATORIES AND REQUESTS FOR DOCUMENTS MUR 2406**

1. State whether Daniel J. Edelman, Inc. was retained by Carl Channell, the National Endowment for the Preservation of Liberty (NEPL), Sentinel or the American Conservative Trust to arrange conferences and speaking tours in 1986. If so, state the terms of that agreement and provide a copy of the contract along with all notes and other documents pertaining to the initiation and execution of the contract.

2. For each conference and speaking engagement identified in Question 1 please state:

   a. The date and place of the conference or speaking engagement and the subject matter and purpose of the event.

   b. The name, position and employer of all speakers.

   c. Whether any discussion by the speakers pertained to federal elections and the content of each discussion.

   d. Whether the speakers specifically identified the views of individual federal candidates on Contra aid.

   e. The total amount charged by Daniel J. Edelman, Inc. for its services in connection with the speaking engagements or conferences, the total amount of funds paid to Daniel J. Edelman, Inc. by NEPL for these services and the amount and source of all other funds received in payment for the event.

   f. Whether the conference or speaking engagement was held in cooperation, consultation or coordination with any federal candidate or authorized political committee or party. If so, please identify the candidate, committee or party and explain the nature and extent of the cooperation, consultation or coordination.

   g. The manner in which the speaking engagement or conference was advertised. Please provide copies of all written advertisements and transcripts of all television and radio advertisements for the event.

3. Decribe in detail the basis on which locations and dates were selected for speaking engagements and conferences identified in Question 1 and identify all sources of information used in selecting these locations and dates and all persons who participated in the selection of these locations and dates for the speaking engagements and conferences.

9004079465 3

4. State whether any polling data was used in the selection of the locations for the speaking engagements and conferences. If so, identify the poll(s) so used.

5. State whether Carl Channell or anyone on his behalf informed anyone at Daniel J. Edelman, Inc. of the purpose of the speaking engagements and conferences. If so, please describe in detail the purposes represented to you.

6. Identify all persons employed by Daniel J. Edelman, Inc. who participated in the arrangements and execution of speaking engagements and conferences identified in Question 1 and describe in detail the nature of each person's participation or role.

7. Provide copies of all correspondence, memoranda, instructions, outlines and notes relating to the speaking engagements and conferences held by Daniel J. Edelman, Inc. identified in Question 1.

8. Provide copies of all invoices and all checks relating to these speaking engagements and conferences.

0004079465 4

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

February 23, 1988

**CERTIFIED MAIL**
**RETURN RECEIPT REQUESTED**

Arthur J. Finkelstein
Arthur J. Finkelstein & Associates
16 North Astor Street
Irvington, New York 10533

Re: MUR 2406

Dear Mr. Finkelstein:

The Federal Election Commission has the statutory duty of enforcing the Federal Election Campaign Act of 1971, as amended. The Commission has issued the attached subpoena and order, which require you to provide certain information, in connection with an investigation it is conducting. The Commission does not consider you a respondent in this matter, but rather a witness only.

Because this information is being sought as part of an investigation being conducted by the Commission, the confidentiality provision of 2 U.S.C. § 437g(a)(12)(A) applies. That section prohibits making public any investigation conducted by the Commission without the express written consent of the person with respect to whom the investigation is made. You are advised that no such consent has been given in this case.

You may consult with an attorney and have an attorney assist you in the preparation of your responses to this subpoena and order. However, you are required to submit the information under oath within 15 days of your receipt of this letter.

If you have any questions, please direct them to Sandra H. Robinson, the attorney handling this matter, at (202) 376-8200.

Sincerely,

Lawrence M. Noble
General Counsel

Enclosure
Subpoena and Order

2 0 0 4 0 7 9 4 6 5 3

**BEFORE THE FEDERAL ELECTION COMMISSION**

In the Matter of ) MUR 2406

**SUBPOENA TO PRODUCE DOCUMENTS**
**ORDER TO SUBMIT WRITTEN ANSWERS**

TO: Arthur J. Finkelstein and Associates
16 North Astor Street
Irvington, New York 10533

Pursuant to 2 U.S.C. § 437d(a)(1) and (3), and in furtherance of its investigation in the above-captioned matter, the Federal Election Commission hereby orders you to submit written answers to the questions attached to this Order and subpoenas you to produce the documents requested on the attachment to this Order. Legible copies which, where applicable, show both sides of the documents, may be substituted for originals.

Such answers must be submitted under oath and must be forwarded to the Commission along with the requested documents within 15 days of your receipt of this Order and Subpoena.

WHEREFORE, the Chairman of the Federal Election Commission has hereunto set his hand in Washington, D.C., on this 22nd day of February, 1988.

Thomas J. Josefiak, Chairman
Federal Election Commission

ATTEST:

Marjorie W. Emmons
Secretary to the Commission

Attachments
Instructions
Definitions
Questions and Document Request (1 page)

0004079465 6

20049794557

## INSTRUCTIONS

In answering these interrogatories and request for production of documents, furnish all documents and other information, however obtained, including hearsay, that is in your possession, or is known by or otherwise available to you, including documents and information appearing in your records.

Each answer is to be given separately and independently, and unless specifically stated in the particular discovery request, no answer shall be given solely by reference either to another answer or to an exhibit attached to your response.

The response to each interrogatory propounded herein shall set forth separately the identification of each person capable of furnishing testimony concerning the response given, denoting separately those individuals who provided informational, documentary or other input, and those who assisted in drafting the interrogatory response.

If you cannot answer the following interrogatories in full after exercising due diligence to secure the full information to do so, answer to the extent possible and indicate your inability to answer the remainder, stating whatever information or knowledge you have concerning the unanswered portion and detailing what you did in attempting to secure the unknown information.

Should you claim a privilege with respect to any documents, communications, or other items about which information is requested by any of the following interrogatories and requests for production of documents, describe such items in sufficient detail to provide justification for the claim. Each claim of privilege must specify in detail all the grounds on which it rests.

Unless otherwise indicated, the interrogatories and requests shall refer to the time period from January 1, 1985, to the present.

The following interrogatories and requests for production of documents are continuing in nature so as to require you to file supplementary responses or amendments during the course of this investigation if you obtain further or different information prior to or during the pendency of this matter. Include in any supplemental answers the date upon which and the manner in which such further or different information came to your attention.

**DEFINITIONS**

For the purpose of these discovery requests, including the instructions thereto, the terms listed below are defined as follows:

"You" shall mean the named respondents in this action to whom these discovery requests are addressed, including all officers, employees, agents or attorneys thereof.

"Persons" shall be deemed to include both singular and plural, and shall mean any natural person, partnership, committee, association, corporation, or any other type of organization or entity.

"Document" shall mean the original and all non-identical copies, including drafts, of all papers and records of every type in your possession, custody, or control, or known by you to exist. The term document includes, but is not limited to books, letters, contracts, notes, diaries, log sheets, records of telephone communications, transcripts, vouchers, accounting statements, ledgers, checks, money orders or other commercial paper, telegrams, telexes, pamphlets, circulars, leaflets, reports, memoranda, correspondence, surveys, tabulations, audio and video recordings, drawings, photographs, graphs, charts, diagrams, lists, computer print-outs, and all other writings and other data compilations from which information can be obtained.

"Identify" with respect to a document shall mean state the nature or type of document (e.g., letter, memorandum), the date, if any, appearing thereon, the date on which the document was prepared, the title of the document, the general subject matter of the document, the location of the document, the number of pages comprising the document.

"Identify" with respect to a person shall mean state the full name, the most recent business and residence addresses and telephone numbers, the present occupation or position of such person, the nature of the connection or association that person has to any party in this proceeding. If the person to be identified is not a natural person, provide the legal and trade names, the address and telephone number, and the full names of both the chief executive officer and the agent designated to receive service of process for such person.

"And" as well as "or" shall be construed disjunctively or conjunctively as necessary to bring within the scope of these interrogatories and requests for the production of documents any documents and materials which may otherwise be construed to be out of their scope.

0004079458

**INTERROGATORIES AND**
**REQUEST FOR DOCUMENTS**
**MUR 2406**

1. a) State whether Arthur J. Finkelstein and Associates ("the Finkelstein Company") had an agreement with the National Endowment for the Preservation of Liberty ("NEPL"), Sentinel, the American Conservative Trust, or Carl R. Channell to conduct polling activity in 1985 and/or 1986.

b) Describe in detail the services provided by the Finkelstein Company pursuant to such agreement.

c) If the agreement was in written form, provide a true copy of the executed contract. If no written contract, describe the terms of all oral agreements and identify the parties involved.

2. State whether you were informed of the purpose of the polling activity and, if so, describe such purpose.

3. a) State the date(s) and geographical area(s) in which the poll was conducted.

b) Provide true copies of the questions used in the polling activity and of the polling results.

c) Provide true copies of all documents, including notes, memoranda, reports, invoices, and other materials, connected with the polling activity.

4. a) State the total amount charged for the services provided by the Finkelstein Company for the polling activity.

b) State the date(s) of payment for such services and the amount of such payment(s).

c) State the organization and/or person(s) who made such payment(s).

5. a) Identify all candidates or authorized committees for whom you conducted polling activity with respect to the 1986 primary and general elections in these states:

Colorado, Connecticut, Florida, Georgia, Idaho, Kentucky, Mississippi, Missouri, New Mexico, North Carolina, Ohio, Oklahoma, Pennsylvania, South Carolina, Tennessee, and Texas.

b. Identify which of these polls included questions relating to Contra aid or the Strategic Defense Initiative.

0004079465 9

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

February 23, 1988

**CERTIFIED MAIL**
**RETURN RECEIPT REQUESTED**

Robert Goodman
Robert Goodman Agency
2201 Old Court Road
Baltimore, Maryland 21208

**Re: MUR 2406**

Dear Mr. Goodman:

The Federal Election Commission has the statutory duty of enforcing the Federal Election Campaign Act of 1971, as amended. The Commission has issued the attached subpoena and order, which require you to provide certain information, in connection with an investigation it is conducting. The Commission does not consider you a respondent in this matter, but rather a witness only.

Because this information is being sought as part of an investigation being conducted by the Commission, the confidentiality provision of 2 U.S.C. § 437g(a)(12)(A) applies. That section prohibits making public any investigation conducted by the Commission without the express written consent of the person with respect to whom the investigation is made. You are advised that no such consent has been given in this case.

You may consult with an attorney and have an attorney assist you in the preparation of your responses to this subpoena and order. However, you are required to submit the information under oath within 15 days of your receipt of this letter.

If you have any questions, please direct them to Sandra H. Robinson, the attorney handling this matter, at (202) 376-8200.

Sincerely,

Lawrence M. Noble
General Counsel

Enclosure
Subpoena and Order

0004074460

**BEFORE THE FEDERAL ELECTION COMMISSION**

In the Matter of )
)
) MUR 2406
)

**SUBPOENA TO PRODUCE DOCUMENTS**
**ORDER TO SUBMIT WRITTEN ANSWERS**

TO: Robert Goodman Agency
2201 Old Court Road
Baltimore, Maryland 21208

Pursuant to 2 U.S.C. § 437d(a)(1) and (3), and in furtherance of its investigation in the above-captioned matter, the Federal Election Commission hereby orders you to submit written answers to the questions attached to this Order and subpoenas you to produce the documents requested on the attachment to this Order. Legible copies which, where applicable, show both sides of the documents, may be substituted for originals.

Such answers must be submitted under oath and must be forwarded to the Commission along with the requested documents within 15 days of your receipt of this Order and Subpoena.

WHEREFORE, the Chairman of the Federal Election Commission has hereunto set his hand in Washington, D.C., on this 22nd day of February, 1988.

Thomas J. Josefiak, Chairman
Federal Election Commission

ATTEST:

Marjorie W. Emmons
Secretary to the Commission

Attachments
Instructions
Definitions
Questions and Document Request (1 page)

2004079461

**INSTRUCTIONS**

In answering these interrogatories and request for production of documents, furnish all documents and other information, however obtained, including hearsay, that is in your possession, or is known by or otherwise available to you, including documents and information appearing in your records.

Each answer is to be given separately and independently, and unless specifically stated in the particular discovery request, no answer shall be given solely by reference either to another answer or to an exhibit attached to your response.

The response to each interrogatory propounded herein shall set forth separately the identification of each person capable of furnishing testimony concerning the response given, denoting separately those individuals who provided informational, documentary or other input, and those who assisted in drafting the interrogatory response.

If you cannot answer the following interrogatories in full after exercising due diligence to secure the full information to do so, answer to the extent possible and indicate your inability to answer the remainder, stating whatever information or knowledge you have concerning the unanswered portion and detailing what you did in attempting to secure the unknown information.

Should you claim a privilege with respect to any documents, communications, or other items about which information is requested by any of the following interrogatories and requests for production of documents, describe such items in sufficient detail to provide justification for the claim. Each claim of privilege must specify in detail all the grounds on which it rests.

Unless otherwise indicated, the interrogatories and requests shall refer to the time period from January 1, 1985, to the present.

The following interrogatories and requests for production of documents are continuing in nature so as to require you to file supplementary responses or amendments during the course of this investigation if you obtain further or different information prior to or during the pendency of this matter. Include in any supplemental answers the date upon which and the manner in which such further or different information came to your attention.

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**DEFINITIONS**

For the purpose of these discovery requests, including the instructions thereto, the terms listed below are defined as follows:

"You" shall mean the named respondents in this action to whom these discovery requests are addressed, including all officers, employees, agents or attorneys thereof.

"Persons" shall be deemed to include both singular and plural, and shall mean any natural person, partnership, committee, association, corporation, or any other type of organization or entity.

"Document" shall mean the original and all non-identical copies, including drafts, of all papers and records of every type in your possession, custody, or control, or known by you to exist. The term document includes, but is not limited to books, letters, contracts, notes, diaries, log sheets, records of telephone communications, transcripts, vouchers, accounting statements, ledgers, checks, money orders or other commercial paper, telegrams, telexes, pamphlets, circulars, leaflets, reports, memoranda, correspondence, surveys, tabulations, audio and video recordings, drawings, photographs, graphs, charts, diagrams, lists, computer print-outs, and all other writings and other data compilations from which information can be obtained.

"Identify" with respect to a document shall mean state the nature or type of document (e.g., letter, memorandum), the date, if any, appearing thereon, the date on which the document was prepared, the title of the document, the general subject matter of the document, the location of the document, the number of pages comprising the document.

"Identify" with respect to a person shall mean state the full name, the most recent business and residence addresses and telephone numbers, the present occupation or position of such person, the nature of the connection or association that person has to any party in this proceeding. If the person to be identified is not a natural person, provide the legal and trade names, the address and telephone number, and the full names of both the chief executive officer and the agent designated to receive service of process for such person.

"And" as well as "or" shall be construed disjunctively or conjunctively as necessary to bring within the scope of these interrogatories and requests for the production of documents any documents and materials which may otherwise be construed to be out of their scope.

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**INTERROGATORIES AND**
**REQUEST FOR DOCUMENTS**
**MUR 2406**

1. a) State whether the Robert Goodman Agency ("Goodman Agency") had an agreement with the National Endowment for the Preservation of Liberty ("NEPL"), Sentinel, American Conservative Trust, or Carl R. Channell to produce media advertisements in 1985 and/or 1986.

b) Describe in detail the services provided by the Goodman Agency pursuant to such agreement.

c) If the agreement was in written form, provide a true copy of the executed contract(s). If no written contract, describe the terms of all oral agreements and identify the parties involved.

2. State whether you were informed of the purpose of the media advertisements and, if so, describe such purpose.

3. Identify the person(s) who approved each advertisement.

4. a) State the number of media advertisements produced pursuant to such agreement.

b) Provide a copy of the story board and script for each advertisement.

c) Identify the type of media used for each advertisement.

d) Identify the geographical area(s) where each advertisement was presented/broadcast and the date(s) for each presentation.

e) Provide true copies of all documents, including correspondence, notes, memoranda, contracts, invoices, and other material, connected with the development and production of each advertisement.

5. a) State the total amount charged and the amount charged for each advertisement for the services rendered by the Goodman Agency pursuant to such agreement.

b) State the date(s) of payment for such services and the amount of such payment(s).

c) State the organization(s) and/or person(s) who made such payment(s).

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GCC# 6631

RECEIVED
FEDERAL ELECTION COMMISSION
OFFICE OF GENERAL COUNSEL
88 FEB 29 PM 3:53

February 25, 1988

The Honorable Thomas J. Josefiak, Chairman
Federal Election Commission
Washington, DC 20463

In the Matter of: MUR 2406

Dear Mr. Chairman:

This morning I received your subpoena dated February 22, 1988. The following information is provided in response to your "Interrogatories and Requests for Documents." The numbers in the body of my response correspond to the numbers of your questions.

1. Lichtenstein & Company was retained by Sentinel from February through June, 1986 for the purpose of informing citizens about policies and activities of the communist regime in Nicaragua and encouraging them to contact their Members of Congress in support of the President's request for aid to the Nicaraguan Democratic Resistance (the Contras).

I was first contacted with regard to this assignment on February 6, 1986 by Mr. Rich Miller of International Business Communications (IBC). He asked if I would be both interested in and capable of contacting conservative Americans around the country, explaining the importance of the President's policies in Central America with regard to our national security, and encouraging them to organize letter-writing and telephone-calling campaigns directed at their Members of Congress.

I said that I was both interested and capable, and I sent Mr. Miller the enclosed memorandum, which I have marked (1) in the upper right hand corner, explaining how I would conduct the project and how much it would cost.

During that first conversation, I was not aware that Mr. Miller was calling me on behalf of an organization called Sentinel. However, within a few days I received a check in the amount of $10,000 from Sentinel as advance payment for the work to be done. I eventually had direct telephone contact with Mr. Dan Conrad of Sentinel, and so I came to understand that I was paid by Sentinel and working under the joint supervision of Sentinel and IBC. You will note that my first two progress reports (2) and (3) were submitted to Mr. Miller, subsequent ones directly to Messrs. Conrad and Channell.

I think it is relevant to state that, at least during the initial stages of the project, I was not entirely clear about the differences between Sentinel, the National Endowment for the Preservation of Liberty (NEPL) and the American Conservative Trust. I talked with Mr. Conrad of Mr. Channell's staff on one or two occasions, and I became aware of all three organization names, but I did not understand the differences between them.

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As a result, you will note that the materials we distributed to citizens around the country (copies enclosed and covered later in this report) refer to the project as being one of the National Endowment for the Preservation of Liberty. This was strictly due to our confusion, and not long after the materials went out, Mr. Conrad called me to say that the use of the name NEPL on the materials, instead of Sentinel, could jeopardize their tax status. I was careful about that in the future, but it was too late to recall the thousands of packets that had been sent out.

It should be noted, too, that the bulk of activity took place in one, frenetic period of about six weeks, during which thousands of phone calls were made and packets of materials distributed and during which very little contact took place between Lichtenstein & Company and either IBC or Sentinel.

Attachments (1) through (9) are all the documents I have that pertain to initiation and execution of the contract. I am sure there were some others. In fact, I note that several of these documents refer to attachments that are not there. However, I have searched my files and cannot find them. In two years and one office move since the project, many papers have been thrown away. I kept only those that I deemed most significant, and they are enclosed herewith.

I still have in my possession sheets of paper which show the names, addresses and telephone numbers of the people we telephoned around the country, both those who assisted us and those who did not. The sheets on those persons who assisted us include notes on how many manuals we sent them and on how many letters or telephone calls they thought they could generate in their area. I am claiming a privilege with respect to that information, since I feel bound to honor the privacy and confidentiality of those citizens with whom we communicated.

2. Lichtenstein & Company conducted the project in the following way:

a. Compiled and used lists of Republicans, Reagan supporters and conservative activists across the country.

b. Telephoned these people and gauged their interest in helping.

c. If they were willing to help, we sent them materials on how to organize and conduct a letter-writing and telephone-calling campaign, including a manual with basic themes and guidance to be given citizens wanting to write or call their elected representative. Copies of these materials are mentioned later in this report and included herewith.

d. We also asked each of them for the names of other persons who might be willing to help. Then we called them. The vast majority of calls we made were to these names which we kept developing in our calling.

e. From time to time, we would discover an interesting and possibly useful fact about a Congressman's leaning on this issue. We would convey that either to Mr. Miller, or Mr. Conrad, or directly to Ms. Cece Cole in the White House Political Office. Ms. Cole was the only person in the White House I dealt with on this issue, and I probably talked with her three or four times.

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The initial part of the project involved continuous telephoning and mailings over a period of six weeks. The locations of the efforts were 76 target Congressional Districts around the United States, principally the districts of Members of Congress thought to be "swing" votes and, therefore, important to reach. Those members are listed on the second page of the attached document (5), a letter campaign progress report dated 24 March 1986. That was for the first vote, the one in April, in which Contra aid was defeated.

There was another period in June, during which we focused on six target Districts. Those members are listed in document (9). That effort was for the second vote, the one in June, during which Contra aid finally was passed.

In addition, I personally canvassed nearly every one of the 76 target Congressional offices after the votes to determine the amount of constituent contact they received, both for and against Contra aid. I did this at the urging of Mr. Channell, who wanted to measure the affect of the campaign we conducted. I am glad I did what Mr. Channell asked in this regard, because it proved highly instructive.

In each case, I talked with the Member's assistant in charge of constituent correspondence on Contra aid. I talked with Democrats and Republicans, liberals and conservatives, and I told them exactly what my role was and that I was trying to gauge the impact of the campaign we waged.

A few Congressional offices would not talk with me or were evasive. The majority of them, however, whether for or against the aid request, answered my questions completely and candidly. Many went into some detail with me about why they thought we won or lost their District. They were highly professional, and this reinforced my faith that most Members of Congress and their staffs understand how our system of government works and accept constituent communications campaigns as a normal part of that system.

Instructions for those people in the Lichtenstein & Company office who made the telephone calls to citizens around the country are contained in document (10), "Instructions for Telephone Workers." You will note that, once again, I used the wrong name for the sponsoring organization.

3. Documents (11), (12) and (13) were sent out to our contacts in the field. Document (11) was aimed at the conservative leaders we talked with on the telephone. Documents (12) and (13) were aimed at the people being rallied and provided information with which to write letters to their Congressmen.

4. The total amount charged Sentinel by Lichtenstein & Company for this campaign was $40,700. Our invoices are included in Documents (4), (8) and (9), along with detailed descriptions of work accomplished and expenses incurred. I do not have copies of the checks I received from Sentinel. The following, however, is a list of payments and purposes that I originally compiled for the Internal Revenue Service nearly one year ago, when I was called as a witness in conjunction with this same case.

a. Payment of $10,000 on or around February 7, 1986, as an advance for work to be done.

b. Payment of $24,800 on March 25, 1986, as the balance due for the entire first portion of the grassroots communications campaign.

c. Payment of $1,900 on May 5, 1986, for a follow-up survey of Congressional offices.

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d. Payment of $4,000 on or about June 26, 1986, for a three day "phone blitz" that was the second portion of the project and secured passage of the aid vote.

The $40,700 paid to Lichtenstein & Company for this project represented remuneration for over 500 hours of staff time plus expenses for telephone calling and shipping manuals to all parts of the U.S.

5. It was my understanding that the Members of Congress selected for inclusion in this campaign were basically those who had voted for humanitarian aid and against military aid in earlier votes. It seemed to us that if a compelling case were communicated to them by their constituents, they would support the President's package of $100 million in humanitarian and military aid that had been submitted.

This list of "swing" Congressmen on Contra aid, though supposed to be on "close hold," probably is one of the most widely circulated lists in Washington, with only slight variations in the names on it, depending on who is using it. I can't imagine that any Member of Congress on the list is not aware of that fact and why. Those on it are those who are thought to be "winnable" by either side. And when it comes time to vote on Contra aid, both sides work the list with a passion.

I received my list from Washington lobbyist Dan Kuykendall, himself a former Member of Congress, to whom I was referred by Rich Miller. I know nothing else of the way it was compiled.

6. I am not aware if any polling data whatsoever was used in the selection of those Members on the list. As I stated, I believe their inclusion had more to do with votes on Contra aid than any poll, but that is an assumption on my part.

7. Rich Miller, Dan Conrad and Carl Channell all at various times informed me of the purpose of what the subpoena calls the "efforts to generate letters to Members of Congress supporting Contra aid."

The purpose, as described to me, was exactly as it is described in this report...to inform citizens, primarily those known to be conservative, of the need to support the President's request; to ask their help; and to give them the information and guidance needed to organize like-minded citizens and get them to write letters and make phone calls to their elected representatives. As I understood and continue to understand it, the end result of this entire exercise was to make these "swing" Congressmen aware of the support for Contra aid among their constituents and cause them to vote for it.

Our feeling was that many Americans instinctively support aid to the democratic forces in Nicaragua and only need some information and guidance to translate that support into communication with their Congressmen and Senators.

This was the sole purpose of at least the work in which Lichtenstein & Company was involved. It is simple, and there really is no other way to say it.

8. There were five persons, other than myself, who worked in the Lichtenstein & Company grassroots communications effort.

Christine Kielich, head of Winning Image Communications, of 1629 K Street, N.W., Washington, DC 20006;

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John B. Nicholson, head of Berryhill Associates, of 1629 K Street, N.W., Washington, DC 20006;

J.W. Ellis, head of Communique, Ltd., of 1629 K Street, N.W., Washington, DC 20006;

Michael Larkin, whose present whereabouts I do not know; and

Philip Lalli, whose exact whereabouts I do not know, but who is working for the 7-11 convenience store chain somewhere in the suburban Washington area.

Ms. Kielich, Ms. Ellis and Mr. Nicholson are the heads of small consulting firms who shared office space with me at that time. I employed them as freelance helpers on the project, paying them $50 per hour for their work. Messrs. Larkin and Lalli were young men who were temporarily unemployed and were referred to me as help on this project. I cannot recall who referred them. I paid them $10 per hour for their work.

Mr. Nicholson wrote most of the communications materials that were used in the campaign, including the instructions to supervisors and letter-writers, and the letter-writing manual. He also made telephone calls to citizens across the country. The others all made telephone calls.

9. There was no relationship between Lichtenstein & Company and Miner & Fraser Public Affairs, Inc., with respect to the above activities. The first time I became aware that Miner & Fraser was at all involved in this matter was when I saw a friend of mine, Ms. Jan Ellis, at a White House reception. I do not recall the date of the reception, but it is the one referred to in Document (5), and it was for the President to thank all those who were assisting in the Contra aid program.

Ms. Ellis was at the time working for Miner & Fraser. She mentioned that they were involved in the Contra aid program, and said that their activities were similar to those being performed by Lichtenstein & Company. We only talked briefly then parted, saying that we would have to talk again about the project and our respective roles. We never did.

I seem to recall that Ms. Edie Fraser, one of the principals of Miner & Fraser, was at the same reception. I said hello to her, but that was all. I have not talked with her or Ms. Ellis about that issue since then, either.

This comprises all the information I can provide in response to your questions. I am pleased to be able to assist you, and I trust you will call upon me if you have any other questions or if there is any other way in which I can be helpful.

Yours sincerely,

Jack Lichtenstein

Jack Lichtenstein

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**BUSINESS RECORDS SUBMITTED
WITH FEBRUARY 25, 1988, LICHTENSTEIN
RESPONSE TO SUBPOENA HAVE BEEN DELETED
FROM THE PUBLIC RECORD**

FEDERAL ELECTION COMMISSION
88 FEB 29 PM 1:47

**BEFORE THE FEDERAL ELECTION COMMISSION**

| | | |
|---|---|---|
| In the Matter of | ) | |
| | ) | |
| National Endowment for the Preservation of Liberty; Carl Russell Channell; Sentinel; American Conservative Trust State Election Fund; American Conservative Trust and Carl R. Channell, as treasurer | ) | MUR 2406 |

SENSITIVE

**GENERAL COUNSEL'S REPORT**

**I. BACKGROUND**

In the previous General Counsel's Report in this matter, signed January 29, 1988, the Office of the General Counsel noted that staff had met with counsel for the Respondents on January 20, 1988, and discussed their difficulty in responding to the Commission's interrogatories and requests for documents. On January 29 and February 1, 1988, this Office received responses from counsel on behalf of all Respondents.

**II. REQUESTS FROM RESPONDENTS**

**A. Organizational Respondents**

The responses on behalf of the four organizational Respondents (National Endowment for the Preservation of Liberty, Sentinel, American Conservative Trust State Election Fund, and American Conservative Trust) included a partial response to the Commission's interrogatories. See Attachments 1, 2, 3, and 4.*/ The material included in these

*/ Only the letters from counsel on behalf of these organizational respondents are attached.

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responses is voluminous. In addition, as of February 18, 1988, this Office had received responses from eight nonrespondent contributor witnesses with one further response expected. This material is also voluminous. Further, on February 18, 1988, the Commission approved subpoenas to five nonrespondent vendor witnesses as part of its investigation in this matter. This material, once it is received, together with the material submitted by the Respondents and the nonrespondent contributor witnesses will require extensive review and analysis with regard to the substantive issues in this matter in order for the Commission to consider whether to enter into preprobable cause conciliation.

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**B. Individual Respondent**

The response received on February 1, 1988, on behalf of Carl Russell Channell, individually, requested that no action be taken with respect to Mr. Channell on the basis of the plea agreement between him and the Independent Counsel. See Attachment 5. The response incorporated by reference a letter, dated January 20, 1988, from another counsel for Mr. Channell. A copy of this letter was provided to staff of this Office on January 20, 1988, and is enclosed as part of Attachment 5. Because the issue regarding the effect of the plea agreement on proceeding against

Mr. Channell is significant and complex, this Office is of the opinion that the Commission should seek the view of the Independent Counsel himself on this issue and complete its investigation of this matter before addressing counsel's request.

Accordingly, this Office recommends that the Commission approve the proposed letter to the Independent Counsel.

III. **RECOMMENDATIONS**

2. Approve the attached letter to counsel for the Respondents.

3. Approve the attached letter to the Independent Counsel.

2/29/88
Date

Lawrence M. Noble
General Counsel

Attachments
1. Response of the National Endowment for the Preservation of Liberty
2. Response of Sentinel
3. Response of the American Conservative Trust State Election Fund
4. Response of the American Conservative Trust
5. Response of Carl Russell Channell
6. Proposed letter to counsel for Respondents
7. Proposed letter to the Independent Counsel

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BEFORE THE FEDERAL ELECTION COMMISSION

| | | |
|---|---|---|
| In the Matter of | ) | |
| | ) | |
| National Endowment for | ) | |
| the Preservation of Liberty; | ) | MUR 2406 |
| Carl Russell Channell; | ) | |
| Sentinel; American Conservative | ) | |
| Trust State Election Fund; | ) | |
| American Conservative Trust | ) | |
| and Carl R. Channell, as | ) | |
| treasurer | ) | |

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CERTIFICATION

I, Marjorie W. Emmons, Secretary of the Federal Election Commission, do hereby certify that on March 3, 1988, the Commission decided by a vote of 6-0 to take the following actions in MUR 2406:

2. Approve the letter to counsel for the Respondents, as recommended in the General Counsel's report signed February 29, 1988.

(Continued)

3. Approve the letter to the Independent Counsel, as recommended in the General Counsel's report signed February 29, 1988.

Commissioners Aikens, Elliott, Josefiak, McDonald, McGarry, and Thomas voted affirmatively for the decision.

Attest:

3/3/88
Date

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

Received in the Office of Commission Secretary: Mon., 2-29-88, 1:47
Circulated on 48 hour tally basis: Tues., 3-01-88, 11:00
Deadline for vote: Thurs., 3-03-88, 11:00

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plm

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

March 8, 1988

J. Curtis Herge, Esquire
Herge, Sparks, Christopher & Biondi
Suite 200
8201 Greensboro Drive
McLean, VA 22102

Re: MUR 2406
Carl Russell Channell; National Endowment for the Preservation of Liberty; Sentinel; American Conservative Trust State Election Fund; American Conservative Trust and Carl R. Channell, as treasurer

Dear Mr. Herge:

On December 17, 1987, you were notified that the Federal Election Commission found reason to believe that your clients, had violated certain provisions of the Federal Election Campaign Act of 1971, as amended.

On February 1, 1988, you also submitted a request to take no further action with respect to Carl Russell Channell. The Commission will consider your request after the investigation in this matter is complete.

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

Sincerely,

Lawrence M. Noble
General Counsel

2004074577

GCO#6664

LAW OFFICES

FRANK, BERNSTEIN, CONAWAY & GOLDMAN

300 EAST LOMBARD STREET
BALTIMORE, MARYLAND 21202

(301) 625-3500
(703) 556-9676

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TELEX: 87939

SUITE 1000, NORTH TOWER
7799 LEESBURG PIKE
TYSONS CORNER, VIRGINIA 22043

(703) 893-4670

SUITE 700
AMERICAN CITY BUILDING
COLUMBIA, MARYLAND 21044

(301) 730-9477

WRITER'S DIRECT NUMBER
(301) 625-

3742

March 1, 1988

RECEIVED
FEDERAL ELECTION COMMISSION
88 MAR -3 PM 1:01

Sandra H. Robinson, Esquire
Federal Election Commission
Washington, D.C. 20463

Re: MUR 2406

Dear Sandra:

This letter confirms our telephone conversation of February 26, 1988, during which you tentatively agreed that the Robert Goodman Agency could produce documents to the Federal Election Commission in the same fashion as they produced documents to the Select Committee to Investigate Covert Arms Transactions with Iran (the "Committee"). For your information I have enclosed a copy of the Committee's subpoena and a letter of May 15, 1987 indicating the scope of the Robert Goodman Agency's reply to that subpoena. In addition, I have enclosed a complete index of the documents the Robert Goodman Agency produced in response to the Committee's request.

Finally, this letter confirms our agreement that the Robert Goodman Agency has until March 21, 1988 to reply to the Federal Election Commission's subpoena.

Sincerely,

James H. Scott

JHS/msn
Enclosures

2004074678

Jim Black
House Com.

Subpena Duces Tecum

# By Authority of the House of Representatives of the Congress of the United States of America

To The Robert Goodman Agency, Inc.

You are hereby commanded to produce the things identified on the attached schedule before the Select Committee ~~of~~ to Investigate Covert Arms Transactions with Iran of the House of Representatives of the United States, of which the Hon. Lee H. Hamilton is chairman, by producing such things in Room H-419 of the Capitol Building, in the city of Washington, on May 15, 1987, at the hour of 5:00 p.m.

To any Select Committee staff member or U.S. Marshal

to serve and make return.

Witness my hand and the seal of the House of Representatives of the United States, at the city of Washington, this 4th day of May, 19 87

Lee H. Hamilton
Chairman.

Attest:

Donnald K. Anderson
Clerk.

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SCHEDULE -- The Robert Goodman Agency, Inc.

1. The respondent to this subpoena shall produce all materials pertaining, referring, or relating in any way whatever to:

a. Carl R. Channell and/or any entity with which Carl R. Channell is or was associated, including, but not limited to (i) National Endowment for the Preservation of Liberty, (ii) Channell Corporation, (iii) Sentinel, (iv) American Conservative Trust, (v) American Conservative Foundation, (vi) Grow Washington, (vii) Hill-Potomac Group, (viii) Western Goals Endowment Fund, (ix) Western Goals Foundation, (x) Anti-Terrorism American Committee, and (xi) American Conservative Trust State Election Account;

b. Richard R. Miller and/or any entity with which Richard R. Miller is or was associated, including, but not limited to (i) International Business Communications, Inc., (ii) Institute for North-South Issues, (iii) I. C., Inc., (iv) Intel Co-Operation, Inc., and (v) World Affairs Counselors, Inc.;

c. Dan H. Kuykendall and/or any entity with which Dan H. Kuykendall is or was associated, including, but not limited to, the Gulf and Caribbean Foundation;

d. Robert Owen and/or any entity with which Robert Owen is or was associated, including, but not limited to (i) Institute for Democracy, Education, and Assistance, (ii) Council for Democracy, Education, and Assistance, and (iii) Institute on Terrorism and Subnational Conflict;

e. the involvement of Oliver L. North, Carl R. Channell, Richard R. Miller, Dan H. Kuykendall, or Robert Owen in political advocacy or campaigns or efforts to influence public opinion or legislation relating to anti-government forces in Nicaragua commonly known as the Contras;

f. the use of any funds that were at any time under the control of Oliver L. North, Carl R. Channell, Richard R. Miller, Dan H. Kuykendall, or Robert Owen in political advocacy or campaigns or efforts to influence public opinion or legislation relating to anti-government forces in Nicaragua commonly known as the Contras;

g. Toyco S.A., a monetary account referred to as "Toys", or any other account or entity with the word "Toy" in the name;

h. communications between Carl R. Channell, Richard R. Miller, Dan H. Kuykendall, or Robert Owen and White House personnel, or between any of those individuals and any third party relating to White House personnel, including, but not

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limited to, any communications with or relating to Oliver L. North or President Ronald Reagan.

i. any contract, agreement, or consultant arrangement involving, or any compensation from, any department, division, or agency of the United States government, any State or political subdivision thereof, or any foreign government or political subdivision thereof, whether executed or not, which pertain, refer or relate in any way whatever to Nicaragua, the Nicaraguan resistance, other countries in Central America, or Iran;

j. any transaction with any bank or financial entity in Switzerland, Panama, Bermuda, or the Cayman Islands;

k. (i) any arms transaction directly or indirectly through any third party with Iran, Israel, Manucher Ghorbanifar, Albert Hakim, Adnan Khashoggi, Yaacov Nimrodi, Amiram Nir, Adolph (Al) Schwimmer, Richard Secord, or John Singlaub; (ii) any arms transaction directly or through any third party, with Lake Resources, Inc., or any company or entity owned by, controlled by, affiliated with, the previously named persons or company; (iii) any arms transaction directly or indirectly through any third party with anit-government forces in Nicaragua commonly known as the Contras or any other person or entity in Nicaragua; and/or (iv) any transaction to or from any person or entity of TOW missiles, Hawk antiaircraft missiles or parts, or F-14 aircraft parts;

l. any American citizen held hostage;

m. the anti-government forces in Nicaragua commonly known as the Contras, including, but not limited to, the provision of financial, military, or other assistance or support of any kind to, or for the benefit of, such forces, or any person or entity now or formerly associated with such forces, whether in Nicaragua or elsewhere;

n. for Bermuda, the Cayman Islands, Costa Rica, Denmark, El Salvador, Guatemala, Honduras, Hong Kong, Iran, Israel, Liberia, Lichtenstein, Nicaragua, Portugal, Saudi Arabia, and Switzerland, (i) any correspondence, telex, or other oral or written communication to or from any person or entity located in these countries, or (ii) any statement, check, deposit slip, or other material relating to any bank or financial institution account in located in these countries; or

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o. the payment of and services performed by any employee or service provider which pertain, refer or relate in any way whatever to Nicaragua, the Nicaraguan resistance, other countries in Central America, or Iran, including, but not limited to, any consultant, accountant, bookkeepr, shipper, warehouser, travel agent, freight forwarder, attorney, tax preparer, advertiser, public relations professional, and fund raiser (including any list reflecting the name, address, and/or telephone number of any such persons);

p. any filing with any department, division, or agency of the United States government or any foreign government, including, but not limited to, any filing with the United States Federal Elections Commission or the Department of State;

q. any accounting or audit record or report, supporting documents, or work papers;

r. any receipt, transfer, or transportation of currency or any cash equivalent of a value greater thatn $1,000; or

s. any person or entity listed in Appendix A and Appendix B hereto insofar as the materials pertain, refer, or relate in any way whatever to Nicaragua, the Nicaraguan resistance, other countries in Central America, or Iran.

2. The term "materials" as used in this subpoena includes any book, billing statement, note, record, check, cancelled check, bank statement, correspondence, memorandum, paper, calendar, or any other document, recording, or data compilation from which information can be obtained, which are owned by you or which are in any way subject to your possession, custody, or control or that of any agent of yours.

3. If you or your counsel have any questions regarding this subpoena, please contact Thomas Fryman at (202) 225-7902.

0004079469847

## APPENDIX A

1. Any of the following persons:

Bermudez, Enrique
Calero, Adolfo
Calero, Mario
Cameron, Bruce
Conrad, Daniel L.
Chamorro, Pedro
Cooper, William J.
Clines, Thomas
Cruz, Arturo
Cruz, Arturo, Jr.
de Senarclens, Jean
Dutton, Robert
Fischer, David
Furmark, Roy
Gadd, Richard
Garnel, Jose
Ghorbanifar, Manucher
Gomez, Francis
Hakim, Albert
Hashemi, Cyrus
Hull, John
Kashoggi, Adnan
Kimche, David
Ledeen, Michael
Lilac, Robert
Mabry, Paul
McMahon, Steve
McFarlane, Robert
Montes, Oscar
Nimrodi, Yaacov
Nir, Amiram
North, Oliver L.
Poindexter, John
Quintero, Rafael
Robelo, Alfonso
Robles, Rodolfo
Rodriquez. Felix aka Max Gomez
Rose, Jose Bueso
Sacasa, Marrio
Sanchez, Aristides
Schwimmer, Adolph (Al)
Secord, Richard V.
Shackley, Theodore
Singlaub, John L..
Soghanalian, Sarkis
Sommeriba, Leonardo
Wilson, Edwin
von Marbod, Erich
Zucker, Willard I.

2. Any person employed by, acting as an agent for, or representing:

U. S. Air Force
Military Airlift Command
Central Intelligence Agency
National Security Council
President's Intelligence Oversight Board
Federal Aviation Administration
Geneva Commercial Registry
Military Reutilization and Material Supply Department, Portugal
National Armaments Directorate, Portugal
Nugen-Hand Bank, Australia
Overseas Defense Corp.
Department of Defense
Lloyd's of London
any agency, division, or department of the United States government with responsibility for foreign relations, for intelligence activities, or for manufacturing, storing, shipping, selling, transferring, monitoring, or accounting for any arms, munitions, or military personnel
any agency, division, or department of the government of,

any instrumentality of, or any national of, or person located in Iran, Israel, Switzerland, Panama, Bermuda, Liberia, Lichtenstein, the Cayman Islands, Portugal, Denmark, Saudi Arabia, El Salvador, Costa Rica, Nicaragua, Honduras, or Guatemala

3. Any of the following entities, or any entity whose name is as listed, but followed by Inc., Corp., Corporation, Ltd., Co., Company, or SA., doing business in any location whatever:

ACE
Airmach, Inc.
Albon Values
Alpha Services S.A.
Amalgamated Commercial Enterprises, Inc.
American Marketing and Consulting, Inc.
American National Management Corporation
Baggett Transportation Company
CSF
CSF Investments Ltd.
CSFR Inv. Ltd.
Chester Co.
Compagnie de Services Fiduciares SA
Corporate Air Services, Inc.
Dataguard International
Defex - Portugal
Dolmy Business, Inc.
EAST Inc.
EATSCO
Eagle Aviation Services and Transportation
Egyptian American Transport Services, Inc.
Energy Resources International
Fifteenth of September League
Gulf Marketing Consultants
Hyde Park Holdings
Hyde Park Square Corporation
I. B. C.
IDEA
Intercontinental Technology
International Research and Trade
Kisan
Lake Resources Corp.
Lake Resources, Inc.
Lilac Associates
Maule Air, Inc.
Missurasata
NRAF Inc.
National Liberation Army
N. S. I.
Nicaraguan Democratic Force (FDN)
Nicaraguan Democratic Union
Nicaraguan Development Council

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Nicaraguan Freedom Fund, Inc.
Nicaraguan Revolutionary Armed Forces (FARM)
Project Democracy
Queen Shipping
R. M. Equipment Co.
Revolutionary Democratic Alliance (ARDE)
S & S Trading Corp.
SOME Aviation
Secord Associates
Southern Air Transport, Inc.
Southern Bloc Opposition (BOS)
Stanford Technology, Inc.
Stanford Technology Trading, Inc
Stanford Technology Trading Associates, Inc.
Systems Services International
Trans World Arms Inc.
Udall Corporation
Udall Research Corporation
Udall Resources, Inc., S.A.
United Nicaraguan Opposition (UNO)

0004079463

## APPENDIX B

1. Any of the following persons:

Abrams, Elliott
Casey, William
Castellanos, Xavier
Fuelner, Edwin
Godson, Roy
Goodman, Adam
Goodman, Robert
Jacobowitz or Jacobs, Fran
Jacobowitz, Jake
Kagan, Robert
Kemble, Penn
O'Leary, Denise
Raymond, Walt
Richards, Mark
Quintero, Henry
Reich, Otto
Scafe, John
Smith, Clifford

2. Any of the following entities:

Institute for Religion and Democracy
International Youth Commission or Committee or Conference or International Youth Year Commission
National Strategy Information Center
Prodemca
Robert Goodman Agency, Inc.

0004073463

LAW OFFICES

FRANK, BERNSTEIN, CONAWAY & GOLDMAN

300 EAST LOMBARD STREET
BALTIMORE, MARYLAND 21202

(301) 625-3500
(703) 556-9676

TELECOPIER (301) 625-3702
CABLE: FRASKOP
TELEX 87939

SUITE 1000
7799 LEESBURG PIKE
TYSONS CORNER, VIRGINIA 22043

(703) 893-4670

SUITE 700
AMERICAN CITY BUILDING
COLUMBIA, MARYLAND 21044

(301) 730-9477

WRITER'S DIRECT NUMBER
(301) 625 3721

May 15, 1987

HAND DELIVERY

Thomas Fryman, Esquire
The Select Committee to Investigate
Covert Arms Transactions with Iran
House of Representatives
Room H-419
The Capital
Washington, D.C. 20515

RE: The Robert Goodman Agency, Inc.
Subpoena Duces Tecum
Document Production Request

Dear Mr. Fryman:

Enclosed in the two accompanying boxes are copies of documents and materials in the possession of The Robert Goodman Agency, Inc. which are responsive to the Committee's subpoena. A review of The Robert Goodman Agency's files, indicates that it possesses documents which are in part responsive to subpoena categories 1(a), 1(m), 1(n) and 1(o). The Robert Goodman Agency does not possess or is unaware of any documents responsive to the other categories specified in the Committee's subpoena.

Please note that once the Committee has finished its review of the enclosed documents, The Robert Goodman Agency requests that all documents and material produced be returned.

Sincerely,

Allen L. Schwait

ALS:cat
Enclosures

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INDEX OF DOCUMENTS
VOLUME I FOLDERS 1 - 94

| | Date | Description of Material |
|---|---|---|
| 1. | April __ | "The Soviet-Cuban Connection in Central America and the Caribbean", a publicly-available publication issued jointly by the Defense and State Depts. |
| 2. | April 15 | AG letter to TV station managers alerting them to new scripts on Contras being sent to them |
| 3. | April 16 | Carole Jacobs memo containing misc. notes on ACT Contra project, including notation "$20,000 from NE Endowment" |
| 4. | April 17 | Memo (author unknown) detailing a phone conversation with Dan Conrad regarding payment(s) to ACT |
| 5. | April 22 | AG memo to Dan Conrad per Conrad's request |
| 6. | May __ | "The Sandinista Military Build-up", a publicly-available publication issued jointly by the Defense and State Departments |
| 7. | May __ | ACT television station script approval listing for proposed project on "South Africa" (project never materialized) |
| 8. | May 7 | AG notes from a meeting with IBC officials Gomez and Miller (IRG present) for possible "South Africa" project which never materialized |
| 9. | May 8 | AG letter to TV station managers with proposed script for access to air time for ACT |
| 10. | May 15 | AG letter to station sales managers |

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INDEX OF DOCUMENTS

| | Date | Description of Material |
|---|---|---|
| 11. | May 24 | AG memo to Channell and Conrad |
| 12. | Spring (?) | Miscellaneous time buy notes for ACT "Freedom Fighters" TV ad campaign |
| 13. | June 3 | AG memo to Channell and Conrad |
| 14. | June 19 | Miscellaneous notes (AG) |
| 15. | June 25 | "ACT: The McDonald Message National TV Project Summary Aug 29 - Sept 1, 1985" |
| 16. | July 3 | AG memo to Channell & Conrad (cc:IRG) explaining options for proposed "Freedom Spots" TV ad campaign commemorating V-J Day (plus an accompanying media placement profile) |
| 17. | July 8 | Adam G. letter to TV station managers re: possible "McDonald" TV project (spots produced but not aired) |
| 18. | July 10 | Copy of draft letter Channell supposedly sent to contributors re: the "Freedom Spots" TV ad campaign, a project designed to honor America's crusade for freedom in World War II |
| 19. | August ___ | "The Sandinistas and Middle Eastern Radicals", published by the US State Department (and probably received from IBC) |
| 20. | August 26 | Adam G. letter to Channell @ ACT |
| 21. | August __ | "NEPL: Larry McDonald Television August 29 - September 1" |

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INDEX OF DOCUMENTS

| | Date | Description of Material |
|---|---|---|
| 22. | August __ | Notes on spot costs in various markets for McDonald TV project |
| 23. | August __ | "American Conservative Trust McDonald Message, 30-minute rates for Terrorism Documentary" |
| 24. | August __ | Theresa Jacobs letter to stations defining ACT and NEPL (NOTE: This is very illustrative of our collective ignorance re: the differences among the various Channell groups |
| 25. | October 9 | Adam G. notes from Channell meeting (IRG and perhaps others present) |
| 26. | October 10 | Script proposed for 13-minute film entitled "The Nicaraguan Contras: An Update" |
| 27. | October 25 | Adam G. memo to Channell summarizing the "Morning of Peace" series |
| 28. | October 30 | Draft of letter, per Channell request, to be sent to VP Bush, outlining pending SDI television effort with "Morning of Peace" series |
| 29. | October 30 | Letter and placement summary for the "Morning of Peace" program in Washington, DC, written to Channell c/o ACT |
| 30. | October 31 | Adam G. letter to contributor Ellen Garwood (per Channell request) sent with copy of time Texas for "Morning of Peace" program |
| 31. | Nov 11 | Memo and placement summary for Austin, Texas buy for "Morning of Peace" program, sent to contributor Ellen Garwood per Channell request |

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INDEX OF DOCUMENTS

| | Date | Description of Material |
|---|---|---|
| 32. | Dec 9/12 | "American Conservative Trust: Freedom Fighter TV National Spot Program, December 12, 1985" (original & revised) |
| 33. | Dec 12 | Adam G. letter to contributor Fred Sacher. (per Channell request) |
| 34. | Dec 18 | Two letters of congratulations to Channell from the President (on White House stationary) |

END OF 1985

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INDEX OF DOCUMENTS

| | Date | Description of Material |
|---|---|---|
| 35. | January 8 | Adam G. note to Channell re: balance due on time buy for "Morning of Peace" program (NOTE: references to ACT as sponsor) |
| 36. | January 10 | "Film Production Proposal 'Fighting Terrorism: Are We Helpless?', Initial Outline 1/10/86" |
| 37. | January 28 | Copy of a Ringe Media script for Contra ads received from a Channell contributor at one of two fund-raising dinners Adam & Bob G. attended |
| 38. | Feb 11 | Unused script copy with revision notes suggested by Channell contributor Fred Sacher |
| 39. | Feb 14 | Station manager letter for NEPL "Freedom Fighters" campaign (written by Adam G.) |
| 40. | Feb 18 | "Nicaraguan Human Rights Abuses: An Update" by Wesley Smith |
| 41. | Feb 21 | Copy of memo citing Tip O'Neil quote re: Nicaragua |
| 42. | Feb 24 | Adam G. letter to TV station managers re: NEPL spots |
| 43. | Feb 24 | ACT spot avails listing |
| 44. | March 1 | Adam G. notes on images for "Freedom Fighters" spot campaign |
| 45. | March 31 | Adam G. letter written to Channell (at his request) outlining NEPL TV ad campaign |
| 46. | April 3 | Adam G. meeting notes (Channell, Conrad, Bob G. also present) |

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INDEX OF DOCUMENTS

| | Date | Description of Material |
|---|---|---|
| 47. | April 3 | Script for NEPL "Throw Money" spot with copy changes and "Rich Miller" notation at bottom |
| 48. | April __ | Scripts proposed for NEPL SDI project |
| 49. | April 17 | Carole Jacobs memo to Adam, Bob, Ron |
| 50. | April 30 | "NEPL Freedom Fighters Campaign Summary Review" (written by Adam G.) |
| 51. | May 12 | Adam G. memo entitled, "Constitution TV National Ad Campaign Program Options", sent to Channell and Conrad |
| 52. | June __ | Draft media buy proposal for NEPL "President's Oath" spot, to air July 2-4 |
| 53. | June __ | "Sentinel National TV Placement, June 17-26, :10/:60 Spot Options" |
| 54 | June 13 | "President's Oath" script with copy changes (NOTE: Sentinel, not NEPL, sponsorship on script) |
| 55. | June 13 | Copy of videocassette label for TV ad series (NOTE: change of sponsorship from NEPL to Sentinel) |
| 56. | June 18 | Carole Jacobs memo noting possible TV markets for SDI spot series July 3/4 (per Jane McLaughlin) placements |
| 57. | July 24 | Bob G. letter to Dan Conrad re: Sentinel name conflict |

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INDEX OF DOCUMENTS

| | Date | Description of Material |
|---|---|---|
| 58. | Oct 17 | "Sentinel, 1986 SDI Congressional Handbook", received from Channell during lunch meeting |
| 59. | Oct __ | ACT 10-second IDs and 30-second copy insert |

END OF 1986

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INDEX OF DOCUMENTS

| | Date | Description of Material |
|---|---|---|
| 69. | Jan 15 | ACT documentation requested by Channell and prepared by Colleen Vickers |
| 61. | Jan 30 | "Ambassadors for Freedom" Proposal and Outline, January 30, 1987 |
| 62. | Feb 24 | "ACT/NEPL/SENTINEL, A spot and Film index. |

END OF 1987 (to date)

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INDEX OF DOCUMENTS

| | Date | Description of Material |
|---|---|---|
| 63. | 1986 | Draft script for an A.T.A.C. ad written by an associate (name?) of Channell pollster Arthur J. Finkelstein |
| 64. | 1986 | "My Dream", a NEPL proposal for SDI support program |
| 65. | 1986(?) | "ACT Freedom Fighters TV National Spot Program" with a summary written by Adam G. |
| 66. | 1985(?) | Client contact information sheet listing Channell, Conrad, Roger Wilkins, Frank Gomez (IBC), and Rich Miller (IBC) |
| 67. | 1985 | Info sheet with names and numbers of contacts for meeting with Channell and contributor Barbara Newington on McDonald project -- Never funded |
| 68. | 1985(?) | Michel Amendment vote recap and misc. notes |
| 69. | 1985(?) | Vote analysis on past Contra legislation (received from either Channell or IBC) |
| 70. | 1986 | "Freedom Fighters TV National Spot Program Weekly Budget Planner, Feb/March" |
| 71. | 1986 | "Freedom Fighters TV National Spot Program Weekly Budget Planner, Feb/March - Station Access Tally Sheet" |
| 72. | ? | "Freedom Fighters TV Buy Summary Sheet |
| 73. | ? | Adam G. notes, nature of phone conversation unrecalled |

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INDEX OF DOCUMENTS

| | Date | Description of Material |
|---|---|---|
| 74. | 1985(?) | "Sandinistas Attract a Who's Who of Terrorists . . ." Reprint from the Miami Herald |
| 75. | 1985 | Bob G. thoughts on the pros and cons of pursuing a TV ad campaign highlighting Larry McDonald |
| 76. | 1986(?) | Adam G. notes on meeting with Frank Gomez (IBC) and others re: Contra ad program in '86 |
| 77. | 1986(?) | Misc info and Adam G. notes from meeting with Channell and others re: possible Prodemca TV spot supporting Contras |
| 78. | 1986(?) | NEPL TV market info |
| 79. | 1985(?) | Misc notes (AG) re: Channell conversation on possible film to be used in support of SDI |
| 80. | 1986(?) | Misc time buy notes for ACT "Freedom Fighters" TV ad campaign (plus scripts) |
| 81. | 1986(?) | Misc AG notes on SDI project, terrorism, and "Freedom Fighters" (meeting or phone call?) |
| 82. | 1985 | Misc AG notes on meeting with Channell, Conrad, Cliff Smith, Bob G., re: the Freedom Fighters diplomacy program (and incl. a critique of IBC documentary film) |
| 83. | 1985 | Meeting notes (Channell, Bob G., others present) |
| 84. | 1985 | Bob G. notes on TV projects ranging from the Freedom Fighters to the oil depletion allowance |

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INDEX OF DOCUMENTS

| | Date | Description of Material |
|---|---|---|
| 85. | 1986 | "NEPL 'Freedom Fighters' TV National Spot Placement TV Analysis" |
| 86. | 1986(?) | Adam G. notes on a Sentinel ad |
| 87. | 1986 | Adam G. notes on proposed SDI TV campaign |
| 88. | 1986 (Oct) | ACT SDI spot series cost estimates for California, Texas, and Colorado |
| 89. | 1986(?) | "Key Congressional Votes. Nicaraguan Freedom Fighters" |
| 90. | 1985/6 | Copies of various storyboards of TV spots produced for Channell organizations |
| 91. | 1986 (Oct) | Draft script copy for TV spot entitled "Back Down" (later revised) |
| 92. | 1985 | Adam G. notes on meeting or possibly a phone conversation with Channell, Bob G. re: proposed South Africa TV ad campaign |
| 93. | ? | Adam G. notes |
| 94. | 1986(?) | "Targeted Districts" listing presumably recieved from either Channell or IBC |

END OF REPORT

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# INDEX OF DOCUMENTS
## VOLUME II FOLDERS 1-31

| | Date | Description Of Material |
|---|---|---|
| 1. | 04/18 - 04/22 | ACT - "Aid To Freedom Fighters" Proposal Lists Aff. Congressman Note: Rich Miller Reference |
| 2. | 05/25 - 06/06 | ACT - "Freedom Fighters TV" Part II, Schedules Wash./Austin/Miami |
| 3. | August | ACT - Proposal |
| 4. | 10/30 - 11/15 | ACT - "Morning Of Peace" D.C. Schedule, Memo to Spitz explaining placement |
| 5. | 10/30 - 11/17 | ACT - "Morning Of Peace" Spitz Letter & "Dear Friends" Letter, D.C. Schedules |
| 6. | 11/01 - 11/08 | ACT - "Morning Of Peace" Austin TV Schedules |
| 7. | 11/12 - 11/17 | ACT - "Morning Of Peace" Austin TV Schedules |
| 8. | 11/15 - 11/17 | ACT - "Morning Of Peace" Pittsburgh TV Schedules |
| 9. | November 21 | NEPL - "Thank You" D.C. TV Summary Letter to Spitz (Per Request?) |
| 10. | Jan/Feb | NEPL - "Freedom Fighters TV" National Spot Placement TV Analysis, Market Overview & Analysis |

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## INDEX OF DOCUMENTS

| | Date | Description of Material |
|---|---|---|
| 11. | February | NEPL - "Freedom Fighters TV" National Spot Program Weekly Budget Planner Feb/March |
| 12. | 02/27 - 03/09 | NEPL - "Freedom Fighters TV" First Flight Markets, $, Schedules |
| 13. | 03/03 - 03/09 | NEPL - "Freedom Fighters TV" Revised Buy Markets, Costs |
| 14. | 03/10 - 03/17 | NEPL - "Freedom Fighters TV" Washington Schedules |
| 15. | 03/10 - 03/18 | NEPL - "Freedom Fighters TV" National Program Markets, Schedules Second Flight |
| 16. | 03/12 - 03/19 | NEPL - "Freedom Fighters TV" Second Flight Markets, Schedules and Revisions |
| 17. | 03/26 - 03/28 | NEPL - "Freedom Fighters TV" Washington Schedules |
| 18. | 03/26 - 04/15 | NEPL - "Freedom Fighters TV" National Program Markets, Schedules |
| 19. | 04/09 - 04/15 | NEPL - "Freedom Fighters TV" Washington Schedules & National Schedules |

## INDEX OF DOCUMENTS

| | Date | Description of Material |
|---|---|---|
| 20. | 04/22 - 05/01 | NEPL - "Freedom Fighters TV" Washington Schedules |
| 21. | 04/22 - 05/12 | NEPL - "Freedom Fighters TV" Washington Schedules |
| 22. | 06/17 - 06/23 | SENTINEL - D.C. Placement & Schedules |
| 23. | 06/17 - 06/26 | SENTINEL - D.C. Placement & Schedules |
| 24. | 06/17 - 06/26 | SENTINEL - National TV Placement & Schedules |
| 25. | 06/19 - 06/24 | NEPL - "Reconnaissance" D.C./Miami/Idaho Falls Schedules |
| 26. | 07/02 - 07/04 | NEPL - "SDI" Proposal "President's Oath" |
| 27. | July 4 | NEPL - "Presidents Oath" D.C. Schedule (No records) |
| 28. | 07/24 - 08/01 | NEPL - "Presidents Oath" D.C. Schedules |
| 29. | 08/08 - 08/15 | NEPL - "Will They Wait" D.C. Schedules |
| 30. | 10/07 - 10/09 | NEPL - "Will They Wait" D.C. Schedules |

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## INDEX OF DOCUMENTS

| | Date | Description of Material |
|---|---|---|
| 31. | 10/30 - 11/03 | ACT - "Back Down - Col" Wirth/Denver Schedules and Revised/Updated Schedules |

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INDEX OF DOCUMENTS
Volume III Folders 1-7

| | Date | Description of Material |
|---|---|---|
| 1. | January 1987 | Miscellaneous information for Ambassador for Freedom and Constitution series. |
| 2. | June 1986 | Goodman Agency Storybooks |
| 3. | 1985 | Draft and Final Scripts of Channel Spots |
| 4. | April 1985 - February 1987 | Ron Wilner's Miscellaneous Files |
| 5. | 1985/1986/1987 | Goodman Phone Message Log |
| 6. | ? | Frank Gomez File |
| 7. | 1986 | Invoices received from Television Stations for NEPL/ACT/SENTINAL Spots run by Goodman. |

2004079703

**INDEX OF DOCUMENTS**
**Volume IV Folders 1-10**

| | Date | Description of Material |
|---|---|---|
| 1. | 1986 | Records of Expenses for Channell |
| 2. | 1986 | Goodman's Invoices to ACT & NEPL |
| 3. | 1986 | Funds Received from NEPL |
| 4. | ? | Records of Funds Received from ACT |
| 5. | 1985 | Information sent to ACT before Run of Morning of Peace |
| 6. | 1986 | Released Media Chronology |
| 7. | March 1987 | Spitz Channell's Letter of March 11 and Goodman's Response |
| 8. | 1986-1987 | Goodman's Records on Sentinel |
| 9. | 1985 | Goodman's Ledger of ACT & NEPL Transactions |
| 10. | 1985-1986 | Goodman Invoices & Checks Showing Payment to TV Sections For Media Buys |

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FEDERAL ELECTION COMMISSION
WASHINGTON D.C. 20463

March 8, 1988

**CERTIFIED MAIL**
**RETURN RECEIPT REQUESTED**

Lawrence E. Walsh
Office of the Independent Counsel
Suite 701
555 13th Street, N.W.
Washington, D.C. 20004

RE: MUR 2406

Dear Mr. Walsh:

In a letter dated December 17, 1987, the Federal Election Commission informed you of the Commission's investigation into possible violations of the Federal Election Campaign Act of 1971, as amended, by the National Endowment for the Preservation of Liberty, Sentinel, the American Conservative Trust, and Carl Russell Channell.

Counsel representing Mr. Channell has requested that no action be taken against Mr. Channell on the basis of the plea agreement between Mr. Channell and your office. Counsel has set forth the position that the plea agreement binds all agencies of the Federal Government from proceeding against Mr. Channell for his activities from April 1, 1985, to the date of the agreement in connection with the above-named organizations, and that this preclusion includes corollary proceedings, presumably including the Commission's civil enforcement of the Federal Election Campaign Act, which may interfere with your mandates.

The Commission invites and would appreciate your views on this asserted effect of the plea agreement.

Because this information is being sought as part of an investigation being conducted by the Commission, the confidentiality provision of 2 U.S.C. § 437g(a)(12)(A) applies. That section prohibits making public any investigation conducted by the Commission without the express written consent of the person with respect to whom the investigation is made. You are advised that no such consent has been given in this case.

0004074703

If you have any questions, please direct them to me, at (202) 376-5690.

Sincerely,

Lawrence M. Noble
General Counsel

2004079706

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20461

March 8, 1988

James H. Scott, Esquire
Frank, Bernstein, Conaway & Goldman
300 E. Lombard Street
Baltimore, MD 21202

RE: MUR 2406

Dear Mr. Scott:

This is in response to your letter dated March 1, 1988, which we received on March 3, 1988, requesting an extension of 5 days to respond to the subpoena to produce documents and order to submit written answers. After considering the circumstances presented in your letter, I have granted the requested extension. Accordingly, your response is due by the close of business on March 21, 1988.

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

Sincerely,

Lawrence M. Noble
General Counsel

0004079447701

MCC#6717


# McDERMOTT, WILL & EMERY

A PARTNERSHIP INCLUDING PROFESSIONAL CORPORATIONS

1850 K STREET, N. W.

SUITE 500

WASHINGTON, D. C. 20006-2296

202/887-8000

FACSIMILE 202/778-8087

TELEX 904261 MILAM WASH

111 WEST MONROE STREET
CHICAGO, ILLINOIS 60603
312/372-2000

ONE POST OFFICE SQUARE
BOSTON, MASSACHUSETTS 02109
617/357-0200

2049 CENTURY PARK EAST
LOS ANGELES, CALIFORNIA 90067
213/277-4110

700 BRICKELL AVENUE
MIAMI, FLORIDA 33131
305/358-3500

1301 DOVE STREET
NEWPORT BEACH, CALIFORNIA 92660
714/851-0633

101 NORTH MONROE STREET
TALLAHASSEE, FLORIDA 32301
904/222-2312


March 8, 1988


RECEIVED
FEDERAL ELECTION COMMISSION
88 MAR -8 PM 4:13


BY HAND DELIVERY

Judybeth Greene, Esquire
Office of General Counsel
Federal Election Commission
999 E Street, N.W.
Washington, D.C. 20463

Re: MUR 2406

Dear Ms. Greene:

Please be informed that the law firm of McDermott, Will & Emery has been retained by non-respondent witness Daniel J. Edelman, Inc. in connection with the above-referenced matter under review. A designation of counsel form is enclosed.

By this letter, we hereby request an enlargement of time until and through April 15, 1988 in which to respond to the subpoena and order served on our client. This enlargement is necessary to prepare complete responses to the numerous interrogatories and documents requested by the subpoena.

Your prompt response to this request will be appreciated. Please call with any questions.

Sincerely,

Carolyn K. Weeder

Carolyn K. Weeder

CKW:kc
Enclosure


0007470706

## STATEMENT OF DESIGNATION OF COUNSEL

RECEIVED
FEDERAL ELECTION COMMISSION
OFFICE OF GENERAL COUNSEL
88 MAR -8 PM 4:13

MUR 2406

NAME OF COUNSEL: Carolyn K. Weeder

ADDRESS: McDermott, Will & Emery
1850 K Street, N.W., Suite 500
Washington, D.C. 20006

TELEPHONE: (202) 887-8000

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.

3/8/88
Date

Signature: Stephen K. Cook
Executive Vice President and
General Manager

NON-RESPONDENT WITNESS' NAME: Daniel J. Edelman, Inc.

ADDRESS: 1420 K Street, N.W., 8th Floor
Washington, D.C. 20001

HOME PHONE:

BUSINESS PHONE: (202) 371-0200

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0004735

HAND DELIVERED
RECEIVED
FEDERAL ELECTION COMMISSION
MAIL ROOM
88 MAR 10 PM 1:12

Arthur J. Finkelstein & Associates
16 North Astor
Irvington, N.Y. 10533
(914) 591-8142

March 8, 1988

RECEIVED
FEDERAL ELECTION COMMISSION
OFFICE OF GENERAL COUNSEL
88 MAR 10 PM 3:23

Lawrence M. Nobel, Esq.
General Counsel
Federal Election Commission
999 E Street, N. W.
Washington, D. C. 20463

RE: MUR 2406

Dear Mr. Nobel:

This responds on behalf of Arthur J. Finkelstein & Associates to your letter, dated February 23, 1988, and to the Subpoena to Produce Documents and Order to Submit Written Answers enclosed with that letter.

The following answers and enclosed documents are, to the best of our knowledge and upon information and belief, responsive to your requests:

Answer to Question #1A. Arthur J. Finkelstein & Associates ("AJF") had no written agreement with the National Endowment for the Preservation of Liberty ("NEPL"), Sentinel, the American Conservative Trust or Carl R. Channell to conduct polling activity in 1985 and/or 1986. In May or June, 1986, Mr. Spitz Channell telephoned AJF and asked that AJF submit a proposal to Mr. Channell of American Conservative Trust for the conduct of a survey in seventeen Congressional Districts. A copy of the AJF proposal to Mr. Channell, dated June 4, 1986, is enclosed. Mr. Channell subsequently telephoned AJF and directed that the survey be conducted. Subsequent assignments were given verbally to AJF by either Mr. Channell or Dan Conrad.

Answer to Question #1B. AJF conducted survey research requested and provided the survey results and analyses.

Answer to Question #1C. Directions to AJF were given telephonically, to the best of our recollection, by Mr. Channell or Mr. Conrad.

Answer to Question #2. AJF has no recollection of being informed of the purpose of the polling activity requested. AJF was informed of the places in which the surveys were to be conducted and of the subject matter to be researched. The places and subject matter are reflected in the enclosed material.

Answer to Question #3A. See attached.

Answer to Question #3B. Copies of the questions used in the surveys and the results thereof are included in the enclosed compilations of the survey results.

Answer to Question #3C. Enclosed, upon information and belief, are true copies of all documents in the files of AJF connected with the polling activity except the computer printouts compiled in connection with each survey. AJF has only one copy of each printout and each is very bulky (approx. 8.5" x 11" x 2.5") and weighs on the average approximately 8 pounds. There are 23 such computer printouts. You may have access to them conditioned upon AJF being reimbursed for the cost of shipment and upon their being returned to AJF at your expense within 30 days. However, the enclosed compilations and summaries reflect the data contained in those printouts.

Answer to #4A. The total amount charged by AJF for all polling activity was $150,400.00.

Answer to Question #4B. The dates and amounts of payments were:

| | | |
|---|---|---|
| June 6, 1986 | $40,000 | 17 C. D.'s |
| June 13, 1986 | $40,000 | 17 C. D.'s |
| July 23, 1986 | $15,000 | 3 C. D.'s |
| Aug. 11, 1986 | $35,500 | Calif. & Md. |
| Sept. 5, 1986 | $19,900 | Maryland |

Answer to Question #4C. AJF did not retain copies of the checks. To the best of our recollection, all payments were may by NEPL.

Answer to Question #5A. See attached for a listing of all surveys conducted by AJF in the states listed in your interrogatories.

Answer to Question #5B. See attached for a listing of those surveys referred to in Answer to Question #5A which included questions relative to Contra aid or the Strategic Defense Initiative.

Ronald Finkelstein
For Arthur J. Finkelstein &
Associates

Sworn to before me, a Notary Public,

this 8th day of March, 1988.

Notary Public

My Commission Expires: 6/30/89.

JOHN TIMOTHY McCUE
Notary Public, State of New York
No. 60-4708503
Qualified in Westchester County
Commission Expires June 30, 1989

0004079411

**Question #5A**

| | | | Contained Question(s) About SDI | Contained Question(s) About Contras |
|---|---|---|---|---|
| Colorado: | Statewide: | National Conservative Political Action Committee | NO | YES |
| Connecticut: | None | | | |
| Florida: | 13th C.D.: - | Connie Mack for Congress | NO | YES |
| | 6th C.D.: - | Nat'l Endowmment for Preservation of Liberty | YES | NO |
| | 18th C.D.: - | Nat'l Endowmment for Preservation of Liberty | YES | NO |
| | 19th C.D.: - | Nat'l Endowmment for Preservation of Liberty | YES | NO |
| | 14th C.D.: - | Nat'l Endowmment for Preservation of Liberty | YES | NO |
| | Statewide: | Connie Mack | YES | YES |
| | Statewide: | FFACT (Textile Issues) | NO | NO |
| Georgia: | 4th C.D.: - | Pat Swindall for Congress | NO | NO |
| | 7th C.D.: - | Morecraft for Congress (May, 1985) | NO | YES |
| | 7th C.D.: - | Nat'l Endowment for Preservation of Liberty (June, 1986) | YES | NO |
| | 7th C.D.: - | National Republican Congressional Committee (Sept./Oct., 1986) | NO | NO |
| | 4th C.D.: - | National Republican Congressional Committee (Aug., 1985) | NO | YES |
| | Statewide: | FFACT (Textile Issues) | NO | NO |
| Idaho: | None | | | |
| Kentucky: | 1st C.D.: - | Nat'l Endowment for Preservation of Liberty | YES | NO |
| | 3rd C.D.: - | Nat'l Endowment for Preservation of Liberty | YES | NO |
| Mississippi: | 1st C.D.: - | Nat'l Endowment for Preservation of Liberty | YES | NO |

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**Question #5A**

| | | | | Contained Question(s) About SDI | Contained Question(s) About Contras |
|---|---|---|---|---|---|
| Missouri: | None | | | | |
| New Mexico: | 3rd C.D.: | - | Nat'l Endowment for Preservation of Liberty | YES | NO |
| North Carolina: | Statewide: | | David Funderburk for U.S. Senate | YES | YES |
| | 3rd C.D.: | - | Nat'l Endowment for Preservation of Liberty | YES | NO |
| | 8th C.D.: | - | Nat'l Endowment for Preservation of Liberty | YES | NO |
| | Statewide: | | FFACT (Textile Issues) | NO | NO |
| Ohio: | Statewide: | | Tom Kindness for U.S. Senate | NO | NO |
| | Statewide: | | Nat'l Republican Senatorial Committee | NO | NO |
| | 11th C.D.: | - | Margaret Mueller for Congress | NO | NO |
| | 19th C.D.: | - | Gary Suhadolnik for Congress | YES | NO |
| Oklahoma: | Statewide: | | Don Nickles for U.S. Senate | NO | NO |
| | Statewide: | | Nat'l Republican Senatorial Committee | NO | YES |
| Pennsylvania: | Statewide: | | Don Pasquale for Lt. Governor | NO | NO |
| | 4th C.D.: | - | Al Lindsay for U.S. Congress | YES | YES |
| | 8th C.D.: | - | Nat'l Endowment for Preservation of Liberty | YES | NO |
| South Carolina: | Statewide: | - | FFACT (Textile Issues) | NO | NO |
| Tennessee: | 3rd C.D.: | - | John Davis for Congress | NO | YES |
| | 8th C.D.: | - | Nat'l Endowment for Preservation of Liberty | YES | NO |
| | 6th C.D.: | - | Nat'l Endowment for Preservation of Liberty | YES | NO |
| | 5th C.D.: | - | Nat'l Endowment for Preservation of Liberty | YES | NO |

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**Question #5A**

| | | | Contained Question(s) About SDI | Contained Question(s) About Contras |
|---|---|---|---|---|
| Texas: | Statewide: - | Foundation for Education on Free Enterprise | NO | YES |
| | 14th C.D.: - | Mac Sweeney for Congress | YES | YES |
| | 14th C.D.: - | Nat'l Republican Congressional Committee | NO | NO |
| | 16th C.D.: - | Roy Gillian for Congress | NO | NO |
| | Statewide: - | Associated Texas Against Crime | NO | NO |

0004077447114

BUSINESS RECORDS SUBMITTED
WITH MARCH 8, 1988, FINKLESTEIN
RESPONSE TO SUBPOENA HAVE BEEN DELETED
FROM THE PUBLIC RECORD

0004074715

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

March 11, 1988

Carolyn Weeder, Esquire
McDermott, Will & Emery
1850 K Street, N.W.
Suite 500
Washington, D.C. 20006-2296

RE: MUR 2406

Dear Ms. Weeder:

This is in response to your letter dated March 8, 1988, which we received the same day, requesting an extension of 30 days until April 15, 1988 to respond to the Commission's subpoena in MUR 2406. After considering the circumstances presented in your letter, I have granted the requested extension. Accordingly, your response is due by close of business on April 15, 1988.

If you have any questions, please contact Judybeth Greene, the attorney assigned to this matter, at (202) 376-5690.

Sincerely,

Lawrence M. Noble
General Counsel

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HAND DELIVERED

RECEIVED
FEDERAL ELECTION COMMISSION
MAIL ROOM

88 MAR 10 AM 9:22

*Mosbacher Management Company*

*Texas Commerce Bank Building*
*712 Main Street, Suite 2200*
*Houston, Texas 77002-3290*

*713 546-2500*

FEDERAL EXPRESS

March 9, 1988

Federal Election Commission
Room 659
999 E Street, N.W.
Washington, D. C. 20463

RECEIVED
FEDERAL ELECTION COMMISSION
OFFICE OF GENERAL COUNSEL
88 MAR 10 AM 10:16

Attention: Lawrence M. Noble
General Counsel

Reference: MUR 2406

Gentlemen:

On behalf of Robert Mosbacher, Jr., we hereby enclose responses to the Interrogatories and Requests for Production of Documents addressed to Robert Mosbacher and received in our office on January 26, 1988.

The documents produced in response to the Request for Production are numbered 1 through 248. We request that such documents be kept confidential and used only for the purpose of your investigation. If possible, we request such documents be returned to us when your investigation is completed.

Based upon my telephone conversation with Michael Marinelli on February 9, 1988, we are submitting responses for Robert Mosbacher, Jr. only and not for Robert Mosbacher, Sr.

In the event you have questions regarding these responses, please do not hesitate to contact the undersigned.

Very truly yours,

MOSBACHER MANAGEMENT COMPANY

Pamela Stockton
Vice President,
Counsel and Secretary

PS/dm
BH:3/9

cc: Robert Mosbacher, Jr.

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of ) MUR 2406

RESPONSE OF ROBERT MOSBACHER, JR.

TO

INTERROGATORIES AND REQUEST FOR PRODUCTION OF DOCUMENTS

ANSWERS TO INTERROGATORIES AND REQUEST FOR PRODUCTION OF DOCUMENTS

INTERROGATORY AND REQUEST FOR DOCUMENTS NO. 1.

State whether you made any gifts of money to the National Endowment for the Preservation of Liberty, Sentinel, the American Conservative Trust, or the American Conservative Trust State Election Fund in 1985 or 1986.

a. If so, state the date and the amount and the payee of all such gifts.

b. Provide a true copy of the front and back of all checks by which such gifts were made.

c. Provide true copies of all correspondence and all other writings related to the making of these gifts.

RESPONSE TO INTERROGATORY AND REQUEST FOR DOCUMENTS NO. 1.

Yes.

a. The date, amount and payee of all such gifts are as follows:

| | | |
|---|---|---|
| August 30, 1985 | $1,000 | National Foundation for the Preservation of Liberty (endorsed by National Endowment for the Preservation of Liberty) |
| March 14, 1986 | $5,000 | National Endowment for the Preservation of Liberty |

b-c. Copies are attached.

INTERROGATORY AND REQUEST FOR DOCUMENTS NO. 2.

State whether the National Endowment for the Preservation of Liberty, Sentinel, the American Conservative Trust, or the American Conservative Trust State Election Fund requested or solicited gifts of money from you in 1985 or 1986.

a. If such request(s) or solicitation(s) was (were) made by telephone, state the date(s) of all such telephone calls, identify the person(s) who made the request(s) or solicitation(s) or call(s) and all other person(s) who participated in the telephone calls, identify the organization(s) on whose behalf the request(s) or solicitation(s) was (were) made, and describe in detail the content of all such telephone calls.

b. If such request(s) or solicitation(s) was (were) written, provide true copies of all such requests or solicitations that you received.

c. If such request(s) or solicitation(s) was (were) made personally or face to face, state the date and place of all such meetings, identify the person(s) participating in each meeting and the organization(s) on whose behalf the request(s) or solicitation(s) was (were) made, and describe in detail the content of all such meetings, and provide all documents relating to such request(s) or solicitation(s).

d. If you are unable to provide a true copy of any written document, state each and every reason why you are unable to do so, identify the person(s) who signed the document and each organization on whose behalf it was made and the date of each document, and describe in detail the content of all such documents.

e. If you are unable to provide any specific fact, state each and every reason why you are unable to do so.

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RESPONSE TO INTERROGATORY AND REQUEST FOR DOCUMENTS NO. 2.

Yes.

a. The date and caller with respect to all telephone contacts are set forth on the telephone logs attached hereto with the exception that Jane McLaughlin called me on January 23, 1986 regarding a meeting at the White House. Mrs. Ellen Garwood was the first person to call me about supporting the Nicaraguan Freedom Fighters. During her call, Mrs. Garwood explained why she felt it was important and asked for my support. Jane McLaughlin initially called on behalf of the National Endowment for the Preservation of Liberty, then the American Conservative Trust and asked for my support.

b. Copies of all such solicitations received by me are, to the best of my knowledge, attached hereto.

c. There were several requests for funds from the National Endowment for the Preservation of Liberty pending when I first met with Jane McLaughlin face-to-face. I had also been invited to a meeting at the White House, which I was unable to attend.

In my first meeting with Ms. McLaughlin, on February 11, 1986, we discussed the current status of the fighting in Nicaragua, as well as efforts to generate support for the President's program. I seem to recall that Jane requested a contribution of $25,000.

c. (continued) My second meeting with Ms. McLaughlin took place on July 30, 1986. She was accompanied by Spitz Channel and one other gentleman associated with their activities, whose name I cannot recall. The purpose of the meeting was to show me public opinion polls that indicated the popularity of the President's Strategic Defense Initiative. Mr. Channel indicated that the lack of support for SDI from certain incumbent Democratic congressmen from Texas would make them vulnerable to defeat from Republican challengers.

The surveys conducted by Arthur J. Finkelstein and Associates included some 17 selected congressional districts, four of which were in Texas. I have enclosed a copy of the survey. Channel asked me to contribute to their efforts to publicize through television advertising, the lukewarm or limited support that Democratic "Congressman X" was giving to SDI. As I indicated previously, I declined all requests to contribute to media advertising run by the National Endowment for the Preservation of Liberty or the American Conservative Trust; and I responded in the same fashion to this request.

I had no further face-to-face meetings with anybody from NEPL or the American Conservative Trust during 1985 or 1986.

d. Not applicable (see b. above).

e. Not applicable.

INTERROGATORY AND REQUEST FOR DOCUMENTS NO. 3.

State whether person(s) who requested or solicited gifts of money from you in 1985 or 1986 on behalf of the National Endowment for the Preservation of Liberty, Sentinel, the American Conservative Trust, or the American Conservative Trust State Election Fund, in any manner, informed you or represented to you that such gifts would be used to pay for the costs of television advertisements relating to the Nicaragua Freedom Fighters (or Contras) or the Strategic Defense Initiative. If so, identify the person(s) who so informed you and the organization(s) on whose behalf such funds were sought and the date(s) of all such communications and describe in detail what you were told.

RESPONSE TO INTERROGATORY AND REQUEST FOR DOCUMENTS NO. 3.

After contributing $1,000 in August of 1985, and then contributing $5,000 in March of 1986, I received a telephone solicitation from Jane McLaughlin requesting additional funds to support television advertisements on behalf of the Freedom Fighters in Nicaragua. I declined to contribute to that solicitation.

As indicated previously, I received correspondence regarding an advertising campaign in support of SDI, and also met with Spitz Channel and Jane McLaughlin regarding certain polling data in selected congressional districts. The object of their solicitations was raising money for television advertisements showing that selected Democratic members of Congress were "out of step" with their districts when it came to their lukewarm or nonexistent support for SDI.

INTERROGATORY AND REQUEST FOR DOCUMENTS NO. 4.

State whether person(s) who requested or solicited gifts of money from you in 1985 or 1986 on behalf of the National Endowment for the Preservation of Liberty, Sentinel, the American Conservative Trust, the American Conservative Trust State Election Fund, in any manner, informed you or represented to you that such gifts were in connection with or for the purpose of influencing any election for Federal office (such as for the House of Representatives or the Senate). If so, identify the person(s) who so informed you or made such representations and the organization(s) on whose behalf such statements were made and the date(s) of all such communications and describe in detail what you were told. Provide copies of all documents relating to such statements or representations.

RESPONSE TO INTERROGATORY AND REQUEST FOR DOCUMENTS NO. 4.

In a couple of telephone conversations with Jane McLaughlin, she approached me regarding support for television ads to be run as negative attacks against certain Texas Democratic congressmen. I explained to her that I disliked negative, attack advertising, thought it would be counterproductive, and refused to support it financially. Copies of all documents relating to statements or representations made to me are, to the best of my knowledge, attached hereto.

INTERROGATORY AND REQUEST FOR DOCUMENTS NO. 5.

Identify all persons (other than your attorney) including the news media to whom you have made other statements, either written or oral, about gifts of money or solicitations or requests for such gifts you may have made to the National Endowment for the Preservation of Liberty, Sentinel, the American Conservative Trust, or the American Conservative Trust State Election Fund. State the date of all such statements and provide a copy of all written statements you have made to such persons or describe in detail the content of all such statements.

RESPONSE TO INTERROGATORY AND REQUEST FOR DOCUMENTS NO. 5.

I was interviewed by reporters for the New York Times and the Dallas Morning News for stories appearing on April 12, 1987 and May 1, 1987, respectively. Copies of the articles appearing in these publications are attached hereto. I gave no written statements to anyone.

Dated March 8, 1988.

Robert Mosbacher, Jr.

STATE OF TEXAS §
§
COUNTY OF HARRIS §

SUBSCRIBED AND SWORN TO before me this 7th day of March, 1988 by ROBERT MOSBACHER, JR.

WITNESS MY HAND AND SEAL.

My Commission Expires:
July 8, 1989

Mary R. Kloss
Notary Public in and for the
State of Texas

MARY R. KLOSS
Notary Public, State of Texas
My Commission Expires July 8, 1989

BH:3/7
encl.

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BUSINESS RECORDS SUBMITTED
WITH MARCH 9, 1988, MOSBACHER
RESPONSE TO SUBPOENA HAVE BEEN DELETED
FROM THE PUBLIC RECORD

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MCC#8825
RECEIVED
FEDERAL ELECTION COMMISSION
OFFICE OF GENERAL COUNSEL
88 MAR 21 PM 12:49

LAW OFFICES

FRANK, BERNSTEIN, CONAWAY & GOLDMAN

300 EAST LOMBARD STREET
BALTIMORE, MARYLAND 21202
(301) 625-3500

SUITE 700
AMERICAN CITY BUILDING
10227 WINCOPIN CIRCLE
COLUMBIA, MARYLAND 21044
(301) 730-9477
TELECOPIER: (301) 730-1645
CABLE: FRASKOP
TELEX: 87939

8300 GREENSBORO DRIVE
McLEAN, VIRGINIA 22102
(703) 893-4670

WRITER'S DIRECT NUMBER
(301) 625-
3742

March 21, 1988

HAND-DELIVERED

Lawrence M. Noble, Esquire
General Counsel
Federal Election Commission
E Street, N.W.
Washington, D.C. 20463

Re: MUR 2406 - The Robert Goodman Agency's Response to the Commission's Subpoena to Produce Documents and Order to Submit Written Answers

Dear Mr. Noble:

Enclosed in the two accompanying boxes are copies of documents and materials in the possession of the Robert Goodman Agency which are responsive to the Commission's subpoena. In addition, I have enclosed the Robert Goodman Agency's responses to the Commission's Order to Submit Written Answers.

Please note that the Robert Goodman Agency wishes to request reimbursement for the costs it has incurred in responding to this subpoena. Furthermore, once the Commission has finished its review of the enclosed documents, the Robert Goodman Agency requests that the documents be returned.

Sincerely yours,

James H. Scott

James H. Scott

JHS/msn
Enclosures
cc: Mr. Robert Goodman
M. Peter Moser, Esquire
Allen L. Schwait, Esquire
Sandra H. Robinson, Esquire

0015L

0004079434

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of ) MUR 2406

RESPONSE OF THE ROBERT GOODMAN AGENCY TO THE COMMISSION'S SUBPOENA TO PRODUCE DOCUMENTS AND ORDER TO SUBMIT WRITTEN ANSWERS

The Robert Goodman Agency, by its attorneys, M. Peter Moser and Allen L. Schwait, answers the Commission's Interrogatories and Request for Documents as follows:

INTERROGATORY AND REQUEST FOR DOCUMENTS NO. 1

a) State whether the Robert Goodman Agency ("Goodman Agency") had an agreement with the National Endowment for the Preservation of Liberty ("NEPL"), Sentinel, American Conservative Trust, or Carl R. Channell to produce media advertisements in 1985 and/or 1986.

RESPONSE

There was no written agreement between the Goodman Agency and NEPL, Sentinel, ACT or Carl R. Channell ("Channell") to produce media advertisements in 1985 and/or 1986. The Goodman Agency, as one of many service providers, did, however, on a job-by-job basis produce media advertisements for NEPL, Sentinel and ACT.

b) Describe in detail the services provided by the Goodman Agency pursuant to such agreement.

RESPONSE

The Goodman Agency did not provide services to Channell, NEPL, Sentinel or ACT pursuant to a specific

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agreement. The Goodman Agency, as a service provider, did create and produce various media advertisements, upon request, for NEPL, Sentinel and ACT.

c) If the agreement was in written form, provide a true copy of the executed contract(s). If no written contract, describe the terms of all oral agreements and identify the parties involved.

RESPONSE

The Goodman Agency had no written agreement with Channell, NEPL, Sentinel or ACT and none of the oral agreements contained specific terms. Generally, however, Channell or someone from NEPL, Sentinel or ACT would request that a specific media advertisement be produced. Relying on information and direction from Channell or someone from NEPL, Sentinel or ACT, the Goodman Agency would create and produce each advertisement requested. Once produced, the Goodman Agency would submit the media advertisement to Channell, NEPL, Sentinel or ACT for approval. Once approved, the Goodman Agency would purchase time on local television stations to air the advertisements. Generally, the market areas selected by the Goodman Agency were recommended by Channell, NEPL, Sentinel or ACT.

INTERROGATORY AND REQUEST FOR DOCUMENTS NO. 2

State whether you were informed of the purpose of the media advertisements and, if so, describe such purpose.

RESPONSE

The Goodman Agency was not specifically informed of the purpose of the advertisements it produced for Channell,

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NEPL, Sentinel or ACT. Generally, however, the Goodman Agency understood that the purpose of the advertisements produced for NEPL, Sentinel, ACT and/or Channell was to educate the general public about identified issues and thereby influence public opinion.

INTERROGATORY AND REQUEST FOR DOCUMENTS NO. 3

Identify the person(s) who approved each advertisement.

RESPONSE

Each advertisement was approved by Channell or one of his associates. Below is a list of the individuals at NEPL, Sentinel and ACT who may have approved media advertisements:

a) Carl R. Channell;

b) Dan Conrad;

c) Cliff Smith.

INTERROGATORY AND REQUEST FOR DOCUMENTS NO. 4

a) State the number of media advertisements produced pursuant to such agreement.

RESPONSE

The Goodman Agency had no agreement by which it produced media advertisements. In response to this interrogatory and request for documents, the Goodman Agency has produced documents which lists the media advertisements in its possession, including creative variations of media advertisements which were not aired on television.

b) Provide a copy of the story board and script for each advertisement.



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**RESPONSE**

The Goodman Agency never produced story boards prior to production, and does not have copies of all scripts for each advertisement. However, scripts in its possession have been produced.

c) Identify the type of media used for each advertisement.

**RESPONSE**

Television was the only type of media used for the advertisement the Goodman Agency produced for Channell, NEPL, Sentinel or ACT.

d) Identify the geographical area(s) where each advertisement was presented/broadcast and the date(s) for each presentation.

**RESPONSE**

In response to this interrogatory and request for documents, the Goodman Agency, after a due diligence search, has produced documents that identify the geographical areas where advertisements were presented/broadcast and the dates of those broadcasts.

e) Provide true copies of all documents, including correspondence, notes, memoranda, contracts, invoices, and other material, connected with the development and production of each advertisement.

**RESPONSE**

All responsive documents in the Goodman Agency's possession have been provided. Only those documents privileged

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as attorney client communications or attorney work product have not been produced.

INTERROGATORY AND REQUEST FOR DOCUMENTS NO. 5

a) State the total amount charged and the amount charged for each advertisement for the services rendered by the Goodman Agency pursuant to such agreement.

RESPONSE

The Goodman Agency had no agreement by which it charged Channell, NEPL, Sentinel or ACT for services rendered. In further response to this interrogatory and document request, the Goodman Agency, after a due diligence search, has produced records that reflect the amounts charged for the services rendered to Channell, NEPL, Sentinel and ACT.

b) State the date(s) of payment for such services and the amount of such payment(s).

RESPONSE

In response to this interrogatory and document request, the Goodman Agency, after a due diligence search, has produced records that reflect the amount and date of payments received from Channell, NEPL, Sentinel and ACT.

c) State the organization(s) and/or person(s) who made such payment(s).

RESPONSE

In response to this interrogatory and document request, the Goodman Agency, after a due diligence search, has

produced records that reflect the organizations and/or persons who made such payments to the Goodman Agency.

M. Peter Moser
Allen L. Schwait
Frank, Bernstein, Conaway & Goldman
300 East Lombard Street
Baltimore, Maryland 21202
(301) 625-3500

4468Q

0004074730

BUSINESS RECORDS SUBMITTED
WITH MARCH 21, 1988, GOODMAN AGENCY
RESPONSE TO SUBPOENA HAVE BEEN DELETED
FROM THE PUBLIC RECORD

0004079473 1

SENSITIVE

FEDERAL ELECTION COMMISSION RECEIVED

**BEFORE THE FEDERAL ELECTION COMMISSION**

88 MAR 29 PM 12:40

| | | |
|---|---|---|
| In the Matter of | ) | |
| | ) | |
| National Endowment for the Preservation of Liberty; Carl Russell Channell; Sentinel; American Conservative Trust State Election Fund; American Conservative Trust and Carl R. Channell, as treasurer | ) | MUR 2406 |

**COMPREHENSIVE INVESTIGATIVE REPORT # 1**

On February 18, 1988, the Commission approved subpoenas to five vendors as part of its investigation in this matter. These vendors are the Robert Goodman Agency, Arthur J. Finkelstein and Associates, Daniel J. Edelman, Inc., Miner & Fraser Public Affairs, Inc., and Lichtenstein and Company. The subpoenas were sent on February 23, 1988. On March 3, 1988, the Commission approved a letter to the Independent Counsel. These letters were sent on March 8. The return receipt shows that the Independent Counsel received the letter on March 17.

Lichtenstein and Company responded to the Commission's subpoena on February 29 with a 50-page submission. Arthur J. Finkelstein and Associates responded on March 10 with a submission of several hundred pages. Counsel for the Robert Goodman Agency initially responded on March 3 with a list of documents the Agency had previously submitted to the House and Senate Select Committees. On March 21, counsel provided these documents in two large file boxes containing approximately 142

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file folders of material. Counsel for Daniel J. Edelman, Inc., requested and was granted an extension of time in which to respond until April 15. The subpoena to Miner & Fraser Public Affairs, Inc., was returned undelivered on March 22. Staff of this Office immediately contacted C.T. Corporation Systems, the agent for service of process identified on the firm's incorporation record, which then agreed to accept service of the subpoena. It was resent the same day. On March 10, the Commission received a 250-page response from Robert Mosbacher, Jr., one of the contributors to whom the Commission had sent interrogatories and requests for documents. This Office has now received a response from, or on behalf of, ten contributors.

The Commission's investigation in this matter has produced a significant volume of material. Staff of this Office are currently engaged in the review of this information. As this process proceeds, this Office will further report to the Commission.

Date 3/29/88

Lawrence M. Noble
General Counsel

Staff Person: George F. Rishel

9004079473 3

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

MEMORANDUM TO: THE COMMISSION

FROM: MWE MARJORIE W. EMMONS/JOSHUA MCFADDEN

DATE: MARCH 30, 1988

SUBJECT: MUR 2406 - COMPREHENSIVE INVESTIGATIVE REPORT #1
SIGNED MARCH 29, 1988

The above-captioned matter was received in the Office of the Secretary of the Commission Tuesday, March 29, 1988 at 12:40 P.M. and circulated to the Commission on a 24-hour no-objection basis Tuesday, March 29, 1988 at 4:00 P.M.

There were no objections received in the Office of the Secretary of the Commission to the Comprehensive Investigative Report #1 at the time of the deadline.

0040794734

OCC#9010

MINER, FRASER & GABRIEL
Public Affairs, Inc.

RECEIVED
FEDERAL ELECTION COMMISSION
88 APR -8 PM 2:00

April 8, 1988

Ms. Judybeth Greene
Federal Election Commission
Washington, DC 20463

RE: MUR 2406

Dear Ms. Greene:

The purpose of this letter is to respond to Mr. Noble's February 23, 1988 letter and accompanying subpoena dated March 25, 1988 with interrogatories and document requests. You will find our document production in the enclosed folder. The documents are separated by question number. The following interrogatory answers are submitted under oath pursuant to 28 U.S.C. §.§. 1746.

These interrogatory answers and document responses were compiled by Ms. Margaret Littledale and myself. The document responses were compiled from our central contract files. Ms. Humeres and Ms. Fraser provided verbal input into the interrogatory answers. Ms. Humeres and Ms. Fraser have direct knowledge of the subject matter.

Question #1 - Miner & Fraser Public Affairs, Inc. (M&F) was retained by the American Conservative Trust on February 26, 1986. You will find the terms of the agreement contained in the document response labeled "Question #1". Miner & Fraser's only relationship with Mr. Channel was in his capacity as President of the American Conservative Trust. Miner & Fraser's only relationship with Sentinel was that all of our invoices were paid from the Sentinel checking account.

Question #2 - Miner & Fraser was retained for the purpose of assisting the American Conservative Trust in "gaining legislative clearance for $100 million to support the aid package for the Nicaraguan Freedom Fighters". The specific strategy employed was to garner grassroots support through trade and professional associations in a letter writing campaign to key members of Congress identified to us by Mr. Channel. Miner & Fraser's efforts occurred during the contract period of February 26, 1986 through March 19, 1986. All of Miner & Fraser's efforts were performed within the limits of the Washington, D. C. metropolitan area. The documents produced in response to Question #2 list organizations contacted as part of Miner & Fraser's efforts.

Question #3 - You will find the draft letters provided to this network of organizations in the attachment labeled "Question #3". No promotional advertisements were used by Miner & Fraser.

1025 Connecticut Avenue, N.W., Washington, D.C. 20036 (202) 223-0030

Question #4 - Miner & Fraser was paid $15,000.00 in professional fees and $1,479.99 in direct expenses for its efforts on this contract. All invoices were paid by checks from Sentinel (copies are included in the document response to labeled Question #4).

Question #5 - The specific members of Congress targeted for the grassroots letter-writing campaign were identified by Mr. Channel. The specific list provided to us by Mr. Channel is contained in the document response to Question #5. (To the best of our records, we did not receive anything more than this one page list.)

Question #6 - Miner & Fraser did not participate in the selection or identification of the targeted members of Congress, consequently we cannot state whether Mr. Channel used any polling information.

Question #7 - Mr. Channel stated clearly in our contract of February 26, 1986 that the purpose of our efforts were to "assist the initiative to gain legislative clearance for $100 million to support the aid package for the Nicaraguan Freedom Fighters." The contract continues, "Mission: To network with organizations -- national and grassroots with a goal to influence targeted Congressional votes." Neither Mr. Channel, nor any staff member of his organization, informed anyone at Miner & Fraser of any information that would amplify or expand the definition contained in our contract.

Question #8 - The following M&F professional staff performed services under this contract:

| | | |
|---|---|---|
| Maria Humeres | Priscilla Smith | Bob Tuverson |
| Edith Fraser | Emily Hurst | |

Ms. Humeres and Ms. Fraser contacted organizations to implement the letter-writing campaign. Ms. Humeres concentrated on Spanish-speaking and women's organizations. Ms. Fraser managed the performance of the contract. Ms. Smith edited or drafted written materials. Ms. Hurst assisted in minor ways such as envelope stuffing. Mr. Tuverson is no longer employed by Miner & Fraser and we do not have a record of the specific work he performed.

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The following M&F support staff performed services under this contract:

Adrian Vanfield  Ben Mitchell  Mary O'Rourke
Mary Adams

These persons performed secretarial and clerical functions.

The following outside consultants were retained to perform services under this contract:

Jan Ellis  Barbara Wheeler

These persons assisted in implementation of the letter-writing campaign.

Question #9 - No relationship exists or has existed between Miner & Fraser and Lichtenstein and Co.

I hope that this information and the attachments will assist you in your investigation. In the event that you have any further questions or concerns, we ask that your direct your inquiries to our general counsel, Mr. Roger Spaeder of Zuckerman, Spaeder, Goldstein, Taylor & Kolker at (202) 778-1800.

Pursuant to 28 U.S.C. §§. 1746, I declare under penalty of perjury that the foregoing is true and correct.

James L. Wright
Senior Vice President

Executed on 4/7, 1988

Enclosure

cc: Mr. Roger Spaeder

0004079437

2004074738

**BUSINESS RECORDS SUBMITTED
WITH APRIL 8, 1988, MINER, FRASER & GABRIEL
RESPONSE TO SUBPOENA HAVE BEEN DELETED
FROM THE PUBLIC RECORD**

MCC # 9062

RECEIVED
FEDERAL ELECTION COMMISSION
OFFICE OF GENERAL COUNSEL

88 APR 15 PM 1:14

McDERMOTT, WILL & EMERY
A PARTNERSHIP INCLUDING PROFESSIONAL CORPORATIONS

1850 K STREET, N. W.
SUITE 500
WASHINGTON, D. C. 20006-2296
202/887-8000
FACSIMILE 202/778-8087
TELEX 904261 MILAM WASH

111 WEST MONROE STREET
CHICAGO, ILLINOIS 60603
312/372-2000

ONE POST OFFICE SQUARE
BOSTON, MASSACHUSETTS 02109
617/357-0200

2049 CENTURY PARK EAST
LOS ANGELES, CALIFORNIA 90067
213/277-4110

700 BRICKELL AVENUE
MIAMI, FLORIDA 33131
305/358-3500

1301 DOVE STREET
NEWPORT BEACH, CALIFORNIA 92660
714/851-0633

101 NORTH MONROE STREET
TALLAHASSEE, FLORIDA 32301
904/222-2312

April 15, 1988

**CONFIDENTIAL**

BY HAND DELIVERY

Lawrence Noble, Esq.
General Counsel
Federal Election Commission
999 E Street, N.W.
Sixth Floor, Room 657
Washington, D.C. 20463

Re: MUR 2406: Response of Non-Respondent Witness Daniel J. Edelman, Inc.

Dear Mr. Noble:

Non-respondent witness, Daniel J. Edelman, Inc. ("Edelman"), hereby responds to the subpoena and order served upon it in connection with the above-referenced matter under review. Attached hereto are responses to the interrogatories posed and produced herewith are the documents requested. Each document is identified by a Bate stamp number.

Edelman considers the information and documents submitted to be confidential and requests that no disclosures be made without its consent, regardless of respondents' consent to any disclosure.

Sincerely,

Carolyn K. Weeder

Carolyn K. Weeder

CKW:kc
Enclosures

cc (without enclosures): Judybeth Greene, Esq.

RESPONSES AND BUSINESS RECORDS SUBMITTED
BY DANIEL J. EDELMAN, INC., ON APRIL 15, 1988,
IN RESPONSE TO SUBPOENA HAVE BEEN DELETED
FROM THE PUBLIC RECORD

0004079740

MUR 2406

RECEIVED
FEDERAL ELECTION COMMISSION
MAIL ROOM

88 APR 20 AM 10:00

OFFICE OF INDEPENDENT COUNSEL
SUITE 701 WEST
555 THIRTEENTH STREET, N.W.
WASHINGTON, D.C. 20004
(202) 383-8940

April 18, 1988

RECEIVED
FEDERAL ELECTION COMMISSION
OFFICE OF GENERAL COUNSEL

88 APR 20 PM 3:42

Lawrence M. Noble, Esq.
General Counsel
Federal Election Commission
Washington, D.C. 20462

Re: Carl R. Channell

Dear Mr. Noble:

This is in response to your letter to Lawrence E. Walsh dated March 8, 1988. Enclosed please find a copy of this Office's agreement with Carl R. Channell. Please maintain the confidentiality of the document. If I can be of further assistance, please do not hesitate to contact me.

Very truly yours,

LAWRENCE E. WALSH
Independent Counsel

By: David M. Zornow
David M. Zornow
Associate Counsel
Telephone: (202) 383-8962

0004207437411

OFFICE OF INDEPENDENT COUNSEL
SUITE 701
555 THIRTEENTH STREET, N.W.
WASHINGTON, D.C. 20004
(202) 383-8940

April 28, 1987

Alexia Morrison, Esquire
Swidler and Berlin
1000 Thomas Jefferson Street, N.W.
Washington, D.C. 20007

RE: Carl R. Channell

Dear Ms. Morrison:

On the understandings specified below, the United States of America, through this Office, will accept a guilty plea from Carl R. Channell to a single felony count charging him with conspiracy, in violation of Title 18, United States Code, Section 371, carrying a maximum sentence of five (5) years' imprisonment and a $250,000 fine. If he fully complies with these understandings, Carl R. Channell will not be further prosecuted by this Office for his activities from April 1, 1985 to the date of the signing of this Agreement in connection with the National Endowment for the Preservation of Liberty, the American Conservative Trust, the American Conservative Trust-State Election Fund, Channell Corporation, Anti-Terrorism American Committee, Anti-Terrorism American Committee-State Election Fund, Sentinel, Western Goals Foundation, Western Goals Endowment Fund, Grow Washington, Hill-Potomac Group, and American Conservative Foundation. In addition, this Office will not prosecute Carl R. Channell for any criminal tax violations arising from his activities with respect to the organizations listed above prior to the date of the signing of this Agreement provided that Carl R. Channell agrees to pay whatever civil tax liability, including interest and penalties, may be determined to be due and owing for this period pursuant to the provisions of the Internal Revenue Code. Furthermore, this Office agrees that prior to the time Carl R. Channell testifies in the Grand Jury and/or at any trial, this Office will apply for a Court order granting him statutory use immunity with respect to that testimony pursuant to Title 18, United States Code, Sections 6001-6003.

The understandings are that Carl R. Channell shall truthfully disclose all information with respect to the activities of himself and others concerning all matters about which this Office inquires of him, shall cooperate fully with this Office and its agents, shall attend all meetings with representatives of this Office and its agents at which his presence is requested, and, further, shall truthfully testify

before the Grand Jury and/or at any trial or other court proceeding with respect to any matters about which this Office may request his testimony.

It is further understood that the sentence to be imposed upon Carl R. Channell is within the sole discretion of the sentencing judge. This Office cannot and does not make any promise or representation as to what sentence Carl R. Channell will receive, nor will it recommend any specific sentence to the sentencing judge. This Office will inform the sentencing judge and the Probation Department of 1) this Agreement; 2) the nature and extent of Carl R. Channell's activities with respect to this case; and 3) the full extent and nature of Carl R. Channell's cooperation with this Office and the date when such cooperation commenced. In addition, this Office retains the right to present to the sentencing judge and Probation Department, either orally or in writing, any and all facts relevant to sentencing. It is further understood that this Agreement in no way affects or limits this Office's right to respond to and take positions on post-sentence motions or requests for information which relate to parole or reduction or modification of sentence.

It is further understood that this Agreement binds the Office of Independent Counsel. To the extent that it does not bind other federal, state or local prosecuting authorities, this Office will bring the cooperation of Carl R. Channell to the attention of other prosecuting offices if requested.

It is further understood that Carl R. Channell shall at all times give complete, truthful and accurate information and testimony, and must not commit any further crimes whatsoever. Should Carl R. Channell henceforth commit any crimes or should it be determined by this Office that Carl R. Channell has given false, incomplete or misleading testimony or information or has otherwise violated any provision of this Agreement, Carl R. Channell shall thereafter be subject to prosecution for any federal criminal violation of which this Office has knowledge. Such prosecutions may be premised upon any information, statements or testimony provided by Carl R. Channell, and such information, statements and testimony, and leads derived therefrom, may be used against him. In addition, any prosecutions which are not time-barred by the applicable statute of limitations on the date of the signing of this Agreement may be commenced against Carl R. Channell in accordance with this paragraph during the time in which this Office is in existence, notwithstanding the expiration of the statute of limitations between the signing of this Agreement

and the commencement of any such prosecutions. It is the intent of this Agreement to waive any and all defenses based on the statute of limitations with respect to any prosecutions by this Office which are not time-barred on the date this Agreement is signed.

Furthermore, it is agreed that in the event that it is determined that Carl R. Channell has violated any provision of this Agreement (1) all statements made by Carl R. Channell to this Office or other law enforcement agents, or any testimony given by Carl R. Channell before a grand jury or other tribunal, whether prior to or subsequent to this Agreement, or any leads from such statements or testimony, shall be admissible in evidence in any and all criminal proceedings hereafter brought against Carl R. Channell by this Office and (2) Carl R. Channell shall assert no claim under the United States Constitution, any statute, Rule 11(e)(6) of the Federal Rules of Criminal Procedure, Rule 410 of the Federal Rules of Evidence or any other federal rule, that statements made by him prior to or subsequent to this Agreement, or any leads provided by him prior to or subsequent to this Agreement, or any leads therefrom, should be suppressed in a prosecution by this Office. It is the intent of this Agreement to waive any and all rights in the foregoing respects.

No additional promises, agreements or conditions have been entered into other than those set forth in this letter and none will be entered into unless in writing and signed by all parties.

Very truly yours,

Lawrence E. Walsh
Independent Counsel

By: _____
Michael R. Bromwich
Associate Counsel

_____
David M. Zornow
Associate Counsel

AGREED AND CONSENTED TO:

_____
Carl R. Channell

APPROVED:

_____
Alexia Morrison, Esquire
Attorney for Carl R. Channell

0004074744

RECEIVED
FEDERAL ELECTION COMMISSION
SECRETARIAT
88 APR 15 PM 12:01

**BEFORE THE FEDERAL ELECTION COMMISSION**

| | | |
|---|---|---|
| In the Matter of | ) | |
| | ) | |
| National Endowment for the Preservation of Liberty; Carl Russell Channell; Sentinel; American Conservative Trust State Election Fund; American Conservative Trust and Carl R. Channell, as treasurer | ) | MUR 2406 |

SENSITIVE

**COMPREHENSIVE INVESTIGATIVE REPORT #2**

In the General Counsel's Report signed January 29, 1988, this Office noted that it had been in contact with staff of the House and Senate Select Committees. We further noted that it did not then appear likely materials provided to the committees by Mr. Channell would become available to the Commission. Nevertheless, this Office has maintained contact with representatives of the committees in the hope of obtaining information relative to the Commission's investigation.

In March, staff of this Office learned that the committees would be releasing deposition testimony of persons questioned as part of their investigation. These depositions are being released only as published by the Government Printing Office, a process which is expected to take several weeks or months.

On April 5, 1988, this Office obtained the first set of depositions. They include four volumes of the expected 27 volumes of depositions to be published, specifically Volumes 14, 16, 19, and 20. Included in these volumes are the following depositions that may contain testimony relating to the issues involved in this matter:

0004074813

| Witness | Deposition Pages | Exhibit Pages |
|---|---|---|
| Bruce Hooper | 73 | 27 |
| Krishna Littledale | 163 | 48 |
| Jane McLaughlin | 218 | 49 |
| Richard Miller | 678 | 318 |
| Barbara Newington | 107 | 3 |

Among the volumes that remain to be released and published are those containing the depositions of Mr. Channell, Daniel Conrad and Clifton Smith (two officials of Mr. Channell's organizations) as well as several persons hired by Mr. Channell and others who contributed to Mr. Channell's organizations. This Office will continue to maintain its contact with the committees in order to obtain this information as it becomes available.

Staff of this Office are continuing review of information received to date, including the deposition testimony noted above. As this review proceeds, this Office will further report to the Commission.

4/14/88
Date

Lawrence M. Noble
General Counsel

Staff Person: George F. Rishel

0004074746

DERAL ELECTION COMMISSION

WASHINGTON, D.C. 20463

MEMORANDUM TO: LAWRENCE M. NOBLE
GENERAL COUNSEL

FROM: MWE MARJORIE W. EMMONS/JOSHUA MCFADDEN

DATE: APRIL 19, 1988

SUBJECT: MUR 2406 - COMPREHENSIVE INVESTIGATIVE REPORT #2
SIGNED APRIL 14, 1988

The above-captioned matter was received in the Office of the Secretary of the Commission Friday, April 15, 1988 at 12:01 P.M. and circulated to the Commission on a 24-hour no-objection basis Monday, April 19, 1988 at 11:00 A.M.

There were no objections received in the Office of the Secretary of the Commission to the Comprehensive Investigative Report #2 at the time of the deadline.

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

MEMORANDUM TO: LAWRENCE M. NOBLE
GENERAL COUNSEL

FROM: MWE MARJORIE W. EMMONS/JOSHUA MCFADDEN JM

DATE: APRIL 19, 1988

SUBJECT: MUR 2406 - COMPREHENSIVE INVESTIGATIVE REPORT #2
SIGNED APRIL 14, 1988

The above-captioned matter was received in the Office of the Secretary of the Commission Friday, April 15, 1988 at 12:01 P.M. and circulated to the Commission on a 24-hour no-objection basis Monday, April 19, 1988 at 11:00 A.M.

There were no objections received in the Office of the Secretary of the Commission to the Comprehensive Investigative Report #2 at the time of the deadline.

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FEDERAL ELECTION COMMISSION
RECEIVED
88 JUN -7 PM 12:08

**BEFORE THE FEDERAL ELECTION COMMISSION**

| | | |
|---|---|---|
| In the Matter of | ) | |
| | ) | |
| National Endowment for the Preservation of Liberty; Carl Russell Channell; Sentinel; American Conservative Trust State Election Fund; American Conservative Trust and Carl R. Channell, as treasurer | ) | MUR 2406 |

SENSITIVE
EXECUTIVE SESSION
JUN 14 1988

**GENERAL COUNSEL'S REPORT**

**I. BACKGROUND**

As this Office noted in CIR #2, signed April 14, 1988, we have received published copies of some of the depositions conducted by the House and Senate Select Committees. We have reviewed the depositions of Richard Miller, Krishna Littledale, Jane McLaughlin, and Clifton Smith along with some of the documentary evidence produced by the Respondents and others. Based on the review conducted to date, this Office concludes that depositions of Richard Miller, Krishna Littledale, Jane McLaughlin, and Clifton Smith, and a subpoena for documents to Legi-Tech, doing business as Washington On-Line, are warranted in furtherance of the Commission's investigation in this matter. The basis for these recommendations are discussed below.

**1. Richard Miller**

The deposition of Mr. Miller covers 678 pages plus 318 pages of documents. The focus of this deposition, however, was primarily on issues other than those involved in this matter. During an inquiry into the funds paid to Mr. Miller's organization, International Business Communications ("IBC"), by Mr. Channell's organizations, the following discussion occurred:

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Q Now the difference between the $5 million total payments you received from NEPL between July 1985 and November 1986 and the payment that your computations show were used for direct contra assistance is about $1.56 million or maybe a little more, I take it just from your testimony this morning.

Was that remaining amount considered to be payment by NEPL to IBC for fees for services and any disbursements expended in the performance of those services?

A Yes.

Q What services exactly gave rise to the, let's call it to round it out, $1.6 million of fees during that 15 or 16-month period?

MR. DUDLEY: Fees and expenses.

BY MR. KAPLAN:

Q Fees and expenses.

A I mean, you have asked for an encyclopedia. In the general category, media relations, lobbying activities, legislative analysis, administration policy analysis, program items such as writing of text, creation of documents, and research into policy and implications of legislation on policy.

We operated a speakers' bureau. We produced several films, television documentaries. We maintained film crews in the border region [deleted] and in some cases they went into Nicaragua. We maintained film crews in Nicaragua and Managua.

We produced text for ads. We produced news release materials, statements. We produced graphics. We produced slides. We produced brochures. We produced books. We produced briefing books. We set up meetings between NEPL people, Administration officials, Congressional officials, media people, state and local officials, industry officials, private citizens' groups.

We provided the Washington coordination for the UNO leadership's Washington activities in 1986. We provided long-term strategic planning documents. We provided scenario analyses of activities by the resistance forces. We provided liaison with the resistance forces and NEPL officials. We provided briefings for NEPL contributors. We provided--I don't know how long you want the list to get. That's as much as I can remember right now.

We handled--in the area of Central America, we handled the Central American Freedom Program and its original--its originator which had a working title of the Sacher program and the Central American Diplomacy Program. We handled the strategic defense initiative program for the Endowment and for Sentinel. We handled constitutional minutes program for the National Endowment. We handled a South

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African Program for the Endowment. We handled a terrorism program for the endowment.
We assisted in setting up one of the political action committees, and other duties as a side.

See Attachment 1.

Among the documents submitted by the Respondents was a report prepared by IBC in early 1987 describing its work on behalf of the Channell organizations for the Central American Freedom Program, the title the Respondents gave to the activities being investigated as part of this matter. See Attachment 2. This report, however, was prepared in early 1987 as part of the efforts to counter news reports of the Respondents' activities. Also attached is a narrative description of the Central American Freedom Program submitted by the Respondents. See Attachment 3. As the passage from Mr. Miller's deposition and these documents demonstrate, IBC and Mr. Miller played a central role in the operation of these activities. As noted above, the deposition of Mr. Miller by the Select Committees did not go into detail regarding this aspect of IBC's and Mr. Miller's activities on behalf of the Channell organizations especially as they may relate to the allegations under investigation in this matter. Therefore, this Office concludes that the Commission should conduct its own deposition of Mr. Miller with respect to the issues involved in this matter.

Accordingly, this Office recommends that the Commission approve the proposed subpoena for the deposition of Richard Miller as a nonrespondent witness.

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2. Krishna Littledale, Jane McLaughlin, and Clifton Smith

According to documents provided by the Respondents and to the depositions by the Select Committees, Krishna Littledale, Jane McLaughlin, and Clifton Smith were three of the principal persons employed by the Channell organizations who solicited funds from individuals. Clifton Smith was also treasurer of the American Conservative Trust. Although the focus of the Select Committees' depositions was primarily on the solicitation of funds for purposes other than the Central American Freedom Program, the depositions did make some inquiries into solicitations for this program, particularly for the television advertising. Nevertheless, this Office concludes that a more detailed and focused inquiry into the solicitations for the Central American Freedom Program activities would be materially helpful to the investigation. We have received written responses from several contributors regarding solicitations made on behalf of the Channell organizations. Depositions of these three principal solicitors would aid in completing the record in this area of the Commission's investigation.

Accordingly, this Office recommends that the Commission approve the proposed subpoenas for the depositions of Krishna Littledale, Jane McLaughlin, and Clifton Smith as nonrespondent witnesses.

3. Legi-Tech (Washington On-Line)

In the First General Counsel's Report, signed November 24, 1987, (page 19, footnote 9), this Office noted that there was information that one or more of the Channell organizations may

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have used information copied from reports filed with the Commission in its solicitation activities. We did not make any recommendations at that time, but suggested further investigation of this allegation may become advisable. A review of the Select Committees' depositions of Krishna Littledale and Jane McLaughlin provides support for further investigating this allegation.

During the deposition of Krishna Littledale, the following discussion occurred:

> Q Would you turn to the next document, Number 37801? Is that your handwriting?
> A It most certainly is.
> Q Could you tell me what the last two lines in that document refer to?
> A Sure. You ever heard of a computer system you can lease in the city called Washington Line[sic]?
> Q No.
> A Well, if you will talk to any of these fine congressmen, they will tell you what it is. But what it is is it is a computerized record of all FEC accountable contributions. So you can look a person up on that thing on your handy-dandy little home computer, and it will tell you all the contributions that person has made since 1983 to PACs and political candidates and that is real handy for a fundraiser.
> Q And those references are to--
> A To somebody that I looked up.
> Q To somebody you looked up on the computer.
> A Right.

See Attachment 4(2 and 3). Also, another document included as part of the exhibits for Mr. Littledale's deposition contains the notation "*SEE BACK FOR ONLINE*." See Attachment 4(4).

The following discussion occurred during the deposition of Jane McLaughlin:

> Q What did you do with respect to those two people?
> A My responsibility was to extract as much money from them as possible. [deleted] presented me with a check as we were leaving the White House. Ralph

0004079475

> Hooper sent his about ten days later. [deleted] was pretty much taken from me at the meeting as far as further solicitations. Because Dan had done a check in [deleted] on Washington On-Line and found out that he is very politically active with the conservative side of politics and reported that to Spitz, and Spitz then took [deleted] from me and talked to him himself.

The deletions noted in the brackets were made before the deposition was published. See Attachment 5.

In order to verify whether any Channell organization obtained information copied from reports filed with the Commission through Washington On-Line, this Office concludes that a subpoena for written answers and documents to Legi-Tech, doing business as Washington On-Line, is warranted.

Because the investigation in the present matter (MUR 2406) is focused on only the activities of the Channell organizations and their possible violations of the Federal Election Campaign Act of 1971, as amended ("the Act"), this Office recommends that the proposed subpoena be directed to Legi-Tech as a nonrespondent witness.

Accordingly, this Office recommends that the Commission approve the proposed subpoena to Legi-Tech, dba Washington On-Line, as a nonrespondent witness.

0004794754

## II. RECOMMENDATIONS

1. Approve the attached proposed subpoenas to Richard Miller, Krishna Littledale, Jane McLaughlin, Clifton Smith, and Legi-Tech, dba Washington On-Line, as nonrespondent witnesses.

2. Approve the attached letters.

6/6/88
Date

Lawrence M. Noble
General Counsel

Attachments
1. Excerpt from Miller deposition.
2. IBC Report.
3. Narrative of Central American Freedom Program.
4. Excerpt and exhibits from Littledale deposition.
5. Excerpt from McLaughlin deposition.
6. Proposed subpoenas(4) and letters(4).

Staff person: George F. Rishel

NOTE: This report was prepared and printed solely by the staff person using Digital Equipment Corporation's All-In-1 program on a VT240 terminal and a LA75 printer (letter quality). Because the forms have not yet been placed in a central library for All-In-1 users, the letters and subpoenas were prepared on the older Xerox 860 system.

0004079475

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

**MEMORANDUM**

**TO:** LAWRENCE M. NOBLE
GENERAL COUNSEL

**FROM:** MARJORIE W. EMMONS/KAREN E. TRACH
COMMISSION SECRETARY

**DATE:** JUNE 9, 1988

**SUBJECT:** MUR 2406 - GENERAL COUNSEL'S REPORT
SIGNED JUNE 6, 1988

The above-captioned document was circulated to the Commission on TUESDAY, JUNE 7, 1988, at 4:00.

Objection(s) have been received from the Commissioner(s) as indicated by the name(s) checked below:

| | |
|---|---|
| Commissioner Aikens | |
| Commissioner Elliott | |
| Commissioner Josefiak | X |
| Commissioner McDonald | |
| Commissioner McGarry | |
| Commissioner Thomas | |

This matter will be placed on the meeting agenda for JUNE 14, 1988.

Please notify us who will represent your Division before the Commission on this matter.

0004074750

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

OFFICE OF THE CHAIRMAN

MEMORANDUM - JUNE 10, 1988

TO: MARJORIE EMMONS,
Commission Secretary

FROM: COMMISSIONER THOMAS J. JOSEFIAK

RE: MUR 2406

On June 9, 1988 I voted to object to the Recommendations of the General Counsel in MUR 2406, signed June 6, 1988.

I wish to withdraw my objection and be recorded as approving the recommendations.

0004074757

BEFORE THE FEDERAL ELECTION COMMISSION

| | | |
|---|---|---|
| In the Matter of | ) | |
| | ) | |
| National Endowment for the Preservation of Liberty; Carl Russell Channell; Sentinel; American Conservative Trust State Election Fund; American Conservative Trust and Carl R. Channell, as treasurer | ) | MUR 2406 |

CERTIFICATION

I, Marjorie W. Emmons, Secretary of the Federal Election Commission, do hereby certify that on June 10, 1988, the Commission decided by a vote of 5-0 to take the following actions in MUR 2406:

1. Approve the proposed subpoenas to Richard Miller, Krishna Littledale, Jane McLaughlin, Clifton Smith, and Legi-Tech, dba Washington On-Line, as nonrespondent witnesses, as recommended in the General Counsel's report signed June 6, 1988.

2. Approve the letters, as recommended in the General Counsel's report signed June 6, 1988.

Commissioners Aikens, Elliott, Josefiak, McDonald, and Thomas voted affirmatively for the decision;

Commissioner McGarry did not cast a vote.

Attest:

6-10-88
Date

Joshua McGladdery
Marjorie W. Emmons
Secretary of the Commission

Received in the Office of Commission Secretary:
Circulated on 48 hour tally basis:
Deadline for vote:
Objection placed on agenda 6-14-88
Objection withdrawn 6-10-88 at 10:01

0004079475 8

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

June 15, 1988

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Krishna S. Littledale
c/o Alexia Morrison, Esquire
Swidler & Berlin
3000 K Street, N.W.
Washington, D.C. 20007

RE: MUR 2406

Dear Mr. Littledale:

The Federal Election Commission has the statutory duty of enforcing the Federal Election Campaign Act of 1971, as amended. The Commission has issued the attached subpoena, which requires you to appear and give sworn testimony on July 15, 1988, at 9:30 a.m., at 999 E Street, N.W., Washington, D.C., in connection with an investigation it is conducting. The Commission does not consider you a respondent in this matter, but rather a witness only.

Because this information is being sought as part of an investigation being conducted by the Commission, the confidentiality provision of 2 U.S.C. § 437g(a)(12)(A) applies. That section prohibits making public any investigation conducted by the Commission without the express written consent of the person with respect to whom the investigation is made. You are advised that no such consent has been given in this case.

You may consult with an attorney and have an attorney present with you at the deposition. If you intend to be so represented, please advise us of the name and address of your attorney prior to the date of the deposition.

Pursuant to 11 C.F.R. § 111.14, a witness summoned by the Commission shall be paid $30.00, plus mileage at the rate of 21 cents per mile. You will be given a check for your witness fee and mileage at the time of the deposition.

Please confirm your scheduled appearance with Judybeth Greene at (202) 376-8200 within two days of your receipt of this notification.

0004079457

If you have any questions, please direct them to Judybeth Greene, the attorney handling this matter, at (202) 376-8200.

Sincerely,

Lawrence M. Noble
General Counsel

Enclosure
Subpoena

9004077447560

**BEFORE THE FEDERAL ELECTION COMMISSION**

In the Matter of ) MUR 2406

**SUBPOENA**

To: Krishna S. Littledale
c/o Alexia Morrison, Esquire
Swidler & Berlin
3000 K Street, N.W.
Washington, D.C. 20007

Pursuant to 2 U.S.C. § 437d(a)(3), and in furtherance of its investigation in the above-captioned matter, the Federal Election Commission hereby subpoenas you to appear for deposition with regard to your activities on behalf of the National Endowment for the Preservation of Liberty, Sentinel, American Conservative Trust, Anti-Terrorism American Committee, and Carl Russell Channell and related matters. Notice is hereby given that the deposition is to be taken on July 15, 1988, in Room 657 at 999 E Street, N.W., Washington, D.C., beginning at 9:30 a.m. and continuing each day thereafter as necessary.

WHEREFORE, the Chairman of the Federal Election Commission has hereunto set his hand at Washington, D.C., this 15th day of June, 1988.

Thomas J. Josefiak, Chairman
Federal Election Commission

ATTEST:

Marjorie W. Emmons
Secretary to the Commission

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

June 15, 1988

**CERTIFIED MAIL**
**RETURN RECEIPT REQUESTED**

Richard R. Miller
International Business Communications
1912 Sunderland Place, N.W.
Washington, D.C. 20006

RE: MUR 2406

Dear Mr. Miller:

The Federal Election Commission has the statutory duty of enforcing the Federal Election Campaign Act of 1971, as amended. The Commission has issued the attached subpoena, which requires you to appear and give sworn testimony July 14, 1988, beginning at 9:30 a.m., at 999 E Street, N.W., Washington, D.C., in connection with an investigation it is conducting. The Commission does not consider you a respondent in this matter, but rather a witness only.

Because this information is being sought as part of an investigation being conducted by the Commission, the confidentiality provision of 2 U.S.C. § 437g(a)(12)(A) applies. That section prohibits making public any investigation conducted by the Commission without the express written consent of the person with respect to whom the investigation is made. You are advised that no such consent has been given in this case.

You may consult with an attorney and have an attorney present with you at the deposition. If you intend to be so represented, please advise us of the name and address of your attorney prior to the date of the deposition.

Pursuant to 11 C.F.R. § 111.14, a witness summoned by the Commission shall be paid $30.00, plus mileage at the rate of 21 cents per mile. You will be given a check for your witness fee and mileage at the time of the deposition.

Please confirm your scheduled appearance with Sandra Robinson at (202) 376-8200 within two days of your receipt of this notification.

2004074762

If you have any questions, please direct them to Sandra Robinson, the attorney handling this matter, at (202) 376-8200.

Sincerely,

Lawrence M. Noble
General Counsel

Enclosure
Subpoena

0004074763

**BEFORE THE FEDERAL ELECTION COMMISSION**

In the Matter of ) MUR 2406

**SUBPOENA**

To: Richard R. Miller
International Business Communications
1912 Sunderland Place, N.W.
Washington, D.C. 20036

Pursuant to 2 U.S.C. § 437d(a)(3), and in furtherance of its investigation in the above-captioned matter, the Federal Election Commission hereby subpoenas you to appear for deposition with regard to your activities on behalf of the National Endowment for the Preservation of Liberty, Sentinel, and the American Conservative Trust with respect to the Central American Freedom Program and other related matters. Notice is hereby given that the deposition is to be taken on July 14, 1988, in Room 657 at 999 E Street, N.W., Washington, D.C., beginning at 9:30 a.m. and continuing each day thereafter as necessary.

WHEREFORE, the Chairman of the Federal Election Commission has hereunto set his hand at Washington, D.C., this 15th day of June, 1988.

Thomas J. Josefiak, Chairman
Federal Election Commission

ATTEST:

Marjorie W. Emmons
Secretary to the Commission

0004074764

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

June 15, 1988

**CERTIFIED MAIL**
**RETURN RECEIPT REQUESTED**

Ilka Oberst, General Manager
Washington On-Line
507 Eighth Street, S.E.
Washington, D.C. 20003

RE: MUR 2406

Dear Ms. Oberst:

The Federal Election Commission has the statutory duty of enforcing the Federal Election Campaign Act of 1971, as amended. The Commission has issued the attached subpoena and order which requires you to provide certain information, in connection with an investigation it is conducting. The Commission does not consider you a respondent in this matter, but rather a witness only.

Because this information is being sought as part of an investigation being conducted by the Commission, the confidentiality provision of 2 U.S.C. § 437g(a)(12)(A) applies. That section prohibits making public any investigation conducted by the Commission without the express written consent of the person with respect to whom the investigation is made. You are advised that no such consent has been given in this case.

You may consult with an attorney and have an attorney assist you in the preparation of your responses to this subpoena and order. However, you are required to submit the information under oath within 15 days of your receipt of this subpoena and order.

If you have any questions, please direct them to Sandra Robinson, the attorney handling this matter, at (202) 376-8200.

Sincerely,

Lawrence M. Noble
General Counsel

Enclosure
Subpoena and Order

0 0 4 0 7 9 4 7 5 5

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of )
) MUR 2406
)

**SUBPOENA TO PRODUCE DOCUMENTS**
**ORDER TO SUBMIT WRITTEN ANSWERS**

TO: Ilka Oberst
General Manager
Washington On-Line
507 Eighth Street, S.E.
Washington, D.C. 20003

Pursuant to 2 U.S.C. § 437d(a)(1) and (3), and in furtherance of its investigation in the above-captioned matter, the Federal Election Commission hereby orders you to submit written answers to the questions attached to this Order and subpoenas you to produce the documents requested on the attachment to this Order. Legible copies which, where applicable, show both sides of the documents, may be substituted for originals.

Such answers must be submitted under oath and must be forwarded to the Commission along with the requested documents within 15 days of your receipt of this Order and Subpoena.

WHEREFORE, the Chairman of the Federal Election Commission has hereunto set his hand on this 15th day of June, 1988.

Thomas J. Josefiak, Chairman
Federal Election Commission

ATTEST:

Marjorie W. Emmons
Secretary to the Commission

Attachments
Questions and Request for Documents (3 pages)

0004074475

**INSTRUCTIONS**

In answering these interrogatories and request for production of documents, furnish all documents and other information, however obtained, including hearsay, that is in possession of, known by or otherwise available to you, including documents and information appearing in your records.

Each answer is to be given separately and independently, and unless specifically stated in the particular discovery request, no answer shall be given solely by reference either to another answer or to an exhibit attached to your response.

The response to each interrogatory propounded herein shall set forth separately the identification of each person capable of furnishing testimony concerning the response given, denoting separately those individuals who provided informational, documentary or other input, and those who assisted in drafting the interrogatory response.

If you cannot answer the following interrogatories in full after exercising due diligence to secure the full information to do so, answer to the extent possible and indicate your inability to answer the remainder, stating whatever information or knowledge you have concerning the unanswered portion and detailing what you did in attempting to secure the unknown information.

Should you claim a privilege with respect to any documents, communications, or other items about which information is requested by any of the following interrogatories and requests for production of documents, describe such items in sufficient detail to provide justification for the claim. Each claim of privilege must specify in detail all the grounds on which it rests.

Unless otherwise indicated, the discovery requests shall refer to the time period from January 1, 1985 to December 31, 1986.

The following interrogatories and requests for production of documents are continuing in nature so as to require you to file supplementary responses or amendments during the course of this investigation if you obtain further or different information prior to or during the pendency of this matter. Include in any supplemental answers the date upon which and the manner in which such further or different information came to your attention.

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**DEFINITIONS**

For the purpose of these discovery requests, including the instructions thereto, the terms listed below are defined as follows:

"You" shall mean the named respondent in this action to whom these discovery requests are addressed, including all officers, employees, agents or attorneys thereof.

"Persons" shall be deemed to include both singular and plural, and shall mean any natural person, partnership, committee, association, corporation, or any other type of organization or entity.

"Document" shall mean the original and all non-identical copies, including drafts, of all papers and records of every type in your possession, custody, or control, or known by you to exist. The term document includes, but is not limited to books, letters, contracts, notes, diaries, log sheets, records of telephone communications, transcripts, vouchers, accounting statements, ledgers, checks, money orders or other commercial paper, telegrams, telexes, pamphlets, circulars, leaflets, reports, memoranda, correspondence, surveys, tabulations, audio and video recordings, drawings, photographs, graphs, charts, diagrams, lists, computer print-outs, and all other writings and other data compilations from which information can be obtained.

"Identify" with respect to a document shall mean state the nature or type of document (e.g., letter, memorandum), the date, if any, appearing thereon, the date on which the document was prepared, the title of the document, the general subject matter of the document, the location of the document, the number of pages comprising the document.

"Identify" with respect to a person shall mean state the full name, the most recent business and residence addresses and telephone numbers, the present occupation or position of such person, the nature of the connection or association that person has to any party in this proceeding. If the person to be identified is not a natural person, provide the legal and trade names, the address and telephone number, and the full names of both the chief executive officer and the agent designated to receive service of process for such person.

"And" as well as "or" shall be construed disjunctively or conjunctively as necessary to bring within the scope of these interrogatories and requests for the production of documents any documents and materials which may otherwise be construed to be out of their scope.

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**INTERROGATORIES AND REQUEST FOR DOCUMENTS**

(1) State whether Washington On-Line had an agreement with the National Endowment for the Preservation of Liberty, Sentinel, American Conservative Trust, Anti-Terrorism American Committee, the Channell Corporation, or Carl Russell Channell to provide services or information at any time from January 1, 1985, to December 31, 1986.

(2) Describe in detail the services or information provided by Washington On-Line pursuant to each such agreement.

(3) If the agreement was in written form, provide a true copy of each such executed agreement. If there was no written agreement, describe the terms of each such oral agreement and identify the parties involved in each such agreement.

(4) State the dates and amounts of each payment made to Washington On-Line pursuant to all such agreements.

(5) Provide true copies of all documents, including correspondence and reports, transmitted between Washington On-Line and the organizations listed in question 1 pursuant to all such agreements.

0004079769

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

June 15, 1988

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Fred Clifton Smith, Jr.
c/o Alexia Morrison, Esquire
Swidler & Berlin
3000 K Street, N.W.
Washington, D.C. 20007

RE: MUR 2406

Dear Mr. Smith:

The Federal Election Commission has the statutory duty of enforcing the Federal Election Campaign Act of 1971, as amended. The Commission has issued the attached subpoena, which requires you to appear and give sworn testimony on July 13, 1988, at 999 E Street, N.W., Washington, D.C., in connection with an investigation it is conducting. The Commission does not consider you a respondent in this matter, but rather a witness only.

Because this information is being sought as part of an investigation being conducted by the Commission, the confidentiality provision of 2 U.S.C. § 437g(a)(12)(A) applies. That section prohibits making public any investigation conducted by the Commission without the express written consent of the person with respect to whom the investigation is made. You are advised that no such consent has been given in this case.

You may consult with an attorney and have an attorney present with you at the deposition. If you intend to be so represented, please advise us of the name and address of your attorney prior to the date of the deposition.

Pursuant to 11 C.F.R. § 111.14, a witness summoned by the Commission shall be paid $30.00, plus mileage at the rate of 21 cents per mile. You will be given a check for your witness fee and mileage at the time of the deposition.

Please confirm your scheduled appearance with Susan Beard at (202) 376-8200 within two days of your receipt of this notification.

0004079470

If you have any questions, please direct them to Susan Beard, the attorney handling this matter, at (202) 376-8200.

Sincerely,

Lawrence M. Noble
General Counsel

Enclosure
Subpoena

20004079471

**BEFORE THE FEDERAL ELECTION COMMISSION**

In the Matter of ) MUR 2406

**SUBPOENA**

To: Fred Clifton Smith, Jr.
c/o Alexia Morrison, Esquire
Swidler & Berlin
3000 K Street, N.W.
Washington, D.C. 20007

Pursuant to 2 U.S.C. § 437d(a)(3), and in furtherance of its investigation in the above-captioned matter, the Federal Election Commission hereby subpoenas you to appear for deposition with regard to your activities on behalf of the National Endowment for the Preservation of Liberty, Sentinel, American Conservative Trust, Anti-Terrorism American Committee, and Carl Russell Channell and related matters. Notice is hereby given that the deposition is to be taken Wednesday, July 13, 1988, in Room 657 at 999 E Street, N.W., Washington, D.C., beginning at 9:30 a.m. and continuing each day thereafter as necessary.

WHEREFORE, the Chairman of the Federal Election Commission has hereunto set his hand at Washington, D.C., this 15th day of June, 1988.

Thomas J. Josefiak, Chairman
Federal Election Commission

ATTEST:

Marjorie W. Emmons
Secretary to the Commission

0004079477 2

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

June 15, 1988

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Jane McLaughlin
c/o Harvey Cohen, Esquire
Cohen, Gettings, Alper & Dunham
The Adams Law Center
33 Wood Lane
2nd Floor
Rockville, MD 20850

RE: MUR 2406

Dear Ms. McLaughlin:

The Federal Election Commission has the statutory duty of enforcing the Federal Election Campaign Act of 1971, as amended. The Commission has issued the attached subpoena, which requires you to appear and give sworn testimony on July 21, 1988, at 9:30 a.m. at 999 E Street, N.W., Washington, D.C., in connection with an investigation it is conducting. The Commission does not consider you a respondent in this matter, but rather a witness only.

Because this information is being sought as part of an investigation being conducted by the Commission, the confidentiality provision of 2 U.S.C. § 437g(a)(12)(A) applies. That section prohibits making public any investigation conducted by the Commission without the express written consent of the person with respect to whom the investigation is made. You are advised that no such consent has been given in this case.

You may consult with an attorney and have an attorney present with you at the deposition. If you intend to be so represented, please advise us of the name and address of your attorney prior to the date of the deposition.

Pursuant to 11 C.F.R. § 111.14, a witness summoned by the Commission shall be paid $30.00, plus mileage at the rate of 21 cents per mile. You will be given a check for your witness fee and mileage at the time of the deposition.

Please confirm your scheduled appearance with Michael Marinelli at (202) 376-8200 within two days of your receipt of this notification.

2004079775

If you have any questions, please direct them to Michael Marinelli, the attorney handling this matter, at (202) 376-8200.

Sincerely,

Lawrence M. Noble
General Counsel

Enclosure
Subpoena

00040774

**BEFORE THE FEDERAL ELECTION COMMISSION**

In the Matter of ) MUR 2406

**SUBPOENA**

To: Jane McLaughlin
c/o Harvey Cohen, Esquire
Cohen, Gettings, Alper & Dunham
The Adams Law Center
33 Wood Lane
2nd Floor
Rockville, MD 20850

Pursuant to 2 U.S.C. § 437d(a)(3), and in furtherance of its investigation in the above-captioned matter, the Federal Election Commission hereby subpoenas you to appear for deposition with regard to your activities on behalf of the National Endowment for the Preservation of Liberty, Sentinel, American Conservative Trust, Anti-Terrorism American Committee, and Carl Russell Channell and related matters. Notice is hereby given that the deposition is to be taken on July 21, 1988 in Room 657 at 999 E Street, N.W., Washington, D.C., beginning at 9:30 a.m. and continuing each day thereafter as necessary.

WHEREFORE, the Chairman of the Federal Election Commission has hereunto set his hand at Washington, D.C., this 15th day of June, 1988.

Thomas J. Josefiak, Chairman
Federal Election Commission

ATTEST:

Marjorie W. Emmons
Secretary to the Commission

9004079477

RECEIVED
FEDERAL ELECTION COMMISSION
SECRETARIAT
88 JUN 14 AM 9:53

**BEFORE THE FEDERAL ELECTION COMMISSION**

| | | |
|---|---|---|
| In the Matter of | ) | |
| | ) | |
| National Endowment for the | ) | |
| Preservation of Liberty; | ) | |
| Carl Russell Channell; | ) | MUR 2406 |
| Sentinel; American Conservative | ) | |
| Trust State Election Fund; | ) | |
| American Conservative Trust | ) | |
| and Carl R. Channell, as | ) | |
| treasurer | ) | |

SENSITIVE

**COMPREHENSIVE INVESTIGATIVE REPORT #3**

As this Office reported in CIR #1 and CIR #2, the Commission has been receiving responses to its subpoenas to nonrespondent witnesses as well as published copies of depositions by the House and Senate Select Committees as part of its investigation in this matter. Because of the volume of this material, this Office is making a preliminary review of this material in order to provide the Commission with a summary of the material and selected excerpts from the documents. The complete sets of documents received from the witnesses are in the permanent file in this Office.

This review, however, has not sought to draw any legal conclusions from any individual response or deposition or to evaluate any response or deposition with respect to the specific issues involved in this matter at this time. At the conclusion of the Commission's investigation, all of the information received will be examined and evaluated with respect to the issues raised in this matter.

2004079477

This report summarizes (1) the deposition of Ms. Edie Fraser taken by the Select Committees and (2) the responses of Miner & Fraser Public Affairs, Inc., and Lichtenstein & Company to the Commission's subpoenas.

1. Edie Fraser Deposition

Ms. Edie Fraser, a principal of Miner & Fraser Public Affairs ("Miner & Fraser"), was deposed by counsel for the House and Senate Select Committees on July 1, 1987. Her deposition has been published in Appendix B: Volume 10 of the Report of the Select Committees. In her deposition, she testified that in December 1984 her firm was hired by the Nicaragua Refugee Fund ("NRF") to assist in organizing and fundraising for a dinner that was eventually held in April 1985. In the process of soliciting support for the dinner in January 1985, a member of her staff happened to contact Carl R. Channell, who offered to help raise funds for the dinner. Several meetings between Ms. Fraser or her staff and Mr. Channell or Dan Conrad, his associate, occurred during this period as Mr. Channell's participation in the dinner apparently increased.

On the basis of remarks Mr. Channell allegedly made to her, Ms. Fraser testified that she wrote a letter to Lt. Colonel Oliver North on March 4, 1985, and informed him that several persons were willing to make substantial contributions to NRF if they could have a private meeting with the President. She added, however, that she received no response or reaction to this letter to Colonel North.

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Ms. Fraser stated that after the dinner in April 1985, she had no further involvement with Mr. Channell or his organizations until Miner & Fraser was hired by Mr. Channell in early 1986. She said Miner & Fraser was hired to assist in the Central American Freedom Program. Its role was to contact various groups to educate them on the Nicaragua relief and to encourage them in turn to contact their members to write their Congressmen in regard to the upcoming votes on Contra aid. She said Mr. Channell provided a list of selected or targeted congressional districts. This list was then provided to the various organizations. She stated that Miner & Fraser was paid by Sentinel for its services.

2. Miner & Fraser Public Affairs, Inc.

Mr. James L. Wright, senior vice president, responded to the Commission's interrogatories and requests for documents on behalf of Miner & Fraser Public Affairs, Inc., now Miner, Fraser & Gabriel Public Affairs, Inc.

Mr. Wright stated that Miner & Fraser was retained by the American Conservative Trust ("ACT") on February 26, 1986, and dealt with Carl R. Channell in his capacity as president of ACT. He noted, however, that the invoices were paid by Sentinel, which paid Miner & Fraser a total of $15,000 in fees and $1,479.99 in expenses. See Attachment 1 at pages 1-3. Mr. Wright provided a copy of the agreement it signed with ACT, a progress report made to Mr. Channell and Dan Conrad, and copies of payment checks or invoices. See Attachment 1 at pages 4-20 and 42-47.

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He further stated that the firm was retained to assist ACT in gaining passage of Contra aid by enlisting grassroots support through trade and professional associations in Washington, D.C., for a letter writing campaign to key Members of Congress identified by Mr. Channell. He said that the firm did not expand beyond the activities described in the agreement. Mr. Wright provided a listing of each group contacted as part of this project as well as samples of the draft letters and memoranda provided to these organizations for use in the project. He also included the list of targeted Congressmen as provided by Mr. Channell. See Attachment 1 at pages 21-41 and 48.

3. Lichtenstein & Company

Mr. Jack Lichtenstein, principal of Lichtenstein & Company, responded to the Commission's interrogatories and requests for documents on behalf of the firm.

Mr. Lichtenstein stated that the firm was retained by Sentinel from February through June 1986 to encourage people to write or call their Congressmen to vote in favor of Contra aid. He stated that he was originally contacted by Richard Miller of International Business Communications ("IBC") but later learned that he was to be paid by Sentinel and work under the joint supervision of Sentinel and IBC. See Attachment 2 at pages 49-53. Mr. Lichtenstein provided a copy of his initial proposal to Mr. Miller, dated February 6, 1986, as well as copies of several progress reports and invoices submitted to either Mr. Miller or Mr. Channell and Dan Conrad. See Attachment 2 at pages 54-77. Although some of these documents refer to the National

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Endowment for the Preservation of Liberty ("NEPL") as the sponsoring organization, Mr. Lichtenstein said that this reference was erroneous and that he was corrected by Mr. Conrad on this point.

In two progress reports to Mr. Miller, dated March 5 and March 14, Mr. Lichtenstein described the firm's activities in connection with the vote on Contra aid. See Attachment 2 at pages 56-61. In the March 14 report, he reported making contact with and enlisting the support or assistance of the Republican National Committee, the Liberty Foundation, Rev. Pat Robertson, the American Legion, the American Coalition for Traditional Values, the Eagle Forum, the Conservative Caucus, the College Republicans, the National Conservative Political Action Committee, and others as well as former Reagan-Bush campaign activists.

In a March 24 report to Dan Conrad, Mr. Lichtenstein listed the number of letters received by the offices of the targeted Congressmen. This data was further fleshed out in reports made on April 11 and April 30 to Mr. Channell and Mr. Conrad based on a survey of congressional offices. A June 26 report to Mr. Conrad describes the firm's activities regarding six targeted Congressmen with respect to the second Contra aid vote. See Attachment 2 at pages 62-77.

Mr. Lichtenstein also provided a copy of the instructions for telephone workers for use by his firm's personnel in calling citizens around the country. See Attachment 2 at pages 78-79. He also provided copies of these documents prepared and sent to

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contacts in the field: (1) a memorandum to conservative leaders contacted by telephone; and (2) a set of instructions and a manual for letter writers. See Attachment 2 at pages 80-101.

He also stated that Sentinel was charged for the firm's services and that the firm was paid a total of $40,700 by Sentinel as follows:

(1) a $10,000 payment on or about February 7, 1986, as an advance;

(2) a $24,800 payment on March 25 as the balance due for the entire first portion of the project;

(3) a $1,900 payment on May 5 for the survey of congressional offices; and

(4) a $4,000 payment on or about June 26 for the "phone blitz" on the second portion of the project.

Mr. Lichtenstein added that the list of 76 targeted congressional districts was a widely circulated list of "swing" Congressmen on the Contra aid issue. He said it consisted primarily of those Congressmen who had supported humanitarian aid but opposed military aid in earlier votes. He received the list from Dan Kuykendall to whom he was referred by Richard Miller. He stated that he was told the purpose of his project was to generate letters to Members of Congress supporting Contra aid.

As noted at the beginning of this report, this Office has only summarized the material from these witnesses. We have not sought to evaluate and analyze this information in terms of the legal and factual issues in this matter. Such an evaluation and

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analysis will be made at the conclusion of the Commission's investigation in this matter. This Office is continuing its review of other responses and will make further reports to the Commission.

Date 6/13/88

Lawrence M. Noble
General Counsel

Attachments
1. Response of Miner & Fraser
2. Response of Lichtenstein & Company

Staff person: George F. Rishel
Judybeth Greene

2004079478

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

MEMORANDUM TO: LAWRENCE M. NOBLE
GENERAL COUNSEL

FROM: MWE MARJORIE W. EMMONS/KAREN E. TRACHTET

DATE: JUNE 15, 1988

SUBJECT: MUR 2406 - COMPREHENSIVE INVESTIGATIVE REPORT #3
SIGNED JUNE 13, 1988

The above-captioned matter was received in the Office of the Secretary of the Commission Tuesday, June 14, 1988 at 9:53 A.M. and was circulated to the Commission on a 24-hour no-objection basis Tuesday, June 14, 1988 at 4:00 P.M.

There were no objections received in the Office of The Secretary of the Commission to the Comprehensive Investigative Report #3 at the time of the deadline.

0014079479 3

RECEIVED
FEDERAL ELECTION COMMISSION
88 JUN 27 AM 8:55

LAW OFFICES
COHEN, GETTINGS, ALPER & DUNHAM
1400 NORTH UHLE STREET
P.O. BOX 742
ARLINGTON, VIRGINIA 22216
(703) 525-2260
FAX (703) 525-2489

WASHINGTON, D.C. OFFICE
1201 PENNSYLVANIA AVE., N.W., SUITE 821
(202) 628-7944

MARYLAND OFFICE
THE ADAMS LAW CENTER
33 WOOD LANE, ROCKVILLE
(301) 424-3602

HARVEY B. COHEN
BRIAN P. GETTINGS
JOANNE F. ALPER
FRANK W. DUNHAM, JR.
WILLIAM E. ROLLOW
CHARLES S. RUSSELL, JR.
R. SCOTT CAULKINS
DAVID D. MASTERMAN
MARK S. THRASH
CAROLE L. HETFLEISCH

June 23, 1988

Lawrence M. Noble, General Counsel
Federal Election Commission
Washington, D. C. 20463

Re: Jane McLaughlin
MUR 2406

RECEIVED
FEDERAL ELECTION COMMISSION
88 JUN 29 AM 11:38

Dear Mr. Noble:

I have your letter of June 15, 1988, addressed to Jane McLaughlin in care of me at this firm's Rockville, Maryland address, along with the Subpoena for Ms. McLaughlin for her deposition on July 21, 1988.

I am returning the subpoena to you in that this firm no longer represents Ms. McLaughlin and hasn't represented her for a considerable period of time.

Very truly yours,

COHEN, GETTINGS, ALPER & DUNHAM

HARVEY B. COHEN

HBC:bk

Enclosure

4 8 7 4 4 7 0 4 0 0 0

**BEFORE THE FEDERAL ELECTION COMMISSION**

In the Matter of ) MUR 2406

**SUBPOENA**

To: Jane McLaughlin
c/o Harvey Cohen, Esquire
Cohen, Gettings, Alper & Dunham
The Adams Law Center
33 Wood Lane
2nd Floor
Rockville, MD 20850

Pursuant to 2 U.S.C. § 437d(a)(3), and in furtherance of its investigation in the above-captioned matter, the Federal Election Commission hereby subpoenas you to appear for deposition with regard to your activities on behalf of the National Endowment for the Preservation of Liberty, Sentinel, American Conservative Trust, Anti-Terrorism American Committee, and Carl Russell Channell and related matters. Notice is hereby given that the deposition is to be taken on July 21, 1988 in Room 657 at 999 E Street, N.W., Washington, D.C., beginning at 9:30 a.m. and continuing each day thereafter as necessary.

WHEREFORE, the Chairman of the Federal Election Commission has hereunto set his hand at Washington, D.C., this 15th day of June, 1988.

Thomas J. Josefiak, Chairman
Federal Election Commission

ATTEST:

Marjorie W. Emmons
Secretary to the Commission

0004079473

FCC# 9606

WASHINGTON ON-LINE
507 Eighth Street, Southeast, Washington, DC. 20003 202/543-9101

June 27, 1988

BY HAND

Lawrence M. Noble
General Counsel
Federal Election Commission
999 E Street, NW Room 657
Washington, DC 20463

Re: MUR 2406

88 JUN 28 PM 3:48
RECEIVED
FEDERAL ELECTION COMMISSION

Dear Mr. Noble:

This letter responds to the Commission's letter, dated June 15, 1988 requesting certain information in connection with an investigation you are conducting.

Please find my response to the Commission's interrogatories and request for documents below.

1) Washington On-Line had an agreement with the National Endowment for the Preservation of Liberty to provide acccess to Washington On-Line's Campaign Contribution Tracking System, beginning January 15, 1986, for one year. Carl Russell Channell executed the agreement for the National Endowment for the Preservation of Liberty.

A second agreement, beginning January 15, 1987 was also executed. On July 31, 1987 service was terminated due to non payment of fees.

At no time did Washington On-Line have an agreement with Sentinel, American Conservative Trust, Anti-Terrorism American Committee or the Channell Corporation.

2) Washington On-line provides access to an electronic information data base that includes information obtained from publicly available FEC reports. Further detail is provided in the attached brochure.

3) A copy of the agreement is attached.

4) Monthly payments of $291.67 were received on or about the 20th of each month. A detailed payment schedule is attached.

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5) Copies of all documents, including correspondence and reports, transmitted between Washington On-Line and the National Endowment for the Preservation of Liberty are attached.

If you have any further questions, please feel free to contact me at 543-9101.

Sincerely,

Ilka Oberst
General Manger
Washington On-Line

I, Ilka Oberst. representative of Legi-Tech T/A Washington On-Line, hereby declare under penalty of perjury that the foregoing responses to interrogatories and request for production of documents are true and accurate to the best of my knowledge and belief.

Ilka Oberst
General Manager
Washington On-Line

Enclosures

0004741

**BUSINESS RECORDS SUBMITTED WITH JUNE 27, 1988, WASHINGTON ON-LINE RESPONSE TO SUBPOENA HAVE BEEN DELETED FROM THE PUBLIC RECORD**

0004077783

6CCH 9639

RECEIVED
FEDERAL ELECTION COMMISSION

88 JUN 30 AM 8:35

**SWIDLER & BERLIN**
CHARTERED
3000 K STREET, N.W.
SUITE 300
WASHINGTON, D.C. 20007-3841
(202) 944-4300

ALEXIA MORRISON
ATTORNEY-AT-LAW

DIRECT DIAL
(202) 944-4317
TELEX 701131
TELECOPIER (202) 944-4296

June 24, 1988

MUR 2406

Lawrence M. Noble, Esq.
General Counsel
Federal Election Commission
999 E Street, N. W.
Washington, D. C. 20463

RECEIVED
FEDERAL ELECTION COMMISSION
88 JUN 30 AM 8:36

Re: Enclosed Subpoena for Krishna S. Littledale

Dear Mr. Noble:

I returned from vacation to find the enclosed subpoena, directed to the referenced witness, in the mail. I do not represent Mr. Littledale in connection with your investigation, and therefore cannot accept service on his behalf.

Accordingly, I am returning the subpoena for whatever action you deem appropriate.

Sincerely,

Alexia Morrison

encl.

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6004938

RECEIVED
FEDERAL ELECTION COMMISSION

88 JUN 30 AM 8:35


**SWIDLER & BERLIN**
CHARTERED
3000 K STREET, N.W.
SUITE 300
WASHINGTON, D.C. 20007-3841
(202) 944-4300

ALEXIA MORRISON
ATTORNEY-AT-LAW

DIRECT DIAL
(202) 944-4317
TELEX: 701131
TELECOPIER (202) 944-4296


June 24, 1988

Lawrence M. Noble, Esq.
General Counsel
Federal Election Commission
999 E Street, N. W.
Washington, D. C. 20463

Re: Enclosed Subpoena for Fred Clifton Smith, Jr.

Dear Mr. Noble:

I returned from vacation to find the enclosed subpoena, directed to the referenced witness, in the mail. I do not represent Mr. Smith in connection with your investigation, and therefore cannot accept service on his behalf.

Accordingly, I am returning the subpoena for whatever action you deem appropriate.

Sincerely,

Alexia Morrison

encl.


88 JUN 30 AM 10:30
RECEIVED
FEDERAL ELECTION COMMISSION

Plum

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

July 7, 1988

POSTMASTER
2121 Ward Place Station, N.W.
Washington, D.C. 20037

RE: MUR 2406

Dear Sir or Madam:

Pursuant to 39 C.F.R. § 265(d)(1), we request that you provide us with the present address of F. C. Smith, Jr. According to our records, the address of Mr. Smith was P.O. Box 57246, N.W., Washington, D.C. 20037.

Under 39 C.F.R. § 265.8e(8)(iii), we request a waiver of fees. In this connection I hereby certify that the Federal Election Commission, an agency of the U.S. Government, requires the information requested above in the performance of its official duties, and that all other known sources for obtaining it have been exhausted.

A return envelope is enclosed. Should have any questions or require any further information, please call Susan Beard, the attorney assigned to this matter, at (202) 376-8200.

Thank you for your assistance.

Sincerely,

Lawrence M. Noble
General Counsel

Enclosure
Envelope

0004079471

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

July 7, 1988

POSTMASTER
500 N. Washington St.
Rockville, MD 20852

RE: MUR 2406

Dear Sir or Madam:

Pursuant to 39 C.F.R. § 265(d)(1), we request that you provide us with the present address of F. Clifton Smith. According to our records, the address of Mr. Smith was 10900 Rockville Pike, Rockville MD 20852.

Under 39 C.F.R. § 265.8e(8)(iii), we request a waiver of fees. In this connection I hereby certify that the Federal Election Commission, an agency of the U.S. Government, requires the information requested above in the performance of its official duties, and that all other known sources for obtaining it have been exhausted.

A return envelope is enclosed. Should have any questions or require any further information, please call Susan Beard, the attorney assigned to this matter, at (202) 376-8200.

Thank you for your assistance.

Sincerely,

Lawrence M. Noble
General Counsel

Enclosure
Envelope

0004079447922

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

July 7, 1988

POSTMASTER
4005 Wisconsin Ave., N.W.
Washington, D.C. 20008

RE: MUR 2406

Dear Sir or Madam:

Pursuant to 39 C.F.R. § 265(d)(1), we request that you provide us with the present address of F. Clifton Smith. According to our records, the address of Mr. Smith was 4849 Connecticut Ave., N.W., Washington, D.C. 20008 as of 1986.

Under 39 C.F.R. § 265.8e(8)(iii), we request a waiver of fees. In this connection I hereby certify that the Federal Election Commission, an agency of the U.S. Government, requires the information requested above in the performance of its official duties, and that all other known sources for obtaining it have been exhausted.

A return envelope is enclosed. Should have any questions or require any further information, please call Susan Beard, the attorney assigned to this matter, at (202) 376-8200.

Thank you for your assistance.

Sincerely,

Lawrence M. Noble
General Counsel

Enclosure
Envelope

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GCC#9742

RECEIVED
FEDERAL ELECTION COMMISSION
SECRETARIAT

88 JUL 11 AM 10:12

# NUSSBAUM, OWEN & WEBSTER


MICHAEL NUSSBAUM
DAVID N. WEBSTER
EARL C. DUDLEY, JR.
JAMES P. DAVENPORT
MARTIN R. BAACH
SALLY A. REGAL
CARL S. KRAVITZ

ONE THOMAS CIRCLE
WASHINGTON, D.C. 20005

(202) 833-8900

TELEX 764771
CABLE NOWLAW
FAX (202) 466-5738

ERIC L. LEWIS
ADINA N. AMITH (PA. BAR ONLY)
LORI E. FOX
STEPHANIE G. MILLER
JAMES SOTTILE, IV
JEFFREY D. ROBINSON

OF COUNSEL
MARGUERITE S. OWEN
RONALD G. PRECUP
RUSSELL M. FRANK
LUCIEN HILMER
(1908-1988)


July 8, 1988

Sandra Robinson, Esquire
Office of General Counsel
Federal Election Commission
Washington, DC 20463

RE: MUR 2406
Subpoena of Richard R. Miller

Dear Mr. Robinson:

We spoke yesterday concerning the Commission's subpoena of my client, Mr. Miller, for deposition. As I explained to you then, Mr. Miller will be on vacation the weeks of July 11 (the week his subpoena is returnable) and 18, and I will be gone much of the month of August.

When I inquired of you about a continuance, you asked me to put the request in writing, and that is the purpose of this letter. I seek a continuance on behalf of Mr. Miller until Tuesday, September 6, the day after Labor Day, or any mutual agreeable date thereafter.

If for any reason a continuance until then is not possible, please contact me to work out another date not encompassing the weeks of July 11 and 18.

Thank you in advance for the consideration of this request.

Very truly yours,

Ronald G. Precup

cc: Mr. Richard R. Miller

88 JUL 11 PM 4:12

RECEIVED
FEDERAL ELECTION COMMISSION
SECRETARIAT

2004079794

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

July 14, 1988

Ronald G. Precup, Esq.
Nussbaum, Owen & Webster
One Thomas Circle
Washington, D.C. 20005

RE: MUR 2406
Subpoena of
Richard Miller

Dear Mr. Precup:

This is in response to your letter dated July 8, 1988, which we received on July 11, 1988, requesting a continuance until September 6, 1988, or thereafter, for the deposition of Richard Miller. After considering the circumstances presented in your letter, I have granted the requested continuance. Accordingly, the deposition is scheduled on September 8, 1988, at 10:00 a.m.

You are reminded that the Commission does not consider Mr. Miller a respondent in this matter, but rather a witness only. As previously stated, Mr. Miller's deposition will be taken at the Federal Election Commission, 999 E Street, N.W., Room 657, Washington, D.C.

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

Sincerely,

Lawrence M. Noble
General Counsel

0004047903

FEDERAL ELECTION COMMISSION
RECEIVED
88 JUL 26 AM 9:44

**BEFORE THE FEDERAL ELECTION COMMISSION**

SENSITIVE

| | | |
|---|---|---|
| In the matter of | ) | |
| | ) | |
| National Endowment for the Preservation of Liberty; Carl Russell Channell; Sentinel; American Conservative Trust State Election Fund; American Conservative Trust and Carl R. Channell, as treasurer | ) | MUR 2406 |

**COMPREHENSIVE INVESTIGATIVE REPORT #4**

As this Office reported in CIR #3, this Office is making a review of the material received as part of the Commission's investigation in this matter in order to provide the Commission with a summary of the material and selected excerpts from the documents. The complete sets of documents received from the witnesses are in the permanent file in this Office.

As we previously noted, this review has not sought to draw any legal conclusions from any individual response, or deposition, or to evaluate any response or deposition with respect to the specific issues involved in this matter at this time. At the conclusion of the Commission's investigation, all of the information received will be examined and evaluated with respect to the issues raised in this matter.

This report summarizes the responses of nonrespondent contributor witnesses Barbara Newington, Edwin L. Weisl, Jr., Frank G. Darlington, Barbara Bullitt Christian, and Martha H. Lynch, to the Commission's interrogatories and requests for documents.

1. Barbara Newington

Barbara Newington has responded to the Commission's interrogatories and request for documents. See Attachment 1. In addition, Mrs. Newington was also deposed by counsel for the House and Senate Select Committees on May 12, 1987.

In 1985 and 1986, Mrs. Newington contributed $159,000.00 to Sentinel and $271,800.00 to American Conservative Trust State Election Fund ("ACTSEF"). She also made contributions of $960,982.50 cash and $1,883,506.39 in stock to the National Endowment for the Preservation of Liberty ("NEPL") for a total of $2,844,488.89 to NEPL. Mrs. Newington's contributions were periodic, occurring every few months, and were usually in direct response to particular solicitation efforts.

Mrs. Newington stated that she was solicited in 1985 and 1986 by NEPL, the American Conservative Trust ("ACT"), ACTSEF and Sentinel. In her deposition before the House and Senate Select Committees she stated that she understood very little about the differences among the various organizations and essentially viewed them as interchangeable. This appears to be a reasonable belief given the fact that the same people solicited her for the various organizations. In addition, Mrs. Newington received acknowledgment letters from NEPL even when she had written out checks to ACTSEF. Her primary solicitors were Carl Russell "Spitz" Channell and Cliff Smith. She also had contact with Daniel Conrad, Richard Miller, Linda Guell and Oliver North.

Mrs. Newington was solicited over the telephone by both Channell and Smith. Telephone solicitations by Smith on behalf

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of ACT and ACTSEF began in 1984 and continued through 1986. Telephone solicitations by Channell, representing NEPL, Sentinel and ACTSEF took place in 1985 and 1986. During the course of the conversation, the telephone solicitor would specify the name of the donee organization to whom Mrs. Newington should make her gift payable.

Mrs. Newington recalls that during these telephone solicitations, Channell stated that funds would be used for television, radio and newspaper advertisements to encourage support of President Reagan and the Nicaraguan Contras. In NEPL solicitations, Channell "stated that the funds would be used to support and provide financial assistance to the Nicaraguan Contras . . . in the form of food, shelter, medical supplies, other supplies and equipment, including arms."

During the course of his telephone solicitations, Mrs. Newington said that Smith told her that ACTSEF funds were needed to help elect conservative candidates for the House. She said that Smith urged her to support candidates for federal elections who would support President Reagan's program of support for the Nicaraguan Contras. With respect to the advertisements, Mrs. Newington added that "Smith stated that these ads would not be focused or directed for or against specific candidates for Congress but rather would express a conservative viewpoint or urge the public to support President Reagan's Contra aid program, and thereby indirectly assist conservative candidates who supported the President's Contra program."

In addition to the telephone solicitations, Mrs. Newington

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was personally solicited by Channell and Smith in 1985 and 1986. To the best of her ability, Mrs. Newington recalls the following five personal solicitations.

The first such solicitation took place on February 8, 1985, when Mrs. Newington met Channell for their second lunch together at the Plaza Hotel in New York. Although she does not recall the specifics of their conversation, Mrs. Newington believes it was at this lunch that the first fact-to-face solicitation on behalf of NEPL and ACTSEF occurred.

Mrs. Newington was next solicited for NEPL on June 25, 1985, during a dinner at the Hay Adams Hotel in Washington, D.C. She was in Washington at the request of Channell on behalf of NEPL to attend a briefing with Oliver North and to meet with President Reagan (which she was not able to do on this visit). The dinner party included Channell, Richard R. Miller and Daniel L. Conrad. Channell introduced Miller and Conrad as business associates and further said that Conrad works on NEPL matters.

During the dinner, they discussed the needs of the Contras for humanitarian aid for items such as food, supplies, shelter and equipment, including arms. Mrs. Newington said that she believes Channell did solicit her for NEPL contributions at this dinner, but she does not remember any specific requests. She stated in her deposition that the purpose of the dinner "was just more to clue me in to the needs [of the Contras] again. I just assumed that I knew what they wanted, but they really didn't come out and say, I want so much money for this or that."

A third personal solicitation, for NEPL, again took place on

November 7, 1985, at the Hay Adams Hotel in Washington with Channell, Miller and Conrad present. During dinner at the Hay Adams, Channell, Miller and Conrad "discussed the continuing needs and problems of the Nicaraguan Contras, the necessity for conservatives and conservative organizations to lobby Congress to support President Reagan's program of Contra aid, and the importance of television and newspaper advertisements supporting President Reagan's program of aid for the Contras." Mrs. Newington is not positive but this may have been the time Channell solicited funds for the building of an airstrip the Contras needed for delivery of supplies.

During this second trip to Washington, Mrs. Newington met very briefly with President Reagan. They did not discuss her contributions. In the evening after her meeting with President Reagan, she met with Oliver North in her hotel room with Channell and Dan Conrad also present. North brought her a gift from President Reagan, and they discussed the Contra's needs for food, equipment and weapons. Although she is not certain, Mrs. Newington said she believes it is possible that North did speak about the airstrip at this meeting.

The next personal solicitation took place in January 1986 when Channell and Conrad visited Mrs. Newington at her home in Greenwich, Connecticut. The men showed her a tape of a television commercial which asked the public to support Reagan's Contra aid program. The men told her that the tape was made with her contributions. Mrs. Newington said that during this visit Channell solicited her for more funds for telephone and newspaper

advertisements to support President Reagan's Contra aid program.

The fifth and final personal solicitation took place on February 27, 1986 at the Hay Adams Hotel in Washington. The purpose of this third visit to Washington was to, again, meet with the President. Smith picked her up at the train station, Channell took her to the White House and North took her in to see President Reagan. She and the President exchanged "thank-yous" but did not discuss the Contras.

Mrs. Newington was solicited at dinner that evening by Channell, with Miller and Conrad also present. They again discussed the needs of the Contras and the need for continued television and newspaper advertising in support of President Reagan's Contra aid policy. Also, Mrs. Newington said that she believes it was at this dinner that Channell "stated that the Contras were in need of a small reconnaissance aircraft to drop off food and supplies because the airplane that the Contras had been using had been knocked out by the Nicaraguan government forces," and solicited her for the cost of a replacement airplane. In both her answers to the Commission's interrogatories and her deposition with the House and Senate Select Committees, Mrs. Newington stated that after this dinner she made substantial contributions to NEPL in early 1986 with the understanding that some of her contributions would be used to supply a replacement plane to the Contras.

Mrs. Newington does not recall receiving any written requests or solicitations for any of Channell's organizations. As mentioned earlier, Mrs. Newington said she was informed that her

contributions would go towards television advertisements relating to the Contras. However, she was not informed that her gifts would be used for the cost of advertisements relating to SDI. Mrs. Newington says that she was solicited by both Channell and Smith on behalf of NEPL and ACTSEF to pay for the television advertisements.

As noted above, both Channell and Smith, on behalf of ACTSEF and Sentinel, informed Mrs. Newington that her contributions would be used to influence elections. In 1985 and 1986, Channell and Smith solicited funds on behalf of ACTSEF for the purpose of influencing the outcome of Federal elections for Congress. Similarly, Channell solicited funds for Sentinel in 1986 for the same purpose.

The television advertisements were supposed to indirectly help the candidates. In her answers to the Commission's interrogatories, Mrs. Newington stated that she was advised by Channell and Smith "that these advertisements would not specifically refer to candidates by name but would help conservative candidates indirectly by encouraging the voting public to vote for candidates who espoused the conservative viewpoint." Mrs. Newington said that Smith would occasionally read the scripts of the advertisements to her: "On some occasions he read to me a proposed form of advertisement and he told me that it had been rewritten so as not to be too specific or 'too political' and that, as rewritten, the advertisement complied with applicable legal requirements." She recalls that some of her contributions in 1986 were to be used for

advertisements related to Linda Chavez' race for the United States Senate in Maryland. However, she does not recall which particular Channell organization solicited funds for this purpose.

In her deposition before the House and Senate Select Committees, Mrs. Newington stated that she deducted some contributions from her taxes but not others. When questioned about this inconsistency her response was: "I was sure of the National Endowment being tax deductible. The others I was not totally sure of." She further stated that Channell had informed her that certain contributions such as Sentinel and ACTSEF were not tax deductible.

2. Edwin L. Weisl, Jr.

In response to the Commission's interrogatories and request for documents, Edwin L. Weisl, Jr. stated that in 1986, he was solicited by and made contributions to NEPL and ACT. See Attachment 2. He contributed $1,000 to NEPL in May of 1986 and made two contributions to ACT in October 1986 for a total of $4,000.

Mr. Weisl said he was solicited by NEPL and ACT over the telephone. He recalls no written or face-to-face solicitations. In his answers to the Commission's interrogatories, Weisl recalls that the first telephone solicitation was from Channell on behalf of NEPL. Weisl stated that Channell informed him that his contribution would be used to pay for television advertisements seeking support for the Reagan administration's Contra aid policy.

Weisl said he received two other telephone solicitations from Kris Littledale on behalf of ACT. He said that Littledale told him his contributions to ACT "would be used to pay for television messages relating to elections to the Congress of the United States and stated that [ACT] was organized so as to legally perform this function." He further said that Littledale also told him that ACT is "a political action committee that would target television messages in specific Congressional districts or states where a particular representative or senator either supported or opposed Contra aid and that the messages would be in support of those who were in favor of Contra aid or against those who were opposed to Contra aid." Weisl stated that he believes that Littledale mentioned specific candidates but he can not actually recall their names.

3. Barbara Bullitt Christian

In her response to the Commission's interrogatories and request for documents, Barbara Bullitt Christian states that she cannot remember the specific contents of all of the written or phone solicitations received on behalf of NEPL, Sentinel, ACT or ACTSEF. See Attachment 3. Nor can she connect any one contribution with a specific solicitation. However, she does state in her answers to the Commission's interrogatories that at some point she was solicited by Channell, Clifford Smith, and Jane McLaughlin, all on behalf of NEPL. She also said she recalls being solicited by Daniel Conrad. However, Mrs. Christian further states that she was solicited by these same individuals interchangeably for all of Channell's organizations.

Mrs. Christian said she made a number of contributions to Channell's organizations for a total of $43,814.00 to NEPL, $6,700.00 to Sentinel, $1,200.00 to ACT, and $500.00 to ACTSEF. She also contributed $5,000.00 to the Anti-Terrorism American Committee ("ATAC"), another political action committee set up by Channell.

Mrs. Christian said she was solicited over the telephone by Channell, Smith, McLaughlin, and Conrad. She said that she may have received solicitations from other callers, but she does not recall their names. Mrs. Christian stated that while the phone conversations were brief, "each one did involve a request to monetarily support the entity represented by the caller in order that it might be able to provide aid to the Contras."

Mrs. Christian was also solicited through the mail. Most of the solicitation letters she received have since been discarded so she could not produce them in the Commission's request for production of documents.

Additionally, Mrs. Christian was also solicited in person. The first face-to-face solicitation took place at a NEPL fundraiser she attended at the Hay Adams Hotel in Washington during the summer of 1985. Channell was present at this event, but it was someone other than Channell who actually solicited her. As a result of this solicitation she contributed an amount in the range of $1,550.00.

Several other Washington meetings with Channell took place, but Mrs. Christian does not recall the details of such meetings. She does recall, however, that "in each case the discussion

centered around the need to support the Contras with food, clothing, medical supplies and like items in their fight against communism." She also said that there may have been other face-to-face solicitations during one of these Washington visits from one of Channell's associates.

Mrs. Christian was also involved in a local fundraising drive for the Contras which NEPL organized. See Attachment No. 4.

In her answers to the Commission's interrogatories, Mrs. Christian stated that she was informed on a couple of occasions that her contributions would be used to pay for television advertising relating to the Contras or SDI. Also, she stated: "one or more individuals who solicited contributions from me during 1985 and 1986 told me that if I contributed, my contributions would be used to influence federal elections." Neither the names of the specific solicitors involved, nor the dates of any such solicitations are recalled in her answers. But Mrs. Christian did say the solicitors were probably some of the same people she identified as phone solicitors which include Channell, Smith, Conrad, and McLaughlin.

She specifically recalls one telephone solicitation that took place around April of 1986 where the caller "specifically mentioned defeating Michael Barnes, who was then running for the United States Senate." While she does not remember specific details, she does recall that during the conversation that caller said money was being raised to help defeat Barnes and she was asked to make a contribution in support of this effort, which she agreed to do. See Attachment 5.

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Along these same lines, Mrs. Christian received in the mail as part of her written solicitations from ACT, a prospectus put out by the Robert Goodman Agency for ACT. The prospectus describes the content of the television advertisements, the media market involved, and the members of Congress targeted for defeat. See Attachment 6.

4. Frank G. Darlington

Frank G. Darlington stated in his answers to the Commission's interrogatories and request for documents that he contributed a total of $46,000.00 to NEPL in 1985 and 1986. See Attachment 7. He also said that he made two contributions to ACT in 1985 for a total of $9,000.00.

Mr. Darlington is ninety-six years old and in poor health. Because of this, he is unable to recall the details of any contributions he made to Channell's organizations. According to his attorney, there are no available records to determine whether and how Mr. Darlington was solicited for contributions.

Accordingly, Mr. Darlington also cannot provide any information as to whether he knew that his contributions would go towards television advertisements promoting the Nicaraguan Contras or the Strategic Defense Initiative ("SDI"). Likewise, he stated that no information is available concerning whether he knew his gifts would be used to influence elections.

5. Martha H. Lynch

In her answers to the Commission's interrogatories and request for documents, Martha H. Lynch said she contributed $45,000.00 in 1985 and $37,000.00 in 1986 to NEPL, for a total of

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$82,000.00. She was solicited both in person and through the mail.

In 1985, Mrs. Lynch met personally with Cliff Smith and Dan Conrad of ACT and NEPL. Smith told her that ACT had raised up to a million dollars so far in 1985. She was informed that contributions to ACT are limited to $5,000.00 but that NEPL has no limit on the size of donations. During the 1985 visit, Smith and Conrad also informed Mrs. Lynch that ACT's two principal activities are (1) purchasing Maule aircraft at $60,000.00 each to be used for delivering supplies to the Contras fighting within Nicaragua and (2) leasing DC3 aircraft for carrying supplies. See Attachment 8.

Mrs. Lynch was also solicited through the mail in 1985 and 1986. In responding to this Commission's request for documents, Mrs. Lynch provided reports that she received on the Nicaraguan Contras, an invitation to a White House briefing and copies of letters addressed to Channell from President Reagan regarding activities of NEPL and ACT. She also received copies of the budget for the television advertisements and copies of the scripts for the same. The budget is entitled "Central American Freedom Program Budget." The copies of the scripts for three television advertisements, "Terrorist Influence." "Refugees," and "Facts," all dealing with the need for funding the Contras, were included. See Attachment 9.

The five copies of the letters from President Reagan to Channell contained messages of gratitude for NEPL and ACT's television advertisements in support of the President's positions

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on the Nicaraguan Contras and SDI. The White House also sent a mailgram to Mr. William Lynch, inviting him to attend a White House briefing on U.S. policy in Central America for NEPL.

Mrs. Lynch also received copies of a 1986 report by Wesley Smith on the Nicaraguan Human Rights Abuses. In addition, she received a memorandum on NEPL's Central American Freedom Program. See Attachment No. 10. This document forcefully advocates the need to help the Contras. It discusses NEPL's plan for television advertisements to educate Americans on the gravamen of the situation in Nicaragua and the need to aid the Contras. The report further states that by "using the methodology of national political campaigns, we are seeking to utilize our opponents' negatives, debate the unclaimed issues to our advantage and reinforce our positive public perceptions." It notes: "If the issue is picked up by constituents it would be a strong message for Congress."

As noted at the beginning of this report, this office has only summarized the material from these witnesses. We have not sought to evaluate and analyze this information in terms of the legal and factual issues in this matter. Such an evaluation and analysis will be made at the conclusion of the Commission's investigation in this matter. This office is continuing its review of other responses and will make further reports to the Commission.

7/26/88
Date

Lawrence M. Noble
General Counsel

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Attachments

1. Newington's Answers to the Commission's Interrogatories
2. Weisl's Answers to the Commission's Interrogatories
3. Christian's Answers to the Commission's Interrogatories
4. NEPL fundraising letter from Christian dated 3/7/86
5. Cancelled check from Christian to ATAC
6. Prospectus from ACT to Christian re: television ads
7. Darlington's Answers to the Commission's Interrogatories
8. Lynch's Answers to the Commission's Interrogatories
9. Budget and scripts for televisions ads from NEPL
10. NEPL memo on Central American Freedom Program

Staff person: Elizabeth Campbell
George Rishel

0004074810

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

MEMORANDUM TO: LAWRENCE M. NOBLE
GENERAL COUNSEL

FROM: MARJORIE W. EMMONS/JOSHUA MCFADDEN

DATE: JULY 28, 1988

SUBJECT: MUR 2406 - COMPREHENSIVE INVESTIGATIVE REPORT #4
SIGNED JULY 25, 1988

The above-captioned matter was received in the Office of the Secretary of the Commission Tuesday, July 26, 1988 at 9:44 A.M. and circulated to the Commission on a 24-hour no-objection basis Wednesday, July 27, 1988 at 4:00 P.M.

There were no objections received in the Office of the Secretary of the Commission to the Comprehensive Investigative Report #4 at the time of the deadline.

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FEDERAL ELECTION COMMISSION
88 JUL 26 AM 9:44

**BEFORE THE FEDERAL ELECTION COMMISSION**

SENSITIVE

| | | |
|---|---|---|
| In the matter of | ) | |
| | ) | |
| National Endowment for the Preservation of Liberty; Carl Russell Channell; Sentinel; American Conservative Trust State Election Fund; American Conservative Trust and Carl R. Channell, as treasurer | ) | MUR 2406 |

**COMPREHENSIVE INVESTIGATIVE REPORT #5**

As this Office has previously noted, we are making a review of the material received as part of the Commission's investigation in this matter in order to provide the Commission with a summary of the material and selected excerpts from the documents. The complete sets of documents received from the witnesses are in the permanent file in this Office.

This review has not sought to draw any legal conclusions from any individual response or to evaluate any response with respect to the specific issues involved in this matter at this time. At the conclusion of the Commission's investigation, all of the information received will be examined and evaluated with respect to the issues raised in this matter.

This report summarizes the responses of nonrespondent contributor witnesses Melvin L. Salwasser, Mary Jo Pentecost, Jane Word Driscoll, and Robert Mosbacher, Jr., to the Commission's interrogatories and requests for documents.

1. Melvin L. Salwasser

In his response to the Commission's interrogatories and request for documents, Mr. Salwasser stated that he contributed a total of $46,910.00 to the National Endowment for the Preservation of Liberty ("NEPL") in 1985 and 1986. See Attachment 1. He also stated that he contributed $5,000.00 to the American Conservative Trust ("ACT") in 1986. These contributions were in direct response to solicitations from NEPL and ACT. Mr. Salwasser was solicited by telephone, through the mail and in person.

Both NEPL and ACT sent many letters and articles to Salwasser according to Salwasser's answers to the Commission's interrogatories. It appears that Salwasser kept all of his correspondence from Carl Russell "Spitz" Channell's organizations. Therefore, copies of correspondence and other documents related to solicitations by Channell's organizations are attached as an example of "typical" mail solicitations by Channell's groups. See Attachment 2.

Numerous phone solicitations were made to Mr. Salwasser by Mr. Kris Littledale on behalf of NEPL and ACT. Mr. Salwasser cannot recall these conversations with specific detail; nevertheless, he does provide a great deal of information in his answers to the interrogatories.

The earliest phone calls took place in 1985, some time between August and November. These first two calls were "consistent with the correspondence of July 9, 1985 and November 6, 1985." See Attachment 2, pages 1-5. The letter of

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July 9, 1985, was from Channell and it discussed, in detail, the television advertisements or "Freedom Spots" that NEPL planned to run. Also enclosed was a list of the advertisements which included the cost of running the advertisements and the targeted markets. The letter of November 6, 1985 from Littledale provided more information on NEPL and the political action committee, ACT, and thanked Salwasser for his support. See Attachment 2, page 14.

Additional telephone solicitations took place in 1986 by Littledale as a representative of NEPL. The content of these phone conversations focused on the need to aid the Nicaraguan contras. In his response to interrogatories, Mr. Salwasser stated: "I was told that this donation was to be used for educational films and for lobbying efforts to persuade Congressmen to support the $100 million Contra aid package soon to come up for vote in Congress. Also, this donation was to help the contras to survive until help could come from the U.S. government. Some reference was made in phone calls that the Contras were able to purchase SAM7 missiles from Israel but it was never clear to me how the National Endowment group was involved."

Thus, Salwasser said he was informed by his solicitors, Channell and Littledale, that his contributions would be "used to pay for the costs of television advertisements relating to the Nicaraguan Freedom Fighters (or Contras) or the Strategic Defense Initiative." He stated further: "I understood from the material sent to me and the conversations [with Channell and Littledale]

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that the purpose of the funds was to provide educational television announcements and advertisements to the Contras."

Mr. Salwasser also received telephone solicitations in 1986 where he was told by Littledale, on behalf of ACT, that his contributions would be used to defeat liberal members of Congress and help conservatives win their elections. All of the money contributed to ACT ($5,000.00) was solicited for the purpose of aiding political campaigns, according to Salwasser's answers to the Commission's interrogatories. For example, Mr. Salwasser said that "the contribution made on October 27, 1986 was made in response to a telephone call from Kris Littledale on behalf of the Emergency Committee for the Reagan Revolution which, in conversation, I understood was to be used to attempt to defeat liberal congressmen and to help reelect Senator Steve Symms and other conservative political candidates." See Attachment 2, pages 64-66.

Littledale also made phone solicitations on behalf of the Antiterrorism American Committee ("ATAC"), a Channell political action committee. Mr. Salwasser said that Littledale told him that his donation would be used to advise the public in certain congressional areas of legislators who were not backing President Reagan's proposed $100 million aid package for the Contras.

Mr. Salwasser reported two in-person solicitations in 1986. The first was a dinner in Pennsylvania with Littledale on February 15, 1986. Salwasser stated that "the general conversation had to do with raising funds to create an atmosphere in which Congress would provide more aid to the Contras." The

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second personal solicitation was a meeting between Salwasser, his son, Channell and Oliver North in North's Washington office. In his answer to the Commission's interrogatories, Salwasser said that "the substance of the meeting was an explanation by Colonel North with regard to efforts by the administration to provide aid to the Contras and to thank me for supporting the National Endowment for the Preservation of Liberty." North discussed the Contras need for food, clothes, radar, plane repairs and "he explained from a map where the major support for the Contras was in Nicaragua."

2. Mary Jo Pentecost

Mary Jo Pentecost stated in her response to the Commission's interrogatories and request for documents that in 1985 and 1986, she was solicited by and made contributions to NEPL, ACT, and Sentinel. See Attachment 3. Mrs. Pentecost made contributions of $10,450.00 to NEPL, $6,100.00 to ACT and $2,000.00 to Sentinel, for a combined total of $18,750.00 to the three organizations.

Mrs. Pentecost was solicited by phone, through the mail and in person in Washington, D.C. She cannot recall specific solicitations, but she said that she was solicited only by Channell and Cliff Smith on behalf of NEPL, ACT and Sentinel. Channell and Smith were the only persons she spoke with or had any dealings with.

The only documentation provided by Mrs. Pentecost are her canceled checks to NEPL, ACT and Sentinel because she said these are the only relevant documents she has in her possession.

Mrs. Pentecost stated that she makes no attempt to keep any correspondence because she gets stacks of mail from various political, educational, and charitable, etc., organizations day after day. Besides, Mrs. Pentecost said she was solicited by mail only a few times.

Most of the solicitations of Mrs. Pentecost took place over the telephone. Channell made a few calls, but Mrs. Pentecost recalls that Smith called the majority of times. She does not remember the dates of any calls.

Mrs. Pentecost said she met personally with Channell and Smith approximately four times during 1985 and 1986. The meetings were brief, and she was actually solicited only twice, once by Channell and once by Smith. In her response to the Commission's interrogatories, she stated that each merely asked her for "some more help for the 'Contras.'"

Mrs. Pentecost further stated that she was informed by either NEPL, Sentinel or ACT (she doesn't remember which), that her contribution would be used "for putting some television advertisements on in certain states to try to influence some members of Congress [House] to vote in favor of Congressional aid to the Freedom Fighters or Contras." She doesn't remember whether this information came from Channell or Smith, nor does she remember which organization they were representing at the time. Both Channell and Smith solicited her on behalf of NEPL, ACT and Sentinel, and she has not been able to keep the solicitations straight.

In addition to being informed of the advertisements,

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Mrs. Pentecost said she was also informed that her gifts would be used to influence federal elections. She said she believes it was Channell who asked her "to help some in the election against Michael Barnes and also to try to help a Mrs. Chavez." Mrs. Pentecost said she wasn't informed of any specific details, just that "there was a chance to get rid of Michael Barnes and a slim chance to elect a conservative in his place."

Mrs. Pentecost said that she was unhappy with Barnes' dealings with Daniel Ortega and she was "eager to do anything possible to get Mr. Barnes out of office." Although she can't remember which of the three organizations Channell was representing when he asked for her help in defeating Barnes, she said she thinks that she did give something in response to this particular solicitation request.

3. Jane Word Driscoll

Jane Word Driscoll is the widow of the late Robert S. Driscoll who died on January 13, 1987. In her response to the Commission's interrogatories and request for documents, Mrs. Driscoll stated that it was Mr. Driscoll who made any political contributions to Channell's organizations. See Attachment 4. Despite the fact that she was quoted in a New York Times article as saying she was told the $100,000.00 her late husband contributed to NEPL would be used to influence campaigns and that she knew a substantial portion of that money was for the "Star Wars" project, Mrs. Driscoll now claims that she has no knowledge of the answers to any of the questions concerning her husband's contributions. (See Exhibit 7 to the complaint circulated April

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29, 1987 for the New York Times article.)

Mrs. Driscoll further stated that she does not have in her possession any records or documents concerning the contributions to Channell's organizations. Also, she said that she does not have any information, nor did she participate, in the events described in the interrogatories.

4. Robert Mosbacher, Jr.

In response to the Commission's interrogatories and request for documents, Robert Mosbacher, Jr. stated that he made two contributions to NEPL, totaling $6,000.00. See Attachment 5. His first contribution in 1985 was for $1,000.00 and in 1986 he made a second contribution for $5,000.00.

Mr. Mosbacher was solicited by telephone on behalf of NEPL and ACT. He said that his telephone solicitors were Ellen Garwood, who was the first to call him, and Jane McLaughlin. One noteworthy telephone solicitation took place on January 23, 1986 when McLaughlin invited Mosbacher to a White House briefing, but he declined the invitation.

Additionally, Mr. Mosbacher received written solicitations from NEPL and ACT. He has enclosed copies of all written documents he received from Channell's organizations in the Commission's request for production of documents. A review of the documents reveals mail solicitations from Channell and McLaughlin. Mosbacher also received many thank you notes which encouraged his continued support of Channell's organizations. These letters came from Oliver North and Ed Rollins, in addition to Channell and McLaughlin.

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Mr. Mosbacher was personally solicited twice, both times in 1986. The first face-to-face solicitation took place on February 11, 1986, with Jane McLaughlin. Mosbacher stated that they "discussed the current status of the fighting in Nicaragua, as well as efforts to generate support for the President's program." McLaughlin asked him for $25,000.00 at this meeting.

The second face-to-face solicitation of Mosbacher was a meeting on July 30, 1986, with McLaughlin, Channell and one other gentleman associated with their activities, whose name Mosbacher does not recall. Mosbacher stated the purpose of this meeting was to discuss President Reagan's SDI policy. Mosbacher's solicitors brought surveys showing the popularity of the SDI program. The surveys included 17 selected congressional districts and the polls seemed to show that lack of support of SDI from certain Democratic congressmen would make them vulnerable to defeat. See Attachment No. 6. Mosbacher said that Channell asked him to contribute to his efforts to publicize through television advertising, the limited support that particular congressmen were giving to SDI.

In his response to the Commission's interrogatories, Mosbacher indicated his reply to this solicitation: "I declined all requests to contribute to media advertising run by the National Endowment for the Preservation of Liberty or the American Conservative Trust." Mosbacher also received mail solicitations regarding the television advertisement campaign in support of both SDI and the Contras. He also received copies of the transcripts of a number of the commercials and copies of the

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costs to produce and run the spots. But despite all of these solicitations, he refused to make a contribution to support the advertisements.

In addition, Mosbacher stated that his solicitors did inform him that his contributions would be used to influence elections. In a couple of telephone conversations with McLaughlin, she approached him regarding support for television advertisements to be run as negative attacks against certain Texas Democratic congressmen. He said that he "disliked negative, attack advertising, thought it would be counterproductive, and refused to support it financially."

As noted at the beginning of this report, this office has only summarized the material from these witnesses. We have not sought to evaluate and analyze this information in terms of the legal and factual issues in this matter. Such an evaluation and analysis will be made at the conclusion of the Commission's investigation in this matter. This office is continuing its review of other responses and will make further reports to the Commission.

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Date 7/25/88

Lawrence M. Noble
General Counsel

Attachments

1. Salwasser's Answers to the Commission's Interrogatories
2. Salwasser's Response to the Commission's Request for Production of Documents
3. Pentecost's Answers to the Commission's Interrogatories
4. Driscoll's Answers to the Commission's Interrogatories
5. Mosbacher's Answers to the Commission's Interrogatories
6. Solicitation Letter to Mosbacher from NEPL dated 7/22/86

Staff person: Elizabeth Campbell
George Rishel

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

MEMORANDUM TO: LAWRENCE M. NOBLE
GENERAL COUNSEL

FROM: MARJORIE W. EMMONS/JOSHUA MCFADDEN

DATE: JULY 28, 1988

SUBJECT: MUR 2406 - COMPREHENSIVE INVESTIGATIVE REPORT #5
SIGNED JULY 25, 1988

The above-captioned matter was received in the Office of the Secretary of the Commission Tuesday, July 26, 1988 at 9:44 A.M. and circulated to the Commission on a 24-hour no-objection basis Wednesday, July 27, 1988 at 4:00 P.M.

There were no objections received in the Office of the Secretary of the Commission to the Comprehensive Investigative Report #5 at the time of the deadline.

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SECRETARIAT
88 AUG -9 AM 10: 15

**BEFORE THE FEDERAL ELECTION COMMISSION**

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| In the matter of | ) | |
| | ) | |
| National Endowment for the Preservation of Liberty; Carl Russell Channell; Sentinel; American Conservative Trust State Election Fund; American Conservative Trust and Carl R. Channell, as treasurer | ) | MUR 2406 |

SENSITIVE

**COMPREHENSIVE INVESTIGATIVE REPORT #6**

As this office has previously noted, we are continuing our review of the material received as part of the Commission's investigation in this matter in order to provide the Commission with a summary of the material and selected excerpts from the documents. The complete sets of documents received from the witnesses are in the permanent file in this office.

This review has not sought to draw any legal conclusions from any individual response or to evaluate any response with respect to the specific issues involved in this matter at this time. At the conclusion of the Commission's investigation, all of the information received will be examined and evaluated with respect to the issues raised in this matter.

On February 18, 1988, the Commission approved a letter, subpoena and order to Arthur J. Finkelstein and Associates ("Finkelstein") in furtherance of the investigation of this matter. This report summarizes the responses of nonrespondent witness Finkelstein to the Commission's interrogatories and request for documents. See Attachment 1.

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In response to the Commission's interrogatories, Finkelstein stated that there was no written agreement or contract with NEPL, Sentinel, ACT or Channell to conduct polling activity in 1985 or 1986. According to Finkelstein, all requests for polling activity were made by telephone. The first telephone survey request was made in May or June of 1986. Finkelstein recalls that Channell, on behalf of ACT, asked Finkelstein to submit a proposal to conduct a survey in seventeen congressional districts. A proposed survey was submitted to Channell on June 4, 1986. See Attachment 2. According to Finkelstein, Channell subsequently telephoned them and directed that the survey be conducted. Three additional districts were also surveyed.

In answer to the Commission's interrogatories, Finkelstein stated that all subsequent survey assignments were given verbally via telephone by Channell or an associate of Channell's, Dan Conrad. Finkelstein said the services it provided to Channell's organizations consisted of conducting survey research and providing them with the survey results and an analysis of the results. Also, other than the initial transaction, all reports, correspondence, and other communication between Finkelstein and Channell or his associates, were addressed to NEPL. Finkelstein stated that the total amount charged for the polling work was $150,400.00; and, to the best of his recollection, NEPL made all of the payments.

Finkelstein stated that it was not informed of the purpose of the polling activity requested by Channell and his associates. According to their answers to the Commission's interrogatories,

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the only information Finkelstein received was the places where the surveys were to be conducted and the subject matter to be researched.

All of the surveys conducted by Finkelstein took place in 1986. Polls were taken in the following states: California, Colorado, Connecticut, Florida, Georgia, Idaho, Kentucky, Maryland, Mississippi, Missouri, New Mexico, North Carolina, Ohio, Oklahoma, Pennsylvania, South Carolina, Tennessee, and Texas. In response to the Commission's request for production of documents, Finkelstein stated that it has provided the Commission with most all documents connected with the polling activity it engaged in for Channell and his associates, except for twenty-three computer printouts compiled in connection with each survey which are bulky and very heavy.

The documentation provided by Finkelstein consists primarily of the results of the surveys done for Channell and his associates. Finkelstein compiled reports by congressional district and on an overall basis. For example, see Attachment 10. Each of these reports consists of a discussion of the methodology used and an analysis of the survey results. In addition, the raw scores of the summary questions were compiled and sent to Channell and his associates. For example, see Attachments 3 and 4.

Finkelstein also prepared a report analyzing the electoral strengths and weaknesses of the candidates in the Cranston and Mikulski Senate races, based on the California and Maryland survey results. See Attachment 5. Finkelstein also proposed

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draft television advertisements in connection with these surveys. Most of the drafts of televisions advertisements promote the Strategic Defense Initiative ("SDI") and also include proposed ads naming congressional candidates opposed to SDI including Alan Cranston and Barbara Mikulski. For example, see Attachments 6 and 7. He also apparently did exit polling for the September Maryland primary. See Attachment 8. Additionally, Finkelstein performed separate electoral analyses of the survey results of the state of California. See Attachment 9.

As noted above, Finkelstein stated that the total charge for all of its polling activity was $150,400.00. A breakdown of the costs incurred by Channell and his associates are as follows:

| Date of Survey | Cost | Subject of Survey |
|---|---|---|
| June 6, 1986 | $40,000.00 | 17 congressional districts |
| June 13, 1986 | 40,000.00 | 17 congressional districts |
| July 23, 1986 | 15,000.00 | 3 congressional districts |
| August 11, 1986 | 35,500.00 | California & Maryland |
| September 5, 1986 | 19,900.00 | Maryland |
| TOTAL | $150,400.00 | |

Finkelstein said it did not retain copies of checks paid to them by Channell's organizations. For this reason, they are unsure as to exactly who made the payments to them. To the best of its recollection, as noted earlier, all payments for surveys done for Channell and his associates were made by NEPL.

As noted at the beginning of this reports, this office has only summarized the material from these witnesses. We have not sought to evaluate and analyze this information in terms of the legal and factual issues in this matter. Such an evaluation and

analysis will be made at the conclusion of the Commission's investigation in this matter. This office is continuing its review of other responses and will make further reports to the Commission.

Date 8/3/88

Lawrence M. Noble
General Counsel

Attachments:

1. Answers to the Commission's Interrogatories
2. Initial survey proposal dated June 4, 1986
3. Survey Summary and Results - June 1986
4. Summary Incumbent Vulnerability Benchmarks and Results of SDI survey
5. Maryland and California Surveys and National Omnibus Survey
6. Drafts of television ads including Barbara Mikulski
7. Drafts of television ads including Alan Cranston
8. Maryland Exit Poll letter and survey
9. Survey Summary - California - August 1986
10. Survey Summary - Texas 10th congressional district - June 1986

Staff person: Elizabeth Campbell
George Rishel

0014079428

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

**MEMORANDUM**

TO: LAWRENCE M. NOBLE
GENERAL COUNSEL

FROM: MARJORIE W. EMMONS/JOSHUA MCFADDEN

DATE: AUGUST 10, 1988

SUBJECT: MUR 2406
Comprehensive Investigative Report #6
Signed August 8, 1988

The above-captioned report was received in the Secretariat at 10:15 A.M. on Tuesday, August 9, 1988 and circulated to the Commission on a 24-hour no-objection basis at 4:00 P.M. on Tuesday, August 9, 1988.

There were no objections to the report.

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FEDERAL ELECTION COMMISSION
MAIL ROOM

88 AUG 24 AM 8:52

COPY

Mur 2406

HERGE, SPARKS, CHRISTOPHER & BIONDI
ATTORNEYS AT LAW
SUITE 200
8201 GREENSBORO DRIVE
McLEAN, VIRGINIA 22102
(703) 848-4700

TELECOPIER NUMBER
(703) 893-7371

J. CURTIS HERGE
ROBERT R. SPARKS, JR.
A. MARK CHRISTOPHER
GEORGE V. BIONDI

DONNA LYNN MILLER
CARRIE LEE GLASER

July 31, 1987

CERTIFIED MAIL -
RETURN RECEIPT REQUESTED

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

RE: Anti-Terrorism American Committee (C00207654)

Dear Sirs:

Enclosed is the Report of Receipts and Disbursements, FEC Form 3X, of Anti-Terrorism American Committee covering the period January 1, 1987 through June 30, 1987.

Very truly yours,

J. Curtis Herge

:sbl
Enclosure
cc: Maryland State Administrative
Board of Election Laws
(with copy of enclosure)

88 AUG 24 AM 9:55

RECEIVED
FEDERAL ELECTION COMMISSION
OFFICE OF GENERAL COUNSEL

9004079430

# REPORT OF RECEIPTS AND DISBURSEMENTS

For Other Than An Authorized Committee

(Summary Page)

RECEIVED
FEDERAL ELECTION COMMISSION
MAIL ROOM

88 AUG 24 AM 8:52

F88-134

TYPE OR PRINT

1. NAME OF COMMITTEE (in full)
Anti-Terrorism American Committee

ADDRESS (number and street) ☐ Check if different than previously reported
Star Route 2 Box 102

CITY, STATE and ZIP CODE
Prince Frederick, MD 20678

2. FEC IDENTIFICATION NUMBER
C 00207654

3. ☐ This committee qualified as a multicandidate committee DURING THIS Reporting Period on _____ (date).

## 4. TYPE OF REPORT

(a) ☐ April 15 Quarterly Report
☐ July 15 Quarterly Report
☐ October 15 Quarterly Report
☐ January 31 Year End Report
☒ July 31 Mid Year Report (Non-election Year Only)
☐ Termination Report

Monthly Report Due On:
☐ February 20 ☐ June 20 ☐ October 20
☐ March 20 ☐ July 20 ☐ November 20
☐ April 20 ☐ August 20 ☐ December 20
☐ May 20 ☐ September 20 ☐ January 31

☐ Twelfth day report preceding _____ (Type of Election) election on _____ in the State of _____

☐ Thirtieth day report following the General Election on _____ in the State of _____

(b) Is this Report an Amendment? ☐ YES ☒ NO

## SUMMARY

| | | COLUMN A This Period | COLUMN B Calendar Year-to-Date |
|---|---|---|---|
| 5. | Covering Period Jan 1, 1987 through June 30, 1987 | | |
| 6. (a) | Cash on Hand January 1, 19 87 | | $ 3,488.75 |
| (b) | Cash on Hand at Beginning of Reporting Period | $ 3,488.75 | |
| (c) | Total Receipts (from Line 18) | $ 3,000.00 | $ 3,000.00 |
| (d) | Subtotal (add Lines 6(b) and 6(c) for Column A and Lines 6(a) and 6(c) for Column B) | $ 6,488.75 | $ 6,488.75 |
| 7. | Total Disbursements (from Line 28) | $ 4,397.98 | $ 4,397.98 |
| 8. | Cash on Hand at Close of Reporting Period (subtract Line 7 from Line 6(d)) | $ 2,090.77 | $ 2,090.77 |
| 9. | Debts and Obligations Owed TO the Committee (Itemize all on Schedule C and/or Schedule D) | $ -0- | |
| 10. | Debts and Obligations Owed BY the Committee (Itemize all on Schedule C and/or Schedule D) | $ 4,895.64 | |

For further information contact:
Federal Election Commission
999 E Street, NW
Washington, DC 20463
Toll Free 800-424-9530
Local 202-376-3120

*I certify that I have examined this Report and to the best of my knowledge and belief it is true, correct and complete.*

Type or Print Name of Treasurer
J. Parker Bailey

Signature of Treasurer
J. Parker Bailey

Date
7/31/87

NOTE: Submission of false, erroneous, or incomplete information may subject the person signing this Report to the penalties of 2 U.S.C. §437g.

FEC FORM 3X

# DETAILED SUMMARY PAGE

of Receipts and Disbursements
(Page 2, FEC FORM 3X)

| Name of Committee (in full) | Report Covering the Period From: | To: |
|---|---|---|
| Anti-Terrorism American Committee | 1/1/87 | 6/30/87 |

| I. RECEIPTS | COLUMN A Total This Period | COLUMN B Calendar Year-To-Date | |
|---|---|---|---|
| 11. CONTRIBUTIONS (other than loans) FROM: | | | |
| (a) Individuals/Persons Other Than Political Committees | | | |
| (i) Itemized (use Schedule A) | | | 11(a)(i) |
| (ii) Unitemized | 1,000.00 | 1,000.00 | 11(a)(ii) |
| (iii) Total of contributions from individuals | 1,000.00 | 1,000.00 | 11(a)(iii) |
| (b) Political Party Committees | | | 11(b) |
| (c) Other Political Committees (such as PACs) | | | 11(c) |
| (d) TOTAL CONTRIBUTIONS (add 11(a)(iii), (b), and (c)) | 1,000.00 | 1,000.00 | 11(d) |
| 12. TRANSFERS FROM AFFILIATED/OTHER PARTY COMMITTEES | | | 12 |
| 13. ALL LOANS RECEIVED | | | 13 |
| 14. LOAN REPAYMENTS RECEIVED | | | 14 |
| 15. OFFSETS TO OPERATING EXPENDITURES (Refunds, Rebates, etc.) | | | 15 |
| 16. REFUNDS OF CONTRIBUTIONS MADE TO FEDERAL CANDIDATES AND OTHER POLITICAL COMMITTEES | 2,000.00 | 2,000.00 | 16 |
| 17. OTHER RECEIPTS (Dividends, Interest, etc.) | | | 17 |
| 18. TOTAL RECEIPTS (add 11(d), 12, 13, 14, 15, 16 and 17) | 3,000.00 | 3,000.00 | 18 |
| **II. DISBURSEMENTS** | | | |
| 19. OPERATING EXPENDITURES | 4,397.98 | 4,397.98 | 19 |
| 20. TRANSFERS TO AFFILIATED/OTHER PARTY COMMITTEES | | | 20 |
| 21. CONTRIBUTIONS TO FEDERAL CANDIDATES AND OTHER POLITICAL COMMITTEES | | | 21 |
| 22. INDEPENDENT EXPENDITURES (use Schedule E) | | | 22 |
| 23. COORDINATED EXPENDITURES MADE BY PARTY COMMITTEES (2 U.S.C. 441a(d)) (use Schedule F) | | | 23 |
| 24. LOAN REPAYMENTS MADE | | | 24 |
| 25. LOANS MADE | | | 25 |
| 26. REFUNDS OF CONTRIBUTIONS TO: | | | |
| (a) Individuals/Persons Other Than Political Committees | | | 26(a) |
| (b) Political Party Committees | | | 26(b) |
| (c) Other Political Committees (such as PACs) | | | 26(c) |
| (d) TOTAL CONTRIBUTION REFUNDS (add 26(a), (b), and (c)) | | | 26(d) |
| 27. OTHER DISBURSEMENTS | | | 27 |
| 28. TOTAL DISBURSEMENTS (add 19, 20, 21, 22, 23, 24, 25, 26(d) and 27) | 4,397.98 | 4,397.98 | 28 |
| **III. NET CONTRIBUTIONS/OPERATING EXPENDITURES** | | | |
| 29. TOTAL CONTRIBUTIONS (other than loans)( from Line 11(d)) | 1,000.00 | 1,000.00 | 29 |
| 30. TOTAL CONTRIBUTION REFUNDS (from Line 26(d)) | | | 30 |
| 31. NET CONTRIBUTIONS (other than loans)(subtract Line 30 from 29) | 1,000.00 | 1,000.00 | 31 |
| 32. TOTAL OPERATING EXPENDITURES (from Line 19) | 4,397.98 | 4,397.98 | 32 |
| 33. OFFSETS TO OPERATING EXPENDITURES (from Line 15) | | | 33 |
| 34. NET OPERATING EXPENDITURES (subtract Line 33 from 32) | 4,397.98 | 4,397.98 | |

SCHEDULE A — ITEMIZED RECEIPTS

REFUNDS OF CONTRIBUTIONS MADE TO FEDERAL CANDIDATES

Use separate schedule(s) for each category of the Detailed Summary Page

PAGE 1 OF 1

FOR LINE NUMBER 16

Information copied from such Reports and Statements may not be sold or used by any person for the purpose of soliciting contributions or for commercial purposes, other than using the name and address of any political committee to solicit contributions from such committee.

NAME OF COMMITTEE (In Full)

Anti-Terrorism American Committee

| | | | |
|---|---|---|---|
| A. Full Name, Mailing Address and ZIP Code<br>Hyde for Congress Comm<br>2104 Rayburn Building<br>Washington, DC 20515<br>Receipt For: ☐ Primary ☐ General ☐ Other (specify): | Name of Employer<br>refund of campaign contribution<br>Occupation<br>Aggregate Year-to-Date > $ | Date (month, day, year)<br>6/1/87 | Amount of Each Receipt this Period<br>1,000.00 |
| B. Full Name, Mailing Address and ZIP Code<br>Jim Cowter for Congress Comm<br>2422 Rayburn Building<br>Washington, DC 20515<br>Receipt For: ☐ Primary ☐ General ☐ Other (specify): | Name of Employer<br>refund of campaign contribution<br>Occupation<br>Aggregate Year-to-Date > $ | Date (month, day, year)<br>5/5/87 | Amount of Each Receipt this Period<br>1,000.00 |
| C. Full Name, Mailing Address and ZIP Code<br>Receipt For: ☐ Primary ☐ General ☐ Other (specify): | Name of Employer<br>Occupation<br>Aggregate Year-to-Date > $ | Date (month, day, year) | Amount of Each Receipt this Period |
| D. Full Name, Mailing Address and ZIP Code<br>Receipt For: ☐ Primary ☐ General ☐ Other (specify): | Name of Employer<br>Occupation<br>Aggregate Year-to-Date > $ | Date (month, day, year) | Amount of Each Receipt this Period |
| E. Full Name, Mailing Address and ZIP Code<br>Receipt For: ☐ Primary ☐ General ☐ Other (specify): | Name of Employer<br>Occupation<br>Aggregate Year-to-Date > $ | Date (month, day, year) | Amount of Each Receipt this Period |
| F. Full Name, Mailing Address and ZIP Code<br>Receipt For: ☐ Primary ☐ General ☐ Other (specify): | Name of Employer<br>Occupation<br>Aggregate Year-to-Date > $ | Date (month, day, year) | Amount of Each Receipt this Period |
| G. Full Name, Mailing Address and ZIP Code<br>Receipt For: ☐ Primary ☐ General ☐ Other (specify): | Name of Employer<br>Occupation<br>Aggregate Year-to-Date > $ | Date (month, day, year) | Amount of Each Receipt this Period |

TOTAL of Receipts This Page (optional) . . . . . >

This Period (last page this line number only) . . . . . >

EDULE B — ITEMIZED DISBURSEMENTS — OPERATING EXPENDITURES

Use separate schedule(s) for each category of the Detailed Summary Page

PAGE 1 OF 1

FOR LINE NUMBER 19

Information copied from such Reports and Statements may not be sold or used by any person for the purpose of soliciting contributions or for commercial purposes, other than using the name and address of any political committee to solicit contributions from such committee.

NAME OF COMMITTEE (In Full)

Anti-Terrorism American Committee

| | Purpose of Disbursement | Date (month, day, year) | Amount of Each Disbursement This Period |
|---|---|---|---|
| A. Full Name, Mailing Address and ZIP Code<br>Herge, Sparks, Christopher, Biondi<br>8201 Greensboro Dr<br>McLean, VA 22102 | Legal fees<br>Disbursement for: ☐ Primary ☐ General ☐ Other (specify) | 1/7/87<br>2/25/87 | 235.00<br>675.83 |
| B. Full Name, Mailing Address and ZIP Code<br>J. Parker Bailey, CPA<br>2100 Gallows Road<br>Vienna, VA 22180 | Purpose of Disbursement<br>Accounting fees<br>Disbursement for: ☐ Primary ☐ General ☐ Other (specify) | Date (month, day, year)<br>1/16/87<br>2/25/87 | Amount of Each Disbursement This Period<br>262.50<br>479.00 |
| C. Full Name, Mailing Address and ZIP Code<br>Channell Corp<br>1331 Pennsylvania Ave<br>Washington, DC 20004 | Purpose of Disbursement<br>Rent<br>Disbursement for: ☐ Primary ☐ General ☐ Other (specify) | Date (month, day, year)<br>2/17/87<br>2/25/87 | Amount of Each Disbursement This Period<br>388.00<br>388.00 |
| D. Full Name, Mailing Address and ZIP Code<br>Madison National Bank<br>Washington, DC | Purpose of Disbursement<br>Check printing<br>Disbursement for: ☐ Primary ☐ General ☐ Other (specify) | Date (month, day, year)<br>1/31/87 | Amount of Each Disbursement This Period<br>24.65 |
| E. Full Name, Mailing Address and ZIP Code<br>Anti-Terrorism American Comm - State Election Fund<br>Prince Frederick, MD 20678 | Purpose of Disbursement<br>Reimbursement<br>Disbursement for: ☐ Primary ☐ General ☐ Other (specify) | Date (month, day, year)<br>4/2/87 | Amount of Each Disbursement This Period<br>1,920.00 |
| F. Full Name, Mailing Address and ZIP Code<br>DC Treasurer<br>Washington, DC | Purpose of Disbursement<br>Annual report fee<br>Disbursement for: ☐ Primary ☐ General ☐ Other (specify) | Date (month, day, year)<br>4/3/87 | Amount of Each Disbursement This Period<br>25.00 |
| G. Full Name, Mailing Address and ZIP Code | Purpose of Disbursement<br>Disbursement for: ☐ Primary ☐ General ☐ Other (specify) | Date (month, day, year) | Amount of Each Disbursement This Period |
| H. Full Name, Mailing Address and ZIP Code | Purpose of Disbursement<br>Disbursement for: ☐ Primary ☐ General ☐ Other (specify) | Date (month, day, year) | Amount of Each Disbursement This Period |
| I. Full Name, Mailing Address and ZIP Code | Purpose of Disbursement<br>Disbursement for: ☐ Primary ☐ General ☐ Other (specify) | Date (month, day, year) | Amount of Each Disbursement This Period |

TOTAL of Disbursements This Page (optional) .....

AL This Period (last page this line number only) ..... 4,397.98

SCHEDULE D
(Revised 3/80)

# DEBTS AND OBLIGATIONS
## Excluding Loans

Page ___ of ___ for
LINE NUMBER 10
(Use separate schedules for each numbered line)

| Name of Committee (in Full) ANTI-TERRORISM AMERICAN COMMITTEE C00207654 | Outstanding Balance Beginning This Period | Amount Incurred This Period | Payment This Period | Outstanding Balance at Close of This Period |
|---|---|---|---|---|
| A. Full Name, Mailing Address and Zip Code of Debtor or Creditor<br>ANTI-TERRORISM AMERICAN COMMITTEE -<br>STATE ELECTION FUND<br>STAR ROUTE 2, BOX 102<br>PRINCE FREDERICK, MD 20678 | 937.47 | -0- | 937.47 | -0- |
| Nature of Debt (Purpose):<br>OFFICE SUPPLIES | | | | |
| B. Full Name, Mailing Address and Zip Code of Debtor or Creditor<br>ANTI-TERRORISM AMERICAN COMMITTEE -<br>STATE ELECTION FUND<br>STAR ROUTE 2, BOX 102<br>PRINCE FREDERICK, MD 20678 | 436.42 | -0- | 436.42 | -0- |
| Nature of Debt (Purpose):<br>UTILITIES | | | | |
| C. Full Name, Mailing Address and Zip Code of Debtor or Creditor<br>ANTI-TERRORISM AMERICAN COMMITTEE -<br>STATE ELECTION FUND<br>STAR ROUTE 2, BOX 102<br>PRINCE FREDERICK, MD 20678 | 2,351.25 | -0- | 546.11 | 1,805.14 |
| Nature of Debt (Purpose):<br>RENT | | | | |
| D. Full Name, Mailing Address and Zip Code of Debtor or Creditor<br>ANTI-TERRORISM AMERICAN COMMITTEE -<br>STATE ELECTION FUND<br>STAR ROUTE 2, BOX 102<br>PRINCE FREDERICK, MD 20678 | 3,013.00 | -0- | -0- | 3,013.00 |
| Nature of Debt (Purpose):<br>SALARIES | | | | |
| E. Full Name, Mailing Address and Zip Code of Debtor or Creditor<br>J. Parker Bailey, CPA<br>2100 Gallows Road<br>Vienna, VA 22180 | -0- | 819.00 | 741.50 | 77.50 |
| Nature of Debt (Purpose):<br>Accounting fees | | | | |
| F. Full Name, Mailing Address and Zip Code of Debtor or Creditor | | | | |
| Nature of Debt (Purpose): | | | | |
| 1) SUBTOTALS This Period This Page (optional) | | | | |
| 2) TOTAL This Period (last page this line only) | | | | |
| 3) TOTAL OUTSTANDING LOANS from Schedule C (last page only) | | | | 4,895.64 |
| 4) ADD 2) and 3) and carry forward to appropriate line of Summary Page (I) | | | | |

plum

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

August 22, 1988

Michael R. Simpson, Chief of Public Disclosure
Office of Campaign Finance
Reeves Municipal Center
2000 14th Street, N.W., Room 440
Washington D.C. 20009

RE: MUR 2406

Dear Mr. Simpson:

This is in reference the Federal Election Commission's request for the copies of reports filed by the Anti-Terrorism American Committee State Election Fund as well as any other information your Office possesses on the Committee. The Office of the General Counsel requires the reports filed by the Committee from 1986 to 1987.

If you have any questions, please contact Michael Marinelli at (202) 376-82000. Thank you for your cooperation and assistance.

Sincerely,

Lawrence M. Noble

Lawrence M. Noble
General Counsel

9014079483

RECEIVED
FEDERAL ELECTION COMMISSION
MAIL ROOM

88 AUG 30 AM 11:07

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

August 22, 1988

POSTMASTER
Prince Frederick, Maryland 20678

RE: MUR 2406

Dear Postmaster:

Pursuant to 39 C.F.R. § 265(d)(1), we request that you provide us with the present address of Krishna Littledale. According to our records, the address of Krishna Littledale was in Prince Frederick, Maryland as of 1987.

Under 39 C.F.R. § 265.8e(8)(iii), we request a waiver of fees. In this connection I hereby certify that the Federal Election Commission, an agency of the U.S. Government, requires the information requested above in the performance of its official duties, and that all other known sources for obtaining it have been exhausted.

A return envelope is enclosed. Should you have any questions or require any further information, please call Judybeth Greene, the attorney assigned to this matter, at (202) 376-8200.

Thank you for your assistance.

Sincerely,

Lawrence M. Noble
General Counsel

Enclosure
Envelope

240 Boyce

9004079437

RECEIVED
FEDERAL ELECTION COMMISSION
MAIL ROOM

88 AUG 30 AM 11:08

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

August 22, 1988

POSTMASTER
Prince Frederick, Maryland 20678

RE: MUR 2406

Dear Sir or Madam:

Pursuant to 39 C.F.R. § 265(d)(1), we request that you provide us with the present address of the Anti-Terrorism American Committee. According to our records, the address of the Anti-Terrorism American Committee was Star Route 2, Box 102, Prince Frederick, Maryland as of 1987.

Under 39 C.F.R. § 265.8e(8)(iii), we request a waiver of fees. In this connection I hereby certify that the Federal Election Commission, an agency of the U.S. Government, requires the information requested above in the performance of its official duties, and that all other known sources for obtaining it have been exhausted.

A return envelope is enclosed. Should you have any questions or require any further information, please call Judybeth Greene, the attorney assigned to this matter, at (202) 376-8200.

Thank you for your assistance.

Sincerely,

Lawrence M. Noble
General Counsel

Enclosure
Envelope

240 Boy Ave.
Prince Fred Md 20678

2004079838

CCH6 267

RECEIVED
FEDERAL ELECTION COMMISSION
MAIL ROOM

88 AUG 30 AM 11:08

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

August 22, 1988

POSTMASTER
Prince Frederick, Maryland 20678

RE: MUR 2406

Dear Sir or Madam:

Pursuant to 39 C.F.R. § 265(d)(1), we request that you provide us with the present address of Edward Dean Miles. According to our records, the address of Edward Dean Miles was Star Route 2, Box 102, Prince Frederick, Maryland as of 1987.

Under 39 C.F.R. § 265.8e(8)(iii), we request a waiver of fees. In this connection I hereby certify that the Federal Election Commission, an agency of the U.S. Government, requires the information requested above in the performance of its official duties, and that all other known sources for obtaining it have been exhausted.

A return envelope is enclosed. Should you have any questions or require any further information, please call Judybeth Greene, the attorney assigned to this matter, at (202) 376-8200.

Thank you for your assistance.

Sincerely,

Lawrence M. Noble
General Counsel

Enclosure
Envelope

Correct Address

88 AUG 30 PM 2:16

FEDERAL ELECTION COMMISSION

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plm

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

August 29, 1988

Alumni Records
George Washington University
Gelman Library
2130 H Street, N.W.
Room 709
Washington, D.C. 20052

MUR 2406

Dear Sir or Madam:

The Federal Election Commission has the statutory duty of enforcing the Federal Election Campaign Act of 1971, as amended, and Chapters 95 and 96 of Title 26, United States Code. The Commission is seeking the address of a George Washington University Alumni, Fred Clifton Smith, Jr. The Commission believes that Mr. Smith completed his studies at George Washington University in the spring or summer of 1984.

Because this information is being sought as part of an investigation being conducted by the Commission, the confidentiality provision of 2 U.S.C. § 437g(a)(12)(A) applies. That section prohibits making public any investigation conducted by the Commission without the express written consent of the person with respect to whom the investigation is made. You are advised that no such consent has been given in this case.

A return envelope is enclosed. Should you have any questions or require any further information, please call Susan Beard, the attorney assigned to this matter, at (202)376-8200.

Sincerely,

Lawrence M. Noble

Lawrence M. Noble
General Counsel

Enclosure
Envelope

0004079440

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

August 31, 1988

POSTMASTER
New York, New York 10036

RE: MUR 2406

Dear Sir or Madam:

Pursuant to 39 C.F.R. § 265(d)(1), we request that you provide us with the present address of Blakemore & Killough. According to our records, the address of Blakemore & Killough was 1180 Avenue of the Americas, New York, N.Y. 10036 as of 1986.

Under 39 C.F.R. § 265.8e(8)(iii), we request a waiver of fees. In this connection I hereby certify that the Federal Election Commission, an agency of the U.S. Government, requires the information requested above in the performance of its official duties, and that all other known sources for obtaining it have been exhausted.

A return envelope is enclosed. Should you have any questions or require any further information, please call Michael Marinelli, the attorney assigned to this matter, at (202) 376-8200.

Thank you for your assistance.

Sincerely,

Lawrence M. Noble
General Counsel

Enclosure
Envelope

0004079841

plm

FEDERAL ELECTION COMMISSION
WASHINGTON, D C 20463

September 6, 1988

Ronald G. Precup, Esq.
Nussbaum, Owen & Webster
One Thomas Circle
Washington, D.C. 20005

RE: MUR 2406
Subpoena of
Richard Miller

Dear Mr. Precup:

This is to confirm that the deposition of your client, Richard Miller, has been rescheduled at your request. The deposition will take place on September 15, 1988, at 10:00 a.m., at the Federal Election Commission, 999 E Street, N.W., Room 657, Washington, D.C. You are reminded that the Commission does not consider Mr. Miller a respondent in this matter, but rather a witness only.

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

Sincerely,

Lawrence M Noble (SHR)

Lawrence M. Noble
General Counsel

0004079448

RECEIVED
FEDERAL ELECTION COMMISSION
SE
88 SEP 20 AM 10:07

**BEFORE THE FEDERAL ELECTION COMMISSION**

| | | |
|---|---|---|
| In the Matter of | ) | SENSITIVE |
| | ) | |
| National Endowment for the Preservation of Liberty; Carl Russell Channell; Sentinel; American Conservative Trust State Election Fund; American Conservative Trust and Carl Russell Channell, as treasurer | ) | MUR 2406 |

**COMPREHENSIVE INVESTIGATIVE REPORT #7**

As this Office has previously noted, we are continuing our review of the material received as part of the Commission's investigation in this matter in order to provide the Commission with a summary of the material and selected excerpts from the documents. The complete sets of documents received from the witnesses are in the permanent file in this office.

The Commission approved a letter, subpoena and order to Legi-Tech, Inc., dba Washington On-Line, in furtherance of the investigation of this matter. This report summarizes the responses of nonrespondent witness Washington On-Line ("WOL") to the Commission's interrogatories and request for documents. Attachment I.

WOL stated that it had an agreement with the National Endowment for the Preservation of Liberty ("NEPL") to receive its Campaign Contribution Tracking System service. This service provides computer access to information obtained by WOL from the Commission's public records. Attachment I(1), (38)-(39). Included in the response from WOL were copies of the written contracts between WOL and NEPL; a payment schedule, invoices, and related correspondence. Attachment I(3)-(37). The initial contract was effective beginning January 15, 1986, and the

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agreement was renewed beginning January 15, 1987. On July 31, 1987, WOL terminated services for NEPL due to nonpayment of fees. WOL stated further that it never had any agreements with Sentinel, the American Conservative Trust, the Anti-Terrorism American Committee or the Channell Corporation.

As noted at the beginning of this report, this Office has only summarized the material from this witness. An evaluation and analysis of the material will be made at the conclusion of the Commission's investigation in this matter. This Office is continuing its review of other responses and will make further reports to the Commission.

9/19/88
Date

Lawrence M. Noble
General Counsel

Attachment
Response from Washington On-Line

Staff assigned: Sandra H. Robinson
George F. Rishel

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

MEMORANDUM

TO: LAWRENCE M. NOBLE
GENERAL COUNSEL

FROM: MARJORIE W. EMMONS/JOSHUA MCFADDEN

DATE: SEPTEMBER 21, 1988

SUBJECT: MUR 2406
COMPREHENSIVE INVESTIGATIVE REPORT #7
SIGNED SEPTEMBER 19, 1988

The above-captioned report was received in the Secretariat at 10:07 a.m. on Tuesday, September 20, 1988 and circulated to the Commission on a 24-hour no-objection basis at 4:00 p.m. on Tuesday, September 20, 1988.

There were no objections to the report.

2004079843

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# TRANSCRIPT OF PROCEEDINGS

MUR 2406

UNITED STATES OF AMERICA

BEFORE THE

FEDERAL ELECTION COMMISSION

| | |
|---|---|
| IN THE MATTER OF: | |
| NATIONAL ENDOWMENT FOR THE PRESERVATION OF LIBERTY; CARL RUSSELL CHANNELL; SENTINEL; AMERICAN CONSERVATIVE TRUST STATE ELECTION FUND; AMERICAN CONSERVATIVE TRUST AND CARL R. CHANNELL, AS TREASURER | |

83 SEP 23 PM 2:09

DEPOSITION OF RICHARD B. MILLER

Washington, D. C.

Thursday, September 15, 1988

ACE-FEDERAL REPORTERS, INC.
*Stenotype Reporters*
444 North Capitol Street
Washington, D.C. 20001
(202) 347-3700
Nationwide Coverage
800-336-6646

UNTIED STATES OF AMERICA
BEFORE THE
FEDERAL ELECTION COMMISSION

| | |
|---|---|
| IN THE MATTER OF: | |
| NATIONAL ENDOWMENT FOR THE PRESERVATION OF LIBERTY; CARL RUSSELL CHANNELL: SENTINEL; AMERICAN CONSERVATIVE TRUST STATE ELECTION FUND; AMERICAN CONSERVATIVE TRUST, AND CARL R. CHANNELL, AS TREASURER | MUR 2406 |

DEPOSITION OF RICHARD B. MILLER

Washington, D. C.

Thursday, September 15, 1988

Deposition of RICHARD B. MILLER, called for examination pursuant to ntoice of deposition, at the Federal Election Commission, 999 E Street, N.W., Room 657, at 10:00 a.m. before LEANNE P. DOTSON, a Notary Public within and for the District of Columbia, when were present on behalf of the respective parties:

SANDRA H. ROBINSON, ESQ.
MICHAEL MARINELLI, ESQ.
Federal Election Commission
999 E Street, N.W.
Washington, D. C.
On behalf of Federal Election Commission.

RONALD G. PRECUP, ESQ.
Nussbaum, Owen & Webster
One Thomas Circle, N.W.
Washington, D. C. 20005
On behalf of the Deponent.

## CONTENTS


| WITNESS | EXAMINATION |
|---|---|
| Richard B. Miller | |
| by Ms. Robinson | 3 |


## EXHIBITS


| MILLER DEPOSITION NUMBER | IDENTIFIED |
|---|---|
| Exhibit 1 | 14 |
| Exhibit 2 | 17 |
| Exhibit 3 | 23 |
| Exhibit 4 | 29 |
| Exhibit 5 | 41 |
| Exhibit 6 | 43 |


0 0 0 4 0 7 9 3 4 6

PROCEEDINGS

Whereupon,

RICHARD B. MILLER

was called as a witness and, having first been duly sworn, was examined and testified as follows:

EXAMINATION

BY MS. ROBINSON:

Q Would you identify yourself for the record, sir.

A Richard Broderick Miller.

Q Your address?

A 4500 Orangewood Lane, Bowie, Maryland 20715.

Q And your business and home numbers, please?

A My home telephone number is 301-464-4258, and my business is 202-328-0880.

Q And you are represented by counsel here today; correct?

A I am.

Q Would you introduce yourself, sir?

A My counsel -- I'm sorry. Go ahead.

MR. PRECUP: My name is Ronald G. Precup. I'm here representing Mr. Miller.

MS. ROBINSON: Thank you.

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BY MS. ROBINSON:

Q Mr. Miller, this is a deposition conducted according to the Federal Election Commission Campaign Act in connection with the investigation of an enforcement matter before the Commission. These questions are posed under oath, as you know, and if there is a question that you don't understand, if you would just let me know I would be happy to reword it or try to make it clearer. We will proceed.

A Okay.

Q All right. You at one time were connected with a business entitled "International Business Communications"?

A That's correct.

Q Would you describe in general terms what that business was?

A International Business Communications was a partnership of personal corporations or individual corporations. Its principal business was public affairs. That included general media relations, political strategy, business and trade promotion, diplomatic services. I'm going to leave about three off the list of about eight, but our brochure had eight different topics. We did lobbying in Congress, we did lobbying in the administrative branch, and

at the local level. And generally we represented clients in Washington as consultants.

Q I would like to go back up to the instructions for a moment. Prior to coming here did you review any documents in preparation for this deposition?

A Not really, but I think I probably know them all by heart by now.

Q Okay.

Q All right. Could you identify -- is International Business Communications still in operation today?

A No, it is not.

Q When did it --

A We ceased operation about six months ago, and the general media relations and public relations work continued under the corporation of which I am president, Consultants 2000.

Q That is the name of the corporation?

A That's correct.

Q Consultants 2000?

A Right.

MR. PRECUP: For clarification purposes, that is a different corporation. It is not a successor to IBC as a

business or legal matter.

BY MS. ROBINSON:

Q That would be my next question. Did you absorb the consultants -- did Consultants 2000 assume any of the business of your former business, any debts or obligations?

A It absorbed some debts and obligations. It had to because IBC was a partnership, so that corporation was my corporation.

Q Okay. Consultants 2000, what is its business?

A Public relations, media relations work.

Q During 1985-1986, did you, through the International Business Communications, conduct business with the National Endowment for the Preservation of Liberty?

A Yes, I did.

Q Did you also through that entity conduct business with Sentinel?

A Yes.

Q With Carl Russell Channell?

A Yes.

Q Did you conduct business with the American Conservative Trust?

A Yes.

0004078548

Q And with the Anti-Terrorism Action Committee?

A No. I did personally, but not through International Business Communications.

Q And with the American Conservative Trust State Election Fund?

A I have to answer I think so to that, because that is not an area I'm particularly clear on.

Q Okay. When you said personally with the American Anti-Terrorism --

A Action Committee.

Q -- Action Committee, what was your involvement with that? Is that also called ATAC, A-T-A-C?

A Yes.

Q Would you identify what that group is, please?

A As I understood it, it was to be a lobbying organization set up by Mr. Channell to lobby Congress and to -- I'm sorry, not to lobby. It was an organization set up for political action. It was a political action committee.

Q All right?

A Mr. Channell had me to lunch one day and asked me if I would agree to serve on the board in order to establish the corporation, and I agreed to do so. And once that was

done -- this is all in a matter of a couple of days -- he filed whatever he does with you to file the committee as an operating entity. And then when I saw what he had intended for the future of the committee, I asked to be relieved of my post and I resigned by letter to him, I think, in about a months' time from the time I signed the original incorporation documents.

Q So that ATAC was incorporated?

A I believe it was. I think what I signed at lunch that day was an incorporation document.

Q And it also was to serve as a political action -- federal political action committee?

A Federal political action committee, correct.

Q What were its purposes that made you decide to resign from the group?

A It was somewhat its purposes, but it was also what I anticipated to be its strategy.

Q What was its strategy?

A It was to use the issues of terrorism and the relative level of support by federal elected officials as a determiner in whether they got aid or whether there were independent expenditures on their behalf or against them, and

I don't practice the politics of ATAC, so I wasn't willing to be a member of the committee.

Q Were you involved at all in the development of the ATAC political action committee?

A No. In fact that day at lunch the documents had already been drawn up prior to my even having had it discussed with me, and I signed them there out of an effort to be helpful to Mr. Channell. But after I reviewed what they had planned, I decided not to be part of the organization.

Q And you resigned one month later?

A I think it is about one month. I would have to dig back through the files to find the exact resignation, but I notified him what seemed like almost immediately that I didn't intend to participate.

Q About when was this meeting with him to sign this document?

A I recall where it was but I can't tell you when it was. It was at the Prime Rib Restaurant on K Street.

Q Can you give me an approximate year, month?

A I think it was sometime in '86. That is all I can zero in on.

Q Okay. After resigning from the group, were you at all involved with their activities after that in any capacity?

A No. In fact, they showed us commercials that were already on the air in Maryland, I think, and I think they were Mikulski ads or something. But we -- the first time we saw them was after they were already on the air.

Q Did the International Business Communications -- you have indicated that they never -- through that entity you never had any dealings with ATAC?

A Not that I'm aware of, no.

Q What about the American Conservative Trust Committee? That is always a political action committee with the Commission; correct?

A I believe it is a political action committee. The ACT was actually our initial client. When Mr. Channell approached us in May of 1985, he did so as the head of the American Conservative Trust; and our initial work on his behalf was done under the auspices of the American Conservative Trust.

Q So that that group was already developed by the time you became involved. Were you at all involved with the

development of the ACT --

A No.

Q No. All right. What specifically were you contracted to do for ACT, the American Conservative Trust PAC?

A Initially Mr. Channell asked us to educate he and the other participants in the PAC on foreign policy issues of interest to the Reagan Administration. His expressed purpose was to do some form of political education campaign to educate the public on the central foreign policy issues that were important to the Reagan Administration. That is exactly what he intended to do.

Q And how did you go about providing services for him?

A We gave them briefings on Central American, SDA, SDI, terrorism, Soviet East-West relations, South Africa, a whole series of different things.

Q When you say you gave them briefings, you are speaking of whom?

A Principally Mr. Channell, Mr. Conrad, and Mr. Smith, and then as they developed more staff we provided it to their staff, and also we set up briefings for

contributors to their organization. So when they had contributors in town either as individuals or as groups, we would arrange foreign policy briefings for them.

Q Were you aware of their expenditures or contributions made on behalf of federal candidates?

A From ACT?

Q Yes.

A No.

Q Were you involved at all in the decisionmaking process as to who would receive contributions?

A No.

Q To your knowledge, were they using the information you were providing them to make those kinds of decisions?

A I wouldn't -- I don't know.

Q I believe one of your responsibilities you said was public education and political programs. In developing the public education programs, was there some kind of polling activity done by the Finkelstein Company that you were aware of?

A Not in developing the programs. There was a post-campaign Finkelstein poll done to see the impact on the public perceptions after the Central American Freedom

Program, which was a NEPL activity, N-E-P-L.

Q NEPL is the National Endowment for the Preservation of Liberty?

A Right.

Q Can you then discuss the Central American Freedom Program?

A Yes. Sometime in late 1985 Mr. Channell decided that what was needed on Central America was a massive public education effort, and that the education effort should be handled through a nonprofit organization which he had established. That effort was the Central American Freedom Program, and its principal components were a spokesman's program, a series of television advertisements, a series of documentaries, a series of independent scholar reports, some Washington news events, and some briefings, some Washington briefings for organizations. And the principal reason for doing that was to raise public awareness about the danger of the Sandinista government in Nicaragua to the U.S. national security interest, and ultimately to the political stability of the region.

Q You mentioned a nonprofit entity that Mr. Channell developed?

A That is the National Endowment for the Preservation of Liberty.

Q So that the Central American Freedom Program was not an entity of itself; it --

A That's correct. It was a program of the National Endowment for the Preservation of Liberty.

Q Okay. Were you involved with developing the television ads for that program?

A To some degree. We provided the intellectual fiber for those ads. We provided the background materials, the briefings for the ad agencies or agency. We provided film stock. They then created the commercials, working with Mr. Channell.

MS. ROBINSON: Okay. All right. I have here a document that I will give to you, Mr. Miller, to observe, and one copy to be marked as Exhibit 1.

(Miller Exhibit 1 identified.)

BY MS. ROBINSON:

Q The title of this document is "Targeted Districts." Are you at all familiar with the document? Is it something that may have been produced by the International Business Communications?

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A It is possible. I'm trying to -- the only thing that -- looking at these designations -- these are district designations. It is possible.

Q Could you generally describe perhaps what the document contains?

A Well, it is a list of Congressmen from different districts and different states in the United States, and it lists cities. Then after each city it has different designations.

Q Would you, throughout your dealings with NEPL, have produced a document such as this?

A I don't recall specifically producing this document. I don't recall specifically producing this document.

Q Okay. Do you foresee any use for this type of document in the type of work you did for the International Business Communications?

A Well, under their Sentinel program, this document may have been a useful document to them.

Q What was the Sentinel program?

A Sentinel -- after the Central American Freedom Program, Mr. Channell decided that he wanted to have a more

politically-focused program rather than a public education program. What he decided to do was target individual Congressmen and Senators in advertisements in an effort to get them to vote a certain way on legislation for -- on behalf of the freedom fighters in Nicaragua.

In that process what he did was identified Senators and Congressmen who he could then place ads in their district and try and influence directly, and then through I think the Goodman Agency he produced a series of advertisements which were aired in their districts, specifically naming them and asking them to vote a specific wave in legislation.

Q Did the Central American Freedom Program target any specific districts or was it just the one with Sentinel?

A The Central American Freedom Program targeted states. It targeted a crescent of states through the middle Southeast down through the Southeast and over to the Southwest, and it chose population centers that made geographic sense in terms of travel for the spokesmen, and then their media buys were Mr. Channell's responsibility. But principally they were state geographic concentrations.

Q And all of this activity was going on during 1986,

'85-86?

A The Central American Freedom Program started in '85 and really got under way full scale in '86, and then sometime in '86 Sentinel was formed by Mr. Channell and Mr. Channell placed the second series of ads under Sentinel. I can't give you an exact date of when that started, but sometime in '86.

MS. ROBINSON: Okay. I'm going to hand you this document. This will be Exhibit 2.

(Miller Exhibit 2 identified.)

THE WITNESS: Yes. How far back do you want us to go?

MR. PRECUP: Ms. Robinson, before we proceed I note that the pages here and each sheet seems to have two numbers in its left margin, so that it appears that a book has been opened and photocopied, two pages to produce one.

MS. ROBINSON: Yes.

MR. PRECUP: The pages are not consecutive, and there is no clear indication on the document that it is an integral document rather than just a series of pages pasted together or clipped together. Could you give us some information about what this is we are looking at.

MS. ROBINSON: These are copies of pages taken from the transcripts of the depositions and records from the Congressional committees on the Iran-Contra investigation.

MR. PRECUP: Okay. Thank you.

MS. ROBINSON: Specific volumes I don't have right here with me, which ones they are.

MR. PRECUP: That is fine. Thank you.

BY MS. ROBINSON:

Q All right, then. Are you familiar with any of these documents, Mr. Miller?

A Not very many of them. Go ahead and tell me where you want me to look.

Q I want you to look at the page numbered 629 in the back.

A Yes.

Q Could you describe that for me, please?

A All right.

Q The one at 629?

A It appears to be a note from Steve Schwartz to Dan Conrad.

Q Steve Schwartz is?

A Was the vice president of IBC.

Q We never got it clear. What was your position at the International Business Communications?

A I was president, initially, and then I was senior partner. It was initially a sole proprietorship and it became a partnership, and I was managing partner.

Q This note appears to be on stationery from the International Business Communications; is that correct?

A Correct.

Q Okay. And if you could read it into the record I would appreciate it.

A "Dan: As per Spitz' request, I am attaching a list of open seats in the House of Representatives. The NRCC has listed all GOP members as priority targets and the following Democrats as probable pickups, AL 7, CO 2, IA 6, LA 7, LA 3, MD 8, NC 3, OK 1, OR 4, PA 7, SD at large. They have also targeted the following sitting Democrats for defeat: Stallings ID 2, McCloskey IN 8, Carr MI 6, Young MO 2, Neal NC 5, Feighan OH 19, Aucoin OR 1, Kostmayer PA 8, Kanjorski PA 11, Bryant TX 5, Pickle TX 10, Lloyd TN 3. I hope this is what you are looking for. Steve."

Q And Steve's position --

A Vice president at International Business

Communications.

Q Were you aware of this communication going out?

A This is the first time I have seen this.

Q Okay.

A But it wouldn't be uncharacteristic for that kind of question to be asked by Mr. Channell.

Q Why is that?

A Because he was involved in the political action committees, so when he asked for that type of information we gave it as part of our relationship.

Q And so this information appears to give him -- well, it does give him information about candidates or incumbents up for reelection; is that correct?

A It gives him information about what the National Republican Congressional Committee has listed as GOP's priority targets and probable Democratic pickups.

Q For the federal elections?

A Correct.

Q Okay.

A It is information he could have gotten by calling them himself.

Q Sure. Do you know the circumstances that --

meetings that took place prior to this, discussions that perhaps you had with Mr. Channell or someone from NEPL or Sentinel or ACT, or meetings that you may have had with Steve regarding this or any other type of similar information?

MR. PRECUP: That is an awfully broad question, Ms. Robinson. Could you narrow that down? That covers the ballpark, I think.

MS. ROBINSON: Read the question back, please.

(The reporter read the record as requested.)

BY MS. ROBINSON:

Q All right. Have you ever had occasion to talk with Steve about providing this same type of information to Sentinel or NEPL or ACT?

A No.

Q Have you directly had any conversations with a representative from any of those entities you were dealing with of Mr. Channell's about providing this type of information?

A Not that I specifically recall, no.

Q Were you aware of one purpose of their activities being to influence the voters at the time of federal elections?

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A I was aware that ATAC was an independent expenditure organization, and I was aware that ACT was a federal PAC; so yes. The answer to your question in that regard would be yes.

Q Was it your impression at any time during your business dealings with NEPL, ACT, Sentinel, or the ACT State Election Fund that their purpose in this public education program was to influence federal elections?

A No.

Q Did you ever have any discussions at any time about the federal elections and candidates in developing the programs?

A In this program?

Q Any of the programs that you were developing.

A No, except for the the discussions at the time of the forming of ATAC. Aside from that, no.

Q Who were the other principals at the International Business Communications?

A Frank -- Francis D. Gomez and David C. Fisher.

Q And what was Mr. Gomez' position?

A Frank was my partner. He was my partner.

Q So that he was also involved with your business

dealings with NEPL and the other Channell organizations?

A He was involved in the performance of the tasks that Mr. Channell asked us to do, but his responsibilities did not extend into the general business operation of the company.

Q All right?

A I was responsible for the administration and financial matters for the company.

Q All right. Were either you or Mr. Gomez involved with the business dealings with the Robert Goodman Agency?

A No.

MS. ROBINSON: I have here what should be marked as Exhibit 3.

(Miller Exhibit 3 identified.)

BY MS. ROBINSON:

Q Have you ever seen these documents before, Mr. Miller?

A I don't think so.

Q Okay.

A I don't specifically recall seeing them.

Q All right. Would you briefly describe what they are, please.

MR. PRECUP: Wait a minute. He hasn't seen them, Ms. Robinson. I don't think it is fair to ask him to describe them.

MS. ROBINSON: All right.

BY MS. ROBINSON:

Q The first page, Mr. Miller, appears to be an itinerary of a meeting with ACT, NEPL, and Sentinel; correct?

A Yes.

Q And further down on the page listing members, perhaps, of a meeting on Tuesday, January 7th, 1986 --

MR. PRECUP: Excuse me. All right.

BY MS. ROBINSON:

Q "According to Carole's current scheduling papers" -- it lists a Rich Miller, 11:30, Frank Gomez, Spitz Channell here for the day.

Do you recall being at a meeting at the Robert Goodman Agency on that date?

A I recall being at a meeting at the Robert Goodman Agency. I think I have been up there twice.

Q The purpose of those -- could you state the purpose of those meetings?

A One time we took up some raw footage that we had

brought back from Central America and we took our Central American producer with us, and he ran through to describe the action that was visible on the videotapes. Another time we went up with Mr. Channell to meet Mr. Goodman and to give him a general briefing on Central America and to listen to some themes that he had worked out. It was, I would say, a brainstorming session. Can I ask you a question?

Q Certainly.

A This document at the top right-hand corner is dated 2/20/87. Is this from the Congressional materials as well?

Q These were submitted, yes, by the Goodman Agency.

A To Congress?

Q Yes.

A I note it is a retroactive document. It seems to me that from the date here that what they have done is gone back through their records and tried to recollect meetings and so forth with us.

Q Does this seem reasonably accurate to you?

A I can't tell you what day I went to Bob Goodman's office, but I can tell you I have been there twice.

Q Other than those two meetings, have you had any

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discussions directly with the Goodman Agency about the advertisements they had developed?

A Probably, but I don't remember them specifically.

Q So were you involved in the decisionmaking process as to what types of advertisements would be developed?

A Yes. I was involved in the decisionmaking process.

Q And were you involved with deciding where they would be presented?

A No, not really. That was Mr. Channell and Mr. Goodman's decision.

Q Okay. These apparently also appear to be internal documents from the Robert Goodman Agency.

A I'm going to take your word for it. I don't know whether that is --

Q Okay. And listed further in the document is a notation, and it reads "all Congressmen listed in caps above are among the 21 Reps targeted by Rich Miller."

MR. PRECUP: There is no question pending. Wait for the question.

BY MS. ROBINSON:

Q Okay. Some of these Congressmen in caps above are

Stephen Neal, Bill Hefner, Charles Wilson, Ed Zschau. Do you recall targeting any Congressmen?

A No. Not -- for the American Conservative Trust, aid to the freedom fighters -- I don't know which commercial this is, frankly.

Q This one is "Freedom Fighters" Television.

A There were --

Q There were several of them?

A There is the Central American Freedom Program commercials, which are totally different than the ACT commercials and the Sentinel commercials.

Q Okay.

A I don't know who is billing who for what here. If these are Sentinel ads, Freedom Fighters ads --

Q Well, at the top of the page it is the American Conservative Trust "Freedom Fighters" TV.

A That is not a guarantee that it is an accurate representation --

Q Okay.

A -- by Mr. Goodman.

Q Okay.

A I hope he forgives me when he reads the

deposition, but it is not an accurate representation.

Q Would you explain the "Freedom Fighters" Television?

A I don't recall the specific titles, and I'm sure at some point you may have been given copies of the ads.

Q All right.

A But there are different ads for the different organizations. The ads that were produced by the Central American Freedom Program by NEPL are issue advertising, and they do not specifically refer to any Congressmen or any Senator or any Congressional action.

Q Okay.

A The American Conservative Trust ads, which ran in 1985, did refer to a specific Congressional action, and then the Sentinel ads that ran in 1986 were specific to both Senators -- both to Congressmen, both Republican and Democrat, and specific to legislation targeted at getting them to vote for the Freedom Fighter legislation.

Q Okay. And the ads for the ACT in 1985 -- you said they did refer to some Congressional action. Could you give me the specific --

A There are only two of them, and I think they said

something to the effect that while Daniel Ortega was having a party in Moscow, the Congress was voting against aid to the Freedom Fighters. Then there was another very clever one that said this was an ad in search of two votes, because the aid was defeated by two votes. But it never asked anybody to contact their Congressman, I don't think. I don't recall them specifically. But I'm sure you probably have copies of them.

MS. ROBINSON: All right. I have another document by I would like marked as Exhibit 4.

(Miller Exhibit 4 identified.)

BY MS. ROBINSON:

Q This also is an internal document obtained from the Goodman Agency, Mr. Miller, as you are reviewing it.

A All right.

Q This is headed "itinerary for Robert Goodman" and attached -- that is a two-page itinerary, and attached is an itinerary for Adam Goodman, both with the Robert Goodman Agency, that assisted with developing the television ads; correct?

A That's correct.

Q All right. And the itinerary involves travel with

Frank Gomez, who I believe is associated with International Business Corporation.

A Correct.

Q My question goes to -- the trip took place Friday, October 4, 1985, through Monday, October 7, 1985. Are you aware of that trip? Do you know anything about it?

A I don't believe this trip took place.

Q You don't?

A No. I believe the individual that ended up going to Guatemala was a fellow by the name of -- he was a producer with Goodman. I can't recall his name. But this was in conjunction with a federal candidate we were representing in Guatemala, and had nothing to do with Mr. Channell's business at all.

Q Even though the Goodmans were involved?

A No. It had nothing to do with Mr. Channell at all.

Q So you have other dealings with the Goodman --

A What we asked them to do was go down and interview with the Carpio campaign in Guatemala with the potential of them doing the advertising for it. This was a trip that was set up which I think ultimately was taken by somebody other

than one of the two Goodmans. He went down and interviewed with them and they decided to do their advertising in-house.

Q Did Mr. Gomez go on this trip?

A Yes. I think it is the other way around. I think this fellow went with Mr. Gomez, but Mr. Gomez was going regardless of whether they went or not.

Q It was connected perhaps with filming for the Paula Hawkins campaign?

A I have no idea. That is the first I have seen of that. I doubt she was filming in Guatemala.

Q This has nothing nothing to do with your dealings with the Channell organization?

A Absolutely nothing to do.

Q All right. Can you tell us something about the Speakers Bureau, the Speakers Program?

A Yes. The Speakers Program was -- I think we had a total of about 15 speakers, and we chose 36 media markets in the southeastern and southwestern United States, and we tried to get a different speaker in there for a total of four times, so there would be four trips into these population centers in the period of the Central American Freedom Program.

0004 0 7 4 3 7 1

Q And that was in 19 --

A It started in '85 and went in through '86.

Q Okay. And how did you determine which areas would be targeted for the Speakers Program?

A I don't know who started the process, but I can tell you what our reasoning was behind where they went. That was that the vote on Capitol Hill was an aberration to the politics of the region, that we had reasoned that with 60 to 70 percent of these people in these states voting for Ronald Reagan it seemed unlikely that they would not be supporting the Freedom Fighters. Yet the public polls continually showed them either apathetic or ignorant on the subject. And our intention was to raise their understanding of who and what the Sandinistas were.

At the same time we improved the image of the contras in their eyes, and we targeted population centers which were contiguous. And that is a program that I perfected in another job several years earlier where we minimized air travel and tried to keep it as reasonable as possible.

So the itineraries for these speakers were to go into states that had high Reagan favorable ratings and high

Reagan voting records but where the population was ignorant or apathetic to the cause, that were decidedly anti-Communist, and to try to produce some public sentiment on behalf of the Freedom Fighters.

Q All right. With the speakers program and with the presentation of the television ads, did you at any time use the polling information obtained from the Finkelstein Company?

A No. The Finkelstein polls were done after the Central American Freedom Program, and they were an efforts by Mr. Channell to find out whether we had impacted on the public perceptions, and specifically what we were looking for was an increase in the understanding of the contras' position and a decrease in any sympathy for the Sandinistas, but we also through some other questions in there, SDI and terrorism and a couple of other things.

Q Were you a part of developing the types of questions that would be asked in this poll?

A Not that I specifically remember.

Q After getting the results from the poll, did you develop any other ads, any other -- direct your speakers into any specific areas?

A Well, as I recall, after the Finkelstein -- the Finkelstein polling data produced a desire on Mr. Channell's part to do a little more politically hard-hitting campaign, and that is when he started to shift towards the Sentinel program that was specifically targeted at Congressmen.

Q And how did he select which Congressmen -- well, were you involved at all in selecting Congressional districts that would be targeted through the Sentinel program?

A I think we sort of took at face value the citizens for Reagan list that circulated in the conservative community. They had produced a list of Congressmen and Senators and they would list them as swing and not swing and so forth, and I think we just accepted their list.

Q So you would hit those areas where -- what kind of demographics were they, the areas you would hit?

A I don't think that one was specifically demographic. I think it was vote-specific to the Central American votes taking place up on Capitol Hill. They were much more politically focused than we were.

Q Okay. And were they not necessarily in the areas where candidates were up for election, or reelection?

A Their list was just based on, I think, four or

five different votes up on Capitol Hill. I think they had one vote on El Salvador aid. Then they had three votes at different times for aid to the Nicaraguan Freedom Fighters.

Q And their list is the -- could you name that group again, please?

A The what?

Q What list is that?

A I think it was Citizens for Reagan, Peter Flaherty. It was broadly circulated in the conservative offerings.

Q Okay. And I'm not understanding. You would target your speakers and your advertisements to those areas, or away from those areas into areas that were not listed on that list?

A No. You have mixed the two.

Q All right.

A The Sentinel program, I think, was targeted at those people.

Q Okay.

A Who was selected from that list by Mr. Channell, I'm not really -- I don't know. I mean, I'm sure if I sat down and looked at the list again I could say that made sense

and that didn't make sense, but he did the targeting based on what was the generally-accepted list produced by Citizens for Reagan.

Q Okay.

A The Central American Freedom Program, which is the Speakers Program and the issue advertising, were geographic-specific. They were state and population center-oriented advertising. They were also national advertising. That was the NEPL Central American Freedom ads also aired in national areas, like Washington, New York, LA, and then in the major newspapers.

MS. ROBINSON: Okay. Let's take a slight break.

(Discussion off the record.)

MS. ROBINSON: Back on the record.

BY MS. ROBINSON:

Q Mr. Miller, as you are aware, there are a lot of problems and a lot of groups involved here. I would like, just for clarity's sake, to go with each organization that you dealt with and just identify the programs that are associated with each, because we have talked about them kind of back and forth here. With the National Endowment for the Preservation of Liberty --

A You want to know --

Q Actually we should start with ACT, if that was your first client. Let's start with the American Conservative Trust.

A All right. We were initially retained by the American Conservative Trust to provide an educational effort for them and their contributors.

Q Okay.

A We subsequently assisted them by providing the information which they utilized in a series of television advertising and newspaper advertisements.

Q And did Mr. Channell contact you directly to do that?

A Actually Mr. Channell came to me through the White House political office on that matter.

Q Okay. And about when was this time period?

A It was late April 1985.

Q Okay.

A We provided photographs, written materials, briefing materials, set up briefings for he and some of his contributors, he and some of his staff people, set up these briefings at the White House, at the State Department, the

National Security Council.

Q And these briefings had to do with the Central American question?

A Not just Central America but also SDI, terrorism. But his principal focus was immediately gravitated towards Central America and SDI.

Q Okay. And then you started working for which other organizations?

A Then Mr. Channell formed an organization and told us after it had been formed that it had been formed, the National Endowment for the Preservation of Liberty, and that he intended to begin a major national scope public education effort on the situation in Central America, and on SDI and a couple of other issues for a later time. And our responsibility was to provide the television footage, speakers, the documentaries, television advertising substance which was given to their ad agency to make their ads, and national news events, Washington area activities on behalf of senior members of the Nicaraguan Resistance, and -- that is a general description of what we did.

Q And this was during 1986?

A '85 and '86.

Q All right. And then you started working with another Channell organization?

A In 1986 we were notified that they had formed Sentinel, and Mr. Channell informed us that this was a direct result of what he saw was a need to be more politically focused and not so broadly focused as the Central American Freedom Program was. His object was to directly influence the vote of individual Congressmen and Senators on key Reagan foreign policy issues. And again, we provided them some intellectual materials; and as we were asked to respond to questions, we would respond to them.

Q Okay. And the Central American Freedom Program was a component of the NEPL activity?

A That's correct.

Q Okay. Were you aware of any business dealings with the Blakemore and Killough Company in New York?

A Not really. I have heard their names, but I don't recall having any meetings with them.

Q I believe they did some work for NEPL and/or ATAC, but you are not familiar with that?

A I know there was another ad agency somewhere, but I don't recall who produced which ads.

Q Were you at all involved with the ads produced in Maryland during the time of the Maryland Senate race in 1986?

A No.

Q You don't recall providing any information that may have been used to help develop those ads?

A I don't recall providing any information.

Q Okay. You have explained briefly that you were more concerned with the administrative aspects of International Business Communications than Mr. Gomez.

A No. I was in charge of all the administrative and managerial responsibilities at IBC. Mr. Gomez did not have any managerial or administrative responsibilities. But I still had to perform my other duties like a partner.

Q Were you aware of NEPL's use of the Legi-Tech Washington On-Line business which provides computer contribution tracking information?

A I have heard of Washington On-Line. The first part you said I have never heard before. I don't even know who has it, but I have heard them use the name "On-Line" before, Washington On-Line.

Q "Them" being --

A I think Dan Conrad. I have heard him use it.

Q Dan Conrad was whom?

A The executive director of the National Endowment for the Preservation of Liberty.

MS. ROBINSON: Let me show you another document. Mark that Exhibit 5, please.

(Miller Exhibit 5 identified.)

BY MS. ROBINSON:

Q As you are reviewing them, I'll just state that they are basically function transaction forms for the American Conservative Trust State Election Fund and certain papers they have filed with the State of Virginia Board of Elections.

A Yes.

Q All right. If you could -- the listing -- there are numerous pages with the heading "American Conservative Trust State Election Fund, cash disbursements and accruals, schedule B," and following through the date of 4/30/85.

A Yes.

Q At the bottom of that page there is a payment of $5000 to IBC.

A Yes.

Q Am I correct in assuming that that is the International Business Communications? Do you recall receiving a payment from the ACT SEF, State Election Fund?

A I'll give you a single answer I think for all your questions. I don't ever remember specifically getting something from this ACT State Election Fund. I don't know that I would have known at the time to make a distinction between the two.

Q Between --

A Between the American Conservative Trust and the American Conservative Trust State Election Fund.

Q Okay?

A I would have just -- any check I got would have been an ACT check to me.

Q They list a $5000 payment for April 30th, '85; another $5000 payment for May 31st, 1985; and then on July 31, 1985, $5000. And it just states "advertisement" as the description. So could these advertisements -- the advertisements that you were doing for the American Conservative Trust, could these payments perhaps be connected with that?

A I don't know. I am at a little bit of a loss,

because this is an internal document for them.

Q Yes.

A We were paid by American Conservative Trust in the beginning, I believe, in May of 1985, a total of $15,000 a month as a consulting fee to provide them these actions -- these activities that I have described to you earlier. So it wasn't uncharacteristic for them to pay $5000, $5000, $5000, $5000, or $10,000 and wait two months and then pay $30,000. That is the best I can do. I don't want to characterize their books. But I wouldn't have noticed a difference between an ACT check and an ACT State Election Fund check. I wouldn't have made a notation.

MS. ROBINSON: Okay. I think we can go back to Exhibit 2 for a moment.

I will introduce another exhibit. Here is a copy for you, Mr. Miller, and a copy for the stenographer to mark as Exhibit 6.

(Miller Exhibit 6 identified.)

BY MS. ROBINSON:

Q These are internal documents from the National Endowment for the Preservation of Liberty. It includes balance sheets and cash receipts, ledger pages. I am aware

that these are not your documents, Mr. Miller. However, I'm going to ask if perhaps you can explain a notation for me, having worked with the NEPL projects. In the back the list of cash receipts, 1986 --

MR. PRECUP: We have it. What date are you looking at, Ms. Robinson? Or are they in order?

MS. ROBINSON: We can look at the one dated March 17, '86, further back. Do you have one there?

THE WITNESS: Yes.

MS. ROBINSON: And it lists the project name, CAFP TV ads.

MR. PRECUP: We are not looking at the same page.

THE WITNESS: It must be farther back. All right.

BY MS. ROBINSON:

Q All right. CAFP TV ads, would that possibly be the Central American Freedom Program TV ads?

A Correct.

Q Okay. And from your awareness of the business dealings of NEPL, then, they were soliciting contributions from individuals and groups to contribute to specific ads that they were producing?

A I'm not that familiar with their actual fundraising technique to make that statement.

Q So you didn't participate in any of the meetings or brainstorming sessions about how to pay for these advertisements?

A No, not in the terms of specificity which you just asked. We would provide the general budgets, overall budgets for the Speakers Program, the producer's documentaries and so forth.

Q All right. Were you involved in any specific advertisements developed by either of the groups, itself Channell groups, that you were working with related to -- I have asked you about the Maryland Senate ads by ATAC and you have indicated you had no involvement there.

A That's correct.

Q Any of the ads that had to do with the Paul a Hawkins campaign?

A No.

Q Okay. Do you know what RAM Films is?

A No.

MS. ROBINSON: Okay. All right. For now, I believe that completes the deposition. I would point out

that there are certain confidentiality provisions within the Act which require that none of this information or the fact that the investigation is going on be discussed with any other persons. We haven't gotten written consent from any of the Respondents that allows us to discuss it outside of here.

I would say that this is a continuing deposition and we would adjourn at this time with the possibility of having to call you back. There will be a witness fee and milage check forwarded to you. We don't have it here with us.

MR. PRECUP: You do have his address, don't you?

MS. ROBINSON: Yes.

MS. ROBINSON: Would you like to sign the deposition to check it for any corrections or do you want to waive signature?

THE WITNESS: I don't need to sign it. I will waive signature.

MS. ROBINSON: All right.

(Whereupon, at 11:40 a.m., the deposition was concluded.)

## CERTIFICATE OF NOTARY PUBLIC & REPORTER

I, LEANNE P. DOTSON, the officer before whom the foregoing deposition was taken, do hereby certify that the witness whose testimony appears in the foregoing deposition was duly sworn by me; that the testimony of said witness was taken in shorthand and thereafter reduced to typewriting by me or under my direction; that said deposition is a true record of the testimony given by said witness; that I am neither counsel for, related to, nor employed by any of the parties to the action in which this deposition was taken; and, further, that I am not a relative or employee of any attorney or counsel employed by the parties hereto, nor financially or otherwise interested in the outcome of this action.

Notary Public in and for the
District of Columbia

My Commission Expires

0004078

Miller Ex 1

# TARGETED DISTRICTS

## FLORIDA:

| | | | |
|---|---|---|---|
| Hutto | -- | d.1 | -- Panama City TV/R/N, Pensacola TV/R/N |
| Fuqua | -- | d.2 | -- Tallahasee TV/R/N |
| Bennett | -- | d.3 | -- Jacksonville TV/R/N |
| Chappell | -- | d.4 | -- Daytona Beach R/N |
| McKay | -- | d.6 | -- Gainesville TV/R/N, Olala TV/N |
| Gibbons | -- | d.7 | -- Tampa TV/R/N |
| Ireland | -- | d.10 | -- Lakeland R/N |
| Nelson | -- | d.11 | -- Orlando TV/R/N, Melbourne TV/R |
| Mica | -- | d.14 | -- Ft. Lauderdale R/N |
| Smith | -- | d.16 | -- " |
| Lehman | -- | d.17 | -- " |
| Pepper | -- | d.18 | -- " |
| Fascell | -- | d.19 | -- " |

## SOUTH CAROLINA:

| | | | |
|---|---|---|---|
| Derrick | -- | d.3 | -- Anderson R/N |
| Spratt | -- | d.5 | -- Rock Hill R/N |

## NORTH CAROLINA:

| | | | |
|---|---|---|---|
| Valentine | -- | d.2 | -- Wilson /N, Durham TV/R/N |
| Whittley | -- | d.3 | -- Goldsboro /N |
| Neal | -- | d.5 | -- Winston-Salem TV/R/N |
| Rose | -- | d.7 | -- Wilmington TV/N, Fayeteville R/N |
| Hefner | -- | d.8 | -- Kennepolis /N |

## TENNESSEE:

| | | | |
|---|---|---|---|
| Lloyd | -- | d.3 | -- Chattanooga TV/R/N |
| Cooper | -- | d.4 | -- Moore |
| Boner | -- | d.5 | -- Nashville TV/R/N |
| Gordon | -- | d.6 | -- Columbina /N, Hendersonville |
| Jones | -- | d.8 | -- Jackson TV/R/N |

## KENTUCKY:

| | | | |
|---|---|---|---|
| Hubbard | -- | d.1 | -- Paducah TV/R/N, Hopkinsville /N |
| Natcher | -- | d.2 | -- Owensboro R/N, Bowling Green TV/R/N |
| Mazzoli | -- | d.3 | -- Louisville TV/R/N |
| Hopkins | -- | d.6 | -- Frankfort R/N, Lexington TV/R/N |
| Perkins | -- | d.7 | -- NO CITY FOUND |

MISSOURI:

| | | | |
|---|---|---|---|
| Young | -- | d.2 -- | St. Charles /R, Boone |
| Gephardt | -- | d.3 -- | St. Louis TV/R/N |
| Skelton | -- | d.4 -- | Jefferson City TV/R/N |
| Volkmer | -- | d.9 -- | Columbia TV/R/N, Boone |

MISSISSIPPI:

| | | | |
|---|---|---|---|
| Whitten | -- | d.1 -- | Tupelo TV/R/N |
| Dowdy | -- | d.4 -- | Jackson TV/R/N |

TEXAS:

| | | | |
|---|---|---|---|
| Chapman | -- | d.1 -- | Paris /N, Texarcana R/N |
| Bryant | -- | d.5 -- | Dallas-Ft. Worth TV/R/N |
| Brooks | -- | d.9 -- | Port Arthur R/N, Galveston /N, Beaumont TV/R/N |
| Pickle | -- | d.10 -- | Austin TV/R/N |
| Wright | -- | d.12 -- | Abilene TV/R/N |
| De la Garza | -- | d.15 -- | McAllen R/N |
| Coleman | -- | d.16 -- | El Paso TV/R/N |
| Gonzalez | -- | d.20 -- | San Antonio TV/R/N |
| Bustamante | -- | d.23 -- | Del Rio, Laredo R/N |
| Frust | -- | d.24 -- | Irving R/N |
| Andrews | -- | d.25 -- | Pasadena |
| Ortiz | -- | d.27 -- | Corpus Christi TV/R/N |

0 0 0 4 0 7 3 4 3 EX. 0 2

2038 Belmont Road, N.W.
Washington D.C. 20009

January 5, 1987

National Endowment for the
Preservation of Liberty
Attention Accounting Department

For consulting services rendered
during January 1987.

$10,000
$10,000

Very truly yours,

Eric J. Olsen



ACT.
American Conservative Trust
Victory in 86

January 13, 1987

Mr. Robert Goodman
c/o Ms. Melva M. Croghan
The Robert Goodman Agency, Inc.
2201 Old Court Road
Baltimore, MD 21208

Dear Mr. Goodman:

Mr. Channell has asked me to prepare a summary of my findings from the audit I performed regarding our account with the Robert Goodman Agency.

Upon review of the 1985 invoices I found several instances where the American Conservative Trust (ACT FED) was billed instead of the National Endowment for the Preservation of Liberty (NEPL) or the American Conservative Trust State Election Fund (ACT SEF).

Listed below are the significant invoices that should have been billed to NEPL in 1985:

| Project Name | Description | Inv # | | Amount |
|---|---|---|---|---|
| Freedom Can't Work | Production | | 4 04 | 10,000.00 |
| Korean Airliner | Production | | 4104 | 10,000.00 |
| Morning of Peace | Production | | 4223 | 15,000.00 |
| Morning of Peace | Media Buy | | 4233 | 5,460.00 |
| Morning of Peace | Media Buy | | 4239 | 4,935.00 |
| Morning of Peace | Distribution | | 4243 | 1,115.46 |
| Morning of Peace | Distribution | | 4249 | 197.64 |
| Morning of Peace | Story boards | | 4254 | 570.28 |
| Morning of Peace | Media Buy | | 4219 | 49,950.00 |
| Morning of Peace | Media Buy | | 4232 | 8,050.00 |
| Nicaragua Update | Distribution | | 4243 | 840.14 |
| Morning of Peace | Media Buy | | 4246 | 5,200.00 |
| Miscellaneous | Distribution | | 4244 | 440.69 |
| Miscellaneous | Distribution | | 4259 | 270.75 |
| N/A | Limo service | | 4150 | 287.50 |
| FCM;HA;PD | Audio Cassettes | | 4132 | 66.92 |
| FCM;HA;PD | Storyboards | | 4128 | 849.23 |
| | | | | 113,233.61 |

1331 Pennsylvania Avenue, N.W. Suite 375 South • Washington D.C. 20004 (202) 662-[illegible]

Listed below are the significant invoices that should have been billed to ACT SEF rather than NEPL in 1985:

| | | | |
|---|---|---|---|
| Miscellaneous | Limo Service | 4137 | 391.00 |

| | ACT FED | ACT SEF | NEPL | SENTINEL |
|---|---|---|---|---|
| Amounts Invoiced: 1985 | 226,548.86 | 0.00 | 81,328.35 | 0.00 |
| Proposed Adjustment | (226,548.86) | 113,315.25 | 113,233.61 | 0.00 |
| | | 391.00 | (391.00) | |
| | 0.00 | 113,706.25 | 194,170.96 | 0.00 |
| Amounts Paid: 1985 | 0.00 | (114,085.00) | (193,792.21) | 0.00 |
| Amount owed/(Refund due) for Y/E 1985 | 0.00 | (378.75) | 378.75 | 0.00 |

Listed below are the significant invoices that should have been billed to NEPL in 1986:

| | | | |
|---|---|---|---|
| Morning of Peace | Media Buy | 4232 | 1,800.00 |
| Morning of Peace | Distribution | 4310 | 70.61 |
| | | | 1,870.61 |

Listed below are the significant invoices that should have been billed to ACT SEF in 1986:

| | | | |
|---|---|---|---|
| Back Down/Elec Day | Distribution | 5057 | 805.00 |

| | ACT FED | ACT SEF | NEPL | SENTINEL |
|---|---|---|---|---|
| Amounts Invoiced: 1986 | 40,723.44 | 0.00 | 830,094.99 | 130,018.6 |
| Proposed Adjustment | (1,870.61) | 0.00 | 1,870.61 | |
| Proposed Adjustment | (805.00) | 805.00 | 0.00 | |
| | 38,047.83 | 805.00 | 831,965.60 | 130,018.6 |
| Amounts Paid: 1986 | (28,050.35) | (805.00) | (838,133.70) | (130,018.6 |
| Amount owed/(Refund due) for Y/E 1986 | 9,997.48 | 0.00 | (6,168.10) | 0.00 |



| | ACT FED | ACT SEF | NEPL | SENTINEL |
|---|---|---|---|---|
| Net Invoices 85 & 86 | 267,272.30 | 0.00 | 911,423.34 | 130,018.6 |
| Proposed Adjustments | (229,224.47) | 114,511.25 | 114,713.22 | 0.00 |
| Adjusted Billings | 38,047.83 | 114,511.25 | 1,026,136.56 | 130,018.6 |
| Pymts 85/86 per AGA | (144,740.35) | 0.00 | (1,095,798.24) | (130,018. |
| Adjustments: | | | | |
| Separate ACT A/C | 114,890.00 | (114,890.00) | | |
| Pymt 3/12/86 81770 NEPL | 1,800.00 | | (1,800.00) | |
| Refund 84539 | | | 16,115.72 | |
| Refund 84639 | | | 37,936.61 | |
| Refund 84744 Omaha | | | 12,000.00 | |
| Rebate WTTG TV | | | (7,053.00) | |
| Adjusted payments | (28,050.35) | (114,890.00) | (1,038,980.91) | (130,018. |
| Balance due/(Refund due) | 9,997.48 | (378.75) | (12,844.35) | 0.00 |

[redacted]
1985 PROJECT INVOICES

| DATE | INV. # | PROJECT NAME | DESCRIPTION | | AMOUNT | AMOUNT INVOICED-ACT | AMOUNT INVOICED-MISC. |
|---|---|---|---|---|---|---|---|
| 04/22/85 | 4104 | FREEDOM Corp't Work | PRODUCTION | | 10,000.00 | 10,000.00 | |
| 04/23/85 | 4104 | KOREAN AIR LINES | PRODUCTION | | 10,000.00 | 10,000.00 | |
| 04/23/85 | 4105 | COMMISSION REBATE | PRODUCTION | | (3,119.75) | (3,119.75) | |
| 04/23/85 | 4105 | MEDIA BUY 4/18-4/23 | WJLA TV | WASH DC | 25,550.00 | 25,550.00 | |
| 04/23/85 | 4105 | MEDIA BUY 4/18-4/23 | WSVN TV | MIAMI FL | 5,075.00 | 5,075.00 | |
| 04/23/85 | 4105 | MEDIA BUY 4/18-4/23 | KAMC TV | BEAUMONT TX | 550.00 | 550.00 | |
| 04/23/85 | 4105 | MEDIA BUY 4/18-4/23 | KFDM TV | BEAUMONT TX | 1,150.00 | 1,150.00 | |
| 04/23/85 | 4105 | MEDIA BUY 4/18-4/23 | KBMT TV | BEAUMONT TX | 450.00 | 450.00 | |
| 04/23/85 | 4105 | MEDIA BUY 4/18-4/23 | WDEF TV | CHATTANOOGA TN | 3,000.00 | 3,000.00 | |
| 04/23/85 | 4105 | MEDIA BUY 4/18-4/23 | KJRH TV | TULSA OK | 3,000.00 | 3,000.00 | |
| 04/23/85 | 4105 | MEDIA BUY 4/18-4/23 | KOAT TV | ALBUQUERQUE NM | 3,350.00 | 3,350.00 | |
| 04/23/85 | 4105 | MEDIA BUY 4/18-4/23 | WPVI TV | PHILA PA | 15,000.00 | 15,000.00 | |
| 04/23/85 | 4105 | MEDIA BUY 4/18-4/23 | WEWS TV | CLEVELAND OH | 5,090.00 | 5,090.00 | |
| 04/23/85 | 4105 | MEDIA BUY 4/18-4/23 | WCCB TV | CHARLOTTE NC | 5,015.00 | 5,015.00 | |
| 04/23/85 | 4105 | MEDIA BUY 4/18-4/23 | WFAA TV | DALLAS TX | 9,075.00 | 9,075.00 | |
| 04/23/85 | 4105 | MEDIA BUY 4/18-4/23 | WTIC TV | HARTFORD CT | 4,500.00 | 4,500.00 | |
| | | | | | 104,345.25 | 104,345.25 | 0.00 |
| 04/17/85 | WIRE | FREEDOM Corp't Work | PAYMENT/MISC. | | (20,000.00) | | (20,000.00) |
| 04/17/85 | WIRE | FREEDOM Corp't Work | PAYMENT/ACT 007 | | (25,000.00) | (25,000.00) | |
| 04/18/85 | WIRE | FREEDOM Corp't Work | PAYMENT/ACT 007 | | (40,000.00) | (40,000.00) | |
| 05/31/85 | 1081 | FREEDOM Corp't Work | PAYMENT/MISC. | | (5,000.00) | | (5,000.00) |
| 08/14/85 | 1188 | FREEDOM Corp't Work | PAYMENT/MISC. | | (4,345.25) | | (4,345.25) |
| | | | | | (104,345.25) | (65,000.00) | (29,345.25) |
| | | | | | 0.00 | 39,345.25 | (29,345.25) |
| 05/28/85 | 4119 | PARTY'S OVER | PRODUCTION | | 6,000.00 | 6,000.00 | |
| 05/10/85 | 4127 | MEDIA BUY 5/20-6/4 | KTBC TV | AUSTIN TX | 2,170.00 | 2,170.00 | |
| 05/10/85 | 4127 | MEDIA BUY 5/20-6/4 | WSVN TV | MIAMI FL | 1,500.00 | 1,500.00 | |
| 05/10/85 | 4127 | MEDIA BUY 5/20-6/4 | WJLA TV | WASH DC | 17,600.00 | 17,600.00 | |
| 05/11/85 | 4131 | MEDIA BUY 6/10 | WJLA TV | WASH DC | 1,700.00 | 1,700.00 | |
| | | | | | 28,970.00 | 28,970.00 | 0.00 |
| 04/17/85 | 1345 | PARTY'S OVER | PAYMENT/ACT 007 | | (6,000.00) | (6,000.00) | |
| 05/23/85 | 1352 | PARTY'S OVER | PAYMENT/ACT 007 | | (21,000.00) | (21,000.00) | |
| 05/11/85 | ???? | PARTY'S OVER | PAYMENT/NO RECORD | | (1,700.00) | (1,700.00) | |
| 08/14/85 | 1188 | PARTY'S OVER | PAYMENT/MISC. | | (270.00) | | (270.00) |
| | | | | | (28,970.00) | (28,700.00) | (270.00) |
| | | | | | 0.00 | 270.00 | (270.00) |
| 05/10/85 | 4128 | FCH:WA:PD | PRODUCTION: STORYBOARDS | | 849.23 | 849.23 | |
| 05/11/85 | 4132 | FCH:WA:PD | PRODUCTION: AUDIO CASSETTES | | 66.92 | 66.92 | |
| 06/25/85 | 4137 | B/B | LINE SERVICE | | 391.00 | | 391.00 |
| 07/01/85 | 4143 | NO PLACE TO HIDE | VHS/CASSETTES | | 125.00 | | 125.00 |
| 07/15/85 | 4150 | B/B | LINE SERVICE | | 287.50 | 287.50 | |
| 11/14/85 | 4244 | MISCELLANEOUS | PRODUCTION: DISTRIBUTION | | 440.69 | 440.69 | |
| 11/26/85 | 4259 | MISCELLANEOUS | PRODUCTION: DISTRIBUTION | | 270.75 | 270.75 | |
| | | | | | 2,431.09 | 1,915.09 | 516.00 |
| 05/23/85 | 1352 | MISCELLANEOUS | PAYMENT/ACT 007 | | (385.00) | (385.00) | |
| 08/14/85 | 1188 | MISCELLANEOUS | PAYMENT/MISC. | | (1,334.65) | | (1,334.65) |
| 12/05/85 | 1536 | MISCELLANEOUS | PAYMENT/MISC. | | (711.44) | | (711.44) |
| | | | | | (2,431.09) | (385.00) | (2,046.09) |
| | | | | | 0.00 | 1,530.09 | (530.09) |



[redacted]

January 15, 1987

Mr. Spitz Channel
American Conservative Trust
1331 Pennsylvania Ave., NW
Suite 350 - South
Washington, DC 20004

Dear Spitz:

Enclosed is the documentation you requested regarding payments received from American Conservative Trust accounts. As you can see from the breakdown, some payments were identified as coming from the state account, some from the federal account and also some simply identified in our records as coming from A.C.T. or American Conservative Trust.

Sincerely,

Colleen M. Vickers
Treasurer

Enclosures

A 006079

**the robert goodman agency, inc.**

1985 Income Received

AMERICAN CONSERVATIVE TRUST

| | | |
|---|---|---|
| 5/23/85 | $ 21,385.00 | Wired |
| 5/31/85 | 6,000.00 | Wired |
| 6/11/85 | 1,700.00 | Wired |
| | $ 29,085.00 | |

AMERICAN CONSERVATIVE TRUST (State Election Fund)

| | | |
|---|---|---|
| 4/17/85 | $ 35,000.00 | Wired |
| 4/18/85 | 40,000.00 | Wired |
| 10/30/85 | 10,000.00 | Ch. #1490 |
| | $ 85,000.00 | |

1986 Income Received

AMERICAN CONSERVATIVE TRUST

| | | |
|---|---|---|
| 6/26/86 | $ 50.35 | Ch. #1204 |
| 10/28/86 | 14,000.00 | Wired |
| | $ 14,050.35 | |

AMERICAN CONSERVATIVE TRUST (State Election Fund)

| | | |
|---|---|---|
| 11/10/86 | $ 805.00 | Ch. #1643 |

AMERICAN CONSERVATIVE TRUST (Federal)

| | | |
|---|---|---|
| 11/6/86 | $ 6,000.00 | Wired |
| 11/7/86 | 8,000.00 | Wired |
| | $ 14,000.00 | |

[illegible] OLD COURT ROAD BALTIMORE, MARYLAND [illegible]



[redacted]

MEMO TO: Mr. Carl Russell Channell
President
National Endowment for the
Preservation of Liberty
1331 Pennsylvania Avenue, N.W.
Suite 350 South
Washington, D.C. 20005

OK to pay
dlc

FROM: Richard R. Miller

DATE: February 2, 1987

SUBJECT: Professional Fees

PROFESSIONAL FEES:

| | |
|---|---|
| Professional services | $40,000.00 |
| Central American Freedom Program II Research | $12,000.00 |
| GRAND TOTAL: | $52,000.00 |

MEMO TO: Mr. Carl Russell Channell
President
National Endowment for the
Preservation of Liberty
1331 Pennsylvania Avenue, N.W.
Suite 350 South
Washington, D.C. 20005

FROM: Richard R. Miller

DATE: January 5, 1987

SUBJECT: Professional Fees

PROFESSIONAL FEES:

For public relations and media consulting on behalf of NEPL during the month of January, 1987, please forward a check in the amount of $20,000.00 made payable to International Business Communications.



1/5/87

"Reconnaissance"
"True Colors"
"Thank You"
"President's Oath"
"Terrorist Influence"
"Helicopters"
"Refugees"
"They Are Us"
"Letter"
"Throw Money"
"Morning of Peace"

Paid by NEPL.

"Freedom Can't Work"
"Korean Airliner"
"Freedom Can't Work" Garwood
"Freedom Can't Work" Pierce"
"Terrorism Influence"

Paid by ACT

"Does He Know?" Barnes
"Fact Check A" Barnes
"Fact Check B" Barnes
"Fact Check C" Barnes
"Time Check 8:30" Barnes
"Time Check 11:30" Barnes
"Does He Know?" De La Garza
"Fact Check A, B, C" De La Garza

Paid by Sentinel / NEPL

CITY: Austin
VISITED: February 21 by Teofilo Archibold

EDITORIALS: The American Statesman: NEUTRAL

C. DISTRICTS: -Democrats: Pickle (d. 10) VOTED NO
-Republicans: Sweeney (d. 14) VOTED YES

CITY: San Antonio
VISITED: March 3 by Xavier Arguello
March 14 by Jimmy Hassan
March 15 by Jimmy Hassan

EDITORIALS: The Light: AGAINST
The Express: AGAINST

C. DISTRICTS: -Democrats: Gonzalez (d. 20) VOTED NO
Bustamante (d. 23) VOTED NO
-Republicans: Loeffler (d. 21) VOTED YES

CITY: Corpus Christi
VISITED: March 4 by Xavier Arguello

EDITORIALS: The Caller-Times: IN SUPPORT

C. DISTRICTS: Democrats: Coleman (d. 16) VOTED NO
Ortiz (d. 27) VOTED YES

CITY: Galveston
VISITED: March 5 by Xavier Arguello

EDITORIALS: The Daily News: NEUTRAL

C. DISTRICTS: Democrats: Brooks (d. 9) VOTED NO

CITY: Beaumont/Pt. Arthur
VISITED: March 6 by Xavier Arguello
March 7 by Xavier Arguello

EDITORIALS: The Enterprise: IN SUPPORT
The News: NEUTRAL

C. DISTRICTS: Democrats: Brooks (d. 9) VOTED NO

*** END ***

A 007571



**the robert goodman agency, inc.**

N.E.P.L. "Freedom Fighters" TV
National Spot Placement
Television Analysis
Market Overview

| Market | # of Spots | HH GRPs | Total Cost |
|---|---|---|---|
| MIAMI/WEST PALM BEACH | 29 | 186 | $ 18,070. |
| ORLANDO/DAYTONA BEACH | 62 | 568 | $ 27,250. |
| TAMPA/ST. PETERSBURG | 42 | 289 | $ 8,920. |
| JACKSONVILLE | 66 | 500 | $ 13,000. |
| SAN ANTONIO | 29 | 430 | $ 18,430. |
| AUSTIN | 73 | 605 | $ 16,950. |
| McALLEN/BROWNSVILLE | 30 | 500 | $ 4,450. |
| CORPUS CHRISTI | 40 | 571 | $ 4,905. |
| NASHVILLE | 35 | 641 | $ 21,315. |
| MEMPHIS | 48 | 389 | $ 10,530. |
| CHATTANOOGA | 58 | 465 | $ 8,910. |
| RALEIGH/DURHAM | 47 | 471 | $ 21,100. |
| GREENVILLE/NEW BERN | 40 | 502 | $ 4,200. |
| GREENVILLE/SPART./ASHEVILLE | 30 | 410 | $ 15,000. |
| COLUMBIA | 35 | 277 | $ 6,290. |
| MACON | 26 | 458 | $ 6,415. |
| SAVANNAH | 67 | 532 | $ 5,465. |
| ALBANY | 24 | 493 | $ 2,820. |
| JACKSON, MS | 56 | 715 | $ 9,380. |
| COLUMBUS/TUPELO | 62 | 374 | $ 4,640. |

[redacted] OLD COURT ROAD BALTIMORE, MARYLAND [redacted]

**the robert goodman agency, inc.**

N.E.P.L. "Freedom Fighters" TV
National Spot Placement
Television Analysis
Market Overview

Page Two

| Market | # of Spots | HH GRPs | Total Cost |
|---|---|---|---|
| OKLAHOMA CITY | 16 | 200 | $ 6,675. |
| TULSA | 62 | 611 | $ 16,290. |
| LOUISVILLE | 40 | 403 | $ 11,520. |
| NATIONAL MARKET TOTALS: | 1017 | 10,590 | $262,525. |
| WASHINGTON, D.C. TOTALS: | 101 | 867 | $ 99,225. |
| NATIONAL PROGRAM TOTALS: | 1118 | 11,457 | $361,750. |

A 0076195





**the robert goodman agency, inc.**

N.E.P.L. "Freedom Fighters" TV
National Spot Placement
Television Analysis

MIAMI/WEST PALM BEACH

| | | |
|---|---|---|
| Fascell (D-19th CD) | Yes | |
| Pepper (D-18th CD) | Yes | |
| Larry Smith (D-16th CD) | Yes | |
| Shaw (R-15th CD) | Yes | |
| LEHMAN (D-17th CD) | NO | |
| Mica (D-14th CD) | Yes | |
| 29 Spots | 186 HH GRPs | $ 18,070. |

ORLANDO/DAYTONA BEACH

| | | |
|---|---|---|
| MACKAY (D-6th CD) | NO | |
| Chappell (D-4th CD) | Yes | |
| McCollum (R-5th) | Yes | |
| Nelson (D-11th CD) | Yes | |
| Ireland (R-10th CD) | Yes | |
| 62 Spots | 568 HH GRPs | $ 27,250. |

TAMPA/ST. PETERSBURG

| | | |
|---|---|---|
| MACKAY (D-6th CD) | NO | |
| Gibbons (D-7th CD) | Yes | |
| Young (D-8th CD) | Yes | |
| Bilirakis (R-9th CD) | Yes | |
| Ireland (R-10th CD) | Yes | |
| 42 Spots | 289 HH GRPs | $ 8,920. |

A 0076196

**the robert goodman agency, inc.**

N.E.P.L. "Freedom Fighters" TV
National Spot Placement
Television Analysis

Page Two

JACKSONVILLE

| | | |
|---|---|---|
| Bennett (D-3rd CD) | Yes | |
| MACKAY (D-6th CD) | NO | |
| Fuqua (D-2nd CD) | Yes | |
| Chappell (D-4th CD) | Yes | |
| Thomas (D-1st CD GA.) | Yes | |
| Rowland (D-8th CD GA) | Yes | |
| 66 Spots | 500 HH GRPs | $ 13,000. |

SAN ANTONIO

| | | |
|---|---|---|
| DE LA GARZA (D-15th CD) | NO | |
| BUSTAMANTE (D-23rd CD) | NO | |
| PICKLE (D-10th CD) | NO | |
| GONZALEZ (D-20th CD) | NO | |
| Loeffler (R-21st CD) | Yes | |
| Sweeney (R-14th CD) | Yes | |
| 29 Spots | 430 HH GRPs | $ 18,430. |

AUSTIN

| | | |
|---|---|---|
| PICKLE (D-10th CD) | NO | |
| Leath (D-11th) | Yes | |
| Sweeney (R-14th CD) | Yes | |
| Loeffler (R-21st CD) | Yes | |
| 73 Spots | 605 HH GRPs | $ 16,950. |

McALLEN/BROWNSVILLE

A 0076197

| | | |
|---|---|---|
| DE LA GARZA (D-15th CD) | NO | |
| Ortiz (D-27th) | Yes | |
| 30 Spots | 500 HH GRPs | $ 4,450. |



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N.E.P.L. "Freedom Fighters" TV
National Spot Placement
Television Analysis

Page Three

CORPUS CHRISTI

| | | |
|---|---|---|
| DE LA GARZA (D-15th CD) | NO | |
| Sweeney (R-14th CD) | Yes | |
| Ortiz (D-27th CD) | Yes | |
| 40 Spots | 571 HH GRPs | $ 4,905. |

NASHVILLE

| | | |
|---|---|---|
| GORDON (D-6th CD) | NO | |
| COOPER (D-4th CD) | NO | |
| JONES (D-8th CD) | NO | |
| HUBBARD (D-1st CD KY) | NO | |
| NATCHER (D-2nd CD KY) | NO | |
| Rogers (R-5th CD KY) | Yes | |
| BONER (D-5th CD) | NO | |
| Sundquist (R-7th CD) | Yes | |
| 35 Spots | 641 HH GRPs | $ 21,315. |

MEMPHIS

| | | |
|---|---|---|
| JONES (D-8th CD) | NO | |
| WHITTEN (D-1st CD MS) | NO | |
| ALEXANDER (D-1st CD ARK) | NO | |
| FORD (D-9th CD) | NO | |
| Sundquist (R-7th CD) | Yes | |
| 48 Spots | 389 HH GRPs | $ 10,530. |

A 0076196

2201 OLD COURT ROAD BALTIMORE MARYLAND 21208 (301) 486-9339

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National Spot Placement
Television Analysis

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**CHATTANOOGA**

| | | |
|---|---|---|
| DUNCAN (D-2nd CD) | NO | |
| LLOYD (D-3rd CD) | NO | |
| COOPER (D-4th CD) | NO | |
| Flippo (D-5th AL) | Yes | |
| Darden (D-7th GA) | Yes | |
| Jenkins (D-9th GA) | Yes | |
| 58 Spots | 465 HH GRPs | $ 8,910. |

**RALEIGH/DURHAM**

| | | |
|---|---|---|
| WHITNEY (D-3rd CD) | NO | |
| HEFNER (D-8th CD) | NO | |
| VALENTINE (D-2nd CD) | NO | |
| Cobey (R-4th CD) | Yes | |
| Coble (R-6th CD) | Yes | |
| ROSE (D-7th CD) | NO | |
| 47 Spots | 471 HH GRPs | $ 21,100. |

**GREENVILLE/NEW BERN**

| | | |
|---|---|---|
| JONES (D-1st CD) | NO | |
| VALENTINE (D-2nd CD) | NO | |
| WHITLEY (D-3rd CD) | NO | |
| 40 Spots | 502 HH GRPs | $ 4,200. |

**GREENVILLE/SPARTANBURG/ASHEVILLE**

| | | |
|---|---|---|
| DERRICK (D-3rd CD) | NO | A 0076199 |
| SPRATT (D-5th CD) | NO | |
| Campbell (R-4th CD) | Yes | |



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N.E.P.L. "Freedom Fighters" TV
National Spot Placement
Television Analysis

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**GREENVILLE/SPARTANBURG/ASHEVILLE (Continued)**

| | | |
|---|---|---|
| Hendon (R-11th CD NC) | Yes | |
| Jenkins (D-9th CD GA) | Yes | |
| Barnard (D-10th CD GA) | Yes | |
| 30 Spots | 410 HH GRPs | $ 15,000. |

**COLUMBIA**

| | | |
|---|---|---|
| SPENCE (D-2nd CD) | NO | |
| DERRICK (D-3rd CD) | NO | |
| Tallon (D-6th CD) | Yes | |
| 35 Spots | 277 HH GRPs | $ 6,290. |

**MACON**

| | | |
|---|---|---|
| RAY (D-3rd CD) | NO | |
| Rowland (D-8th CD) | Yes | |
| 26 Spots | 458 HH GRPs | $ 6,415. |

**SAVANNAH**

| | | |
|---|---|---|
| Thomas (D-1st CD) | Yes | |
| Hartnett (R-1st CD SC) | Yes | |
| 67 Spots | 532 HH GRPs | $ 5,465. |

**ALBANY**

| | | |
|---|---|---|
| Hatcher (D-2nd CD) | Yes | A 0076200 |
| RAY (D-3rd CD) | NO | |
| 24 Spots | 493 HH GRPs | $ 2,820. |

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N.E.P.L. "Freedom Fighters" TV
National Spot Placement
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JACKSON, MS

| | | |
|---|---|---|
| Franklin (R-2nd CD) | Yes | |
| Montgomery (D-3rd CD) | Yes | |
| Dowdy (D-4th CD) | Yes | |
| 56 Spots | 715 HH GRPs | $ 9,380. |

COLUMBUS/TUPELO

| | | |
|---|---|---|
| WHITTEN (D-1st CD) | NO | |
| Franklin (R-2nd CD) | Yes | |
| Montgomery (D-3rd CD) | Yes | |
| 62 Spots | 374 HH GRPs | $ 4,640. |

OKLAHOMA CITY

| | | |
|---|---|---|
| Watkins (D-3rd CD) | Yes | |
| McCURDY (D-4th CD) | NO | |
| Edwards (R-5th CD) | Yes | |
| English (D-6th CD) | Yes | |
| SYNAR (D-2nd CD) | NO | |
| 16 Spots | 200 HH GRPs | $ 6,675. |

TULSA

| | | |
|---|---|---|
| Jones (D-1st CD) | Yes | |
| Watkins (D-3rd CD) | Yes | |
| SYNAR (D-2nd CD) | NO | A 0076201 |
| Edwards (R-5th CD) | Yes | |
| 62 Spots | 611 HH GRPs | $ 16,290. |



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N.E.P.L. "Freedom Fighters" TV
National Spot Placement
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LOUISVILLE

| | | |
|---|---|---|
| MAZZOLI (D-3rd CD) | NO | |
| NATCHER (D-2nd CD) | NO | |
| Snyder (R-4th CD) | Yes | |
| HOPKINS (R-6th CD) | NO | |
| HAMILTON (D-9th CD IND) | NO | |
| 40 Spots | 403 HH GRPs | $ 11,520. |

A 0076202

8701 OLD COURT ROAD BALTIMORE MARYLAND 21208 (301) 653-5330

# MEMO

4/19/85

Dear Dan, Spitz & Crew:

It's been some week, and yet I know our collective efforts will reap nice rewards.

Enclosed find a summary sheet outlining our TV buys in ten different media markets across the country. As discussed, we'll attempt to "pry open" the Hartford/New Haven by Monday morning.

Finally, to prove there is indeed some method to my madness, I'm enclosing a summary of the research used to define the TV markets selected to reach the 21 targeted Congressmen (per Rich Miller). It provides a quick glimpse of the number of Congressman actually impacted by our wave of "Freedom Fighters" television.

We'll call you Monday about New Haven, and to set up a time when we can meet to discuss this current buy as it applies to any future projects down the line.

Thanks again for your patience. I really feel our two groups, working together, really make quite a team.

the robert goodman agency, inc.

OLD COURT & MILLS ROADS — BOX 512, BROOKLANDVILLE, MARYLAND 21022 (301) 296-9330

THE AMERICAN CONSERVATIVE TRUST
"Freedom Fighters" Television
Market by Market Cost Breakdown

| TV Market | $ Spent |
|---|---|
| WASHINGTON | $ 25,950. |
| MIAMI | 5,875. |
| CLEVELAND | 5,090. |
| PHILADELPHIA | 15,000. |
| KANSAS CITY | 5,000. |
| TULSA | 5,000. |
| ALBUQUERQUE | 3,560. |
| BEAUMONT | 3,400. |
| CHARLOTTE | 5,015. |
| DALLAS | 9,075. |
| | $ 82,965. |

A contingency fund of $ 5,000 will be applied to any TV buy we can clear with a station which reaches the Greenwich, Connecticut viewing audience...



the robert goodman agency, inc. OLD COURT & MILLS ROADS — BOX 512 BROOKLANDVILLE, MARYLAND 21022 (301) 296-9330

DATE PREPARED April 17, 1985
FOR THE AMERICAN CONSERVATIVE TRUST
START DATE April 18, 1985
STATION(S) WJLA-TV Washington, DC
END DATE April 22, 1985

| DAYS | BROADCAST TIME | SPOT LENGTH | BROADCAST DATES | PROGRAMMING | TOTAL SPOTS | RATE/ SPOT | TOTAL COST | GROSS RATING POINTS |
|---|---|---|---|---|---|---|---|---|
| M-Fri. | 7:00 - 9:00am | :30 | 4/18/85-4/22/85 | Good Morning America | 8 | 350. | 2800. | 40 |
| M-Fri. | 5:30 - 7:00pm | :30 | " | Early News | 7 | 650. | 4550. | 56 |
| M-Fri. | 11:00 -11:30pm | :30 | " | Late News | 5 | 1600. | 8000. | 55 |
| M-Fri. | 11:30 -12:00am | :30 | " | Nightline | 3 | 900. | 2700. | 18 |
| Sat/Sun | 11:30 -11:45pm | :30 | 4/20/85-4/21/85 | Network News Break | 2 | 900. | 1800. | 12 |
| Fri/Mon | 7:30 - 8:00pm | :30 | 4/19/8544/21/85 | Entertainment Tonight | 3 | 1700. | 5100. | 36 |
| Sat. | 7:30 - 8:00pm | :30 | 4/20/85 | The Larry King Show | 1 | 1000. | 1000. | 8 |
| | | | | WJLA-TV SCHEDULE TOTAL: | 29 | | 25,950 | 225 |

THE AMERICAN CONSERVATIVE TRUST
"Aid to the Freedom Fighters"
TV -- Costs & Options

---

(1) WASHINGTON, D.C.

Affected Congressmen: ALL

Estimated Cost:

| | |
|---|---|
| 200 GRPs - | $ 25,000 |
| 250 GRPs - | 31,250 |

---

(2) MIAMI, FLORIDA

Affected Congressmen: LARRY SMITH (R - 16th CD)
Dan Mica (D - 14th CD)
Clay Shaw (R - 15th CD)
Bill Lehman (D - 17th CD)
Claude Pepper (D - 18th CD)
Dante Fascell (D - 19th CD)

JULIUS PIERCE (Miami contributor)

Estimated Cost:

| | |
|---|---|
| 100 GRPs - | $ 22,500 |
| 150 GRPs - | 33,750 |

---

(3) NEW HAVEN, CONNECTICUT

Affected Congressmen: NANCY JOHNSON (R - 6th CD)
Barbara Kennelly (D - 1st CD)
Sam Gejdenson (D - 2nd CD)
Bruce Morrison (D - 3rd CD)
John Rowland (R - 5th CD)

BARBARA NEWINGTON (Greenwich, Ct. contributor

OLD COURT & HILLS ROADS — BOX 512, BROOKLANDVILLE, MARYLAND 21022 (301) 252-5220





The American Conservative Truet
"Freedom Fighters" TV

Page Two

New Haven, Ct. (Continued)

Estimated Cost:

| | |
|---|---|
| 100 GRPs - $ | 6,500 |
| 150 GRPs - | 9,750 |

---

(4) AUSTIN, TEXAS

Affected Congressmen: J.J. Pickle (D - 10th CD)
Marvin Leath (D - 11th CD)
Mac Sweeney (R - 14th CD)
Tom Loeffler (R - 21st CD)

ELLEN GARWOOD (Austin Contributor)

Estimated Cost:

| | |
|---|---|
| 150 GRPs - $ | 3,000 |
| 200 GRPs - | 4,000 |

---

(5) CEDAR RAPIDS/WATERLOO, IOWA

Affected Congressmen: TOM TAUKE (R - 2nd CD)
COOPER EVANS (R - 3rd CD)
Jim Leach (R - 1st CD)

STEVE GUNDERSON (R - Wisconsin 3rd CD)

Estimated Cost:

| | |
|---|---|
| 100 GRPs - $ | 2,000 |
| 150 GRPs - | 3,000 |

---

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(6) BANGOR, MAINE

Affected Congressmen: OLYMPIA SNOWE (R - 2nd CD)
John McKernan (R - 1st CD)

Estimated Cost:
100 GRPs - $ 1,000
150 GRPs - 1,500

---

(7) LA CROSSE/EAU CLAIRE, WISCONSIN

Affected Congressmen: STEVE GUNDERSON (R - 3rd CD)
Robert Kastenmeier (D - 2nd CD)
Thomas Petri (R - 6th CD)
David Obey (D - 7th CD)
Tim Penny (D - Minnesota 1st CD)

Estimated Cost:
100 GRPs - $ 1,500
150 GRPs - 2,250

---

(8) CINCINNATI, OHIO

Affected Congressmen: BILL GRADISON (R - 1st CD)
Thomas Luken (D - 2nd CD)
Bob McEwen (R - 6th CD)
Thomas Kindness (R - 8th CD)
Gene Snyder (R - Kentucky 4th CD)
Lee Hamilton (D - Indiana 9th CD)







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"Freedom Fighters" TV

Page Four

Cincinnati, Ohio (Continued)

Estimated Cost:
100 GRPs - $ 4,000
150 GRPs - 6,000

---

(9) CLEVELAND, OHIO

Affected Congressmen: RALPH REGULA (R - 16th CD)
Michael Oxley (R - 4th CD)
Del Latta (R - 5th CD)
Dennis Eckart (D - 11th CD)
Don Pease (D - 13th CD)
John Seiberling (D - 14th CD)
Doug Applegate (D - 18th CD)
Edward Feighan (D - 19th CD)
Mary Rose Oakar (D - 20th CD)
Louis Stokes (D - 21st CD)

Estimated Cost:
100 GRPs - $ 6,000
150 GRPs - 9,000

---

(10) HARRISBURG/YORK/LANCASTER/LEBANON, PENNSYLVANIA

Affected Congressmen: BILL GOODLING (R - 19th CD)
Robert Walker (R - 16th CD)
George Gekas (R - 17th CD)

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Page Five

Harrisburg/York/Lancaster/Lebanon, Pa. (Continued)

Estimated Cost:

100 GRPs - $ 3,000
150 GRPs 4,500

---

(11) PHILADELPHIA, PENNSYLVANIA

Affected Congressmen: GUS YATRON (D - 6th CD)
LAWRENCE COUGHLIN (R - 13th CD)
Tom Foglietta (D - 1st CD)
William Gray (D - 2nd CD)
Robert Borski (D - 3rd CD)
Richard Schulze (R - 5th CD)
Bob Edgar (D - 7th CD)
Peter Kostmayer (D - 8th CD)
Don Ritter (R - 15th CD)
Robert Walker (R - 16th CD)
Tom Carper (D - At-Large, Delaware)
Jim Florio (D - New Jersey 1st CD)
William Hughes (D - New Jersey 2nd CD)

Estimated Cost:

100 GRPs - $ 12,500
150 GRPs - 18,750

---



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"Freedom [redacted] TV

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(12) ROCKFORD, ILLINOIS

Affected Congressmen: LYNN MARTIN (R - 16th CD)
John Grotberg (R - 14th CD)
Les Aspin (D - Wisconsin 1st CD)

Estimated Cost:

100 GRPs - $ 2,000
150 GRPs - 3,000

---

(13) KANSAS CITY, MISSOURI

Affected Congressmen: JAN MEYERS (R - Kansas 3rd CD)
Jim Slattery (D - Kansas 2nd CD)
Bob Whittaker (R - Kansas 5th CD)
Ike Skelton (D - Missouri 4th CD)
Alan Wheat (D - Missouri 5th CD)
Thomas Coleman (R - Missouri 6th CD)

Estimated Cost:

100 GRPs - $ 5,000
150 GRPs - 7,500

---

(14) SEATTLE/TACOMA, WASHINGTON

Affected Congressmen: JOHN MILLER (R - 1st CD)
Al Swift (D - 2nd CD)
Don Bonker (D - 3rd CD)
Sid Morrison (R - 4th CD)
Norm Dicks (D - 6th CD)
Mike Lowry (D - 7th CD)
Rod Chandler (R - 8th CD)

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Seattle/Tacoma, Wash. (Continued)
Estimated Cost:
100 GRPs - $ 6,500
150 GRPs - 9,750

---

(15) ROCHESTER, NEW YORK

Affected Congressmen: FRANK HORTON (R - 29th CD)
Fred Eckert (R - 30th CD)
Jack Kemp (R - 31st CD)
John LaFalce (D - 32nd CD)

Estimated Cost:
100 GRPs - $ 2,500
150 GRPs - 3,750

---

(16) TULSA, OKLAHOMA

Affected Congressmen: JIM JONES (D - 1st CD)
Mike Synar (D - 2nd CD)
Wes Watkins (D - 3rd CD)
Mickey Edwards (R - 5th CD)

Estimated Cost:
100 GRPs - $ 3,500
150 GRPs - 5,250

---



A 0076100



(17) ALBUQUERQUE, NEW MEXICO

Affected Congressmen: BILL RICHARDSON (D - 3rd CD)
Manuel Lujan (R - 1st CD)
Joe Skeen (R - 2nd CD)
Michael Strang (R - Colorado 3rd CD)

Estimated Cost:
100 GRPs - $ 2,500
150 GRPs - 3,750

---

(18) BEAUMONT, TEXAS

Affected Congressmen: CHARLES WILSON (D - 2nd CD)
Jack Brooks (D - 9th CD)

Estimated Cost:
100 GRPs - $ 2,000
150 GRPs - 2,500

---

(19) GREENSBORO, NORTH CAROLINA

Affected Congressmen: STEPHEN NEAL (D - 5th CD)
BILL HEFNER (D - 2nd CD)
Lie Valentine (D - 2nd CD)
Bill Cobey (R - 4th CD)
Howard Coble (R - 6th CD)
Alex McMillan (R - 9th CD)

Estimated Cost:
100 GRPs - $ 3,500
150 GRPs - 5,250



A 0076101

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"Freedom Fighters" TV

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(20) CHARLOTTE, NORTH CAROLINA

Affected Congressmen: STEPHEN NEAL (D - 5th CD)
BILL HEFNER (D - 8th CD)
Alex McMillan (R - 9th CD)
Jim Broyhill (R - 10th CD)
Bill Hendon (R - 11th CD)
John Spratt (D - South Carolina 5th CD)

Estimated Cost:
100 GRPs - $ 5,000
150 GRPs - 7,500

---

(21) DALLAS, TEXAS

Affected Congressmen: CHARLES WILSON (D - 2nd CD)
Sam Hall (D - 1st CD)
Steve Bartlett (R - 3rd CD)
Ralph Hall (D - 4th CD)
John Bryant (D - 5th CD)
Joe Barton (R - 6th CD)
Marvin Leath (D - 11th CD)
Jim Wright (D - 12th CD)
Charles Stenholm (D - 17th CD)
Martin Frost (D - 24th CD)
Dick Armey (R - 26th CD)

Estimated Cost:
100 GRPs - $ 12,500
150 GRPs - 18,750

---

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A 0026102



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"Freedom Fighters" TV

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(22) SAN FRANCISCO, CALIFORNIA

Affected Congressmen: ED ESCHAU (R - 12th CD)
Doug Bosco (D - 1st CD)
Gene Chappie (R - 2nd CD)
Vic Fazio (D - 4th CD)
Sala Burton (D - 5th CD)
Barbara Boxer (D - 6th CD)
George Miller (D - 7th CD)
Ron Dellums (D - 8th CD)
Pete Stark (D - 9th CD)
Don Edwards (D - 10th CD)
Tom Lantos (D - 11th CD)
Norman Mineta (D - 13th CD)

Estimated Cost:
100 GRPs - $ 17,500
150 GRPs - 26,250

---

NOTE: All Congressman listed in CAPS above are among the 21 Reps. targeted by Rich Miller...

OLD COUNTY & HILLS ROADS — BOX 910, BROOKLANDVILLE, MARYLAND 21022 (301) 220-2220

A 0026102

C N 02902

5. soviet deepwater port

6. pacific coast base improvements

7. forced recruitment

8. material and heavy weapons systems delivered

The situation today

1. Supply is up to speed, warehouses are well supplied

2. Heavy lifting airdrops have begun and have successfully resupplied forward units without them running the risk of border crossing

3. Light plane forward deployment of supplies to reinforce southern front and central concentrations

4. Medivac and field first aid supply

5. The impact of Freedom Fighters on a government in an economic and political crisis

6. Strategic implications of newly supplied forces

   a) Cutting the Rama Road

   b) Bonco battle

   c) Bridge destruction

7. Map overlays of present penetrations and major battles.

The future - ~~the two million dollar a month war.~~ Oct 17th

800 tons of $27MM has been delivered
were been delivering in last 3 wks
the clouds are clearing soon
- there is very little time left for delivery



INTERNATIONAL BUSINESS COMMUNICATIONS
1912 SUNDERLAND PLACE, N.W.
WASHINGTON, D.C. 20036 · 1608
TELEPHONE (202) 387-3002 TELEX 3718712 IBCUSA

Dan:

As per Spitz's request, I am attaching a list of open seats in the House of Representatives. The NRCC has listed all GOP Members as priority tarkets and the following Democrats as probable pickups Al 7, CO 2, IA 6, LA 7 LA 8, MD 8, NC 3, OK 1, OR 4, PA 7, SD at large. They have also targeted the follow sitting Democrats for defeat Stallings ID 2, McCloskey IN 8, Carr MI 6, Young MO 2, HealNC 5, Feighan OH 19, Aucoin OR 1, Kostmayer PA 8, Kanjorski PA 11, Bryant TX 5, Pickle TX 10, Lloyd TN 3.

I hope this is what your looking for.

STEVE

Spitz

NICARAGUA EFFORT
TARGETED CONGRESSIONAL REPRESENTATIVES

| STATE | PARTY | REPRESENTATIVE | DIST. OFF. | DIST. PHONE NO. |
|---|---|---|---|---|
| **AR | D | TOMMY ROBINSON | LITTLE ROCK(2) | (501) 378-5961 |
| CA | R | ED ZSCHAU | SUNNYDALE(12) | (408) 730-8555 |
| **CT | R | NANCY JOHNSON | NEW BRITAIN(6) | (203) 223-8412 |
| CT | R | JOHN ROWLAND | WATERBURY(5) | (203) 573-1618 |
| **FL | D | DON FUQUA | TALLAHASSEE(2) | (904) 681-7430 |
| **FL | D | CHARLES BENNETT | JACKSON(3) | (904) 791-2587 |
| **FL | D | BUDDY MAC KAY | OCALA(6) | (904) 351-8777 |
| FL | D | SAM GIBBONS | TAMPA(7) | (813) 228-2101 |
| FL | D | DANTE B. FASCELL | MIAMI(19) | (305) 350-5301 |
| FL | D | DAN MICA | PALM BEACH(10) | (305) 732-4000 |
| FL | D | CLAUDE PEPPER | MIAMI(18) | (305) 350-5565 |
| FL | D | LAWRENCE SMITH | HOLLYWOOD(16) | (305) 987-6480 |
| GA | D | CHARLES HATCHER | ALBANY(2) | (912) 439-8067 |
| GA | D | J. ROY ROWLAND | DUBLIN(8) | (912) 275-0020 |
| GA | D | ROBERT L. THOMAS | HOUMA(3) | (504) 876-5303 |
| HI | D | CECIL HEFTEL | HONOLULU(1) | (808) 546-8997 |
| **IA | R | TOM TAUKE | DUBUQUE(2) | (319) 557-7700 |
| **ID | D | RICHARD STALLINGS | BOISE(2) | (208) 336-1953 |
| IL | R | HARRIS FAWELL | HINDSDALE(13) | (312) 655-2052 |
| **IL | D | MELVIN PRICE | E. ST. LOUIS(21) | (618) 274-2200 |
| **KY | D | ROMANO MAZZOLI | LOUISVILLE(3) | (502) 582-5129 |
| LA | D | CATHY LONG | ALEXANDRIA(8) | (318) 473-7930 |
| MD | D | BEVERLY BYRON | FREDRICK(6) | (301) 662-8622 |
| ME | R | JOHN MC KERNAN | PORTLAND(1) | (207) 780-3381 |
| ME | R | OLYMPIA SNOWE | BANGOR(2) | (207) 945-0432 |
| MI | R | ROBERT DAVIS | MARQUETTE(11) | (906) 228-3700 |
| **MO | D | IKE SKELTON | BLUE SPRINGS(8) | (816) 228-0292 |
| **MS | D | JAMIE WHITTEN | CHARLESTON(1) | (601) 647-2613 |
| **NC | D | CHARLES WHITLEY | GOLDSBORO(3) | (919) 736-1000 |
| **NC | D | BILL HEFNER | CONCORD(8) | (704) 933-1615 |
| **NE | R | DOUGLAS BEREUTER | LINCOLN(1) | (402) 471-5400 |
| **NH | R | JUDD GREGG | CONCORD(2) | (603) 228-0315 |
| NJ | R | MARGE ROUKEMA | RIDGEWOOD(5) | (201) 447-3900 |
| **NJ | R | MATTHEW RINALDO | UNION(7) | (201) 687-0235 |
| NY | D | MARIO BIAGGI | BRONX(19) | (212) 931-0100 |
| NY | R | HAMILTON FISH | POUGH KEEPSIE(21) | (914) 452-4220 |
| NY | R | BENJAMIN GILMAN | MIDDLETOWN(22) | (914) 343-6669 |
| **NY | R | FRANK HORTON | ROCHESTER(29) | (716) 263-6270 |
| NM | D | BILL RICHARDSON | SANTA FE(3) | (505) 988-6177 |
| **OH | R | WILLIS GRADISON | CINCINNATI(2) | (513) 684-2056 |
| **OK | D | JIM JONES | TULSA(1) | (918) 681-7111 |
| **OK | D | WES WATKINS | ADA(3) | (405) 436-1980 |
| **OK | D | DAVE MC CURDY | NORMAN(4) | (405) 329-6500 |
| OK | D | GLENN ENGLISH | OKLAHOMA CITY(6) | (405) 231-5511 |
| PA | D | JOHN MURTHA | JOHNSTOWN(12) | (814) 535-2462 |
| PA | D | PAUL KANJORSKI | WILKES BARRE(11) | (717) 825-2200 |
| **PA | R | BILL GOODLING | YORK(19) | (717) 843-8887 |



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| STATE | PARTY | REPRESENTATIVE | DIST. OFF. | DIST. PHONE NO. |
|---|---|---|---|---|
| **PA | R | TOM RIDGE | ERIE(21) | (814) 454-7838 |
| **PA | R | BILL CLINGER | WARREN(23) | (814) 726-3910 |
| PA | R | LAWRENCE COUGHLIN | NORRISTOWN(13) | (215) 277-4000 |
| SC | D | BUTLER DERRICK | ANDERSON(3) | (803) 226-7401 |
| SC | D | JOHN SPRATT | ROCK HILL(5) | (803) 327-1114 |
| **TN | D | MARLYN LLOYD | CHATTANOOGA(3) | (615) 267-9108 |
| TN | D | WILLIAM BONER | NASHVILLE(5) | (615) 251-5295 |
| TN | D | JIM COOPER | SHELBYVILLE(4) | (615) 684-1110 |
| **TN | D | BART GORDON | MURFREESBORO(6) | (615) 896-1986 |
| **TN | D | ED JONES(JOHNSON) | YORKVILLE(8) | (901) 683-6123 |
| **IN | D | MIKE ANDREWS | HOUSTON(25) | (713) 229-2400 |
| **TX | D | ALBERT BUSTAMANTE | SAN ANTONIO(23) | (512) 229-6191 |
| TX | D | JIM CHAPMAN | SULPHUR SPRINGS | (214) 885-8687 |
| TX | D | RON COLEMAN | EL PASO(16) | (915) 541-7650 |
| TX | D | E. de la GARZA | MC ALLEN(15) | (512) 682-5545 |
| TX | D | SAM HALL | MARSHALL(1) | (214) 938-8386 |
| TX | D | SOLOMON ORTIZ | CORP CHRISTI(27) | (512) 883-5864 |
| TX | D | J.J. PICKLE | AUSTIN(10) | (512) 482-5921 |
| **TX | D | DAN DANIEL | DANVILLE(5) | (804) 792-1280 |
| VA | D | NORMAN SISISKY | PORTSMOUTH(4) | (804) 393-2068 |
| VA | R | SIU MORRISON | KENNEWICK(4) | (509) 576-9702 |
| WA | R | ROD CHANDLER | BELLEVUE(8) | (206) 462-0116 |
| WA | R | LES ASPIN | JONESVILLE(1) | |
| WI | R | STEVE GUNDERSUN | BLA RIVER FALLS | (715) 280-7031 |
| **WI | D | ALAN MOLLAHAN | CLARKSBURG | (300) 623-6024 |
| **WV | D | | | |

A 0081638

Miller Ex. 3

**the robert goodman agency, inc.** 2/20/87

MEETINGS WITH

ACT/NEPL/SENTINEL

ACCORDING TO BOB'S ROUGH CALENDAR NOTES:

Tuesday, 1/7/86: "Spitz 5 pm Oliver North"

Thursday, 1/30/86: "Spitz in D.C."

Wednesday, 2/5/86: "Spitz 10:30, 912 Sunderland Place"

ACCORDING TO CAROLE'S CURRENT SCHEDULING PAPERS:

Tuesday, 1/7/86: "11:30 Rich Miller, Frank Gomez, Spitz Channell here for the day."

Thursday, 1/30/86: "6 pm, Bob & Adam meet ACT and others at Hay Adams and White House."

Thursday, 4/3/86: "Spitz Channell here, 3 pm."

Tuesday, 11/23/86: "1:30 pm, Bob meets Spitz at Monocle, lunch.

Friday, 10/17/86: Lunchtime, Bob & Adam meet Spitz Channell for lunch, location undetermined.

ACCORDING TO PHONE MESSAGE BOOK:

7/11/85: Took phone message for Spitz Channell from Angela Davis, to call his office as soon as he arrives here.

JIM-- I ATTACHED THE BUSINESS CARD NOTES AT TOP OF THIS SHEET BECAUSE IT SUGGESTS THE DATE OF ONE OF THOSE FUND-RAISERS MY FATHER + I ATTENDED (1 OF 2) MAY HAVE [redacted] OCCURRED ON 11/21/85 (IT WAS HELD AT THE HAY ADAMS HOTEL IN WASHINGTON)

Adam G.

the robert goodman agency, inc.

OLD COURT & FALLS ROADS — BOX 512, BROOKLANDVILLE, MARYLAND 21022 (301) 296-5330

THE AMERICAN CONSERVATIVE TRUST

"Freedom Fighters" Television

Market-by-Market Cost Breakdown

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the robert goodman agency, inc.

OLD COURT & FALLS ROADS — BOX 512, BROOKLANDVILLE, MARYLAND 21022 (301) 296-5330

0 0 0 4 0 7 4 9 1 7

**THE AMERICAN CONSERVATIVE TRUST**
**"Freedom Fighters" Television**
**Market by Market Cost Breakdown**

| TV Market | $ Spent |
|---|---|
| WASHINGTON | $ 25,950. |
| MIAMI | 5,875. |
| CLEVELAND | 5,090. |
| PHILADELPHIA | 15,000. |
| KANSAS CITY | 5,000. |
| TULSA | 5,000. |
| ALBUQUERQUE | 3,560. |
| BEAUMONT | 3,400. |
| CHARLOTTE | 5,015. |
| DALLAS | 9,075. |
| | $ 82,965. |

A contingency fund of $ 5,000 will be applied to any TV buy we can clear with a station which reaches the Greenwich, Connecticut viewing audience...

servative Trust
s" TV

hio (Continued)

st:
GRPs - $ 4,000
GRPs - 6,000

---

OHIO

ngressmen: RALPH REGULA (R - 16th CD)
Michael Oxley (R - 4th CD)
Del Latta (R - 5th CD)
Dennis Eckert (D - 11th CD)
Don Pease (D - 13th CD)
John Seiberling (D - 14th CD)
Doug Applegate (D - 18th CD)
Edward Feighan (D - 19th CD)
Mary Rose Oakar (D - 20th CD)
Louis Stokes (D - 21st CD)

ost:
GRPs - $ 6,000
GRPs - 9,000

---

YORK/LANCASTER/LEBANON, PENNSYLVANIA

ngressmen: BILL GOODLING (R - 19th CD)
Robert Walker (R - 16th CD)
George Gekas (R - 17th CD)

Harrisburg/York/Lancaster/Lebanon, Pa. (Continued)

Estimated Cost:

100 GRPs - $ 3,000
150 GRPs 4,500

---

(11) PHILADELPHIA, PENNSYLVANIA

Affected Congressmen: GUS YATRON (D - 6th CD)
LAWRENCE COUGHLIN (R - 13th CD)
Tom Foglietta (D - 1st CD)
William Gray (D - 2nd CD)
Robert Borski (D - 3rd CD)
Richard Schulze (R - 5th CD)
Bob Edgar (D - 7th CD)
Peter Kostmayer (D - 8th CD)
Don Ritter (R - 15th CD)
Robert Walker (R - 16th CD)
Tom Carper (D - At-Large, Delaware)
Jim Florio (D - New Jersey 1st CD)
William Hughes (D - New Jersey 2nd CD)

Estimated Cost:

100 GRPs - $ 12,500
150 GRPs - 18,750

---

(12) ROCKFORD, ILLINOIS

Affected Congressmen: LYNN MARTIN (R - 16th CD)
John Grotberg (R - 14th CD)
Les Aspin (D - Wisconsin 1st CD)

Estimated Cost:
100 GRPs - $ 2,000
150 GRPs - 3,000

---

(13) KANSAS CITY, MISSOURI

Affected Congressmen: JAN MEYERS (R - Kansas 3rd CD)
Jim Slattery (D - Kansas 2nd CD)
Bob Whittaker (R - Kansas 5th CD)
Ike Skelton (D - Missouri 4th CD)
Alan Wheat (D - Missouri 5th CD)
Thomas Coleman (R - Missouri 6th CD)

Estimated Cost:
100 GRPs - $ 5,000
150 GRPs - 7,500

---

(14) SEATTLE/TACOMA, WASHINGTON

Affected Congressmen: JOHN MILLER (R - 1st CD)
Al Swift (D - 2nd CD)
Don Bonker (D - 3rd CD)
Sid Morrison (R - 4th CD)
Norm Dicks (D - 6th CD)
Mike Lowry (D - 7th CD)
Rod Chandler (R - 8th CD)



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Seattle/Tacoma, Wash. (Continued)

Estimated Cost:

100 GRPs - $ 6,500
150 GRPs - 9,750

---

(15) ROCHESTER, NEW YORK

Affected Congressmen: FRANK HORTON (R - 29th CD)
Fred Eckert (R - 30th CD)
Jack Kemp (R - 31st CD)
John LaFalce (D - 32nd CD)

Estimated Cost:

100 GRPs - $ 2,500
150 GRPs - 3,750

---

(16) TULSA, OKLAHOMA

Affected Congressmen: JIM JONES (D - 1st CD)
Mike Synar (D - 2nd CD)
Wes Watkins (D - 3rd CD)
Mickey Edwards (R - 5th CD)

Estimated Cost:

100 GRPs - $ 3,500
150 GRPs - 5,250

---

(17) ALBUQUERQUE, NEW MEXICO

Affected Congressmen: BILL RICHARDSON (D - 3rd CD)
Manuel Lujan (R - 1st CD)
Joe Skeen (R - 2nd CD)
Michael Strang (R - Colorado 3rd CD)

Estimated Cost:
100 GRPs - $ 2,500
150 GRPs - 3,750

---

(18) BEAUMONT, TEXAS

Affected Congressmen: CHARLES WILSON (D - 2nd CD)
Jack Brooks (D - 9th CD)

Estimated Cost:
100 GRPs - $ 2,000
150 GRPs - 2,500

---

(19) GREENSBORO, NORTH CAROLINA

Affected Congressmen: STEPHEN NEAL (D - 5th CD)
BILL HEFNER (D - 2nd CD)
Tim Valentine (D - 2nd CD)
Bill Cobey (R - 4th CD)
Howard Coble (R - 6th CD)
Alex McMillan (R - 9th CD)

Estimated Cost:
100 GRPs - $ 3,500
150 GRPs - 5,250

(20) CHARLOTTE, NORTH CAROLINA

Affected Congressmen: STEPHEN NEAL (D - 5th CD)
BILL HEFNER (D - 8th CD)
Alex McMillan (R - 9th CD)
Jim Broyhill (R - 10th CD)
Bill Hendon (R - 11th CD)
John Spratt (D - South Carolina 5th CD)

Estimated Cost:

100 GRPs - $ 5,000
150 GRPs - 7,500

---

(21) DALLAS, TEXAS

Affected Congressmen: CHARLES WILSON (D - 2nd CD)
Sam Hall (D - 1st CD)
Steve Bartlett (R - 3rd CD)
Ralph Hall (D - 4th CD)
John Bryant (D - 5th CD)
Joe Barton (R - 6th CD)
Marvin Leath (D - 11th CD)
Jim Wright (D - 12th CD)
Charles Stenholm (D - 17th CD)
Martin Frost (D - 24th CD)
Dick Armey (R - 26th CD)

Estimated Cost:

100 GRPs - $ 12,500
150 GRPs - 18,750

---

(22) SAN FRANCISCO, CALIFORNIA

Affected Congressmen: ED ZSCHAU (R - 12th CD)
Doug Bosco (D - 1st CD)
Gene Chappie (R - 2nd CD)
Vic Fazio (D - 4th CD)
Sala Burton (D - 5th CD)
Barbara Boxer (D - 6th CD)
George Miller (D - 7th CD)
Ron Dellums (D - 8th CD)
Pete Stark (D - 9th CD)
Don Edwards (D - 10th CD)
Tom Lantos (D - 11th CD)
Norman Mineta (D - 13th CD)

Estimated Cost:

100 GRPs - $ 17,500
150 GRPs - 26,250

---

NOTE: All Congressman listed in CAPS above are among the 21 Reps. targeted by Rich Miller...

the robert goodman agency, inc.

OLD COURT & FALLS ROADS — BOX 512, BROOKLANDVILLE, MARYLAND 21022 (301) 296-5330

THE AMERICAN CONSERVATIVE TRUST
"Freedom Fighters" Television
Market by Market Cost Breakdown

| TV Market | $ Spent |
|---|---|
| WASHINGTON | $ 25,950. |
| MIAMI | 5,875. |
| CLEVELAND | 5,090. |
| PHILADELPHIA | 15,000. |
| KANSAS CITY | 5,000. |
| TULSA | 5,000. |
| ALBUQUERQUE | 3,560. |
| BEAUMONT | 3,400. |
| CHARLOTTE | 5,015. |
| DALLAS | 9,075. |
| | $ 82,965. |

A contingency fund of $ 5,000 will be applied to any TV buy we can clear with a station which reaches the Greenwich, Connecticut viewing audience...

*the robert goodman agency, inc.*

**THE AMERICAN CONSERVATIVE TRUST**
**"Aid to the Freedom Fighters"**
**TV -- Costs & Options**

---

(1) WASHINGTON, D.C.

Affected Congressmen: ALL

Estimated Cost:

200 GRPs - $ 25,000
250 GRPs - 31,250

---

(2) MIAMI, FLORIDA

Affected Congressmen: LARRY SMITH (R - 16th CD)
Dan Mica (D - 14th CD)
Clay Shaw (R - 15th CD)
Bill Lehman (D - 17th CD)
Claude Pepper (D - 18th CD)
Dante Fascell (D - 19th CD)
JULIUS PIERCE (Miami contributor)

Estimated Cost:

100 GRPs - $ 22,500
150 GRPs - 33,750

---

(3) NEW HAVEN, CONNECTICUT

Affected Congressmen: NANCY JOHNSON (R - 6th CD)
Barbara Kennelly (D - 1st CD)
Sam Gejdensen (D - 2nd CD)
Bruce Morrison (D - 3rd CD)
John Rowland (R - 5th CD)
BARBARA NEWINGTON (Greenwich, Ct. contributor)

OLD COURT & FALLS ROADS — BOX 512. BROOKLANDVILLE. MARYLAND 21022 (301) 296-5330

0004076 4 2 2 6

New Haven, Ct. (Continued)

Estimated Cost:

100 GRPs - $ 6,500
150 GRPs - 9,750

---

(4) AUSTIN, TEXAS

Affected Congressmen: J.J. Pickle (D - 10th CD)
Marvin Leath (D - 11th CD)
Mac Sweeney (R - 14th CD)
Tom Loeffler (R - 21st CD)

ELLEN GARWOOD (Austin Contributor)

Estimated Cost:

150 GRPs - $ 3,000
200 GRPs - 4,000

---

(5) CEDAR RAPIDS/WATERLOO, IOWA

Affected Congressmen: TOM TAUKE (R - 2nd CD)
COOPER EVANS (R - 3rd CD)
Jim Leach (R - 1st CD)
STEVE GUNDERSON (R - Wisconsin 3rd CD)

Estimated Cost:

100 GRPs - $ 2,000
150 GRPs - 3,000

---

(6) BANGOR, MAINE

Affected Congressmen: OLYMPIA SNOWE (R - 2nd CD)
John McKernan (R - 1st CD)

Estimated Cost:
100 GRPs - $ 1,000
150 GRPs - 1,500

---

(7) LA CROSSE/EAU CLAIRE, WISCONSIN

Affected Congressmen: STEVE GUNDERSON (R - 3rd CD)
Robert Kastenmeier (D - 2nd CD)
Thomas Petri (R - 6th CD)
David Obey (D - 7th CD)
Tim Penny (D - Minnesota 1st CD)

Estimated Cost:
100 GRPs - $ 1,500
150 GRPs - 2,250

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(8) CINCINNATI, OHIO

Affected Congressmen: BILL GRADISON (R - 1st CD)
Thomas Luken (D - 2nd CD)
Bob McEwen (R - 6th CD)
Thomas Kindness (R - 8th CD)
Gene Snyder (R - Kentucky 4th CD)
Lee Hamilton (D - Indiana 9th CD)

Cincinnati, Ohio (Continued)

Estimated Cost:

100 GRPs - $ 4,000
150 GRPs - 6,000

---

(9) CLEVELAND, OHIO

Affected Congressmen: RALPH REGULA (R - 16th CD)
Michael Oxley (R - 4th CD)
Del Latta (R - 5th CD)
Dennis Eckert (D - 11th CD)
Don Pease (D - 13th CD)
John Seiberling (D - 14th CD)
Doug Applegate (D - 18th CD)
Edward Feighan (D - 19th CD)
Mary Rose Oakar (D - 20th CD)
Louis Stokes (D - 21st CD)

Estimated Cost:

100 GRPs - $ 6,000
150 GRPs - 9,000

---

(10) HARRISBURG/YORK/LANCASTER/LEBANON, PENNSYLVANIA

Affected Congressmen: BILL GOODLING (R - 19th CD)
Robert Walker (R - 16th CD)
George Gekas (R - 17th CD)

Harrisburg/York/Lancaster/Lebanon, Pa. (Continued)

Estimated Cost:

100 GRPs - $ 3,000
150 GRPs 4,500

---

(11) PHILADELPHIA, PENNSYLVANIA

Affected Congressmen: GUS YATRON (D - 6th CD)
LAWRENCE COUGHLIN (R - 13th CD)
Tom Foglietta (D - 1st CD)
William Gray (D - 2nd CD)
Robert Borski (D - 3rd CD)
Richard Schulze (R - 5th CD)
Bob Edgar (D - 7th CD)
Peter Kostmayer (D - 8th CD)
Don Ritter (R - 15th CD)
Robert Walker (R - 16th CD)
Tom Carper (D - At-Large, Delaware)
Jim Florio (D - New Jersey 1st CD)
William Hughes (D - New Jersey 2nd CD)

Estimated Cost:

100 GRPs - $ 12,500
150 GRPs - 18,750

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(12) ROCKFORD, ILLINOIS

Affected Congressmen: LYNN MARTIN (R - 16th CD)
John Grotberg (R - 14th CD)
Les Aspin (D - Wisconsin 1st CD)

Estimated Cost:
100 GRPs - $ 2,000
150 GRPs - 3,000

---

(13) KANSAS CITY, MISSOURI

Affected Congressmen: JAN MEYERS (R - Kansas 3rd CD)
Jim Slattery (D - Kansas 2nd CD)
Bob Whittaker (R - Kansas 5th CD)
Ike Skelton (D - Missouri 4th CD)
Alan Wheat (D - Missouri 5th CD)
Thomas Coleman (R - Missouri 6th CD)

Estimated Cost:
100 GRPs - $ 5,000
150 GRPs - 7,500

---

(14) SEATTLE/TACOMA, WASHINGTON

Affected Congressmen: JOHN MILLER (R - 1st CD)
Al Swift (D - 2nd CD)
Don Bonker (D - 3rd CD)
Sid Morrison (R - 4th CD)
Norm Dicks (D - 6th CD)
Mike Lowry (D - 7th CD)
Rod Chandler (R - 8th CD)



0004074931

Seattle/Tacoma, Wash. (Continued)

Estimated Cost:

100 GRPs - $ 6,500
150 GRPs - 9,750

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(15) ROCHESTER, NEW YORK

Affected Congressmen: FRANK HORTON (R - 29th CD)
Fred Eckert (R - 30th CD)
Jack Kemp (R - 31st CD)
John LaFalce (D - 32nd CD)

Estimated Cost:

100 GRPs - $ 2,500
150 GRPs - 3,750

---

(16) TULSA, OKLAHOMA

Affected Congressmen: JIM JONES (D - 1st CD)
Mike Synar (D - 2nd CD)
Wes Watkins (D - 3rd CD)
Mickey Edwards (R - 5th CD)

Estimated Cost:

100 GRPs - $ 3,500
150 GRPs - 5,250

---

(17) ALBUQUERQUE, NEW MEXICO

Affected Congressmen: BILL RICHARDSON (D - 3rd CD)
Manuel Lujan (R - 1st CD)
Joe Skeen (R - 2nd CD)
Michael Strang (R - Colorado 3rd CD)

Estimated Cost:

100 GRPs - $ 2,500
150 GRPs - 3,750

---

(18) BEAUMONT, TEXAS

Affected Congressmen: CHARLES WILSON (D - 2nd CD)
Jack Brooks (D - 9th CD)

Estimated Cost:

100 GRPs - $ 2,000
150 GRPs - 2,500

---

(19) GREENSBORO, NORTH CAROLINA

Affected Congressmen: STEPHEN NEAL (D - 5th CD)
BILL HEFNER (D - 2nd CD)
Tim Valentine (D - 2nd CD)
Bill Cobey (R - 4th CD)
Howard Coble (R - 6th CD)
Alex McMillan (R - 9th CD)

Estimated Cost:

100 GRPs - $ 3,500
150 GRPs - 5,250

(20) CHARLOTTE, NORTH CAROLINA

Affected Congressmen: STEPHEN NEAL (D - 5th CD)
BILL HEFNER (D - 8th CD)
Alex McMillan (R - 9th CD)
Jim Broyhill (R - 10th CD)
Bill Hendon (R - 11th CD)
John Spratt (D - South Carolina 5th CD)

Estimated Cost:

100 GRPs - $ 5,000
150 GRPs - 7,500

---

(21) DALLAS, TEXAS

Affected Congressmen: CHARLES WILSON (D - 2nd CD)
Sam Hall (D - 1st CD)
Steve Bartlett (R - 3rd CD)
Ralph Hall (D - 4th CD)
John Bryant (D - 5th CD)
Joe Barton (R - 6th CD)
Marvin Leath (D - 11th CD)
Jim Wright (D - 12th CD)
Charles Stenholm (D - 17th CD)
Martin Frost (D - 24th CD)
Dick Armey (R - 26th CD)

Estimated Cost:

100 GRPs - $ 12,500
150 GRPs - 18,750

---

(22) SAN FRANCISCO, CALIFORNIA

Affected Congressmen: ED ZSCHAU (R - 12th CD)
Doug Bosco (D - 1st CD)
Gene Chappie (R - 2nd CD)
Vic Fazio (D - 4th CD)
Sala Burton (D - 5th CD)
Barbara Boxer (D - 6th CD)
George Miller (D - 7th CD)
Ron Dellums (D - 8th CD)
Pete Stark (D - 9th CD)
Don Edwards (D - 10th CD)
Tom Lantos (D - 11th CD)
Norman Mineta (D - 13th CD)

Estimated Cost:

100 GRPs - $ 17,500
150 GRPs - 26,250

---

NOTE: All Congressman listed in CAPS above are among the 21 Reps. targeted by Rich Miller...

**the robert goodman agency, inc.** OLD COURT & FALLS ROADS — BOX 512, BROOKLANDVILLE, MARYLAND 21022 (301) 296-5330

FOR: THE AMERICAN CONSERVATIVE TRUST

STATION(S): WJLA-TV Washington, DC

DATE PREPARED: April 17, 1985

START DATE: April 18, 1985

END DATE: April 22, 1985

| DAYS | BROADCAST TIME | SPOT LENGTH | BROADCAST DATES | PROGRAMMING | TOTAL SPOTS | RATE/ SPOT | TOTAL COST | GROSS RATING POINTS |
|---|---|---|---|---|---|---|---|---|
| Th-Mon. | 7:00 - 9:00am | :30 | 4/18/85-4/22/85 | Good Morning America | 8 | 350. | 2800. | 40 |
| Th-Mon. | 5:30 - 7:00pm | :30 | " | Early News | 7 | 650. | 4550. | 56 |
| Th-Mon. | 11:00 -11:30pm | :30 | " | Late News | 5 | 1600. | 8000. | 55 |
| Th-Mon. | 11:30 -12:00am | :30 | " | Nightline | 3 | 900. | 2700. | 18 |
| Sat/Sun | 11:30 -11:45pm | :30 | 4/20/85-4/21/85 | Network News Break | 2 | 900. | 1800. | 12 |
| Fri/Mon | 7:30 - 8:00pm | :30 | 4/19/85&4/21/85 | Entertainment Tonight | 3 | 1700. | 5100. | 36 |
| Sat. | 7:30 - 8:00pm | :30 | 4/20/85 | The Larry King Show | 1 | 1000. | 1000. | 8 |
| | | | | WJLA-TV SCHEDULE TOTAL: | 29 | | 25,950 | 225 |

Mike Ex. 4

Reserved, Norman, 9/24)

Itinerary for

ROBERT GOODMAN

Friday, October 4, 1985:

11:30 am, Chesapeake Limo (with Adam) picks you up at home, drives you to National.

EASTERN #933, Coach, Smoking aisle

| | |
|---|---|
| D.t NAtional | 1:50 pm, snack |
| Arr. Miami | 4:06 pm |

CONNECT, PAN AM #405, Coach, Smoking Aisle

| | |
|---|---|
| Dpt. Miami | 6:00 pm |
| Arr. Guatemala | 6:30 pm |

(HOTELS UNKNOWN - TO BE DETERMINED ALTER BY FRANK GOMEZ)

SUNDAY, OCTOBER 6, 1985:

EASTERN #966, Coach, smoking aisle:

| | |
|---|---|
| Dpt. Guatemala | 7:00 am |
| Arr. Miami | 11:20 am |

CONNECT, EASTERN #236, FIRST CLASS, SMOKING AISLE

| | |
|---|---|
| Dpt. Miami | 1:56 pm |
| Arr. Orlando | 2:41 pm |

HOTEL 10/6 only) (PENDING PHONE CALL FROM MARTHA LEE IN HQ'S OFFICE)

(MELVA - FRANK GOMEZ HAS AGREED TO PAY BOB'S ENTIRE FARE, EVEN THO' PART IS FOR HAWKINS FILMING)

Itinerary for
BOB GOODMAN, Page 2

Monday, October 7, 1985:

All day, filming for Hawkins campaign

PIEDMONT #66, Coach, Smoking Aisle

| | |
|---|---|
| Dpt. Orlando | 5:45 pm, dinner |
| Arr. BWI | 7:42 pm |

(Cab home from airport)

0004907938

Itinerary for

ADAM GOODMAN
(Traveling with Frank Gomez)

Friday, October 4, 1985:

Chesapeake Limo (366-2600) to pick up at residence at 11 am, drive to Bob's house, take you both to National Airport)

EASTERN #933, Coach, smoking aisle

| | |
|---|---|
| Dpt. National | 1:50 pm, snack |
| Arr. Miami | 4:06 pm |

CONNECT, PAN AM #405, Coach, Smoking aisle

| | |
|---|---|
| Dpt. Miami | 6:00 pm |
| Arr. Guatemala | 6:30 pm |

(HOTELS UNKNOWN--TO BE DETERMIND BY FRANK GOMEZ)

Monday, October 7, 1985:

PAN AM #404, Coach, Smoking, aisle

| | |
|---|---|
| Dpt. Guatemala | 7:30 am |
| Arr. Miami | 11:55 am |

CONNECT, PAN AM #254, Coach, Smoking aisle

| | |
|---|---|
| Dpt. Miami | 1:20 pm, Lunch |
| Arr.National | 3:38 pm |

Chesapeake Limousine to pick you up at National and drive you home.

RAMIRO de LEON CARPIO FOR VICE PRESIDENT CAMPAIGN

0004939

Miller Ex. 5

COMMONWEALTH OF VIRGINIA

STATE BOARD OF ELECTIONS

# COMMITTEE CAMPAIGN CONTRIBUTIONS AND EXPENDITURES

American Conservative Trust State Election Fund
Name of Committee

1331 Pennsylvania Ave. NW Suite 350 S
Street or Box Number

Washington, DC 20004
City, State, ZIP

(202) 662-8700
Area Code - Daytime Telephone Number

**TYPE OF REPORT**
(Check appropriate box)

- xx Consolidated (inception to 10/24/85)
- ☐ January 15
- ☐ 8 days before 1st Tuesday in March
- ☐ 8 days before 1st Tuesday in May
- ☐ 8 days before 2nd Tuesday in June
- ☐ 8 days before November General Election 1985
- ☐ 30 days after November General Election
- ☐ Final Report*

*Final Report to be filed no later than 30 days after the closing of the account and must include a termination statement signed by an officer of the committee.

## SUMMARY

Report Covering Period From Inception through October 24, 1985

| | | |
|---|---|---|
| 1. Balance on Hand (Line 6 of Last Report) | | -0- |
| 2. Contributions Received (Line 17—page 2) | | 560,815.22 |
| 3. Add: Balance Outstanding Loans (Line 28—page 2) | | -0- |
| 4. Total Expendable Funds | | 560,815.22 |
| 5. Expenses: | | |
| a. (Line 23—page 2) | 547,553.71 | |
| b. Add: Outstanding Loans (Prev. Report—Line 3) | -0- | 547,553.71 |
| 6. Balance on Hand (Line 4 less Line 5) | | 13,261.51 |

## TOTALS TO DATE

| | |
|---|---|
| 7. Contributions (Line 7 of Last Report plus Line 2 of this Report) | 560,815.22 |
| 8. Expenses (Line 8 of Last Report plus Line 5a of this Report) | 547,553.71 |
| 9. Expenses Remaining Unpaid—Schedule D | -0- |
| 10. Campaign Depository | |
| Account Number | |

## OATH OR AFFIRMATION

Under penalty of perjury, I declare that I have examined this report, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete.

Signature of Treasurer or Appropriate Person

Subscribed and sworn to (affirmed) before me this 24th day of October 19 85

My commission expires: My Commission Expires October 17, 1988

Notary Public

Printed 11/04/85

# STATEMENT OF RECONCILIATION OF FUNDS

Report Covering Period From inception through 10/24/85

Full Name of Candidate or Committee: American Conservative Trust State Election FUnd

## FUNDS RECEIVED

CONTRIBUTIONS

| | | | | |
|---|---|---|---|---|
| | Schedule A (Over $100) | # 148 | $ 560,815.22 | |
| | Itemized ($100 or less) | # | $ | |
| 12. | TOTAL (Add Lines 11 & 12) | # 148 | b | $ 560,815.22 |
| 14. | Less: Rebates and Refunds | | $ | |
| 15. | Less: Other | | $ | |
| | TOTAL (Add Lines 14 & 15) | | | ( -0- ) |
| | Net To Line 2—Summary (Line 13 less Line 16) | | | $ 560,815.22 |

## FUNDS DISBURSED

EXPENDITURES

| | | | |
|---|---|---|---|
| 18. | Schedule B | | $ 547,553.71 |
| 19. | Less: Utility Deposits Refundable | $ | |
| 20. | Less: Rent Deposits Refundable | $ | |
| 21. | Less: Other | $ | |
| 22. | TOTAL (Add Lines 19, 20, 21) | | ( 547,553.71 ) |
| | Net To Line 5A—Summary (Line 18 less Line 22) | | $ 13,261.51 |

## LOAN ACCOUNT

| | | |
|---|---|---|
| | Loan Account Balance—Last Report | $ |
| | Loans Received this Period—Schedule C—Part I | $ |
| 25. | SUBTOTAL (Add Lines 24 & 25) | $ |
| | Less: Loans Repaid This Period—Schedule C—Part II | ( ) |
| | Loan Balance to Date—to Line 3—Summary | $ |

AMERICAN CONSERVATIVE TRUST STATE ELECTION FUND
CASH DISBURSEMENTS AND ACCRUALS
SCHEDULE B INCEPTION THRU OCTOBER 24, 1985

| DATE | PAYEE | AMOUNT | DESCRIPTION |
|---|---|---|---|
| 04/30/84 | SEDAM & HERGE | 500.00 | LEGAL |
| 04/30/84 | GINN'S | 421.24 | OFFICE SUPPLY |
| 04/30/84 | ROGER WILKINS | 814.25 | SALARY |
| 05/31/84 | C & P TELEPHONE | 261.32 | TELEPHONE |
| 05/31/84 | GUMPERT PRINTING | 186.00 | PRINTING |
| 05/31/84 | KAY JUY HOFNER | 297.57 | CONSULTING |
| 05/31/84 | DAVID WHITEHILL | 30.00 | UTILITIES |
| 05/31/84 | CARL CHANNELL | 500.00 | SALARY |
| 07/31/84 | PRE-PRESS STUDIO DESIGN | 88.40 | PRINTING |
| 08/31/84 | CARL CHANNELL | 500.00 | SALARY |
| 10/31/84 | AMERICAN EXPRESS | 3,500.00 | TRAVEL |
| 10/31/84 | PRE-PRESS STUDIO DESIGN | 344.24 | OFFICE SUPPLY |
| 10/31/84 | SEDAM & HEREGE | 500.00 | LEGAL |
| 10/31/84 | EDNA K. HEALY | 225.00 | TEMP |
| 10/31/84 | C & P TELEPHONE | 52.18 | TELEPHONE |
| 10/31/84 | CARL CHANNELL | 500.00 | SALARY |
| 10/31/84 | STEVE MCMAHON | 405.00 | ACCOUNTING |
| 10/31/84 | PEPCO | 57.91 | ELECTRIC |
| 10/31/84 | D.C. TREASURER | 62.05 | UTILITIES |
| 10/31/84 | COMPUTER COMMUN.. INC. | 155.91 | EQUIP. RENTAL |
| 10/31/84 | RON WHICHARD | 1,000.00 | CONSULTING |
| 10/31/84 | D.C. TREASURER | 248.22 | UTILITIES |
| 10/31/84 | DON WASHINGTON | 1,520.25 | SALARY |
| 10/31/84 | MIKE LURIA | 1,000.00 | PRINTING |
| 10/31/84 | MIKE LURIA | 200.00 | PRINTING |
| 10/31/84 | GREENWICH TIME | 3,332.07 | ADVERTISING |
| 10/31/84 | CARL. R. CHANNELL | 505.00 | ADVERTISING |
| 10/31/84 | CARL R. CHANNELL | 3,500.00 | SALARY |
| 10/31/84 | CHARLOTTE OBSERVER | 8,542.80 | ADVERTISING |
| 10/31/84 | CHARLESTON NEWSPAPERS | 2,101.05 | ADVERTISING |
| 10/31/84 | CLIFF SMITH | 2,699.37 | SALARY |
| 10/31/84 | CLIFF SMITH | 927.42 | SALARY |
| 10/31/84 | ROCKY MOUNT EVENING TELE. | 746.91 | ADVERTISING |
| 10/31/84 | INDEPENDENT MAIL | 1,000.93 | ADVERTISING |
| 10/31/84 | CHANNELL CORP | 3,500.00 | RENT UTILITIES |
| 10/31/84 | DAVID WHITEHILL | 70.00 | UTILITIES |
| 11/30/84 | B & B CATERERS | 750.00 | ENTERTAINMENT |
| 11/30/84 | PRO-LITH, INT. | 493.50 | ADVERTISING |
| 11/30/84 | CLIFF SMITH | 250.00 | OFFICE SUPPLY |
| 11/30/84 | PEPCO | 200.00 | ELECTRIC |
| 11/30/84 | EDNA K. HEALY | 180.00 | TEMP |
| 11/30/84 | CHANNELL CORP. | 1,701.74 | TELEPHONE |
| 11/30/84 | C & P TELEPHONE | 577.83 | TELEPHONE |
| 11/30/84 | RON-COM CAMERA | 7.42 | XEROX |
| 11/30/84 | WASHINGTON EXPRESS | 491.25 | DELIVERY |
| 11/30/84 | EBERLE MARKETING GROUP | 875.00 | EQUIP. RENT |
| 11/30/84 | METRO GRAPHICS | 237.27 | OFFICE SUPPLY |
| 11/30/84 | PRE-PRESS STUDIO DESIGN | 1,000.00 | OFFICE SUPPLY |
| 11/30/84 | DANIEL LYNN CONRAD | 445.05 | CONSULTING |
| 11/30/84 | FRANCOS FURNITURE | 500.00 | FURNITURE |

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AMERICAN CONSERVATIVE TRUST STATE ELECTION FUND
CASH DISBURSEMENTS AND ACCRUALS
SCHEDULE B INCEPTION THRU OCTOBER 24, 1985

| DATE | PAYEE | AMOUNT | DESCRIPTION |
|---|---|---|---|
| 11/30/84 | STEVE MCMAHON | 2,400.00 | ACCOUNTING |
| 11/30/84 | RON-COM CAMERA | 5.81 | XEROX |
| 11/30/84 | D.C. POSTMASTER | 335.00 | POSTAGE |
| 11/30/84 | RON-COM CAMERA | 14.67 | XEROX |
| 11/30/84 | FEDERAL EXPRESS | 14.00 | DELIVERY |
| 11/30/84 | HANSEN FOR CONGRESS | 5,000.00 | CAMPAIGN - HANSEN |
| 11/30/84 | PRE-PRESS STUDIO DESIGN | 270.30 | OFFICE SUPPLY |
| 11/30/84 | RON-COM CAMERA | 14.74 | XEROX |
| 11/30/84 | PEPCO | 166.07 | ELECTRIC |
| 11/30/84 | PEPCO | 85.66 | ELECTRIC |
| 11/30/84 | WASHINGTON EXPRESS | 94.50 | DELIVERY |
| 11/30/84 | ITT INDUSTRIAL CREDIT | 1,347.10 | EQUIP. RENT |
| 11/30/84 | ERIC J. OLSEN | 2,500.00 | CONSULTING |
| 11/30/84 | TRAVEL WORLD | 742.00 | TRAVEL |
| 11/30/84 | ROGER WILKINS | 45.84 | OFFICE SUPPLY |
| 11/30/84 | RON-COM CAMERA | 31.73 | XEROX |
| 11/30/84 | CLIFF SMITH | 200.00 | TRAVEL |
| 11/30/84 | FEDERAL EXPRESS | 500.00 | DELIVERY |
| 11/30/84 | FEDERAL EXPRESS | 14.00 | DELIVERY |
| 11/30/84 | PRE-PRESS STUDIO DESIGN | 229.49 | OFFICE SUPPLY |
| 11/30/84 | D.C. POSTMASTER | 322.00 | POSTAGE |
| 11/30/84 | CHANNELL CORP. | 2,500.00 | RENT |
| 11/30/84 | ANGELA DAVIS | 9.74 | OFFICE SUPPLY |
| 11/30/84 | CLIFF SMITH | 2,165.00 | SALARY |
| 11/30/84 | ROGER WILKINS | 1,482.00 | SALARY |
| 11/30/84 | ANGELA DAVIS | 1,132.00 | SALARY |
| 11/30/84 | WESTLAND PRINTERS | 369.94 | PRINTING |
| 11/30/84 | CARL R. CHANNELL | 2,000.00 | SALARY |
| 12/31/84 | RON-COM CAMERA | 7.79 | XEROX |
| 12/31/84 | EDNA K. HEALY | 274.50 | TEMP |
| 12/31/84 | GWSAE | 70.00 | MISC/MEETING |
| 12/31/84 | CURRY COPY | 500.00 | XEROX |
| 12/31/84 | ANGELA DAVIS | 9.36 | OFFICE SUPPLY |
| 12/31/84 | C & P TELEPHONE | 621.45 | TELEPHONE |
| 12/31/84 | MALLONEY OFFICE SUPPLY | 197.07 | OFFICE SUPPLY |
| 12/31/84 | CARL R. CHANNELL | 270.02 | MEETING |
| 12/31/84 | RON-COM CAMERA | 18.02 | XEROX |
| 12/31/84 | WESTLAND PRINTERS | 513.04 | PRINTING |
| 12/31/84 | MICHAEL LURIA | 160.00 | PRINTING |
| 12/31/84 | STANLEY O. MILLER | 2,500.00 | CONSULTING |
| 12/31/84 | SUBURBAN BANK | 767.69 | LEASE EXPENSE |
| 12/31/84 | CAREER CONSULTANTS INC. | 569.38 | TEMP |
| 12/31/84 | CHANNELL CORP. | 1,000.00 | UTILITIES |
| 12/31/84 | STEVE MCMAHON | 1,320.00 | ACCOUNTING |
| 12/31/84 | LANIER BUS. EQUIPMENT | 118.14 | OFFICE SUPPLY |
| 12/31/84 | LANIER BUS. EQUIPMENT | 1,163.09 | COPIER MAINT. |
| 12/31/84 | LANIER BUS. EQUIPMENT | 1,826.03 | LEASE EXPENSE |
| 12/31/84 | LANIER BUS. EQUIPMENT | 322.30 | LEASE EXPENSE |
| 12/31/84 | ITT INDUSTRIAL CREDIT | 60.65 | INSURANCE |
| 12/31/84 | ITT INDUSTRIAL CREDIT | 301.25 | LEASE |

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AMERICAN CONSERVATIVE TRUST STATE ELECTION FUND
CASH DISBURSEMENTS AND ACCRUALS
SCHEDULE B INCEPTION THRU OCTOBER 24, 1985

| DATE | PAYEE | AMOUNT | DESCRIPTION |
|---|---|---|---|
| 12/31/84 | STATE FARM | 337.68 | INSURANCE |
| 12/31/84 | EBERLE MARKETING GROUP | 375.00 | EQUIP. RENT |
| 12/31/84 | FEDERAL EXPRESS | 389.50 | DELIVERY |
| 12/31/84 | CHANNELL CORP. | 4,526.62 | TAXES |
| 12/31/84 | RON-COM CAMERA | 48.18 | XEROX |
| 12/31/84 | J. PARKER BAILEY | 600.00 | ACCOUNTING |
| 12/31/84 | D.C. POSTMASTER | 425.00 | POSTAGE |
| 12/31/84 | ROGER WILKINS | 1,482.00 | SALARY |
| 12/31/84 | ANGELA DAVIS | 1,300.00 | SALARY |
| 12/31/84 | CLIFF SMITH | 1,100.00 | SALARY |
| 12/31/84 | ANGELA DAVIS | 150.00 | BONUS |
| 12/31/84 | ROGER WILKINS | 150.00 | BONUS |
| 12/31/84 | CLIFF SMITH | 150.00 | BONUS |
| 12/31/84 | CLIFF SMITH | 1,000.00 | SALARY |
| 01/31/85 | DUPONT ACTION LIGHTS | 350.00 | ADVERTISEMENT |
| 01/31/85 | C&P TELEPHONE | 379.78 | PHONE |
| 01/31/85 | MICHAEL LURIA | 200.00 | ARTWORK |
| 01/31/85 | WESTLAND PRINTERS | 300.00 | PRINTING |
| 01/31/85 | C & P | 1,078.73 | TELEPHONE |
| 01/31/85 | MAC DINNER | 300.00 | PUBLIC RELATIONS |
| 01/31/85 | EDNA HEALY | 220.50 | SALARY |
| 01/31/85 | DAVID WHITEHILL | 60.00 | OFFICE CLEANING |
| 01/31/85 | ANGELA DAVIS | 5.00 | SUPPLIES |
| 01/31/85 | STEVE MCMAHON | 1,200.00 | ACCOUNTING FEES |
| 01/31/85 | LANIER | 3,500.00 | SUPPLIES/XEROX PAPER |
| 01/31/85 | LURIA | 700.00 | GRAPHIC WORK |
| 01/31/85 | DELARSAH | 400.00 | CONSULTANT |
| 01/31/85 | ROGER WILKINGS | 9.21 | SUPPLIES |
| 01/31/85 | NEW YORK TIMES | 27,627.00 | ADVERTISEMENT |
| 01/31/85 | WASHINGTON POST | 23,310.67 | ADVERTISEMENT |
| 01/31/85 | DUPONT ACTION LIGHTS | 350.00 | ADVERTISEMENT |
| 01/31/85 | DC POSTMASTER | 46.37 | POSTAGE |
| 01/31/85 | CASH-CRC TRAVEL NY | 300.00 | TEMP HELP |
| 01/31/85 | CLIFF SMITH | 4.45 | PRINTING |
| 01/31/85 | CLIFF SMITH | 2,000.00 | SALARY |
| 01/31/85 | CLIFF SMITH | 1,083.12 | SALARY |
| 01/31/85 | ANGELA DAVIS | 1,312.68 | SALARY |
| 01/31/85 | ROGER WILKINS | 1,480.80 | SALARY |
| 02/28/85 | DAVID WHITEHILL | 170.00 | OFFICE CLEANING |
| 02/28/85 | D & F OFFICE FURN. | 521.52 | OFFICE FURNITURE |
| 02/28/85 | CARL R. CHANNELL | 12,000.00 | SALARY |
| 02/28/85 | STEPHEN MCMAHON | 2,220.00 | ACCOUNTING FEES |
| 02/28/85 | WASHINGTON TIMES | 4,611.49 | ADVERTISEMENT |
| 02/28/85 | ANGELA DAVIS | 9.45 | SUPPLIES |
| 02/28/85 | CHANNELL CORP | 9,400.00 | RENT:OVERHEAD COSTS |
| 02/28/85 | TSI | 440.80 | TEMP HELP |
| 02/28/85 | CLIFF SMITH | 32.35 | CABS |
| 02/28/85 | CLIFF SMITH | 80.00 | CABFARE |
| 02/28/85 | C. CHANNELL | 300.00 | TRAVEL/FUNDRAISING |

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AMERICAN CONSERVATIVE TRUST STATE ELECTION FUND
CASH DISBURSEMENTS AND ACCRUALS
SCHEDULE B INCEPTION THRU OCTOBER 24, 1985

| DATE | PAYEE | AMOUNT | DESCRIPTION |
|---|---|---|---|
| 02/28/85 | C&P TELEPHONE | 170.71 | PHONE |
| 02/28/85 | C&P TELEPHONE | 426.62 | PHONE |
| 02/28/85 | C&P TELEPHONE | 1,300.10 | PHONE |
| 02/28/85 | MIKE LURIA | 700.00 | ARTWORK/PRINTING |
| 02/28/85 | RON CON CAMERA | 18.55 | XEROXING |
| 02/28/85 | CLIFF SMITH | 8.60 | CABS |
| 02/28/85 | STATE FARM | 1,357.81 | INSURANCE |
| 02/28/85 | C&P TELEPHONE | 77.46 | PHONE |
| 02/28/85 | WASHINGTON TIMES | 8.00 | PUBLICATIONS |
| 02/28/85 | BAUMGARTEN | 16.20 | OFFICE SUPPLIES |
| 02/28/85 | DC POSTMASTER | 16.20 | POSTAGE |
| 02/28/85 | RICHMOND TIMES | 13.45 | PUBLICATIONS |
| 02/28/85 | CHANNELL CORP | 1,600.00 | OVERHEAD/ALLOCATION |
| 02/28/85 | UVVAC | 1,500.00 | ADVERTISEMENT |
| 02/28/85 | RON CON CAMERA | 22.26 | XEROXING |
| 02/28/85 | MONACLE REST. | 130.00 | MEETING |
| 02/28/85 | DAVID WHITEHILL | 160.00 | MAINTENANCE |
| 02/28/85 | B & B | 807.84 | FUNDRAISING |
| 02/28/85 | DC POSTMASTER | 10.41 | POSTAGE |
| 02/28/85 | RON CON CAMERA | 22.26 | XEROXING |
| 02/28/85 | GINNS | 99.38 | OFFICE SUPPLIES |
| 02/28/85 | DAVID WHITEHILL | 160.00 | MAINTENANCE |
| 02/28/85 | WASHINGTON POST | 23,310.67 | ADVERTISEMENT |
| 02/28/85 | C. CHANNELL | 12,000.00 | CONSULTANT FEE |
| 02/28/85 | CLIFF SMITH | 12.55 | CABS |
| 02/28/85 | DAVID WHITEHILL | 160.00 | MAINTENANCE |
| 02/28/85 | MIKE LURIA | 350.00 | ARTWORK/PRINTING |
| 02/28/85 | ROGER WILKINS | 8.75 | SUPPLIES |
| 02/28/85 | CLIFF SMITH | 7.80 | CABS |
| 02/28/85 | CASH - TRAVEL TEXAS | 1,000.00 | TRAVEL:FUNDRAISING |
| 02/28/85 | ANGELA DAVIS | 1,312.68 | PAYROLL |
| 02/28/85 | ROGER WILKINS | 1,480.80 | PAYROLL |
| 02/28/85 | CLIFF SMITH | 1,083.12 | SALARY |
| 02/28/85 | VALLEY VISTA PHARMACY | 339.03 | FUNDRAISING |
| 02/28/85 | VALLEY VISTA PHARMACY | 159.00 | GIFTS TO DONORS |
| 02/28/85 | STEVE MCMAHON | 2,100.00 | ACCOUNTING FEES |
| 02/28/85 | C&P TELEPHONE | 653.56 | PHONE |
| 02/28/85 | PEPCO | 231.37 | ELECTIRC |
| 02/28/85 | UNTD VA BANK | 1,000.00 | FUNDRAISING REIMB |
| 02/29/85 | BANK CHARGE | 5.00 | BANK CHARGES |
| 02/28/85 | CARL R. CHANNELL | 3,500.00 | SALARY |
| 02/28/85 | WASHINGTON TIMES | 2,777.00 | ADVERTISEMENT |
| 03/31/85 | CLIFF SMITH | 9.35 | CABS |
| 03/31/85 | DAVID WHITEHILL | 160.00 | MAINTENANCE |
| 03/31/85 | WESTERN UNION | 272.80 | ADVERTISEMENT |
| 03/31/85 | CLIFF SMITH | 645.00 | PAYROLL |
| 03/31/85 | CHANNELL CORP | 500.00 | OVERHEAD/ALLOC |
| 03/31/85 | PEPCO | 201.82 | ELECTIRC |
| 03/31/85 | GINNS | 1,850.37 | OFFICE SUPPLIES |
| 03/31/85 | CHANNELL CORP | 800.00 | OVERHEAD/ALLOC |

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AMERICAN CONSERVATIVE TRUST STATE ELECTION FUND
CASH DISBURSEMENTS AND ACCRUALS
SCHEDULE B INCEPTION THRU OCTOBER 24, 1985

| DATE | PAYEE | AMOUNT | DESCRIPTION |
|---|---|---|---|
| 03/31/85 | TRAVEL WORLD | 400.00 | TRAVEL/FUNDRAISING |
| 03/31/85 | CLIFF SMITH | 8.00 | CABS |
| 03/31/85 | WASHINGTON TIMES | 40.00 | ADVERTISEMENT |
| 03/31/85 | MALLOREY OFFICE SUPPLY | 114.92 | OFFICE SUPPLIES |
| 03/31/85 | TRAVEL WORLD | 726.00 | TRAVEL/FUNDRAISING |
| 03/31/85 | ROGER WILKINS | 9.00 | SUPPLIES |
| 03/31/85 | LANIER | 292.29 | EQUIP. RENTAL |
| 03/31/85 | RAINBOW ADWORKS | 422.07 | ARTWORK/PRINTING |
| 03/31/85 | WESTLAND PRINTERS | 944.46 | PRINTING |
| 03/31/85 | KING FLORIST | 58.00 | GIFT |
| 03/31/85 | BAUMGARTEN | 14.29 | SUPPLIES |
| 03/31/85 | WASHINGTON EXPRESS | 135.00 | COURIER |
| 03/31/85 | CLIFF SMITH | 8.40 | CABS |
| 03/31/85 | AMERICAN EXPRESS | 578.56 | PUB. RELATION/FUNDRAISING |
| 03/31/85 | CARL R. CHANNELL | 3,500.00 | CONSULTANT FEE |
| 03/31/85 | DC TREASURER | 25.00 | FILING FEE |
| 03/31/85 | CLIFF SMITH | 12.25 | CABS |
| 03/31/85 | METROGRAPHICS | 148.40 | STATIONARY |
| 03/31/85 | CHANNELL CORP | 762.69 | LEASE EXPENSE |
| 03/31/85 | C&P TELEPHONE | 495.40 | PHONE |
| 03/31/85 | ANGELA DAVIS | 656.34 | PAYROLL |
| 03/31/85 | ROGER WILKINS | 740.40 | PAYROLL |
| 03/31/85 | EDNA HEALY | 204.75 | TEMP HELP |
| 03/31/85 | 1ST VIRGINIA | 1,500.00 | PUB. RELATION/FUNDRAISING |
| 03/31/85 | CURRY COPY | 400.00 | DELIVERY |
| 03/31/85 | PALMER NAT'L | 5.00 | BANK CHARGE |
| 04/30/85 | WASHINGTON TIMES | 2,340.40 | ADVERTISEMENT |
| 04/30/85 | CASH | 1,000.00 | TRAVEL/FUNDRAISING |
| 04/30/85 | CLIFF SMITH | 17.00 | CABS |
| 04/30/85 | WASHINGTON TIMES | 50.00 | ADVERTISEMENT |
| 04/30/85 | WASHINGTON TIMES | 15.00 | SUPPLIES |
| 04/30/85 | INSTITUTIONAL DEVELOPMENT | 5,000.00 | ADVERTISEMENT |
| 04/30/85 | ELKINS INTERMOUNTAIN | 531.96 | ADVERTISEMENT |
| 04/30/85 | TIMES PUBLISHING CO | 1,719.31 | ADVERTISEMENT |
| 04/30/85 | SOUTRN CONN. NEWSPAPER | 2,500.02 | ADVERTISEMENT |
| 04/30/85 | DAVID WHITEHILL | 160.00 | MAINTENANCE |
| 04/30/85 | CARL R. CHANNELL | 3,000.00 | CONSULTANT FEE |
| 04/30/85 | WESTERN UNION | 830.62 | ADVERTISEMENT |
| 04/30/85 | CLIFF SMITH | 10.00 | CABS |
| 04/30/85 | TRAVEL WORLD | 650.00 | TRAVEL/FUNDRAISING |
| 04/30/85 | CLEMSON UNIV. | 165.00 | ADVERTISEMENT |
| 04/30/85 | STEVE MCMAHON | 840.00 | ACCOUNTING FEES |
| 04/30/85 | ROBERT GOODMAN | 75,000.00 | ADVERTISEMENT |
| 04/30/85 | CLIFF SMITH | 2,000.00 | SALARY |
| 04/30/85 | PMI | 265.00 | TRAVEL/FUNDRAISING |
| 04/30/85 | CLIFF SMITH | 7.00 | CABS |
| 04/30/85 | WASHINGTON TIMES | 2,140.40 | ADVERTISEMENT |
| 04/30/85 | IBC | 5,000.00 | ADVERTISEMENT |
| 04/30/85 | DAN CONRAD | 2,500.00 | CONSULTANT FEE |

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AMERICAN CONSERVATIVE TRUST STATE ELECTION FUND
CASH DISBURSEMENTS AND ACCRUALS
SCHEDULE B INCEPTION THRU OCTOBER 24, 1985

| DATE | PAYEE | AMOUNT | DESCRIPTION |
|---|---|---|---|
| 04/30/85 | RAINBOW ADWORKS | 534.70 | ARTWORK/PRINTING |
| 04/30/85 | FEDERAL EXPRESS | 290.00 | COURIER |
| 04/30/85 | STATE FARM | 291.30 | INSURANCE |
| 04/30/85 | STATE FARM | 410.10 | INSURANCE |
| 04/30/85 | STATE FARM | 509.90 | INSURANCE |
| 04/30/85 | C&P | 924.52 | PHONE |
| 04/30/85 | LANIER | 306.90 | EQUIP RENTAL |
| 04/30/85 | WASHINGTON EXPRESS | 85.50 | COURIER |
| 04/30/85 | PREPRESS | 500.00 | PRINTING |
| 04/30/85 | LANIER | 960.59 | EQUIP RENTAL |
| 04/30/85 | PALMER NAT'L | 20.00 | BANK CHARGE |
| 04/30/85 | INTERNAL REVENUE SERVICE | 9,978.37 | 1984 PAYROLL TAXES |
| 04/30/85 | DC TREASURER | 346.75 | 1984 PAYROLL TAXES |
| 04/30/85 | COMPT. OF TREASURY/MD | 208.26 | 1984 PAYROLL TAXES |
| 04/30/85 | COMPT. OF TREASURY/MD | 1,009.54 | 1984 PAYROLL TAXES |
| 04/30/85 | DC TREASURER | 508.80 | 1984 PAYROLL TAXES |
| 04/30/85 | COMPT. OF TREASURY/MD | 1,100.00 | SURETY BOND MD. W/H |
| 04/30/85 | CLIFF SMITH | 6.00 | CABS |
| 04/30/85 | CARRIBEAN AMER. DIR. | 75.00 | PUBLICATION |
| 04/30/85 | CLIFF SMITH | 6.00 | CABS |
| 04/30/85 | CLIFF SMITH | 6.00 | CABS |
| 04/30/85 | UNITED VIRGINIA | 1,000.00 | PUB. RELATION/FUNDRAISING |
| 04/30/85 | ANGELA DAVIS | 16.00 | SUPPLIES |
| 04/30/85 | DC TREASURER | 270.50 | PAYROLL TAXES |
| 04/30/85 | MD COMPTROLLER | 743.18 | PAYROLL TAXES |
| 04/30/85 | ANGELA DAVIS | 748.34 | PAYROLL |
| 04/30/85 | CLIFF SMITH | 541.62 | PAYROLL |
| 04/30/85 | IRS | 5,108.86 | PAYROLL TAXES |
| 05/31/85 | PORTER/LEIGHTON FOR GOV. | 5,000.00 | POL. CONTRIBUTION |
| 05/31/85 | DAVID WHITEHILL | 170.00 | MAINTENANCE |
| 05/31/85 | CLIFF SMITH | 1,839.03 | PAYROLL |
| 05/31/85 | CLIFF SMITH | 6.00 | CABS |
| 05/31/85 | CLIFF SMITH | 10.00 | CABS |
| 05/31/85 | ANGELA DAVIS | 4.83 | SUPPLIES |
| 05/31/85 | POLITICS IN AMER | 499.00 | ADVERTISEMENT |
| 05/31/85 | CLIFF SMITH | 6.00 | CABS |
| 05/31/85 | DC POSTMASTER | 183.00 | POSTAGE |
| 05/31/85 | DC POSTMASTER | 10.09 | POSTAGE |
| 05/31/85 | ROGER WILKINS | 740.40 | PAYROLL |
| 05/31/85 | CARL R. CHANNELL | 4,000.00 | PAYROLL |
| 05/31/85 | IBC | 5,000.00 | ADVERTISEMENT |
| 05/31/85 | FEC | 25.05 | FEES |
| 05/31/85 | CLIFF SMITH | 15.00 | CABS |
| 05/31/85 | STEVE MCMAHON | 2,400.00 | ACCOUNTING FEES |
| 05/31/85 | CLIFF SMITH | 6.00 | CABS |
| 05/31/85 | C&P | 1,369.03 | PHONE |
| 05/31/85 | C. CHANNELL | 3,000.00 | CONSULTANT FEE |
| 05/31/85 | ROBERT GOODMAN | 21,385.00 | ADVERTISEMENT |
| 05/31/85 | RICHMOND TIMES | 78.10 | PUBLICATIONS |

AMERICAN CONSERVATIVE TRUST STATE ELECTION FUND
CASH DISBURSEMENTS AND ACCRUALS
SCHEDULE B INCEPTION THRU OCTOBER 24, 1985

| DATE | PAYEE | AMOUNT | DESCRIPTION |
|---|---|---|---|
| 05/31/85 | WALLSTREET JRNL | 41.00 | PUBLICATIONS |
| 05/31/85 | DC POSTMASTER | 114.00 | POSTAGE |
| 05/31/85 | UNITED VIRGINIA | 1,000.00 | PUB. RELATIONS/FUNDRAISING |
| 05/31/85 | COLUMBIA BOOKS | 84.80 | PUBLICATIONS |
| 05/31/85 | FEC | 110.40 | FILING FEES |
| 05/31/85 | DAVID WHITEHILL | 170.00 | MAINTENANCE |
| 05/31/85 | CLIFF SMITH | 1,083.24 | PAYROLL |
| 05/31/85 | GOODMAN AGENCY | 6,000.00 | ADVERTISEMENT |
| 05/31/85 | ROGER WILKINS | 740.40 | PAYROLL |
| 05/31/85 | ANGELA DAVIS | 748.33 | PAYROLL |
| 05/31/85 | CHANNELL CORP | 767.69 | OVERHEAD/ALLOC |
| 05/31/85 | DAN CONRAD | 2,500.00 | CONSULTANT FEE |
| 05/31/85 | CLIFF SMITH | 964.52 | PAYROLL |
| 05/31/85 | RON CON CAMERA | 22.16 | XEROXING |
| 05/31/85 | WASHINGTON EXPRESS | 45.75 | COURIER |
| 05/31/85 | WESTERN UNION | 372.90 | FUNDRAISING |
| 05/31/85 | MANPOWER | 286.35 | TEMP HELP |
| 05/31/85 | MANPOWER | 720.03 | TEMP HELP |
| 05/31/85 | POTOMAC PERSONNELL | 33.45 | TEMP HELP |
| 05/31/85 | B&B CATERERS | 1,081.45 | FUNDRAISING |
| 05/31/85 | FEDERAL EXPRESS | 1,819.25 | FUNDRAISING |
| 05/31/85 | WASHINGTON TIMES | 1,110.17 | ADVERTISEMENT |
| 05/31/85 | PUROLATOR COURIER | 11.00 | COURIER |
| 05/31/85 | GARY TAYLOR | 203.52 | FRAMING |
| 05/31/85 | WESTLAND PRINTERS | 1,106.46 | PRINTING |
| 06/30/85 | PEPCO | 77.12 | ELECTRIC |
| 06/30/85 | C&P | 81.89 | PHONE |
| 06/30/85 | ATT | 64.93 | EQUIP RENTAL |
| 06/30/85 | ATT | 6.22 | EQUIP RENTAL |
| 06/30/85 | TRAVEL WORLD | 187.00 | TRAVEL/FUNDRAISING |
| 06/30/85 | LANIER | 299.60 | EQUIP RENTAL |
| 06/30/85 | LANIER | 440.97 | EQUIP RENTAL |
| 06/30/85 | ITT | 150.62 | EQUIP RENTAL |
| 06/30/85 | CHANNELL CORP | 52.30 | OVERHEAD ALLOC |
| 06/30/85 | CHANNELL CORP | 1,425.00 | OVERHEAD ALLOC |
| 06/30/85 | HADJI | 1,000.00 | FURNISHINGS |
| 06/30/85 | RAINBOW ADWORKS | 500.00 | ARTWORK/PRINTING |
| 06/30/85 | C&P | 613.67 | PHONE |
| 06/30/85 | SEDAM & HERGE | 750.00 | LEGAL FEES |
| 06/30/85 | D&F OFFICE FURNITURE | 47.00 | FURNISHINGS |
| 06/30/85 | DAVID WHITEHILL | 170.00 | MAINTENANCE |
| 06/30/85 | MICHAEL JOYNER | 17.00 | PUBLICATIONS |
| 06/30/85 | ANGELA DAVIS | 3.23 | SUPPLIES |
| 06/30/85 | PALMER NAT'L | 20.00 | BANK CHARGES |
| 06/30/85 | CLIFF SMITH | 15.00 | CABS |
| 06/30/85 | C. CHANNELL | 6,000.00 | CONSULTANT FEE |
| 06/30/85 | ROGER WILKINS | 740.40 | PAYROLL |
| 06/30/85 | ROBERT ARNOLD | 105.00 | TEMP HELP |

AMERICAN CONSERVATIVE TRUST STATE ELECTION FUND
CASH DISBURSEMENTS AND ACCRUALS
SCHEDULE B INCEPTION THRU OCTOBER 24, 1985

| DATE | PAYEE | AMOUNT | DESCRIPTION |
|---|---|---|---|
| 07/31/85 | DAN CONRAD | 3,000.00 | CONSULTANT FEE |
| 07/31/85 | IBC | 5,000.00 | ADVERTISEMENT |
| 07/31/85 | DAN CONRAD | 316.86 | PUB. RELATION/FUNDRAISING |
| 07/31/85 | DAVID WHITEHILL | 340.00 | MAINTENANCE |
| 07/31/85 | TELEMARKETING | 172.00 | PUBLICATIONS |
| 07/31/85 | THE FREE PRESS | 139.95 | PUBLICATIONS |
| 07/31/85 | DARNELL | 91.50 | PUBLICATIONS |
| 07/31/85 | DARNELL | 75.50 | PUBLICATIONS |
| 07/31/85 | WESLEY SMITH | 150.00 | CONSULTANT FEE |
| 07/31/85 | STEVE MCMAHON | 2,400.00 | ACCOUNTING FEES |
| 07/31/85 | WESLEY SMITH | 6.00 | CABS |
| 07/31/85 | DHL EXPRESS | 40.00 | COURIER |
| 07/31/85 | CLIFF SMITH | 6.00 | CABS |
| 07/31/85 | WELLINGTON INTERIORS | 1,376.91 | FURNISHINGS |
| 07/31/85 | UNITED VIRGINIA | 1,000.00 | PUB. RELATIONS/FUNDRAISING |
| 07/31/85 | CLIFF SMITH | 6.00 | CABS |
| 07/31/85 | CLIFF SMITH | 6.00 | CABS |
| 07/31/85 | DAN CONRAD | 3,000.00 | CONSULTANT FEE |
| 07/31/85 | CARL R. CHANNELL | 6,000.00 | CONSULTANT FEE |
| 07/31/85 | ANGELA DAVIS | 5.93 | SUPPLIES |
| 07/31/85 | GARY TAYLOR | 101.76 | FRAMING |
| 07/31/85 | C&P | 861.31 | PHONE |
| 07/31/85 | TRAVEL WORLD | 232.00 | TRAVEL/FUNDRAISING |
| 07/31/85 | LANIER | 146.15 | EQUIP RENTAL |
| 07/31/85 | SEDAM & HERGE | 1,148.57 | LEGAL FEES |
| 07/31/85 | PEPCO | 69.47 | ELECTRIC |
| 07/31/85 | WESTLAND PRINTERS | 643.42 | PRINTING |
| 07/31/85 | J&R ELECTRIC CO. | 115.94 | MAINTENANCE |
| 07/31/85 | RAINBOW ADWORKS | 1,209.54 | ARTWORK/PRINTING |
| 07/31/85 | RAINBOW ADWORKS | 1,008.29 | ARTWORK/PRINTING |
| 07/31/85 | ROGER WILKINS | 15.00 | SUPPLIES |
| 07/31/85 | CHANNELL CORP | 381.23 | OVERHEAD/ALLOC |
| 07/31/85 | ELECTRIC TYPEWRITER | 138.75 | MAINTENANCE/REPAIR |
| 07/31/85 | COLUMBIA BOOKS | 45.43 | PUBLICATIONS |
| 07/31/85 | BAUMGARTEN | 12.49 | SUPPLIES |
| 07/31/85 | CAMERON PRESS | 75.80 | PHOTOCOPYING |
| 07/31/85 | MILLER & ARNEY | 1,000.00 | OFFICE FURN/PYMT |
| 07/31/85 | MANPOWER | 47.31 | TEMP HELP |
| 07/31/85 | CITY OF ALEXANDRIA | 17.00 | PARKING |
| 07/31/85 | ITT INDUSTRIAL | 285.46 | EQUIP RENTAL |
| 07/31/85 | STATE FARM | 511.70 | INSURANCE |
| 07/31/85 | THE ASSOCIATES | 104.61 | EQUIP RENTAL |
| 07/31/85 | VALLEE, INC | 1,425.00 | RENT |
| 07/31/85 | DAVID WHITEHILL | 170.00 | MAINTENANCE |
| 07/31/85 | CITY OF ALEXANDRIA | 20.00 | PARKING |
| 07/31/85 | MALLOREY | 113.96 | SUPPLIES |
| 07/31/85 | C&P | 477.33 | PHONE |
| 07/31/85 | AT&T | 807.13 | EQUIP PURCHASE |
| 07/31/85 | IRS | 3,330.24 | PAYROLL TAXES |
| 07/31/85 | IRS | 552.33 | PAYROLL TAXES |

AMERICAN CONSERVATIVE TRUST STATE ELECTION FUND
CASH DISBURSEMENTS AND ACCRUALS
SCHEDULE B INCEPTION THRU OCTOBER 24, 1985

| DATE | PAYEE | AMOUNT | DESCRIPTION |
|---|---|---|---|
| 07/31/85 | IBC | 5.000.00 | CONSULTANT FEE |
| 07/31/85 | NAT'L INFO DATA CENTER | 24.95 | PUBLICATION |
| 07/31/85 | CLIFF SMITH | 6.00 | CABS |
| 07/31/85 | ROGER WILKINS | 740.40 | PAYROLL |
| 07/31/85 | PALMER NAT'L | 32.38 | CHECK PRINTING |
| 07/31/85 | ROBERT GOODMAN AGENCY | 1.700.00 | AD AGENCY |
| 07/31/85 | PALMER NAT'L | 10.00 | WIRE FEE |
| 08/31/85 | TERMINIX | 37.50 | PEST EXTERMINATION |
| 08/31/85 | RON CON CAMERA | 58.99 | XEROXING |
| 08/31/85 | DC POSTMASTER | 268.00 | POSTAGE |
| 08/31/85 | ANGELA DAVIS | 10.68 | SUPPLIES |
| 08/31/85 | JONES COLAD GROUP | 700.00 | PRINTING |
| 08/31/85 | RON CON CAMERA | 18.55 | POSTAGE |
| 08/31/85 | ANGELA DAVIS | 3.71 | SUPPLIES |
| 08/31/85 | DAVID WHITEHILL | 190.00 | MAINTENANCE |
| 08/31/85 | DOUG FRANCE | 71.76 | EQUIPMENT |
| 08/31/85 | CLIFF SMITH | 6.00 | CABS |
| 08/31/85 | AMERICAN POLITICAL REPORT | 135.00 | PUBLICATION |
| 08/31/85 | BARRONS MAGAZINE | 85.00 | PUBLICATION |
| 09/30/85 | J. PARKER BAILEY | 324.50 | ACCOUNTING FEES |
| 09/30/85 | CLIFF SMITH | 13.00 | CABS |
| 09/30/85 | CLIFF SMITH | 6.00 | CABS |
| 09/30/85 | JONES COLAD GROUP | 800.00 | PRINTING |
| 09/30/85 | DC TREASURER | 622.96 | 2ND QTR P/R TAXES |
| 09/30/85 | COMPT. OF TREASURY/MD | 99.13 | 2ND QTR P/R TAXES |
| 09/30/85 | CLIFF SMITH | 6.00 | CABS |
| 09/30/85 | KEMP-DURRETTE | 125.00 | FUNDRAISING EXPENSE |
| 09/30/85 | CLIFF SMITH | 9.00 | CABS |
| 10/24/86 | KURT HERGES | 41.25 | LEGAL FEES |
| 10/24/86 | IBC | 120.00 | COURIER COSTS |
| 10/24/86 | CLIFF SMITH | 20.00 | CABFARE |
| 10/24/86 | CLIFF SMITH | 15.00 | CABFARE |
| 10/24/86 | CLIFF SMITH | 8.00 | CABFARE |
| | TOTAL | 547,553.71 | |

| CONTRIBUTOR | DATE | AMOUNTS | INDIVIDUAL AGGREGATE AGGREGATE |
|---|---|---|---|
| UNKNOWN | 01/16/85 | 112.00 | |
| UNKNOWN | 09/22/83 | 1,500.00 | |
| UNKNOWN | 09/22/83 | 1,500.00 | |
| UNKNOWN | 09/29/83 | 3,000.00 | |
| UNKNOWN | 10/29/84 | 38,000.00 | |
| UNKNOWN | 11/07/84 | 5,000.00 | |
| UNKNOWN | 11/07/84 | 3,200.00 | |
| UNKNOWN | 12/21/84 | 3,400.00 | 55,712.00 |
| DR. MARY J. ADAMKIEWICZ | 11/02/84 | 2,000.00 | |
| RIVERSIDE STABLES | 02/21/85 | 1,000.00 | |
| MILFORD, DE 19963 | 04/19/85 | 4,230.28 | 7,230.28 |
| MRS. MAXY POPE ALLES | 01/16/85 | 1,000.00 | |
| 180 SOUTH LAKE AVE, #425 | 02/07/85 | 500.00 | |
| PASADENA, CA 91105 | 04/25/85 | 5,000.00 | |
| | 05/13/85 | 1,000.00 | 7,500.00 |
| MR. K. H. ARLETH | 02/27/85 | 100.00 | 100.00 |
| 10718 DEERWOOD | | | |
| HOUSTON, TX 77042 | | | |
| PATRICIA D. BECK | 01/16/85 | 500.00 | 500.00 |
| 10210 STRAIT LANE | | | |
| DALLAS, TX 75229 | | | |
| JAMES R. BELL | 04/06/84 | 100.00 | 100.00 |
| R.R. NO. 1 | | | |
| BLOOMINGTON, IL 61701 | | | |
| MRS. JACK BIRCHER | 01/31/85 | 250.00 | |
| P. O. BOX 360 | 04/26/85 | 500.00 | |
| BOONVILLE, IN 47601 | 05/14/85 | 250.00 | 1,000.00 |
| MR. WENDELL R. BIRD | 04/17/85 | 15,000.00 | 15,000.00 |
| 200 CANDLER BUILDING | | | |
| ATLANTA GA 30303 | | | |
| MR. INMAN BRANDON | 01/16/85 | 500.00 | |
| 3300 1ST ATLANTA BANK TWR. | 05/17/85 | 250.00 | |
| ATLANTA, GA 30303 | 11/27/84 | 50.00 | 800.00 |

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| CONTRIBUTOR | DATE | AMOUNTS | INDIVIDUAL AGGREGATE |
|---|---|---|---|
| MR. WILLIAM BUSH<br>P.O. BOX 147<br>BRANDON, MS 39042 | 11/27/84 | 300.00 | 300.00 |
| JAMES CALHOUN<br>1107 BEECH ROAD<br>ROSEMONT, PA 19010 | 03/05/84<br>10/09/84 | 5,000.00<br>2,601.00 | 7,601.00 |
| J. LAMAR CARSON<br>424 SOUTH MAIN<br>GUNNISON, UT 84634 | 02/27/85 | 10.00 | 10.00 |
| MRS. ROY CHAMBERLAIN<br>P.O. BOX 1264<br>LUSK, WY 82225 | 03/01/85<br>05/13/85 | 250.00<br>1,300.00 | 1,550.00 |
| CARL R. CHANNELL<br>2032 BELMONT RD.<br>WASHINGTON DC 20009 | 01/16/85 | 137.25 | 137.25 |
| SAMUEL W. CHANNELL<br>1970 SMITH ROAD<br>CHARLESTON, WV 25300 | 01/17/85 | 500.00 | 500.00 |
| BARBARA B. CHRISTIAN<br>3601 AXTON LANE<br>GOSHEN, KY 40026 | 01/16/85<br>02/21/85<br>04/15/85 | 1,000.00<br>150.00<br>500.00 | 1,650.00 |
| MR. MAX CLAMPITT<br>9207 AMBASSADOR ROW<br>DALLAS, TX 75247 | 02/20/85 | 100.00 | 100.00 |
| REX S. CLARK<br>7460 HERSCHEL AVE.<br>LA JOLLA, CA 92037 | 02/20/85<br>05/17/85 | 150.00<br>1,000.00 | 1,150.00 |
| MR. W. G. CONWAY<br>P. O. BOX 17921<br>SAN ANTONIO, TX 78217 | 03/01/85 | 100.00 | 100.00 |
| FEDERAL CHICAGO CORP.<br>3222-32 ELSTON AVENUE<br>CHICAGO, IL 60614 | 02/27/85 | 100.00 | 100.00 |

| CONTRIBUTOR | DATE | AMOUNTS | INDIVIDUAL AGGREGATE |
|---|---|---|---|
| MARY C. CROWLEY<br>10265 INWOOD ROAD<br>DALLAS, TX 75229 | 04/23/85 | 1,000.00 | 1,000.00 |
| MR. FRANK DARLINGTON<br>24 WINDING ROAD<br>LEETSDALE, PA 15056 | 04/19/85<br>11/27/84 | 8,000.00<br>500.00 | 8,500.00 |
| T. CULLEN DAVIS<br>P.O. BOX 1224<br>FORT WORTH, TX 76101 | 12/12/84 | 1,500.00 | 1,500.00 |
| DENVER WEST<br>P.O. BOX 661<br>1546 COLE BLVD.<br>GOLDEN, CO 80401 | 01/16/85 | 250.00 | 250.00 |
| MRS. MACIE J. DOBER<br>1 BEEHAVEN RD., BETHLEMEN<br>WHEELING, WV 26003 | 01/16/85 | 500.00 | 500.00 |
| ELKINS MOTOR LODGE<br>P.O. BOX 46<br>ELKINS, WV 26241 | 01/16/85 | 250.00 | 250.00 |
| ANNE M. FITZSIMMONS<br>5034 LOYOLA LANE<br>ORLANDO, FL 32321 | 02/20/85 | 100.00 | 100.00 |
| FINA & M. IRENE FRANCO<br>NO ADDRESS ON FILE | 04/06/84 | 100.00 | 100.00 |
| MR. JAMES B. FURRH, JR.<br>1236 CAPITOL TOWERS<br>JACKSON, MS 39201 | 11/27/84 | 50.00 | 50.00 |
| MRS. ST. JOHN GARWOOD<br>1802 SAN GABRIEL<br>AUSTIN, TX 78701 | 01/16/85<br>02/20/85<br>03/12/84<br>04/17/85<br>04/19/85<br>06/11/84<br>10/05/84<br>10/19/84<br>11/27/84<br>11/27/84<br>12/12/84 | 7,000.00<br>100.00<br>3,000.00<br>10,000.00<br>15,000.00<br>1,000.00<br>3,958.69<br>1,000.00<br>100.00<br>1,500.00<br>1,000.00 | 43,758.69 |

| CONTRIBUTOR | DATE | AMOUNTS | INDIVIDUAL AGGREGATE |
|---|---|---|---|
| MRS. DAN GERBER, SR.<br>BOX 31<br>FREMONT, MI 49412 | 02/07/85<br>04/19/85<br>05/13/85 | 500.00<br>1,000.00<br>1,000.00 | 2,500.00 |
| MR. P. W. GIFFORD<br>5956 SHERRY LANE, #1000<br>DALLAS, TX 75247 | 03/08/85 | 100.00 | 100.00 |
| MRS. HILDA GRIFFITH<br>4700 NORTH 20TH ROAD<br>ARLINGTON, VA 22207 | 02/20/85<br>02/21/85 | 100.00<br>300.00 | 400.00 |
| MR. HERBERT P. HALEY<br>P. O. BOX 47<br>ALBANY, GA 31703 | 04/25/85 | 1,000.00 | 1,000.00 |
| MR. TATNALL HILLMAN<br>422 BELROSE LANE<br>RANDOR, PA 19087 | 02/27/85 | 150.00 | 150.00 |
| MR. A. R. HIXON, JR.<br>P. O. BOX 1105<br>ARLINGTON, VA 76010 | 05/13/85 | 3,000.00 | 3,000.00 |
| MR. DUDLEY HUGHES<br>4050 CRANE BLVD<br>JACKSON, MS 39216 | 04/19/85 | 1,000.00 | 1,000.00 |
| MR. NELSON BUNKER HUNT<br>2400 THANKSGIVING TOWER<br>DALLAS, TX 75201 | 01/16/85 | 1,500.00 | 1,500.00 |
| MR. STUART IRBY<br>IRBY CONSTRUCTION CO.<br>P.O. BOX 1819<br>JACKSON, MS 39205 | 05/13/85<br>01/16/85<br>04/18/85<br>11/07/84 | 2,000.00<br>1,500.00<br>5,000.00<br>1,000.00 | 9,500.00 |
| MR. J. M. JOHNSON<br>ROUTE 2, BOX 40<br>KYLE, TX 78640 | 01/16/85<br>02/27/85<br>05/30/85 | 1,500.00<br>100.00<br>1,000.00 | 2,600.00 |
| MRS. LINDA B. JONES<br>R.F.D. 1<br>WINDSOR, ME 04363 | 04/16/85 | 20,000.00 | 20,000.00 |
| MR. ROBERT H. KRIEBLE<br>705 NORTH MOUNTAIN ROAD<br>NEWINGTON, CT 06371 | 03/14/85 | 100.00 | 100.00 |

| CONTRIBUTOR | DATE | AMOUNTS | INDIVIDUAL AGGREGATE |
|---|---|---|---|
| MRS. ANNE L. LEHMANN<br>10 APPLE TREE LANE<br>ST. LOUIS, MO 63124 | 01/16/85 | 1,000.00 | |
| | 01/16/85 | 1,000.00 | |
| | 01/16/85 | 1,000.00 | |
| | 01/16/85 | 1,000.00 | |
| | 12/17/84 | 1,000.00 | |
| | 12/17/84 | 1,000.00 | 6,000.00 |
| MRS. W. W. LYNCH<br>4924 BRIARWOOD PLACE<br>DALLAS, TX 75209 | 05/17/85 | 2,600.00 | 2,600.00 |
| ROSINE BLOUNT MCFADDIN<br>880 FIFTH STREET<br>BEAUMONT, TX 77701 | 12/17/84 | 1,000.00 | 1,000.00 |
| DONALD L. MEIKE<br>SUSSEX ROUTE<br>KAYCEE, WY 82639 | 11/30/84 | 100.00 | 100.00 |
| MILLER, S.<br>NO ADDRESS ON FILE | 12/12/83 | 2,500.00 | 2,500.00 |
| MR. & MRS. DONALD MILLS<br>4495 WOODLAWN<br>BEAUMONT, TX 77703 | 04/23/85 | 1,000.00 | |
| | 05/13/85 | 100.00 | 1,100.00 |
| MRS. PAGE NELSON<br>3318 SOUTHWESTERN BLVD<br>DALLAS, TX 75225 | 04/25/85 | 1,800.00 | 1,800.00 |
| MRS. BARBARA NEWINGTON<br>P. O. BOX 1098<br>GREENWICH, CT 06836 | 01/17/85 | 33,800.00 | |
| | 01/17/85 | 7,800.00 | |
| | 01/18/85 | 29,100.00 | |
| | 02/07/85 | 57,000.00 | |
| | 02/21/85 | 16,100.00 | |
| | 04/15/85 | 35,000.00 | |
| | 04/18/85 | 65,000.00 | |
| | 05/08/85 | 25,000.00 | |
| | 05/30/85 | 15,000.00 | |
| | 10/19/84 | 3,000.00 | |
| | 11/16/84 | 2,000.00 | |
| | 12/17/84 | 23,000.00 | 311,800.00 |
| MR. JOHN C. OLIVER, JR.<br>548 OLIVER BLDG<br>PITTSBURGH, PA 15222 | 02/20/85 | 100.00 | |
| | 04/23/85 | 1,000.00 | |
| | 10/25/84 | 1,095.00 | 2,195.00 |

| CONTRIBUTOR | DATE | AMOUNTS | INDIVIDUAL AGGREGATE |
|---|---|---|---|
| MR. W. B. OSBORN, JR.<br>P. O. BOX 8C<br>SAN ANTONIO, TX 78286 | 04/15/85 | 2,500.00 | 2,500.00 |
| GEORGE S. PATTON<br>650 ASBURY STREET<br>SOUTH HAMILTON, MA 01982 | 11/27/84<br>02/27/85 | 30.00<br>100.00 | 130.00 |
| MR./MRS. NOLAN PENTECOST<br>SANCO ROUTE<br>ROBERT LEE, TX 76945 | 02/21/85 | 100.00 | 100.00 |
| DR W. C. PERRY<br>3820 AUSTIN AVE.<br>WACO, TX 76710 | 01/16/85 | 5.00 | 5.00 |
| MR./MRS. JULIUS PIERCE<br>6040 MOSS RANCH ROAD<br>MIAMI, FL 33156 | 01/16/85<br>10/19/84<br>11/02/84<br>11/27/84 | 1,500.00<br>2,101.00<br>1,000.00<br>4,700.00 | 9,301.00 |
| MR. JOHN W. RANSEY, JR.<br>3510 CRANBROOK<br>WICHITA FALLS, TX 76308 | 03/06/84<br>04/19/85 | 3,000.00<br>2,500.00 | 5,500.00 |
| DARWIN L. RENNER<br>1314 CEDAR HILL AVENUE<br>DALLAS, TX 75208 | 01/16/85 | 250.00 | 250.00 |
| KENNETH H. ROSE<br>13140 WRAYBURN ROAD<br>ELM GROVE, WI 53122 | 03/01/85 | 25.00 | 25.00 |
| HARRIS SAUNDERS, JR.<br>201 OFFICE PARK DRIVE<br>BIRMINGHAM, AL 35223 | 12/31/84 | 1,000.00 | 1,000.00 |
| MR. E. C. SCURLOCK<br>3739 KNOLLWOOD<br>HOUSTON, TX 77019 | 04/23/85 | 1,000.00 | 1,000.00 |
| MR./MRS. HARRY SEGGERMAN<br>5060 CONGRESS STREET<br>FAIRFIELD, CT 06430 | 04/23/85<br>11/30/84 | 1,000.00<br>500.00 | 1,500.00 |
| MR. CHARLES N. SHARPE, JR.<br>500 E. 9TH STREET<br>KANSAS CITY, MO 64106 | 12/12/84 | 100.00 | 100.00 |

| CONTRIBUTOR | DATE | AMOUNTS | INDIVIDUAL AGGREGATE |
|---|---|---|---|
| MR. RICHARD T. SINK<br>624 INDIANA STREET<br>WICHITA FALLS, TX 76302 | 02/20/85 | 100.00 | 100.00 |
| MR. JAMES SOUTER<br>1603 S.E. 19TH ST., #112<br>EDMOND, OK 73034 | 04/25/85 | 1,000.00 | 1,000.00 |
| SPENCER'S INC.<br>MOUNT AIRY, N.C. | 03/01/85 | 100.00 | 100.00 |
| MR. R. A. STRANAHAN, JR.<br>P. O. BOX 910<br>TOLEDO, OH 43661 | 04/25/85 | 1,000.00 | 1,000.00 |
| KATHERINE M. SWIM<br>P. O. BOX 1590<br>MONTEREY, CA 93942 | 11/02/84<br>12/31/84 | 500.00<br>1,000.00 | 1,500.00 |
| V. E. TAYLOR<br>3459 BINKLEY<br>DALLAS, TX 75205 | 04/23/85<br>05/13/85<br>01/16/85<br>02/21/85 | 100.00<br>560.00<br>500.00<br>300.00 | 1,460.00 |
| ELEANOR K. VAN DUSEN<br>RT. 1, BOX 209<br>EASTON, MD 21601 | 01/16/85 | 1,500.00 | 1,500.00 |
| VENEER SERVICE INC.<br>C/O JOHN TURNBULL<br>P.O. BOX 768<br>NEWBERG, OR 97132 | 03/01/85 | 250.00 | 250.00 |
| JAMES H. WARE, JR.<br>1512 SOUTH WOODHAVEN<br>BATON ROUGE, LA 70815 | 04/06/84<br>11/02/84<br>11/27/84 | 100.00<br>500.00<br>100.00 | 700.00 |
| MR./MRS. DAVID H. WARM<br>RT. 1, MAPLE HILL FARM<br>NORTHPORT, MI 49670 | 04/23/85<br>04/23/85<br>05/30/85 | 2,500.00<br>100.00<br>1,000.00 | 3,600.00 |
| MARY ALICE WILLS<br>503 SOUTH EVANS<br>BLOOMINGTON, IL 61701 | 04/06/84 | 100.00 | 100.00 |

| CONTRIBUTOR | DATE | AMOUNTS | INDIVIDUAL AGGREGATE |
|---|---|---|---|
| MRS. FRANK E. WILSON<br>P. O. BOX 207<br>ELKINS, WV 26241 | 11/07/84 | 100.00 | 100.00 |
| TOTALS | | 560,815.22 | 560,815.22 |

0004076958

AMERICAN CONSERVATIVE TRUST STATE ELECTION FUND
CASH DISBURSEMENTS AND ACCRUALS
SCHEDULE B INCEPTION THRU OCTOBER 24, 1985

| DATE | PAYEE | AMOUNT | DESCRIPTION |
|---|---|---|---|
| 10/31/83 | CHRISTINA CRAWFORD | 500.00 | CONSULTING |
| 10/31/83 | CHRISTINA CRAWFORD | 27.05 | OFFICE SUPPLY |
| 10/31/83 | CRAWFORD PRINTING | 90.00 | PRINTING |
| 10/31/83 | SEDAM & HERGE | 994.17 | LEGAL |
| 10/31/83 | CARL R. CHANNELL | 750.00 | CONSULTING |
| 10/31/83 | ROGER WILKINS | 500.00 | SALARY |
| 10/31/83 | CARL R. CHANNELL | 75.00 | TRAVEL |
| 10/31/83 | MIKE LURIA | 300.00 | CONSULTING |
| 10/31/83 | D.C. TREASURER | 70.00 | PARKING |
| 11/30/83 | MIKE LURIA | 300.00 | PRINTING |
| 11/30/83 | BANK CHARGES | 32.56 | CHECK PRINTING |
| 11/30/83 | CARL R. CHANNELL | 500.00 | CONSULTING |
| 11/30/83 | LOUIS BONSIGNORE | 500.00 | CONSULTANT |
| 11/30/83 | CARL R. CHANNELL | 110.89 | OFFICE SUPPLY |
| 12/31/83 | CARL R. CHANNELL | 250.00 | MEETING EXPENSE |
| 12/31/83 | DAVID WHITEHILL | 60.00 | UTILITIES |
| 12/31/83 | ROGER WILKINS | 500.00 | SALARY |
| 12/31/83 | C & P TELEPHONE | 36.08 | TELEPHONE |
| 12/31/83 | DAVID WHITEHILL | 60.00 | UTILITIES |
| 12/31/83 | LOUIS BONSIGNORE | 500.00 | CONSULTANT |
| 12/31/83 | CARL R. CHANNELL | 500.00 | CONSULTANT |
| 12/31/83 | LOUIS BONSIGNORE | 500.00 | CONSULTANT |
| 01/31/84 | SEDAM & HERGE | 216.80 | LEGAL |
| 02/28/84 | CARL R. CHANNELL | 300.00 | CONSULTANT |
| 02/28/84 | C & P TELEPHONE | 72.79 | TELEPHONE |
| 02/28/84 | VALLEE, INC. | 425.00 | RENT |
| 02/28/84 | CARL R. CHANNELL | 2,000.00 | CONSULTANT |
| 03/31/84 | CHANNELL CORP. | 900.00 | EQUIP. RENT |
| 03/31/84 | ROGER WILKINS | 1,712.21 | SALARY |
| 03/31/84 | NATIONAL JOURNAL | 82.68 | PUBLICATIONS |
| 03/31/84 | THE TROVER SHOP | 19.61 | PUBLICATIONS |
| 03/31/84 | THE MONOCLE | 130.00 | PUBLICATIONS |
| 03/31/84 | C & P TELEPHONE | 35.98 | TELEPHONE |
| 03/31/84 | MIKE LURIA | 300.00 | PRINTING |
| 03/31/84 | CLIFF SMITH | 400.00 | SALARY |
| 04/30/84 | KAY JOY HOFNER | 420.00 | CONSULTING |
| 04/30/84 | CARL R. CHANNELL | 500.00 | SALARY |
| 04/30/84 | CHANNELL CORP. | 400.00 | RENT |
| 04/30/84 | U.S. POSTMASTER | 45.00 | POSTAGE |
| 04/30/84 | PRE-PRESS STUDIO DESIGN | 519.82 | PRINTING |
| 04/30/84 | LANIER BUS. EQUIPMENT | 1,139.54 | EQUIP. RENT |

COMMONWEALTH OF VIRGINIA

STATE BOARD OF ELECTIONS

# COMMITTEE CAMPAIGN CONTRIBUTIONS AND EXPENDITURES

American Conservative Trust
State Election Fund
Name of Committee

1331 Pennsylvania Ave., NW
Street or Box Number

Washington, DC 20004
City, State, ZIP

(202) 662-8700
Area Code - Daytime Telephone Number

## TYPE OF REPORT
(Check appropriate box)

- ☐ January 15
- ☐ 8 days before 1st Tuesday in March
- ☐ 8 days before 1st Tuesday in May
- ☐ 8 days before 2nd Tuesday in June
- ☐ 8 days before November General Election
- ☒ 30 days after November General Election 1985
- ☐ Final Report*

*Final Report to be filed no later than 30 days after the closing of the account and must include a termination statement signed by an officer of the committee.

## SUMMARY

Report Covering Period From 10/25/85 through 11/30/85

| | | |
|---|---|---|
| 1. Balance on Hand (Line 6 of Last Report) | | $ 13,261.51 |
| 2. Contributions Received (Line 17—page 2) | | 25,000.00 |
| 3. Add: Balance Outstanding Loans (Line 28—page 2) | | |
| 4. Total Expendable Funds | | $ 38,261.51 |
| 5. Expenses: | | |
| a. (Line 23—page 2) | $ 34,789.81 | |
| b. Add: Outstanding Loans (Prev. Report—Line 3) | | |
| 6. Balance on Hand (Line 4 less Line 5) | | $ 3,471.70 |

## TOTALS TO DATE

| | |
|---|---|
| 7. Contributions (Line 7 of Last Report plus Line 2 of this Report) | $ 585,315.22 |
| 8. Expenses (Line 8 of Last Report plus Line 5a of this Report) | $ 582,343.52 |
| 9. Expenses Remaining Unpaid—Schedule D | $ |

10. Campaign Depository _____

Account Number _____

## OATH OR AFFIRMATION

Under penalty of perjury, I declare that I have examined this report, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete.

_____
(Signature of Treasurer or Appropriate Person)

Subscribed and sworn to (affirmed) before me this 3rd day of December 19 85.

My Commission Expires: ~~November 14~~, 1990

_____
Notary Public

SBE-CF-11/85rev

0004070960

## STATEMENT OF RECONCILIATION OF FUNDS

Report Covering Period From 10/25/95 through 11/30/95

Full Name of Candidate or Committee: American Conservative Trust STate Election Fund

### FUNDS RECEIVED

CONTRIBUTIONS

| | | | |
|---|---|---|---|
| 11. Schedule A (Over $100) | # 1 | $ 25,000.00 | |
| 12. Itemized ($100 or less) | # | $ | |
| 13. TOTAL (Add Lines 11 & 12) | # | | $ 25,000.00 |
| 14. Less: Rebates and Refunds | | $ | |
| 15. Less: Other | | $ | |
| 16. TOTAL (Add Lines 14 & 15) | | | ( ) |
| 17. Net To Line 2—Summary (Line 13 less Line 16) | | | $ 25,000.00 |

### FUNDS DISBURSED

EXPENDITURES

| | | |
|---|---|---|
| 18. Schedule B | | $ 34,789.81 |
| 19. Less: Utility Deposits Refundable | $ | |
| 20. Less: Rent Deposits Refundable | $ | |
| 21. Less: Other | $ | |
| 22. TOTAL (Add Lines 19, 20, 21) | | ( ) |
| 23. Net To Line 5A—Summary (Line 18 less Line 22) | | $ 34,789.81 |

### LOAN ACCOUNT

| | |
|---|---|
| 24. Loan Account Balance—Last Report | $ |
| 25. Loans Received this Period—Schedule C—Part I | $ |
| 26. SUBTOTAL (Add Lines 24 & 25) | $ |
| 27. Less: Loans Repaid This Period—Schedule C—Part II | ( ) |
| 28. Loan Balance to Date—to Line 3—Summary | $ |

95040796

SCHEDULE A

ITEMIZATION OF CONTRIBUTIONS OVER $100

American Conservative Trust State Election Fund

Full Name of Candidate or Committee

| (Date) | Contributor's Full Name, Mailing Address, and ZIP Code (List Alphabetically) | Occupation and Principal Place of Business Of Contributions of More Than $250 In the Aggregate | Amount of Receipt This Period |
|---|---|---|---|
| 10/25/85 | Mrs. St. John Garwood<br>1802 San Gabriel<br>Austin, TX 78701 | Aggregate to Date $68,658.69 | This period $ 25,000.00 |
| | | Aggregate to Date $ | This period $ |
| | | Aggregate to Date $ | This period $ |
| | | Aggregate to Date $ | This period $ |
| | | Aggregate to Date $ | This period $ |
| | | Aggregate to Date $ | This period $ |
| | | Aggregate to Date $ | This period $ |
| | | Aggregate to Date $ | This period $ |
| | | Aggregate to Date $ | This period $ |
| | | Aggregate to Date $ | This period $ |
| | | Aggregate to Date $ | This period $ |

TOTAL THIS PERIOD $ _____

(Complete only if this is last page of Schedule A)

Page _____ of _____

00040796 2

AMERICAN CONSERVATIVE TRUST STATE ELECTION FUND
CASH DISBURSEMENTS
PERIOD OCTOBER 25, 1985 THRU NOVEMBER 30, 1985

SCHEDULE B

| DATE | PAYEE | AMOUNT | DESCRIPTION |
|---|---|---|---|
| 10/31/85 | DURETTE FOR GOV | 16,000.00 | POL. CONTRIBUTION |
| 10/31/85 | ROBERT GOODMAN AGENCY | 10,000.00 | ADVERTISEMENT |
| 10/31/85 | IRS | 276.00 | 3RD QTR P/R TAX |
| 10/31/85 | DC TREASURER | 67.63 | JULY W/H TAX |
| 10/31/85 | DC DOES | 1,440.63 | UNEMPLOYMENT TAX |
| 10/31/85 | VA DEPT OF TAX | 10.00 | FILING FEES |
| 11/30/85 | UNITED VIRGINIA | 1,000.00 | PUB. RELATIONS/FUNDRAISIN |
| 11/30/85 | PUBLIC MANAGEMENT INST | 2,500.00 | CONSULTANT FEE |
| 11/30/85 | CLIFF SMITH | 8.00 | CABS |
| 11/30/85 | LA BRASSERIE | 65.35 | PUB. RELATIONS |
| 11/30/85 | C. CHANNELL | 3,000.00 | CONSULTANT FEE |
| 11/30/85 | ENTRE COMPUTERS | 74.20 | COMPUTER SUPPLIES |
| 11/30/85 | CLIFF SMITH | 8.00 | CABS |
| 11/30/85 | CASH | 150.00 | PETTY CASH/CABS, MISC SUP |
| 11/30/85 | DAVID WHITEHILL | 190.00 | MAINTENANCE |
| | TOTAL | 34,789.81 | |

0004074963

COMMONWEALTH OF VIRGINIA

STATE BOARD OF ELECTIONS

# COMMITTEE CAMPAIGN CONTRIBUTIONS AND EXPENDITURES

American Conservative Trust
State Election Fund
Name of Committee

1331 Pennsylvania Ave., NW
Street or Box Number

Washington, DC 20004
City, State, ZIP

(202) 662-8700
Area Code - Daytime Telephone Number

**TYPE OF REPORT**
(Check appropriate box)

- XX ☐ January 15 1986
- ☐ 8 days before 1st Tuesday in March
- ☐ 8 days before 1st Tuesday in May
- ☐ 8 days before 2nd Tuesday in June
- ☐ 8 days before November General Election
- ☐ 30 days after November General Election
- ☐ Final Report*

*Final Report to be filed no later than 30 days after the closing of the account and must include a termination statement signed by an officer of the committee.

## SUMMARY

Report Covering Period From 11/30/85 through 12/31/85

| | | |
|---|---|---|
| 1. Balance on Hand (Line 6 of Last Report) | | $ 3,471.70 |
| 2. Contributions Received (Line 17—page 2) | | -0- |
| 3. Add: Balance Outstanding Loans (Line 28—page 2) | | |
| 4. Total Expendable Funds | | $ 3,471.70 |
| 5. Expenses: | | |
| a. (Line 23—page 2) | $ 2,285.35 | |
| b. Add: Outstanding Loans (Prev. Report—Line 3) | | |
| c. Balance on Hand (Line 4 less Line 5) | | $ 1,186.35 |

## TOTALS TO DATE

| | |
|---|---|
| 7. Contributions (Line 7 of Last Report plus Line 2 of this Report) | $ 585,815.22 |
| 8. Expenses (Line 8 of Last Report plus Line 5a of this Report) | $ 584,628.87 |
| 9. Expenses Remaining Unpaid—Schedule D | $ |
| 10. Campaign Depository | |
| Account Number | |

## OATH OR AFFIRMATION

Under penalty of perjury, I declare that I have examined this report, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete.

F. Clayton Smith
(Signature of Treasurer or Appropriate Person)

Subscribed and sworn to (affirmed) before me this 23rd day of January, 19 86.

My commission expires: ~~My Commission Expires~~ October 14, 1990

Notary Public

FEPA - CI 11/84 5M

0 0 1 4 0 7 8 2 6 4

## STATEMENT OF RECONCILIATION OF FUNDS

Report Covering Period From 11/30/85 through 12/31/85

Full Name of Candidate or Committee: American Conservative Trust State Election Fund

### FUNDS RECEIVED

CONTRIBUTIONS

| | | | |
|---|---|---|---|
| 11. Schedule A (Over $100) | # | $ | |
| 12. Itemized ($100 or less) | # | $ | |
| 13. TOTAL (Add Lines 11 & 12) | # | | $ -0- |
| 14. Less: Rebates and Refunds | | $ | |
| 15. Less: Other | | $ | |
| TOTAL (Add Lines 14 & 15) | | | ( ) |
| Net To Line 2—Summary (Line 13 less Line 16) | | | $ -0- |

### FUNDS DISBURSED

EXPENDITURES

| | | | |
|---|---|---|---|
| 17. Schedule B | | | $ 2,285.35 |
| 19. Less: Utility Deposits Refundable | | $ | |
| 20. Less: Rent Deposits Refundable | | $ | |
| 21. Less: Other | | $ | |
| 22. TOTAL (Add Lines 19, 20, 21) | | | ( -0- ) |
| Net To Line 5A—Summary (Line 18 less Line 22) | | | $ 2,285.35 |

### LOAN ACCOUNT

| | |
|---|---|
| 23. Loan Account Balance—Last Report | $ |
| 24. Loans Received this Period—Schedule C—Part I | $ |
| 25. SUBTOTAL (Add Lines 24 & 25) | $ |
| Less: Loans Repaid This Period—Schedule C—Part II | ( ) |
| Loan Balance to Date—to Line 3—Summary | $ |

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AMERICAN CONSERVATIVE TRUST STATE ELECTION FUND
CASH DISBURSEMENTS
PERIOD 11/30/85 THRU 12/31/85

SCHEDULE B

| DATE | PAYEE | AMOUNT | DESCRIPTION |
|---|---|---|---|
| 12/31/85 | IRS | 255.35 | 1ST QTR 85 ADDT'L P/R TAX |
| 12/31/85 | MID-ATLANTIC POL. REPORT | 30.00 | PUBLICATION |
| 12/31/85 | UNITED VIRGINIA | 500.00 | PUB. RELATION/FUNDRAISING |
| 12/31/85 | CPAC '86 | 1,500.00 | ADVERTISEMENT |
| | TOTAL | 2,285.35 | |

C00407436

COMMONWEALTH OF VIRGINIA

STATE BOARD OF ELECTIONS

# COMMITTEE CAMPAIGN CONTRIBUTIONS AND EXPENDITURES

American Conservative Trust
State Election Fund
Name of Committee

1331 Pennsylvania Ave., NW
Street or Box Number

Washington, DC 20004
City, State, ZIP

(202) 662-8700
Area Code - Daytime Telephone Number

**TYPE OF REPORT**
(Check appropriate box)

- ☐ January 15
- ☒ 8 days before 1st Tuesday in March 1986
- ☐ 8 days before 1st Tuesday in May
- ☐ 8 days before 2nd Tuesday in June
- ☐ 8 days before November General Election
- ☐ 30 days after November General Election
- ☐ Final Report*

*Final Report to be filed no later than 30 days after the closing of the account and must include a termination statement signed by an officer of the committee.

## SUMMARY

Report Covering Period From 1/1/86 through 2/21/86

| | | |
|---|---|---|
| 1. Balance on Hand (Line 6 of Last Report) | | $ 1,186.35 |
| 2. Contributions Received (Line 17—page 2) | | 2,900.00 |
| 3. Add: Balance Outstanding Loans (Line 28—page 2) | | |
| 4. Total Expendable Funds | | $ 4,086.35 |
| 5. Expenses: | | |
| a. (Line 23—page 2) | $ 956.35 | |
| b. Add: Outstanding Loans (Prev. Report—Line 3) | | 956.35 |
| 6. Balance on Hand (Line 4 less Line 5) | | $ 3,130.00 |

## TOTALS TO DATE

| | |
|---|---|
| 7. Contributions (Line 7 of Last Report plus Line 2 of this Report) | $ 588,715.22 |
| 8. Expenses (Line 8 of Last Report plus Line 5a of this Report) | $ 585,585.22 |
| 9. Expenses Remaining Unpaid—Schedule D | $ |

10. Campaign Depository _____

Account Number _____

## OATH OR AFFIRMATION

Under penalty of perjury, I declare that I have examined this report, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete.

F. Ellis Smith IV
Signature of Treasurer or Appropriate Person

Subscribed and sworn to (affirmed) before me this 23rd day of October 19 86.

My commission expires: My Commission Expires October 4, 1990

Notary Public

FEPA - 02 11/84-3M

# STATEMENT OF RECONCILIATION OF FUNDS

Report Covering Period From 1/1/86 through 2/21/86

Full Name of Candidate or Committee: American Conservative Trust State Election Fund

## FUNDS RECEIVED

CONTRIBUTIONS

| | | | |
|---|---|---|---|
| 11. Schedule A (Over $100) | # 1 | $ 2,900.00 | |
| 12. Unitemized ($100 or less) | # | $ | |
| 13. TOTAL (Add Lines 11 & 12) | # | | $ 2,900.00 |
| 14. Less: Rebates and Refunds | | $ | |
| 15. Less: Other | | $ | |
| TOTAL (Add Lines 14 & 15) | | | ( ) |
| Net To Line 2—Summary (Line 13 less Line 16) | | | $ 2,900.00 |

## FUNDS DISBURSED

EXPENDITURES

| | | |
|---|---|---|
| 18. Schedule B | | $ 956.35 |
| 19. Less: Utility Deposits Refundable | $ | |
| 20. Less: Rent Deposits Refundable | $ | |
| 21. Less: Other | $ | |
| 22. TOTAL (Add Lines 19, 20, 21) | | ( ) |
| Net To Line 5A—Summary (Line 18 less Line 22) | | 956.35 $ |

## LOAN ACCOUNT

| | |
|---|---|
| 23. Loan Account Balance—Last Report | $ |
| 24. Loans Received this Period—Schedule C—Part I | $ |
| 25. SUBTOTAL (Add Lines 24 & 25) | $ |
| 26. Less: Loans Repaid This Period—Schedule C—Part II | ( ) |
| Loan Balance to Date—to Line 3—Summary | $ |

AMERICAN CONSERVATIVE TRUST STATE ELECTION FUND
CASH DISBURSEMENTS
PERIOD 1/1/86 THRU 2/21/86

SCHEDULE B

| DATE | PAYEE | AMOUNT | DESCRIPTION |
|---|---|---|---|
| 01/31/86 | INTERNAL REVENUE SERVICE | 383.85 | INT., LATE PAY., 1984 W/H |
| 01/31/86 | INTERNAL REVENUE SERVICE | 164.50 | FUTA TAX 1985 |
| 01/31/86 | DAVID WHITEHILL | 190.00 | UTILITIES |
| 02/05/86 | G.M.H ENTERPRISES | 28.00 | PUBLICATIONS |
| 02/06/86 | DAVID WHITEHILL | 190.00 | MAINTENANCE/CLEANING |
| | TOTAL | 956.35 | |

0110402749567

COMMONWEALTH OF VIRGINIA

STATE BOARD OF ELECTIONS

# COMMITTEE CAMPAIGN CONTRIBUTIONS AND EXPENDITURES

American Conservative Trust
State Election Fund
Name of Committee

1331 Pennsylvania AVe., NW
Street or Box Number

Washington, DC 20004
City, State, ZIP

(202) 662-8700
Area Code - Daytime Telephone Number

**TYPE OF REPORT**
(Check appropriate box)

- ☐ January 15
- ☐ 8 days before 1st Tuesday in March
- ☒ 8 days before 1st Tuesday in May 1986
- ☐ 8 days before 2nd Tuesday in June
- ☐ 8 days before November General Election
- ☐ 30 days after November General Election
- ☐ Final Report*

*Final Report to be filed no later than 30 days after the closing of the account and must include a termination statement signed by an officer of the committee.

## SUMMARY

Report Covering Period From 2/22/86 through 4/25/86

| | | |
|---|---|---|
| 1. Balance on Hand (Line 6 of Last Report) | | $ 3,130.00 |
| 2. Contributions Received (Line 17—page 2) | | -0- |
| 3. Add: Balance Outstanding Loans (Line 28—page 2) | | |
| 4. Total Expendable Funds | | $ 3,130.00 |
| 5. Expenses: | | |
| a. (Line 23—page 2) | $ 99.18 | |
| b. Add: Outstanding Loans (Prev. Report—Line 3) | | 99.18 |
| 6. Balance on Hand (Line 4 less Line 5) | | $ 3,030.82 |

## TOTALS TO DATE

| | |
|---|---|
| 7. Contributions (Line 7 of Last Report plus Line 2 of this Report) | $ 588,715.22 |
| 8. Expenses (Line 8 of Last Report plus Line 5a of this Report) | $ 585,684.40 |
| 9. Expenses Remaining Unpaid—Schedule D | $ |

10. Campaign Depository _____

Account Number _____

## OATH OR AFFIRMATION

Under penalty of perjury, I declare that I have examined this report, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete.

J. Clifton Smith Jr.
(Signature of Treasurer or Appropriate Person)

Subscribed and sworn to (affirmed) before me this 23rd day of October, 19 86.

My Commission Expires October 14, 1990

My commission expires: _____, 19____.

Notary Public

FEPA - EE 11/86-M4

# STATEMENT OF RECONCILIATION OF FUNDS

Report Covering Period From 2/22/86 through 4/25/96

Full Name of Candidate or Committee: American Conservative Trust STate Election Fund

## FUNDS RECEIVED

CONTRIBUTIONS

| | | | |
|---|---|---|---|
| 11. | Schedule A (Over $100) | # | $ |
| 12. | Unitemized ($100 or less) | # | $ |
| 13. | TOTAL (Add Lines 11 & 12) | # | $ |
| 14. | Less: Rebates and Refunds | | $ |
| 15. | Less: Other | | $ |
| 16. | TOTAL (Add Lines 14 & 15) | | ( ) |
| 17. | Net To Line 2—Summary (Line 13 less Line 16) | | $ -0- |

## FUNDS DISBURSED

EXPENDITURES

| | | | |
|---|---|---|---|
| 18. | Schedule B | | $ 255.89 |
| 19. | Less: Utility Deposits Refundable | $ | |
| 20. | Less: Rent Deposits Refundable | $ | |
| 21. | Less: Other US Treasury W/H Tax Refund | $ 156.71 | |
| 22. | TOTAL (Add Lines 19, 20, 21) | | ( 156.71 ) |
| 23. | Net To Line 5A—Summary (Line 18 less Line 22) | | $ 99.18 |

## LOAN ACCOUNT

| | | |
|---|---|---|
| 24. | Loan Account Balance—Last Report | $ |
| 25. | Loans Received this Period—Schedule C—Part I | $ |
| 26. | SUBTOTAL (Add Lines 24 & 25) | $ |
| 27. | Less: Loans Repaid This Period—Schedule C—Part II | ( ) |
| 28. | Loan Balance to Date—to Line 3—Summary | $ |

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AMERICAN CONSERVATIVE TRUST STATE ELECTION FUND
CASH DISBURSEMENTS
PERIOD 2/22/86 THRU 4/25/86

SCHEDULE B

| DATE | PAYEE | AMOUNT | DESCRIPTION |
|---|---|---|---|
| 02/28/86 | WASHINGTON REPUBLICANS 86 | 45.00 | PUBLICATIONS |
| 02/28/86 | BRADDOCK PUBLICATIONS | 39.95 | PUBLICATIONS |
| 02/28/86 | WASH. BUSINESS JOURNAL | 14.97 | PUBLICATIONS |
| 03/31/86 | CLIFF SMITH | 16.00 | LOCAL TRANSPORT/CABS |
| 03/31/86 | WASH. BUSINESS JOURNAL | 14.97 | PUBLICATIONS |
| 03/31/86 | DELTA AIRLINES | 100.00 | TRAVEL/FUNDRAISING |
| 04/03/86 | DC TREASURER | 25.00 | ANNUAL REPORT FILING FEE |
| | TOTAL | 255.89 | |

00040772

COMMONWEALTH OF VIRGINIA

STATE BOARD OF ELECTIONS

# COMMITTEE CAMPAIGN CONTRIBUTIONS AND EXPENDITURES

American Conservative Trust
State Election Fund
Name of Committee

1331 Pennsylvania AVe., NW
Street or Box Number

Washington, DC 20004
City, State, ZIP

(202) 662-8700
Area Code - Daytime Telephone Number

**TYPE OF REPORT**
(Check appropriate box)

- ☐ January 15
- ☐ 8 days before 1st Tuesday in March
- ☐ 8 days before 1st Tuesday in May
- ☒ 8 days before 2nd Tuesday in June 1986
- ☐ 8 days before November General Election
- ☐ 30 days after November General Election
- ☐ Final Report*

*Final Report to be filed no later than 30 days after the closing of the account and must include a termination statement signed by an officer of the committee.

## SUMMARY

Report Covering Period From 4/26/86 through 5/31/86

| | | |
|---|---|---|
| 1. Balance on Hand (Line 6 of Last Report) | | $ 3,030.82 |
| 2. Contributions Received (Line 17—page 2) | | $ |
| 3. Add: Balance Outstanding Loans (Line 28—page 2) | | $ |
| 4. Total Expendable Funds | | $ 3,030.82 |
| 5. Expenses: | | |
| a. (Line 23—page 2) | $ | |
| b. Add: Outstanding Loans (Prev. Report—Line 3) | $ | $ ( ) |
| 6. Balance on Hand (Line 4 less Line 5) | | $ 3,030.82 |

## TOTALS TO DATE

| | |
|---|---|
| 7. Contributions (Line 7 of Last Report plus Line 2 of this Report) | $ 588,715.22 |
| 8. Expenses (Line 8 of Last Report plus Line 5a of this Report) | $ 585,684.40 |
| 9. *Expenses Remaining Unpaid—Schedule D | $ |
| 10. Campaign Depository | |
| Account Number | |

## OATH OR AFFIRMATION

Under penalty of perjury, I declare that I have examined this report, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete.

Signature of Treasurer or Appropriate Person

Subscribed and sworn to (affirmed) before me this 23rd day of June, 1986.

My commission expires: My Commission Expires October 14, 1990, 19____.

Notary Public

FEPA - 82 11/84 8M

0 0 0 4 0 7 0 4 9 7 3

# STATEMENT OF RECONCILIATION OF FUNDS

Report Covering Period From 4/26/86 through 5/31/86

Full Name of Candidate or Committee: American Conservative Trust State Election Fund

## FUNDS RECEIVED

CONTRIBUTIONS

| | | | |
|---|---|---|---|
| Schedule A (Over $100) | # | $ -0- | |
| Itemized ($100 or less) | # | $ | |
| TOTAL (Add Lines 11 & 12) | # | | $ -0- |
| Less: Rebates and Refunds | | $ | |
| Less: Other | | $ | |
| TOTAL (Add Lines 14 & 15) | | | ( ) |
| Net To Line 2—Summary (Line 13 less Line 16) | | | $ -0- |

## FUNDS DISBURSED

EXPENDITURES

| | | |
|---|---|---|
| Schedule B | | $ -0- |
| Less: Utility Deposits Refundable | $ | |
| Less: Rent Deposits Refundable | $ | |
| Less: Other | $ | |
| TOTAL (Add Lines 19, 20, 21) | | ( ) |
| Net To Line 5A—Summary (Line 18 less Line 22) | | $ -0- |

## LOAN ACCOUNT

| | |
|---|---|
| Loan Account Balance—Last Report | $ |
| Loans Received this Period—Schedule C—Part I | $ |
| SUBTOTAL (Add Lines 24 & 25) | $ |
| Less: Loans Repaid This Period—Schedule C—Part II | ( ) |
| Loan Balance to Date—to Line 3—Summary | $ |

00407974

COMMONWEALTH OF VIRGINIA

STATE BOARD OF ELECTIONS

# COMMITTEE CAMPAIGN CONTRIBUTIONS AND EXPENDITURES

American Conservative Trust
STate Election Fund
Name of Committee

1331 Pennsylvania AVE NW
Street or Box Number

Washington, DC 20004
City, State, ZIP

(202) 662-8700
Area Code - Daytime Telephone Number

**TYPE OF REPORT**
(Check appropriate box)

- ☐ January 15
- ☐ 8 days before 1st Tuesday in March
- ☐ 8 days before 1st Tuesday in May
- ☐ 8 days before 2nd Tuesday in June
- XX☒ 8 days before November General Election 1986
- ☐ 30 days after November General Election
- ☐ Final Report*

*Final Report to be filed no later than 30 days after the closing of the account and must include a termination statement signed by an officer of the committee.

## SUMMARY

Report Covering Period From 6/1/86 through 10/15/86

| | | |
|---|---|---|
| 1. Balance on Hand (Line 6 of Last Report) | | $ 3,030.82 |
| 2. Contributions Received (Line 17—page 2) | | -0- |
| 3. Add: Balance Outstanding Loans (Line 28—page 2) | | |
| 4. Total Expendable Funds | | $ 3,030.82 |
| 5. Expenses: | | |
| a. (Line 23—page 2) | $ 1,143.47 | |
| b. Add: Outstanding Loans (Prev. Report—Line 3) | | 1,143.47 |
| 6. Balance on Hand (Line 4 less Line 5) | | $ 1,887.35 |

## TOTALS TO DATE

| | |
|---|---|
| 7. Contributions (Line 7 of Last Report plus Line 2 of this Report) | $ 588,715.22 |
| 8. Expenses (Line 8 of Last Report plus Line 5a of this Report) | $ 586,827.87 |
| 9. Receipts Remaining Unpaid—Schedule D | $ |
| 10. Campaign Depository | |
| Account Number | |

## OATH OR AFFIRMATION

Under penalty of perjury, I declare that I have examined this report, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete.

Signature of Treasurer or Appropriate Person

Subscribed and sworn to (affirmed) before me this 22nd day of October 19 86.

My commission expires: ~~May 3~~ ~~September~~ October 14, 1990

Notary Public

FEC Form 3 (1/86)

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# STATEMENT OF RECONCILIATION OF FUNDS

Report Covering Period From 6/1/86 through 10/15/86

Full Name of Candidate or Committee: American Conservative Trust State Election Fund

## FUNDS RECEIVED

CONTRIBUTIONS

| | | | |
|---|---|---|---|
| | Schedule A (Over $100) | # | $ |
| | Unitemized ($100 or less) | # | $ |
| 12. | TOTAL (Add Lines 11 & 12) | # | $ |
| 13. | Less: Rebates and Refunds | | $ |
| 15. | Less: Other | | $ |
| | TOTAL (Add Lines 14 & 15) | | ( ) |
| | Net To Line 2—Summary (Line 13 less Line 16) | | -0- $ |

## FUNDS DISBURSED

EXPENDITURES

| | | | |
|---|---|---|---|
| 18. | Schedule B | | $ 1,413.55 |
| 20. | Less: Utility Deposits Refundable | $ | |
| 20. | Less: Rent Deposits Refundable | $ | |
| 21. | Less: Other refund PC Research Service | $ 270.08 | |
| 22. | TOTAL (Add Lines 19, 20, 21) | | ( 270.08 ) |
| | Net To Line 5A—Summary (Line 18 less Line 22) | | $ 1,143.47 |

## LOAN ACCOUNT

| | | |
|---|---|---|
| | Loan Account Balance—Last Report | $ |
| | Loans Received this Period—Schedule C—Part I | $ |
| 25. | SUBTOTAL (Add Lines 24 & 25) | $ |
| | Less: Loans Repaid This Period—Schedule C—Part II | ( ) |
| | Loan Balance to Date—to Line 3—Summary | $ |

00140797

AMERICAN CONSERVATIVE TRUST STATE ELECTION FUND
CASH DISBURSEMENTS
PERIOD 6/1/86 THRU 10/24/86

SCHEDULE B

| DATE | PAYEE | AMOUNT | DESCRIPTION |
|---|---|---|---|
| 7/31/86 | J. PARKER BAILEY | 132.00 | ACCOUNTING |
| 8/31/86 | J. PARKER BAILEY | 132.00 | ACCOUNTING |
| 8/31/86 | PC RESEARCH SERVICES | 540.00 | PUBLICATIONS |
| 8/31/86 | HERGE, SPARKS, C. & B. | 260.36 | LEGAL |
| 8/31/86 | KING FLORIST INC. | 110.00 | PUBLIC RELATIONS |
| 09/04/86 | WESTLAND PRINTERS | 84.80 | STATIONARY |
| 09/04/86 | MCI MAIL | 4.00 | ELECTRONIC MAIL ACCESS |
| 09/04/86 | BAUMGARTEN | 10.00 | 3 RUBBER STAMPS |
| 09/04/86 | SCRIPPS HOWARD BUS.JRNL | 15.89 | 1 YR. SUBSCRIPTION |
| 09/04/86 | FT. WORTH STAR TELEGRAM | 37.50 | 3 MOS DAILY DELIVERY |
| 10/02/86 | KING FLORIST | 57.00 | PUBLIC RELATIONS/FLOWERS |
| 10/14/86 | HUMAN EVENTS | 30.00 | 1 YR SUBSCRIPTION |
| | TOTAL | 1,413.55 | |

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Miller Ex. 6

Nat[illegible]ndowment For The Presv of [illegible]berty
Balance Sheet
December 31, 1985

## ASSETS

| | |
|---|---|
| **Current Assets** | |
| Cash & Marketable Securities | $1,210,956.28 |
| Accounts Receivable - Affiliate | 30,004.92 |
| Employee Receivable | 2,226.70 |
| Prepaid Expenses | 3,019.92 |
| Total Current Assets | $1,246,207.82 |
| **Property, Plant And Equipment** | |
| Leasehold Improvements | $1,261.00 |
| Office Equipment | 23,811.47 |
| Furniture & Fixtures | 8,701.51 |
| Less: Accumulated Depreciation | (5,000.77 |
| Net Property And Equipment | 28,773.21 |
| Total Property, Plant And Equipment | 28,773.21 |
| **Other Assets** | |
| Net Organization Costs | 0.00 |
| Total Other Assets | 0.00 |
| **Total Assets** | $1,274,981.03 |

0004076

Natl [redacted]owment For The Preav [redacted]erty
Balance Sheet
December 31, 1985

## LIABILITIES AND STOCKHOLDERS' EQUITY

| | |
|---|---|
| **Current Liabilities** | |
| Accounts Payable | $20,877.68 |
| Refundable Contribution Payable | 100,000.00 |
| Payroll Taxes Payable | 22,003.12 |
| Total Current Liabilities | $142,880.80 |
| **Long Term Liabilities** | |
| Notes Payable | 237,500.00 |
| Total Long Term Liabilities | 237,500.00 |
| Total Liabilities | $380,380.80 |
| **Stockholder's Equity** | |
| Retained Earnings | 1,534.91 |
| Total Stockholders' Equity | 1,534.91 |
| Total Liabilities And Stockholders' Equity | $381,915.71 |

0004076

Nat'l Endowment For The Presv of Liberty
Balance Sheet
December 31, 1986

## ASSETS

| | |
|---|---|
| **Current Assets** | |
| Cash & Marketable Securities | $520,725.01 |
| Accounts Receivable - Affiliate | 163,159.85 |
| Employee Receivable | 2,226.70 |
| Total Current Assets | $686,111.56 |
| **Property, Plant And Equipment** | |
| Leasehold Improvements | $1,261.00 |
| Office Equipment | 65,803.16 |
| Furniture & Fixtures | 119,144.04 |
| Less: Accumulated Depreciation | (35,394.60) |
| Net Property And Equipment | 150,813.60 |
| Total Property, Plant And Equipment | 150,813.60 |
| **Other Assets** | |
| Deposits | 228,340.00 |
| Net Organization Costs | 0.00 |
| Total Other Assets | 228,340.00 |
| **Total Assets** | $1,065,265.16 |

| | |
|---|---|
| **Current Liabilities** | |
| Accounts Payable | $69,566.80 |
| Notes Payable -Palmer Bank | 73,312.50 |
| Payroll Taxes Payable | 41,074.55 |
| Total Current Liabilities | $183.953.85 |
| **Long Term Liabilities** | |
| Total Long Term Liabilities | 0.00 |
| Total Liabilities | $183,953.85 |
| **Stockholder's Equity** | |
| Retained Earnings | 894,600.23 |
| Total Stockholders' Equity | 894,600.23 |
| **Total Liabilities And Stockholders' Equity** | $1,078,554.08 |

0004907498 1

Nat[illegible]ndowment For The Presv [illegible]berty
Statement of Incom
For the Twelve Months Ended December 31, 1985

| | Current Period | % | Year-to-Date | % |
|---|---|---|---|---|
| Revenue | | | | |
| Non-Taxable Contributions | $2,254,012.73 | 69.1 | $2,254,012.73 | 69.1 |
| Interest & Dividends | 1,274.60 | .0 | 1,274.60 | .0 |
| Unrealized Gain-(Loss) | 2,500.00 | .1 | 2,500.00 | .1 |
| Realized Gain (Loss) | 1,003,577.99 | 30.8 | 1,003,577.99 | 30.8 |
| Revenue | 3,261,365.32 | 100.0 | 3,261,365.32 | 100.0 |
| Fundraising/Project | | | | |
| Project - Goodman | 194,592.21 | 6.0 | 194,592.21 | 6.0 |
| Project - IBC | 1,496,700.00 | 45.9 | 1,496,700.00 | 45.9 |
| Project - Other | 132,048.73 | 4.1 | 132,048.73 | 4.1 |
| Fundraising/Project | 1,823,340.94 | 55.9 | 1,823,340.94 | 55.9 |
| Operating Income | 1,438,024.38 | 44.1 | 1,438,024.38 | 44.1 |
| Administrative Expenses | | | | |
| Accounting | 21,010.00 | .6 | 21,010.00 | .6 |
| Bank Charges | 480.88 | .0 | 480.88 | .0 |
| Courier Service | 10,172.13 | .3 | 10,172.13 | .3 |
| Depreciation | 5,000.77 | .2 | 5,000.77 | .2 |
| Equipment Rental | 5,336.84 | .2 | 5,336.84 | .2 |
| Salaries | 112,204.91 | 3.4 | 112,204.91 | 3.4 |
| Interest | 340.57 | .0 | 340.57 | .0 |
| Insurance | 4,131.17 | .1 | 4,131.17 | .1 |
| Legal Fees | 14,763.18 | .5 | 14,763.18 | .5 |
| Maintenance | 112.20 | .0 | 112.20 | .0 |
| Miscellaneous | 2,622.31 | .1 | 2,622.31 | .1 |
| Office Supplies | 5,254.18 | .2 | 5,254.18 | .2 |
| Payroll Taxes | 6,130.86 | .2 | 6,130.86 | .2 |
| Penalties | 1,587.36 | .1 | 1,587.36 | .1 |
| Consultants | 176,094.90 | 5.4 | 176,094.90 | 5.4 |
| Photocopying | 172.23 | .0 | 172.23 | .0 |
| Postage | 3,833.58 | .1 | 3,833.58 | .1 |
| Printing | 13,941.84 | .4 | 13,941.84 | .4 |
| Public Relations | 55,523.89 | 1.7 | 55,523.89 | 1.7 |
| Publications | 3,143.16 | .1 | 3,143.16 | .1 |
| Rent | 24,050.00 | .7 | 24,050.00 | .7 |
| Telephone | 15,258.33 | .5 | 15,258.33 | .5 |
| Temporary Help | 2,375.05 | .1 | 2,375.05 | .1 |
| Transporation - Limousine | 6,295.47 | .2 | 6,295.47 | .2 |
| Transportation - Local | 55.76 | .0 | 55.76 | .0 |
| Travel | 48,359.10 | 1.5 | 48,359.10 | 1.5 |
| Utilities | 6,708.39 | .2 | 6,708.39 | .2 |
| Total Operating Expenses | 544,959.06 | 16.7 | 544,959.06 | 16.7 |
| Income From Operations | 893,065.32 | 27.4 | 893,065.32 | 27.4 |
| Net Income | $893,065.32 | 27.4 | $893,065.32 | 27.4 |

0004078

Natl [redacted]dowment For The Presv of [redacted]berty
Statement of Incom
For the Twelve Months Ended December 31, 1986

| | Year-to-Date | % |
|---|---|---|
| **Revenue** | | |
| Non-Taxable Contributions | $4,693,950.23 | 65.8 |
| Interest & Dividends | 6,317.68 | .1 |
| Dividends | 76,535.12 | 1.1 |
| Unrealized Gain (Loss) | 2,454.12 | .0 |
| Realized Gain (Loss) | 2,358,467.92 | 33.0 |
| Revenue | 7,137,725.07 | 100.0 |
| **Fundraising/Project** | | |
| Direct Mail | 113,626.47 | 1.6 |
| Project-Blackwell Co. | 22,500.00 | .3 |
| Project - Blakemore | 84,900.00 | 1.2 |
| Project - Cameron | 6,000.00 | .1 |
| Project - Edelman | 92,324.38 | 1.3 |
| Project - Finkelstein | 114,900.00 | 1.6 |
| Project - Goodman | 835,348.24 | 11.7 |
| Project - IBC | 3,533,458.79 | 49.5 |
| Project - Intel | 450,000.00 | 6.3 |
| Project - Kuyendall | 14,810.00 | .2 |
| Project - Miner/Fraser | 1,479.99 | .0 |
| Project - Nofziger | 40,000.00 | .6 |
| Project - Other | 197,426.46 | 2.8 |
| Project - PRODEMCA | 90,190.07 | 1.3 |
| Project - P/A DMSTRTN | 3,153.28 | .0 |
| Project - SENTINEL | 65,827.93 | .9 |
| Fundraising/Project | 5,665,945.61 | 79.4 |
| Operating Income | 1,471,779.46 | 20.6 |
| **Administrative Expenses** | | |
| Accounting | 69,015.20 | 1.0 |
| Bank Charges | 2,355.72 | .0 |
| Brokerage Fees | 17,847.72 | .3 |
| Courier Service | 19,625.09 | .3 |
| Depreciation | 30,393.83 | .4 |
| Equipment Rental | 13,335.86 | .2 |
| Salaries | 428,194.53 | 6.0 |
| Interest | 2,666.15 | .0 |
| Insurance | 10,356.06 | .2 |
| Legal Fees | 10,348.85 | .1 |
| Maintenance | 10,918.84 | .2 |
| News Service (NEXUS) | 4,926.44 | .1 |
| Miscellaneous | 6,264.83 | .1 |
| Office Supplies | 23,014.73 | .3 |
| Payroll Taxes | 23,656.56 | .3 |
| Penalties | 5,599.29 | .1 |
| Consultants | 363,061.09 | 5.1 |
| Petty Cash Suspense | 3,695.03 | .1 |
| Photocopying | 1,277.86 | .0 |
| Postage | 3,630.54 | .1 |
| Printing | 27,855.95 | .4 |

| | | |
|---|---|---|
| Public Relations | 53,240.85 | .8 |
| Publications | 9,094.20 | .1 |
| Rent | 102,337.87 | 1.4 |
| Security | 1,242.00 | .0 |
| Telephone | 31,685.82 | .4 |
| Temporary Help | 3,295.17 | .1 |
| Transporation - Limousine | 17,522.20 | .3 |
| Transportation - Local | 825.33 | .0 |
| Travel | 181,319.08 | 2.5 |
| Utilities | 1,320.67 | .0 |
| Suspense | 5,145.02 | .1 |
| Total Operating Expenses | 1,485,068.38 | 20.8 |
| Income From Operations | (13,288.92) | (.2) |
| Net Income | ($13,288.92) | (.2) |

0004007994

THE NATIONAL ENDOWMENT FOR THE PRESERVATION OF

# L I B E R T Y

## STATEMENT OF NET ASSETS
## NOVEMBER 30, 1986

| | |
|---|---|
| CASH AND MARKETABLE SECURITIES | |
| GENERAL A/C @ PALMER | $ 29,860.00 |
| PROGRAM A/C @ PALMER #1 | 185,022.33 |
| PROGRAM A/C @ PALMER #2 | 218,324.46 |
| PROGRAM A/C @ PALMER #3 | 32,573.09 |
| PROGRAM A/C @ PALMER #4 | 2,739.66 |
| PROGRAM A/C @ PALMER #5 | 4,926.07 |
| GENERAL A/C @ HUTTON | 68,735.04 |
| PROGRAM A/C @ HUTTON #1 | 10,981.00 |
| PROGRAM A/C @ HUTTON #2 | 321,984.53 |
| PETTY CASH | 481.01 |
| IRVING TRUST | 5,000.00 |
| PALMER CERTIFICATE | 10,897.24 |
| STOCK-IN-TRANSIT | 0.00 |
| OTHER INVESTMENTS | |
| TOTAL CASH AND MARKETABLE SECURITIES | 891,524.43 |
| ACCOUNTS AND NOTES RECEIVABLE | |
| AFFILIATES | 90,923.06 |
| EMPLOYEE ADVANCE | 0.00 |
| N/R (CRC) 1985 | 34,022.10 |
| TOTAL RECEIVABLES | 124,945.16 |
| FIXED ASSETS | |
| FURNITURE AND EQUIPMENT | 181,453.77 |
| LEASEHOLD IMPROVEMENTS | 1,261.00 |
| TOTAL FIXED ASSETS | 182,714.77 |
| OTHER ASSETS | 28,340.00 |
| PREPAID SERVICE CONTRACTS | 3,019.92 |
| TOTAL ASSETS | 1,230,544.28 |
| P/R TAXES PAYABLE | (7,155.95) |
| N/P (PALMER NAT'L-FURN) | (76,500.00) |
| NET ASSETS AVAILABLE | $ 1,146,888.33 |

## STATEMENT OF CHANGES IN NET ASSETS
## FOR THE ELEVEN MONTHS ENDING NOVEMBER 30, 1986

| | |
|---|---|
| CONTRIBUTIONS | $ 7,029,058.49 |
| OTHER INCOME | 43,310.76 |
| TOTAL ADDITIONS | 7,072,369.25 |
| PROJECT EXPENDITURES | 5,532,156.63 |
| DIRECT FUNDRAISING EXPENSES | 264,518.15 |
| ADMINISTRATIVE COSTS | 1,133,428.37 |
| TOTAL DEDUCTIONS | 6,930,103.15 |
| NET INCREASE (DECREASE) IN NET ASSETS | 142,266.10 |
| NET ASSETS AVAILABLE AT BEGINNING OF PERIOD | 1,004,622.23 |
| NET ASSETS AVAILABLE AT END OF PERIOD | $ 1,146,888.33 |

1331 Pennsylvania Ave., N.W. Suite 350 South Washington, D.C. 20004 (202) 662-8700

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NATIONAL ENDOWMENT FOR
THE PRESERVATION OF LIBERTY

STATEMENT OF OPERATIONS
1986

| | JANUARY | FEBRUARY | MARCH | APRIL | MAY | JUNE | JULY | AUGUST | SEPTEMBER | OCTOBER | NOVEMBER | Y-T-D TOTALS |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| CONTRIBUTIONS | 467,715.00 | 432,835.40 | 2,117,108.08 | 1,990,990.00 | 600,500.00 | 167,200.00 | 15,380.00 | 171,817.00 | 630,125.00 | 425,102.00 | 10,286.01 | 7,029,058.49 |
| INTEREST INCOME | 63.93 | 799.45 | 1,326.20 | 736.39 | 190.13 | 368.82 | 47.62 | 172.25 | 384.33 | 863.91 | 837.47 | 5,810.50 |
| DIVIDEND INCOME | 3,677.06 | (42.06) | 49,644.98 | 1,305.39 | 3,685.35 | 2,821.98 | 4,280.96 | 2,859.43 | 1,288.02 | 3,062.63 | 2,132.98 | 74,716.72 |
| UNREALIZED GAIN/(LOSS) | (7,435.03) | (53,400.00) | 20,145.00 | 36,984.37 | 8,003.00 | (112,460.00) | 49,840.00 | (36,639.02) | (4,495.00) | 2,925.80 | 1,015.00 | 4,484.12 |
| REALIZED GAIN/(LOSS) | | | | (8,003.00) | 24,398.75 | 0.00 | (57,377.98) | 0.00 | (718.43) | 0.00 | 0.00 | (41,700.58) |
| TOTAL ADDITIONS | 464,020.96 | 380,192.79 | 2,188,224.26 | 2,022,033.15 | 636,777.23 | 157,930.80 | 12,170.68 | 138,209.66 | 626,583.92 | 431,954.34 | 14,271.46 | 7,072,369.25 |
| DISBURSEMENTS | | | | | | | | | | | | |
| PROJECTS | | | | | | | | | | | | |
| IDC | 505,000.00 | 222,606.84 | 988,000.00 | 299,977.00 | 1,250,000.00 | 72,929.00 | 46,193.00 | 20,100.00 | 40,000.00 | 34,924.18 | 12,728.77 | 3,492,458.79 |
| GOODMAN - | | 134,307.57 | 441,053.00 | 92,510.86 | (13,060.71) | 43,357.02 | 21,902.78 | 57,066.82 | 330.00 | 60,151.33 | 0.00 | 837,618.67 |
| PRUDENCE - | | | 62,740.00 | 11,450.07 | 16,000.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 90,190.07 |
| EDELMAN | | | 42,000.00 | 31,116.82 | 19,207.56 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 92,324.38 |
| BLACKWELL | | | | | 7,500.00 | 0.00 | 15,000.00 | 0.00 | 0.00 | 0.00 | 0.00 | 22,500.00 |
| CAMERON | | | | | | | 6,000.00 | 0.00 | 0.00 | 0.00 | 0.00 | 6,000.00 |
| OTHER | 13,300.00 | 15,100.00 | 42,500.00 | 10,000.00 | 18,000.00 | 11,000.00 | 11,819.99 | 11,751.20 | 0.00 | 43,776.90 | 13,520.18 | 190,[redacted] |
| PATRICIA BECK | | | | 100,000.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 100,[redacted] |
| BLANKENHORN & KIEMLON | | | | | | | 58,900.00 | 26,000.00 | 0.00 | 0.00 | 0.00 | 84,[redacted] |
| INTEL-COOPERATION | | | | | | | 100,000.00 | 0.00 | 200,000.00 | 150,000.00 | 0.00 | 450,000.00 |
| FINKELSTEIN | | | | | | 80,000.00 | 15,000.00 | 0.00 | 19,900.00 | 0.00 | 0.00 | 114,900.00 |
| KUYKENDALL - | | | | | | 5,000.00 | 3,810.00 | 0.00 | 0.00 | 0.00 | 0.00 | 8,810.00 |
| HOFFIGER | | | | | | | | | | 20,000.00 | 20,000.00 | 40,000.00 |
| PUBLIC AFFAIRS | | | | | | | | | | 1,071.79 | 614.66 | 1,686.45 |
| TOTAL PROJECTS | 518,300.00 | 372,014.41 | 1,576,293.00 | 545,054.75 | 1,297,646.85 | 212,286.02 | 278,625.77 | 114,918.02 | 260,230.00 | 309,924.20 | 46,863.61 | 5,532,156.63 |
| FUNDRAISING | | | | | | | | | | | | |
| DIRECT | 2,428.91 | 5,151.61 | 29,795.09 | 264.23 | 3,745.30 | 2,002.37 | 14,395.15 | 0.00 | 0.00 | 0.00 | 0.00 | 57,782.66 |
| DIRECT MAIL | | | | | | | 39,312.00 | 0.00 | 5,960.85 | 0.00 | 0.00 | 45,272.85 |
| TRAVEL | 8,843.06 | 15,204.61 | 4,133.00 | 14,353.68 | 15,121.91 | 13,606.40 | 12,798.35 | 50,016.81 | 11,500.00 | 6,100.54 | 0.00 | 151,678.36 |
| LOCAL TRANSPORT (CABS) | | | 135.00 | 0.00 | 0.00 | 0.00 | 645.34 | 0.00 | 0.00 | 912.83 | 0.00 | 1,693.17 |
| LOCAL TRANSPORT (LIMO) | | | 3,230.38 | 0.00 | 1,732.56 | 0.00 | 0.00 | 0.00 | 0.00 | 3,128.17 | 0.00 | 8,091.11 |
| TOTAL FUNDRAISING | 11,271.97 | 20,356.22 | 37,293.47 | 14,617.91 | 20,599.77 | 15,608.77 | 67,150.84 | 50,016.81 | 17,460.85 | 10,141.54 | 0.00 | 264,518.15 |
| ADMINISTRATIVE | | | | | | | | | | | | |
| ACCOUNTING/AUDITING | 7,000.00 | 4,200.00 | 4,200.00 | 4,500.00 | 4,500.00 | 4,500.00 | 27,952.20 | 3,000.00 | 4,500.00 | 4,500.00 | 3,000.00 | 71,852.20 |
| BANK CHARGES | 82.18 | 69.00 | 168.00 | 72.64 | 232.50 | 10.00 | 932.20 | 264.84 | 46.00 | 309.60 | 70.36 | 2,257.32 |
| BROKERAGE FEES | | | 3,956.15 | 0.00 | 8,035.97 | 0.00 | 0.00 | 0.00 | 2,503.80 | 0.00 | 0.00 | 14,495.92 |
| COURIER SERVICE | 322.38 | 2,117.15 | 2,136.34 | 2,556.17 | 1,094.59 | 2,272.05 | 4,304.88 | 1,537.44 | 718.75 | 1,936.85 | 211.75 | 19,208.35 |
| EQUIPMENT RENTAL | 587.33 | 2,247.38 | 3,712.07 | 1,436.74 | 583.45 | 1,243.92 | 1,327.61 | 569.61 | 912.76 | 725.73 | 43.85 | 13,420.45 |
| FICA EMPLOYER | 3,510.64 | 3,496.28 | 1,351.28 | 1,188.75 | 1,515.08 | 1,515.09 | 1,527.96 | 1,726.41 | 1,689.59 | 653.48 | 740.90 | 18,915.46 |
| GROSS SALARIES | 49,100.00 | 59,899.00 | 28,899.00 | 61,135.75 | 40,623.79 | 38,549.99 | 43,369.99 | 46,145.90 | 41,630.65 | 9,139.65 | 10,362.18 | 428,855.90 |
| INTEREST | | | | | 596.74 | 0.00 | 30.72 | 37.89 | 15.11 | 0.00 | 15.02 | 6[redacted] |
| INSURANCE | 47.00 | 726.50 | 803.60 | 570.02 | 4,334.80 | 730.50 | 2,440.22 | 1,000.00 | 0.00 | 495.20 | 0.00 | 11,[redacted] |
| LEGAL FEES | 2,337.03 | 5,369.02 | 1,167.25 | 828.00 | 479.41 | 494.71 | 3,770.68 | 3,236.75 | 166.24 | 5,256.34 | 0.00 | 23,3[redacted] |
| MAINTENANCE | 380.00 | 570.00 | 760.00 | 950.00 | 903.00 | 760.00 | 1,385.00 | 380.00 | 480.00 | 650.00 | 480.00 | 7,698.00 |
| NEWS SERVICE (NEXIS) | | | | | | | 1,068.13 | 343.08 | 0.00 | 2,192.05 | 0.00 | 3,603.26 |
| MISCELLANEOUS | 3,982.90 | 235.50 | 769.01 | (1,311.15) | 245.69 | 517.74 | 0.00 | 325.41 | 431.26 | 595.00 | 0.22 | 5,791.58 |
| OFFICE SUPPLIES | 281.78 | 649.22 | 1,341.50 | 974.22 | 1,696.99 | 569.89 | 1,297.12 | 1,789.06 | 289.88 | 3,735.90 | 1,649.90 | 14,275.06 |
| OTHER PAYROLL TAXES | | | 766.42 | 1,246.14 | 0.00 | 0.00 | 810.89 | 0.00 | 0.00 | 598.20 | 0.00 | 3,421.65 |
| PENALTIES | | | | | | | 299.80 | 362.79 | 0.00 | 0.00 | 0.00 | 662.59 |
| OUTSIDE CONSULTANTS | 12,000.00 | 13,279.00 | 7,735.00 | 38,015.00 | 22,782.00 | 35,282.00 | 28,029.00 | 18,908.72 | 15,406.65 | 38,769.16 | 14,883.33 | 245,089.86 |
| PETTY CASH SUSPENSE | | | | | 450.00 | 400.00 | 0.00 | 665.00 | 630.00 | 350.00 | 382.00 | 2,877.00 |
| PHOTOCOPYING | | 393.16 | 956.67 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 1,349.83 |
| POSTAGE | 158.40 | | 443.99 | 163.27 | 573.00 | 398.00 | 844.00 | 160.00 | 153.00 | 51.88 | 333.00 | 3,278.54 |
| PRINTING | 71.97 | 5,360.41 | 59.93 | 170.50 | 55.25 | 19,214.94 | 1,486.98 | 166.40 | 0.00 | 1,025.00 | 104.10 | 27,715.48 |
| PUBLIC RELATIONS | 10,682.43 | 3,852.35 | | 4,148.93 | 5,360.00 | 1,730.13 | 2,551.22 | 3,433.39 | 2,116.43 | 12,089.55 | 2,684.55 | 48,648.98 |
| PUBLICATIONS | 211.10 | 1,828.35 | 327.65 | 1,165.25 | 712.50 | 898.60 | 520.90 | 1,433.60 | 51.00 | 2,115.03 | (872.00) | 8,391.98 |
| RENT | 7,725.00 | 1,425.00 | 1,425.00 | 0.00 | 2,850.00 | 1,425.00 | 1,425.00 | 23,737.51 | 16,443.84 | 32,887.68 | 16,443.84 | 105,787.87 |
| TELEPHONE | 2,257.45 | 1,355.89 | 2,663.55 | 2,331.33 | 5,362.40 | 610.49 | 5,884.64 | 33.53 | 1,199.83 | 7,888.75 | 0.00 | 29,787.86 |
| TEMPORARY HELP | | | | 381.50 | 1,106.99 | 68.44 | 400.00 | 160.00 | 0.00 | 496.51 | 0.00 | 2,613.04 |
| TRANSPORTATION LIMO | | 1,869.02 | | 1,600.65 | 0.00 | 1,261.38 | 0.00 | 2,900.73 | 0.00 | 0.00 | 50.00 | 7,681.78 |
| TRANSPORTATION LOCAL | | 75.00 | | 755.94 | 0.00 | 49.50 | 0.00 | 43.50 | 40.00 | 0.00 | 302.00 | 1,265.94 |
| TRANSPORTATION CAR LEASE | | | 621.34 | 0.00 | 0.00 | 1,242.68 | 0.00 | 0.00 | 621.34 | 0.00 | 0.00 | 2,485.36 |
| UTILITIES | | 383.84 | 177.76 | 108.80 | 123.98 | 283.82 | 325.62 | 0.00 | 299.33 | 0.00 | 0.00 | 1,703.15 |
| SUSPENSE | | | | 245.21 | 2,900.00 | 1,000.00 | 1,000.00 | 0.00 | 0.00 | 0.00 | 0.00 | 5,145.21 |
| TOTAL ADMINISTRATIVE | 100,737.59 | 109,801.07 | 64,441.51 | 123,233.66 | 107,117.33 | 115,028.87 | 132,984.76 | 112,361.56 | 90,345.46 | 126,491.56 | 50,885.00 | 1,133,428.37 |
| TOTAL DISBURSEMENTS | 630,309.56 | 502,171.70 | 1,678,027.98 | 682,906.32 | 1,425,363.95 | 342,923.66 | 478,761.37 | 277,296.39 | 368,036.31 | 446,557.30 | 97,748.61 | 6,930,103.15 |

1986 CASH RECEIPTS LEDGER

| DATE | CONTRIBUTOR | FUND | BANK ACCT | AMOUNT |
|---|---|---|---|---|
| 01/30/86 C | NEWINGTON | NEPL | HTTN 2 | 202,920.00 |
| 01/30/86 C | KING | NEPL | PALM 1 | 60,000.00 |
| 01/30/86 C | DRISCOLL | NEPL | PALM 1 | 30,000.00 |
| 01/30/86 C | GARWOOD | NEPL | PALM 1 | 65,000.00 |
| 01/30/86 C | RAMSEY | NEPL | PALM 1 | 30,000.00 |
| 01/30/86 C | STARNS | NEPL | PALM 1 | 30,000.00 |
| 01/30/86 C | AYER | NEPL | PALM 2 | 400.00 |
| 01/30/86 C | CLAGGETT | NEPL | PALM 2 | 20,000.00 |
| 01/30/86 C | SONMER | NEPL | PALM 2 | 1,000.00 |
| 01/30/86 C | ROBERTS | NEPL | PALM REG | 1,125.00 |
| 01/30/86 C | MILLS | NEPL | PALM REG | 500.00 |
| 01/30/86 C | LYNCH | NEPL | PALM REG | 2,000.00 |
| 01/30/86 C | MAC GREGOR | NEPL | PALM REG | 500.00 |
| 01/30/86 C | BENNETT | NEPL | PALM REG | 500.00 |
| 01/30/86 C | PERKINS | NEPL | PALM REG | 10,000.00 |
| 01/30/86 C | PARKER | NEPL | PALM REG | 5,000.00 |
| 01/30/86 C | GRIFFITH | NEPL | PALM REG | 20.00 |
| 01/30/86 C | HILLMAN | NEPL | PALM REG | 5,000.00 |
| 01/30/86 C | LANDRUM | NEPL | PALM REG | 500.00 |
| 01/30/86 C | GITTENO | NEPL | PALM REG | 250.00 |
| 01/30/86 C | CORN | NEPL | PALM REG | 3,000.00 |
| | JANUARY CONTRIBUTIONS | | | 467,715.00 |

| | | | | |
|---|---|---|---|---|
| 02/28/86 C | MERCUISON | NEPL | HTTN 2 | 22,535.40 |
| 02/28/86 C | BRANDON | NEPL | PALM 1 | 100,000.00 |
| 02/28/86 C | COLLINS | NEPL | PALM 1 | 500.00 |
| 02/28/86 C | HOOPER | NEPL | PALM 1 | 30,000.00 |
| 02/28/86 C | GOLDMAN | NEPL | PALM 1 | 200.00 |
| 02/28/86 C | WITTS | NEPL | PALM 1 | 5,000.00 |
| 02/28/86 C | KING | NEPL | PALM 1 | 60,000.00 |
| 02/28/86 C | MCFADDIN | NEPL | PALM 1 | 5,000.00 |
| 02/28/86 C | SALVATORI | NEPL | PALM 1 | 10,000.00 |
| 02/28/86 C | O'NEIL (DTA ANAL) | NEPL | PALM 1 | 100,000.00 |
| 02/28/86 C | BENDETSON | NEPL | PALM 1 | 100.00 |
| 02/28/86 C | GARWOOD | NEPL | PALM 1 | 50,000.00 |
| 02/28/86 C | TAYLOR | NEPL | PALM 1 | 500.00 |
| 02/28/86 C | ROBERTS | NEPL | PALM 1 | 10,000.00 |
| 02/28/86 C | NEWINGTON | NEPL | HTTN 2 | 38,800.00 |
| 02/28/86 C | NEWINGTON | NEPL | PALM 1 | 200.00 |
| | FEBRUARY CONTRIBUTIONS | | | 432,835.40 |

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1986 CASH RECEIPTS LEDGER

| DATE | CONTRIBUTOR | FUND | BANK ACCT | AMOUNT |
|---|---|---|---|---|
| 03/07/86 C | NEWINGTON | NEPL | HTTN 2 | 62,972.23 |
| 03/07/86 C | NEWINGTON | NEPL | HTTN 2 | (62,241.76) |
| 03/07/86 C | ADJUSTMENT | NEPL | HTTN 2 | (3,586.17) |
| 03/07/86 C | NEWINGTON | NEPL | HTTN 2 | (38,800.00) |
| 03/13/86 C | NEWINGTON | NEPL | HTTN 2 | 191,500.00 |
| 03/13/86 C | NEWINGTON | NEPL | HTTN 2 | 289,054.88 |
| 03/04/86 C | STUART | NEPL | PALM 1 | 7,500.00 |
| 03/04/86 C | AVERYT | NEPL | PALM 1 | 1,000.00 |
| 03/05/86 C | LYNCH | NEPL | PALM 1 | 25,000.00 |
| 03/10/86 C | BIRCHER | NEPL | PALM 1 | 100.00 |
| 03/10/86 C | KING | NEPL | PALM 1 | 35,000.00 |
| 03/10/86 C | ANDERSON | NEPL | PALM 1 | 3,000.00 |
| 03/10/86 C | NEWINGTON | NEPL | PALM 1 | 982.50 |
| 03/10/86 C | ADAMS | NEPL | PALM 1 | 1,000.00 |
| 03/12/86 C | SACHER | NEPL | PALM 1 | 100,000.00 |
| 03/12/86 C | WAGENER | NEPL | PALM 1 | 5.00 |
| 03/12/86 C | VAN DUSEN | NEPL | PALM 1 | 1,000.00 |
| 03/12/86 C | KILLESHANDRA (HOOPER) | NEPL | PALM 1 | 15,000.00 |
| 03/13/86 C | SACHER | NEPL | PALM 1 | 100,000.00 |
| 03/13/86 C | MILLER | NEPL | PALM 1 | 50.00 |
| 03/13/86 C | BECK | NEPL | PALM 1 | 10,000.00 |
| 03/13/86 C | MILLS | NEPL | PALM 1 | 100.00 |
| 03/13/86 C | O'CONNELL | NEPL | PALM 1 | 25.00 |
| 03/17/86 C | BENDETSEN | NEPL | PALM 1 | 100.00 |
| 03/17/86 C | HANES FOUNDATION | NEPL | PALM 1 | 5,000.00 |
| 03/17/86 C | CHRISTIAN | NEPL | PALM 1 | 1,000.00 |
| 03/17/86 C | OGBURN | NEPL | PALM 1 | 100.00 |
| 03/17/86 C | GIDDENS | NEPL | PALM 1 | 10,000.00 |
| 03/17/86 C | ADAMKIEWICZ | NEPL | PALM 1 | 1,500.00 |
| 03/17/86 C | ADAMKIEWICZ | NEPL | PALM 1 | 500.00 |
| 03/17/86 C | GERBER | NEPL | PALM 1 | 2,000.00 |
| 03/17/86 C | BARTON | NEPL | PALM 1 | 100.00 |
| 03/17/86 C | WILLIAMS | NEPL | PALM 1 | 100.00 |
| 03/17/86 C | RAY | NEPL | PALM 1 | 500.00 |
| 03/17/86 C | DRISCOLL | NEPL | PALM 1 | 1,000.00 |
| 03/17/86 C | SACHER | NEPL | PALM 1 | 100,000.00 |
| 03/17/86 C | McKINLEY | NEPL | PALM 1 | 3,000.00 |
| 03/17/86 C | O'NIELL & CO. | NEPL | PALM 1 | 255,204.00 |
| 03/17/86 C | GARWOOD | NEPL | PALM 1 | 41,000.00 |
| 03/17/86 C | ADELBERG | NEPL | PALM 1 | 700.00 |
| 03/17/86 C | PENTECOST | NEPL | PALM 1 | 3,000.00 |
| 03/17/86 C | MOSBACHER | NEPL | PALM 1 | 5,000.00 |
| 03/17/86 C | GRIFFITH | NEPL | PALM 1 | 200.00 |
| 03/17/86 C | TARRANT | NEPL | PALM 1 | 150.00 |
| 03/17/86 C | ANDERSON | NEPL | PALM 1 | 4,000.00 |
| 03/18/86 C | HUNT, B. (SHANK, IRWIN) | NEPL | PALM 1 | 237,000.00 |
| 03/19/86 C | SEGGERMAN | NEPL | PALM 1 | 1,000.00 |
| 03/20/86 C | GABLE | NEPL | PALM 1 | 500.00 |
| 03/20/86 C | DAVIDSON | NEPL | PALM 1 | 500.00 |
| 03/20/86 C | RASH | NEPL | PALM 1 | 500.00 |
| 03/20/86 C | STITES | NEPL | PALM 1 | 200.00 |
| 03/20/86 C | MANATEE STEVE. | NEPL | PALM 1 | 500.00 |
| 03/20/86 C | POTTER | NEPL | PALM 1 | 25.00 |
| 03/20/86 C | FRAZIER | NEPL | PALM 1 | 100.00 |
| 03/20/86 C | HALEY | NEPL | PALM 1 | 1,000.00 |
| 03/20/86 C | MARKET FURAR | NEPL | PALM 1 | 100.00 |
| 03/20/86 C | PERSONNEL POLICY | NEPL | PALM 1 | 500.00 |
| 03/21/86 C | SCOTT | NEPL | PALM 1 | 250.00 |
| 03/24/86 C | WILLIAMS | NEPL | PALM 1 | 200.00 |
| 03/25/86 C | MURRY | NEPL | PALM 1 | 15.00 |
| 03/25/86 C | BULLITT | NEPL | PALM 1 | 500.00 |
| 03/25/86 C | TAFT | NEPL | PALM 1 | 125.00 |
| 03/25/86 C | TOBY | NEPL | PALM 1 | 25.00 |
| 03/25/86 C | UNKNOWN | NEPL | PALM 1 | 5.00 |
| 03/26/86 C | DUDLEY | NEPL | PALM 1 | 1,000.00 |
| 03/27/86 C | GARWOOD | NEPL | PALM 1 | 130,000.00 |
| 03/27/86 C | HARRIS | NEPL | PALM 1 | 100.00 |
| 03/28/86 C | NEWINGTON | NEPL | PALM 1 | 142,000.00 |
| 03/28/86 C | WEISL | NEPL | PALM 1 | 1,000.00 |
| 03/28/86 C | IRELAND | NEPL | PALM 1 | 25.00 |
| 03/28/86 C | ANDERSON | NEPL | PALM 1 | 3,000.00 |
| 03/31/86 C | WOOD | NEPL | PALM 1 | 100.00 |
| 03/31/86 C | KING | NEPL | PALM 1 | 11,500.00 |
| 03/31/86 C | ONEIL | NEPL | PALM 1 | 65,378.00 |

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1986 CASH RECEIPTS LEDGER

| DATE | CONTRIBUTOR | FUND | BANK ACCT | AMOUNT |
|---|---|---|---|---|
| 03/31/86 C | ONEIL | NEPL | PALM 1 | 65,378.00 |
| 03/31/86 C | LYNCH | NEPL | PALM 1 | 5,000.00 |
| 03/31/86 C | REEVES | NEPL | PALM 1 | 1,000.00 |
| 03/31/86 C | ONEIL (TEXAS FIRST) | NEPL | PALM 1 | 747.50 |
| 03/17/86 C | TAYLOR | NEPL | PALM 2 | 500.00 |
| 03/31/86 C | GERBER | NEPL | PALM 2 | 2,000.00 |
| 03/31/86 C | PENTECOST | NEPL | PALM 2 | 2,500.00 |
| 03/31/86 C | ADAMKIEWICZ | NEPL | PALM 2 | 5,000.00 |
| 03/31/86 C | McKINLEY | NEPL | PALM 2 | 2,500.00 |
| 03/04/86 C | PENTECOST | NEPL | PALM REB | 1,250.00 |
| 03/04/86 C | MCKINLEY | NEPL | PALM REB | 1,250.00 |
| 03/31/86 C | WARM | NEPL | PREMISES | 294,436.88 |
| 03/31/86 C | ONEIL (FRNK RSRV) | NEPL | BRDCRT CPTL | 30,960.00 |
| | MARCH CONTRIBUTIONS | | | 2,117,108.08 |
| 04/18/86 C | GARWOOD | NEPL | HTTN 2 | 114,192.00 |
| 04/18/86 C | GARWOOD | NEPL | HTTN 2 | 378,125.00 |
| 04/18/86 C | GARWOOD | NEPL | HTTN 2 | 501,131.00 |
| 04/18/86 C | GARWOOD | NEPL | HTTN 2 | 34,250.00 |
| 04/18/86 C | GARWOOD | NEPL | HTTN 2 | 119,437.00 |
| 04/02/86 C | ELI S. JACOBS | NEPL | PALM 1 | 1,000.00 |
| 04/02/86 C | US INT'L CONTAINER | NEPL | PALM 1 | 250.00 |
| 04/02/86 C | O'NEIL | NEPL | BRDCRT CPTL | (30,960.00) |
| 04/02/86 C | O'NEIL | NEPL | PALM 1 | 30,960.00 |
| 04/04/86 C | LIDDELL | NEPL | PALM 1 | 1,000.00 |
| 04/07/86 C | KING | NEPL | PALM 1 | 150,000.00 |
| 04/07/86 C | FERGUSON | NEPL | PALM 1 | 5,000.00 |
| 04/14/86 C | MARTINEZ | NEPL | PALM 1 | 450.00 |
| 04/14/86 C | NUNN | NEPL | PALM 1 | 2,000.00 |
| 04/14/86 C | CHARTS | NEPL | PALM 1 | 250.00 |
| 04/17/86 C | FERGUSON | NEPL | PALM 1 | 5,000.00 |
| 04/17/86 C | SALWASSER | NEPL | PALM 1 | 20,000.00 |
| 04/21/86 C | CABALLERO | NEPL | PALM 1 | 300.00 |
| 04/21/86 C | HARRIS | NEPL | PALM 1 | 100.00 |
| 04/22/86 C | CLAGGETT | NEPL | PALM 1 | 5,000.00 |
| 04/23/86 C | DRISCOLL | NEPL | PALM 1 | 15,000.00 |
| 04/24/86 C | LEDBETTER | NEPL | PALM 1 | 5,000.00 |
| 04/28/86 C | KNECHT | NEPL | PALM 1 | 5.00 |
| 04/01/86 C | O'BOYLE | NEPL | PALM 2 | 130,000.00 |
| 04/09/86 C | GIDDENS | NEPL | PALM 2 | 32,500.00 |
| 04/09/86 C | CHRISTIAN | NEPL | PALM 2 | 1,000.00 |
| 04/16/86 C | GARWOOD | NEPL | PALM 2 | 470,000.00 |
| | APRIL CONTRIBUTIONS | | | 1,990,990.00 |
| 05/20/86 C | MCKINLEY | NEPL | PALM 1 | 500.00 |
| 05/21/86 C | KING | NEPL | PALM 1 | 150,000.00 |
| 05/20/86 C | GARWOOD | NEPL | PALM 2 | 350,000.00 |
| 05/29/86 C | HOOPER | NEPL | PALM 2 | 100,000.00 |
| | MAY CONTRIBUTIONS | | | 600,500.00 |
| 06/01/86 C | ST.GERARD FNDTION | NEPL | PALM 4 | 250.00 |
| 06/04/86 C | QUERAL/RAMOS | NEPL | PALM 4 | 50.00 |
| 06/05/86 C | DRISCOLL | NEPL | PALM 4 | 60,000.00 |
| 06/06/86 C | TARRANT | NEPL | PALM 4 | 5,000.00 |
| 06/09/86 C | BUCHANAN | NEPL | PALM 4 | 500.00 |
| 06/13/86 C | FLOWERS | NEPL | PALM 4 | 1,000.00 |
| 06/16/86 C | KING | NEPL | PALM 4 | 150,000.00 |
| 06/23/86 C | NEWMAN | NEPL | PALM 4 | 300.00 |
| 06/23/86 C | MILLS | NEPL | PALM 4 | 100.00 |
| 06/23/86 C | ROBERTS | NEPL | PALM 4 | 5,000.00 |
| 06/30/86 C | MARVIN | NEPL | PALM 4 | 15,000.00 |
| 06/30/86 C | GARWOOD | NEPL | PALM REB | (30,000.00) |
| 06/30/86 C | NEWINGTON | NEPL | PALM REB | (40,000.00) |
| | JUNE CONTRIBUTIONS | | | 167,200.00 |

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1986 CASH RECEIPTS LEDGER

| DATE | CONTRIBUTOR | FUND | BANK ACCT | AMOUNT |
|---|---|---|---|---|
| 07/21/86 C | ANDERSON | NEPL | PALM 1 | 5,000.00 |
| 07/02/86 C | GRIFFITH | NEPL | PALM 4 | 500.00 |
| 07/07/86 C | BIRCHER | NEPL | PALM 4 | 150.00 |
| 07/07/86 C | ADAMKIEWICZ | NEPL | PALM 4 | 500.00 |
| 07/07/86 C | HALEY | NEPL | PALM 4 | 5,000.00 |
| 07/07/86 C | ARMOUR | NEPL | PALM 4 | 1,000.00 |
| 07/14/86 C | HARBERT | NEPL | PALM 4 | 100.00 |
| 07/25/86 C | BENDETSEN | NEPL | PALM 4 | 1,000.00 |
| 07/25/86 C | KRIEBLE | NEPL | PALM 4 | 1,000.00 |
| 07/24/86 C | MILLS | NEPL | PALM REG | 50.00 |
| 07/29/86 C | IMMKE | NEPL | PALM REG | 1,080.00 |
| | JULY CONTRIBUTIONS | | | 15,380.00 |
| 08/12/86 C | NEWINGTON | NEPL | PALM 1 | 60,000.00 |
| 08/01/86 C | HERMANN | NEPL | PALM 4 | 3,000.00 |
| 08/01/86 C | SHAW | NEPL | PALM REG | 100.00 |
| 08/01/86 C | CHRISTIAN | NEPL | PALM REG | 2,000.00 |
| 08/01/86 C | GARWOOD | NEPL | PALM REG | 40,000.00 |
| 08/01/86 C | GARWOOD | NEPL | PALM REG | 10,000.00 |
| 08/04/86 C | McKINLEY | NEPL | PALM REG | 500.00 |
| 08/04/86 C | FLOWERS | NEPL | PALM REG | 100.00 |
| 08/04/86 C | PENTECOST | NEPL | PALM REG | 500.00 |
| 08/05/86 C | MCQUEEN | NEPL | PALM REG | 341.00 |
| 08/05/86 C | WILLIAMS | NEPL | PALM REG | 100.00 |
| 08/13/86 C | BERWICK | NEPL | PALM REG | 30.00 |
| 08/13/86 C | ROBERTS | NEPL | PALM REG | 1,000.00 |
| 08/13/86 C | BENDETSEN | NEPL | PALM REG | 300.00 |
| 08/20/86 C | SALWASSER | NEPL | PALM REG | 2,000.00 |
| 08/25/86 C | LYNCH | NEPL | PALM REG | 4,000.00 |
| 08/25/86 C | MILLER | NEPL | PALM REG | 50.00 |
| 08/28/86 C | KING | NEPL | PALM REG | 5,000.00 |
| 08/28/86 C | COMM FNDATN TX | NEPL | PALM REG | 2,000.00 |
| 08/31/86 C | WARM/GERBER STK 868 | NEPL | PREMISES | 40,796.00 |
| | AUGUST CONTRIBUTIONS | | | 171,817.00 |
| 09/05/86 C | WARM/GRBR STK 7183 | NEPL | HTTN 2 | 335,232.88 |
| 09/16/86 C | NEWINGTON | NEPL | HTTN 2 | 132,000.00 |
| 09/17/86 C | KING | NEPL | HTTN REG | 300,000.00 |
| 09/18/86 C | NEWINGTON | NEPL | HTTN REG | 10,000.00 |
| 09/18/86 C | NEWINGTON | NEPL | HTTN REG | 12,000.00 |
| 09/23/86 C | GARWOOD | NEPL | PALM 1 | 80,000.00 |
| 09/02/86 C | US TREASURY | NEPL | PALM REG | 501.00 |
| 09/02/86 C | HERMANN | NEPL | PALM REG | 1,000.00 |
| 09/02/86 C | WASH CONSLTG GRP | NEPL | PALM REG | 1,000.00 |
| 09/05/86 C | OGBURN | NEPL | PALM REG | 100.00 |
| 09/05/86 C | BODNER | NEPL | PALM REG | 264.00 |
| 09/17/86 C | DARLINGTON | NEPL | PALM REG | 5,000.00 |
| 09/19/86 C | SALWASSER | NEPL | PALM REG | 20,000.00 |
| 09/19/86 C | RAMSEY | NEPL | PALM REG | 18,000.00 |
| 09/19/86 C | SEELIGSON | NEPL | PALM REG | 200.00 |
| 09/23/86 C | RAGLE | NEPL | PALM REG | 450.00 |
| 09/23/86 C | ANDERSON, VIRGINIA | NEPL | PALM REG | 5,000.00 |
| 09/24/86 C | PENTECOST | NEPL | PALM REG | 2,500.00 |
| 09/24/86 C | MCKINLEY | NEPL | PALM REG | 3,500.00 |
| 09/24/86 C | WEBB | NEPL | PALM REG | 1,000.00 |
| 09/25/86 C | PIERCE | NEPL | PALM REG | 10,000.00 |
| 09/26/86 C | CHRISTIAN | NEPL | PALM REG | 3,000.00 |
| 09/26/86 C | TAYLOR | NEPL | PALM REG | 1,000.00 |
| 09/30/86 C | PERRY | NEPL | PALM REG | 10.00 |
| 09/30/86 C | MILLS | NEPL | PALM REG | 100.00 |
| 09/30/86 C | HALEY | NEPL | PALM REG | 500.00 |
| 09/30/86 C | WARM | NEPL | PALM REG | 20,000.00 |
| 09/30/86 C | LYNCH | NEPL | PALM REG | 3,000.00 |
| 09/05/86 C | WARM/GRBR STK 868 | NEPL | PREMISES | (40,796.00) |
| 09/05/86 C | WARM/GRBR STK 6315 | NEPL | PREMISES | (294,436.88) |
| | SEPTEMBER CONTRIBUTIONS | | | 630,125.00 |

1986 CASH RECEIPTS LEDGER

| DATE | CONTRIBUTOR | FUND | BANK ACCT | AMOUNT |
|---|---|---|---|---|
| 10/17/86 C | KING | NEPL | HTTN 2 | 21,000.00 |
| 10/17/86 C | NEWINGTON | NEPL | HTTN 2 | 20,000.00 |
| 10/03/86 C | NEWINGTON | NEPL | PALM 1 | 49,000.00 |
| 10/03/86 C | SACHER | NEPL | PALM 1 | 100,000.00 |
| 10/07/86 C | RAMSEY | NEPL | PALM 1 | 12,000.00 |
| 10/07/86 C | MILLS | NEPL | PALM 1 | 1,000.00 |
| 10/07/86 C | MUELLER | NEPL | PALM 1 | 100.00 |
| 10/07/86 C | PEW | NEPL | PALM 1 | 1,000.00 |
| 10/07/86 C | O'BOYLE | NEPL | PALM 1 | 30,000.00 |
| 10/10/86 C | DARLINGTON | NEPL | PALM 1 | 12,000.00 |
| 10/20/86 C | GARWOOD | NEPL | PALM 1 | (25,000.00) |
| 10/03/86 C | GARWOOD | NEPL | PALM 2 | 90,000.00 |
| 10/17/86 C | GARWOOD | NEPL | PALM 2 | 100,000.00 |
| 10/30/86 C | TRAMPE, LUCINDA | NEPL | PALM 4 | 25.00 |
| 10/30/86 C | ATKINSON, WM. | NEPL | PALM 4 | 25.00 |
| 10/10/86 C | CHRISTIAN | NEPL | PALM 5 | 1,000.00 |
| 10/01/86 C | ADAMKIEWICZ | NEPL | PALM REG | 1,200.00 |
| 10/03/86 C | SALVATORI | NEPL | PALM REG | 5,000.00 |
| 10/03/86 C | HAIGLER | NEPL | PALM REG | 500.00 |
| 10/17/86 C | WARM | NEPL | PALM REG | 1,000.00 |
| 10/20/86 C | LEDBETTER | NEPL | PALM REG | 3,000.00 |
| 10/22/86 C | MARTINEZ | NEPL | PALM REG | 100.00 |
| 10/22/86 C | RAMSEY | NEPL | PALM REG | 310.00 |
| 10/23/86 C | CRAWFORD | NEPL | PALM REG | 20.00 |
| 10/23/86 C | CLAMPITT | NEPL | PALM REG | 4,000.00 |
| 10/27/86 C | NOLAN | NEPL | PALM REG | 5.00 |
| 10/27/86 C | SALWASSER | NEPL | PALM REG | 410.00 |
| 10/27/86 C | VACHON | NEPL | PALM REG | 10.00 |
| 10/28/86 C | HILL | NEPL | PALM REG | 50.00 |
| 10/28/86 C | SIBLEY | NEPL | PALM REG | 25.00 |
| 10/28/86 C | ADAMS | NEPL | PALM REG | 100.00 |
| 10/28/86 C | ROBINSON | NEPL | PALM REG | 50.00 |
| 10/28/86 C | ROBERTSON | NEPL | PALM REG | 10.00 |
| 10/28/86 C | BOLLING, JR. | NEPL | PALM REG | 100.00 |
| 10/28/86 C | DAY | NEPL | PALM REG | 50.00 |
| 10/30/86 C | WISE | NEPL | PALM REG | 100.00 |
| 10/30/86 C | NELSON | NEPL | PALM REG | 10.00 |
| 10/30/86 C | GRENOBLE | NEPL | PALM REG | 20.00 |
| 10/30/86 C | CONE | NEPL | PALM REG | 15.00 |
| 10/30/86 C | CLAMPITT | NEPL | PALM REG | 1,000.00 |
| 10/30/86 C | KELLUM | NEPL | PALM REG | 10.00 |
| 10/30/86 C | GUEST | NEPL | PALM REG | 40.00 |
| 10/30/86 C | SNYDER, J.R. | NEPL | PALM REG | 5.00 |
| 10/30/86 C | GRAY, ROBT | NEPL | PALM REG | 50.00 |
| 10/30/86 C | KENAN | NEPL | PALM REG | 500.00 |
| 10/30/86 C | DOHENY | NEPL | PALM REG | 50.00 |
| 10/30/86 C | YEREGA | NEPL | PALM REG | 5.00 |
| 10/30/86 C | FORCADE | NEPL | PALM REG | 5.00 |
| 10/30/86 C | ROSSI | NEPL | PALM REG | 100.00 |
| 10/30/86 C | FARRIS, FRANK | NEPL | PALM REG | 100.00 |
| 10/30/86 C | ADJUSTMENT | NEPL | PALM REG | (5,000.00) |
| 10/28/86 C | QUINN | NEPL | PETTY CASH | 1.00 |
| 10/28/86 C | NICKEL | NEPL | PETTY CASH | 1.00 |
| | OCTOBER CONTRIBUTIONS | | | 425,102.00 |

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1986 CASH RECEIPTS LEDGER

| DATE | CONTRIBUTOR | FUND | BANK ACCT | AMOUNT |
|---|---|---|---|---|
| 11/03/86 C | WEGE | NEPL | PALM REG | 1,000.00 |
| 11/03/86 C | SIMON | NEPL | PALM REG | 25.00 |
| 11/05/86 C | MULLEN | NEPL | PALM REG | 50.00 |
| 11/05/86 C | MILLER | NEPL | PALM REG | 50.00 |
| 11/05/86 C | BROWNFIELD | NEPL | PALM REG | 50.00 |
| 11/05/86 C | REYNOLDS | NEPL | PALM REG | 5.00 |
| 11/05/86 C | LIND CONSTRUCTION | NEPL | PALM REG | 100.00 |
| 11/05/86 C | VERMOOTEN | NEPL | PALM REG | 25.00 |
| 11/05/86 C | NELSON | NEPL | PALM REG | 10.00 |
| 11/05/86 C | LONG | NEPL | PALM REG | 10.00 |
| 11/05/86 C | INGE | NEPL | PALM REG | 100.00 |
| 11/05/86 C | READY | NEPL | PALM REG | 50.00 |
| 11/05/86 C | CORN | NEPL | PALM REG | 3,000.00 |
| 11/05/86 C | SMITH, JR. | NEPL | PALM REG | 50.00 |
| 11/05/86 C | DOOLIN | NEPL | PALM REG | 25.00 |
| 11/05/86 C | HERZOG | NEPL | PALM REG | 50.00 |
| 11/05/86 C | ROSS | NEPL | PALM REG | 25.00 |
| 11/05/86 C | PARSONS | NEPL | PALM REG | 100.00 |
| 11/05/86 C | PENHOLLOW | NEPL | PALM REG | 25.00 |
| 11/05/86 C | EFINGER | NEPL | PALM REG | 10.00 |
| 11/05/86 C | CONDER | NEPL | PALM REG | 3.00 |
| 11/05/86 C | BRISTOL | NEPL | PALM REG | 50.00 |
| 11/05/86 C | SHARTLE | NEPL | PALM REG | 100.00 |
| 11/05/86 C | HEIDMANN | NEPL | PALM REG | 50.00 |
| 11/05/86 C | FLETCHER, TILTON | NEPL | PALM REG | 100.00 |
| 11/06/86 C | CHRISTIAN | NEPL | PALM REG | 750.00 |
| 11/07/86 C | SAMARA | NEPL | PALM REG | 2,500.00 |
| 11/07/86 C | BENEDUM | NEPL | PALM REG | 50.00 |
| 11/07/86 C | LEIB | NEPL | PALM REG | 5.00 |
| 11/07/86 C | DIAZ-TAMAYO | NEPL | PALM REG | 25.00 |
| 11/07/86 C | GREENAWALT | NEPL | PALM REG | 10.00 |
| 11/07/86 C | FULKERSON | NEPL | PALM REG | 50.00 |
| 11/07/86 C | MELVILLE | NEPL | PALM REG | 25.00 |
| 11/07/86 C | HOSFORD | NEPL | PALM REG | 50.00 |
| 11/07/86 C | HARNISH | NEPL | PALM REG | 20.00 |
| 11/10/86 C | CARLISLE | NEPL | PALM REG | 10.00 |
| 11/10/86 C | LUCHT | NEPL | PALM REG | 50.00 |
| 11/10/86 C | GROSS | NEPL | PALM REG | 25.00 |
| 11/10/86 C | MUNFORD | NEPL | PALM REG | 25.00 |
| 11/12/86 C | ROWE | NEPL | PALM REG | 100.00 |
| 11/12/86 C | IZZO | NEPL | PALM REG | 10.00 |
| 11/13/86 C | TELESIO | NEPL | PALM REG | 100.00 |
| 11/18/86 C | TUT | NEPL | PALM REG | 50.00 |
| 11/18/86 C | HILZINGER | NEPL | PALM REG | 2.00 |
| 11/18/86 C | DWINELL | NEPL | PALM REG | 25.00 |
| 11/21/86 C | SUMNICHT | NEPL | PALM REG | 10.00 |
| 11/21/86 C | CASE | NEPL | PALM REG | 10.00 |
| 11/21/86 C | LECKIE EWING | NEPL | PALM REG | 20.00 |
| 11/21/86 C | HAYDEN | NEPL | PALM REG | 15.00 |
| 11/21/86 C | ANDERSON | NEPL | PALM REG | 25.00 |
| 11/21/86 C | WOOD | NEPL | PALM REG | 50.00 |
| 11/25/86 C | WEGE | NEPL | PALM REG | 1,000.00 |
| 11/25/86 C | HILGENDORF | NEPL | PALM REG | 20.00 |
| 11/25/86 C | BURRER | NEPL | PALM REG | 50.00 |
| 11/25/86 C | CHAMBERLAIN | NEPL | PALM REG | 100.00 |
| 11/10/86 C | MARTIN, WM. | NEPL | PALM 4 | 10.00 |
| 11/05/86 C | BEST, L. | NEPL | PETTY CASH | 1.00 |
| 11/05/86 C | WALDO | NEPL | PETTY CASH | 20.00 |
| 11/05/86 C | UNKNOWN | NEPL | PETTY CASH | 5.01 |
| 11/07/86 C | UNKNOWN | NEPL | PETTY CASH | 1.00 |
| 11/21/86 C | NICHOLSON | NEPL | PETTY CASH | 1.00 |
| 11/21/86 C | ELWELL | NEPL | PETTY CASH | 1.00 |
| 11/25/86 C | HOCKENSMITH | NEPL | PETTY CASH | 2.00 |
| | NOVEMBER CONTRIBUTIONS | | | 10,286.01 |

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1986 CASH RECEIPTS LEDGER

| DATE | CONTRIBUTOR | FUND | BANK ACCT | AMOUNT |
|---|---|---|---|---|
| 12/02/86 C | SUMMERS, M. | NEPL | PALM A | 40.00 |
| 12/02/86 C | MCCLAY | NEPL | PALM REG | 5.00 |
| 12/02/86 C | SHULL | NEPL | PALM REG | 5.00 |
| 12/02/86 C | HOLDEMAN | NEPL | PALM REG | 10.00 |
| 12/02/86 C | DIJULIO | NEPL | PALM REG | 25.00 |
| 12/02/86 C | MADSEN | NEPL | PALM REG | 50.00 |
| 12/02/86 C | MILLS, STEWART | NEPL | PALM REG | 100.00 |
| 12/02/86 C | KAISER | NEPL | PALM REG | 10.00 |
| 12/02/86 C | JACKSON | NEPL | PALM REG | 10.00 |
| 12/02/86 C | COULADIS | NEPL | PALM REG | 10.00 |
| 12/02/86 C | LOVEJOY | NEPL | PALM REG | 50.00 |
| 12/02/86 C | HARRY | NEPL | PALM REG | 7.50 |
| 12/02/86 C | MOORE | NEPL | PALM REG | 100.00 |
| 12/02/86 C | GRAHAM | NEPL | PALM REG | 5.00 |
| 12/02/86 C | HARRY | NEPL | PALM REG | 5.00 |
| 12/02/86 C | DORCAS | NEPL | PALM REG | 50.00 |
| 12/03/86 C | OSTER | NEPL | PALM REG | 25.00 |
| 12/03/86 C | GNADINGER | NEPL | PALM REG | 5.00 |
| 12/03/86 C | SAUER | NEPL | PALM REG | 100.00 |
| 12/03/86 C | BOYER | NEPL | PALM REG | 5.00 |
| 12/03/86 C | RUEF | NEPL | PALM REG | 5.00 |
| 12/03/86 C | CALHOUN | NEPL | PALM REG | 10.00 |
| 12/03/86 C | ROLLER | NEPL | PALM REG | 5.00 |
| 12/03/86 C | WILCOX | NEPL | PALM REG | 50.00 |
| 12/03/86 C | TRAUTMAN | NEPL | PALM REG | 15.00 |
| 12/03/86 C | DAUENHAUER | NEPL | PALM REG | 50.00 |
| 12/03/86 C | THIELE | NEPL | PALM REG | 10.00 |
| 12/03/86 C | AVELLO | NEPL | PALM REG | 100.00 |
| 12/02/86 C | WESTERGARD | NEPL | PETTY CASH | 1.00 |
| 12/02/86 C | WOODMANSER | NEPL | PETTY CASH | 40.00 |
| 12/02/86 C | COZBY | NEPL | PETTY CASH | 0.02 |
| | DECEMBER CONTRIBUTIONS | | | 903.52 |
| | YEAR-TO-DATE TOTAL CONTRIBUTIONS | | | 7,029,962.01 |

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1986 CASH RECEIPTS NEPL - THRU 10/31/86

| DATE | CONTRIBUTOR | SOLICITOR | PROJECT | ORGANIZATION | AMOUNT |
|---|---|---|---|---|---|
| 03/17/86 | ADAMIECZ | SPITZ | CAFP TV ADS | NEPL | 1,500.00 |
| 03/17/86 | ADAMKIEWICZ | SPITZ | CAFP TV ADS | NEPL | 500.00 |
| 03/31/86 | ADAMKIEWICZ | CLIFF | CAFP TV ADS | NEPL | 5,000.00 |
| 07/07/86 | ADAMKIEWICZ | CLIFF | SDI ADS | NEPL | 500.00 |
| 10/01/86 | ADAMKIEWICZ | CLIFF | GENL | NEPL | 1,300.00 |
| 03/10/86 | ADAMS | JANE | CAFP TV ADS | NEPL | 1,000.00 |
| 10/28/86 | ADAMS | DIR MAIL | GENL | NEPL | 100.00 |
| 03/17/86 | ADELBERG | CHRISTIAN | CAFP TV ADS | NEPL | 700.00 |
| 09/10/86 | AIKEN | N/A | FURNITURE | NEPL | 45.00 |
| 03/10/86 | ANDERSON | KRIS | CAFP TV ADS | NEPL | 3,000.00 |
| 03/28/86 | ANDERSON | KRIS | CAFP TV ADS | NEPL | 3,000.00 |
| 07/21/86 | ANDERSON | KRIS | CAFP GENL | NEPL | 5,000.00 |
| 09/23/86 | ANDERSON, VIRGINIA | KRIS | CAFP FOOD | NEPL | 5,000.00 |
| 07/07/86 | ARMOUR | FRED | SDI ADS | NEPL | 1,000.00 |
| 10/30/86 | ATKINSON, WM. | DIR MAIL | SDI ADS | NEPL | 25.00 |
| 03/04/86 | AVERYT | CLIFF | CAFP TV ADS | NEPL | 1,000.00 |
| 01/30/86 | AYER | UNKNOWN | CAFP TV ADS | NEPL | 400.00 |
| 03/17/86 | BARTON | CHRISTIAN | CAFP TV ADS | NEPL | 100.00 |
| 01/30/86 | BECK | SPITZ | CAFP TV ADS | NEPL | 98,133.97 |
| 03/13/86 | BECK | CLIFF | CAFP TV ADS | NEPL | 10,000.00 |
| 03/17/86 | BENDETSEN | JANE | CAFP TV ADS | NEPL | 100.00 |
| 07/25/86 | BENDETSEN | JANE | SDI ADS | NEPL | 1,000.00 |
| 08/13/86 | BENDETSEN | JANE | CAFP FOOD | NEPL | 300.00 |
| 02/28/86 | BENDETSON | JANE | CAFP TV ADS | NEPL | 100.00 |
| 01/30/86 | BENNETT | CLIFF | CAFP TV ADS | NEPL | 500.00 |
| 08/13/86 | BERWICK | JOHN | CAFP FOOD | NEPL | 30.00 |
| 03/10/86 | BIRCHER | CLIFF | CAFP TV ADS | NEPL | 100.00 |
| 07/07/86 | BIRCHER | CLIFF | SDI ADS | NEPL | 150.00 |
| 09/05/86 | BODNER | JOHN | CAFP FOOD | NEPL | 264.00 |
| 10/28/86 | BOLLING, JR. | DIR MAIL | GENL | NEPL | 100.00 |
| 02/28/86 | BRANDON | SPITZ | CAFP GENL | NEPL | 100,000.00 |
| 06/09/86 | BUCHANAN | FRED | SDI ADS | NEPL | 500.00 |
| 03/25/86 | BULLITT | CHRISTIAN | CAFP TV ADS | NEPL | 500.00 |
| 04/21/86 | CABALLERO | JANE | CAFP TV ADS | NEPL | 300.00 |
| 09/12/86 | CHANNELL | N/A | REIM P.CASH | NEPL | 20.00 |
| 04/14/86 | CHARTS | JANE | CAFP TV ADS | NEPL | 250.00 |
| 03/17/86 | CHRISTIAN | SPITZ | CAFP TV ADS | NEPL | 1,000.00 |
| 04/09/86 | CHRISTIAN | CLIFF | TV ADS | NEPL | 1,000.00 |
| 08/01/86 | CHRISTIAN | CLIFF | CAFP FOOD | NEPL | 2,000.00 |
| 09/26/86 | CHRISTIAN | SPITZ | CAFP FOOD | NEPL | 3,000.00 |
| 10/10/86 | CHRISTIAN | SPITZ | PUB AFF | NEPL | 1,000.00 |
| 01/30/86 | CLAGGETT | KRIS/SPITZ | TV ADS | NEPL | 20,000.00 |
| 04/22/86 | CLAGGETT | KRIS | CAFP TV ADS | NEPL | 5,000.00 |
| 10/23/86 | CLAMPITT | CLIFF | GENL | NEPL | 4,000.00 |
| 10/30/86 | CLAMPITT | CLIFF | GENL | NEPL | 1,000.00 |
| 02/28/86 | COLLINS | JANE | CAFP TV ADS | NEPL | 500.00 |
| 08/28/86 | COMM FNDATN TX | JANE | CAFP FOOD | NEPL | 2,000.00 |
| 10/30/86 | CONE | DIR MAIL | GENL | NEPL | 15.00 |
| 01/30/86 | CORN | KRIS | CAFP TV ADS | NEPL | 3,000.00 |
| 10/23/86 | CRAWFORD | DIR MAIL | GENL | NEPL | 20.00 |
| 09/17/86 | DARLINGTON | CLIFF | GENL | NEPL | 5,000.00 |
| 10/10/86 | DARLINGTON | SPITZ | CAFP GENL | NEPL | 12,000.00 |
| 03/20/86 | DAVIDSON | CHRISTIAN | CAFP TV ADS | NEPL | 500.00 |
| 10/28/86 | DAY | DIR MAIL | GENL | NEPL | 50.00 |
| 09/10/86 | DESTA | N/A | FURNITURE | NEPL | 310.00 |
| 09/10/86 | DESTA | N/A | FURNITURE | NEPL | 375.00 |
| 10/30/86 | DOMENY | DIR MAIL | GENL | NEPL | 50.00 |
| 01/30/86 | DRISCOLL | SPITZ | CAFP TV ADS | NEPL | 30,000.00 |
| 03/17/86 | DRISCOLL | CLIFF | CAFP TV ADS | NEPL | 1,000.00 |
| 04/23/86 | DRISCOLL | CLIFF | CAFP TV ADS | NEPL | 15,000.00 |
| 06/05/86 | DRISCOLL | CLIFF | SDI ADS | NEPL | 60,000.00 |
| 03/26/86 | DUDLEY | CLIFF | CAFP TV ADS | NEPL | 1,000.00 |
| 04/02/86 | ELI S. JACOBS | JANE | CAFP TV ADS | NEPL | 1,000.00 |
| 10/30/86 | FARRIS, FRANK | DIR MAIL | GENL | NEPL | 100.00 |
| 04/07/86 | FERGUSON | JANE | CAFP TV ADS | NEPL | 5,000.00 |
| 04/17/86 | FERGUSON | JANE | CAFP TV ADS | NEPL | 5,000.00 |
| 06/13/86 | FLOWERS | CLIFF | SDI ADS | NEPL | 1,000.00 |
| 08/04/86 | FLOWERS | CLIFF | CAFP FOOD | NEPL | 100.00 |
| 10/30/86 | FORCADE | DIR MAIL | GENL | NEPL | 5.00 |
| 03/20/86 | FRAZIER | CHRISTIAN | CAFP TV ADS | NEPL | 100.00 |
| 03/20/86 | GABLE | CHRISTIAN | CAFP TV ADS | NEPL | 500.00 |
| 01/30/86 | GARWOOD | SPITZ | CAFP TV ADS | NEPL | 65,000.00 |
| 02/28/86 | GARWOOD | SPITZ | CAFP TV ADS | NEPL | 50,000.00 |
| 03/17/86 | GARWOOD | SPITZ | CAFP TV ADS | NEPL | 41,000.00 |
| 03/27/86 | GARWOOD | SPITZ | CAFP TV ADS | NEPL | 130,000.00 |
| 04/16/86 | GARWOOD | SPITZ | TV ADS | NEPL | 470,000.00 |

1986 CASH RECEIPTS NEPL

| DATE | CONTRIBUTOR | SOLICITOR | PROJECT | ORGANIZATION | AMOUNT |
|---|---|---|---|---|---|
| 04/18/86 | GARWOOD | SPITZ | TV ADS | NEPL | 34,500.00 |
| 04/18/86 | GARWOOD | SPITZ | TV ADS | NEPL | 508,875.00 |
| 04/18/86 | GARWOOD | SPITZ | TV ADS | NEPL | 387,500.00 |
| 04/18/86 | GARWOOD | SPITZ | TV ADS | NEPL | 117,936.00 |
| 04/18/86 | GARWOOD | SPITZ | TV ADS | NEPL | 126,787.00 |
| 05/20/86 | GARWOOD | SPITZ | TV ADS | NEPL | 350,000.00 |
| 08/01/86 | GARWOOD | SPITZ | CAFP FOOD | NEPL | 40,000.00 |
| 08/01/86 | GARWOOD | SPITZ | CAFP FOOD | NEPL | 10,000.00 |
| 09/23/86 | GARWOOD | SPITZ | CAFP GENL | NEPL | 80,000.00 |
| 10/03/86 | GARWOOD | SPITZ | CAFP GENL | NEPL | 90,000.00 |
| 10/17/86 | GARWOOD | SPITZ | CAFP GENL | NEPL | 100,000.00 |
| 03/17/86 | GERBER | CLIFF | CAFP TV ADS | NEPL | 2,000.00 |
| 03/31/86 | GERBER | CLIFF | CAFP TV ADS | NEPL | 2,000.00 |
| 03/17/86 | GIDDENS | KRIS/DAN | CAFP TV ADS | NEPL | 10,000.00 |
| 04/09/86 | GIDDENS | KRIS | TV ADS | NEPL | 32,500.00 |
| 01/30/86 | GITTENO | UNKNOWN | CAFP TV ADS | NEPL | 250.00 |
| 02/28/86 | GOLDMAN | JANE | CAFP TV ADS | NEPL | 200.00 |
| 07/17/86 | GOODMAN | N/A | REFUND MEDIA CANCL | NEPL | 37,356.61 |
| 10/30/86 | GRAY, ROBT | DIR MAIL | GENL | NEPL | 50.00 |
| 10/30/86 | GRENOBLE | DIR MAIL | GENL | NEPL | 20.00 |
| 01/30/86 | GRIFFITH | CLIFF | CAFP TV ADS | NEPL | 20.00 |
| 03/17/86 | GRIFFITH | CLIFF | CAFP TV ADS | NEPL | 200.00 |
| 04/21/86 | GRIFFITH | CLIFF | CAFP TV ADS | NEPL | 100.00 |
| 07/02/86 | GRIFFITH | CLIFF | SDI ADS | NEPL | 500.00 |
| 10/30/86 | GUEST | DIR MAIL | GENL | NEPL | 40.00 |
| 10/03/86 | HAIGLER | JOHN | GENL | NEPL | 500.00 |
| 03/20/86 | HALEY | KRIS | CAFP TV ADS | NEPL | 1,000.00 |
| 07/07/86 | HALEY | CLIFF | SDI ADS | NEPL | 5,000.00 |
| 09/30/86 | HALEY | SPITZ | GENL | NEPL | 500.00 |
| 03/17/86 | HANES FOUNDATION | KRIS | CAFP TV ADS | NEPL | 5,000.00 |
| 07/14/86 | HARBERT | JOHN | SDI ADS | NEPL | 100.00 |
| 03/27/86 | HARRIS | DIR MAIL | CAFP TV ADS | NEPL | 100.00 |
| 04/21/86 | HARRIS | DIR MAIL | CAFP TV ADS | NEPL | 100.00 |
| 07/31/86 | HERMANN | KRIS | SDI ADS | NEPL | 3,000.00 |
| 09/02/86 | HERMANN | KRIS | CAFP FOOD | NEPL | 1,000.00 |
| 10/28/86 | HILL | DIR MAIL | GENL | NEPL | 50.00 |
| 01/30/86 | HILLMAN | CLIFF | CAFP TV ADS | NEPL | 5,000.00 |
| 02/28/86 | HOOPER | JANE | CAFP TV ADS | NEPL | 30,000.00 |
| 05/29/86 | HOOPER | JANE | TV ADS | NEPL | 100,000.00 |
| 09/10/86 | HOYT | N/A | FURNITURE | NEPL | 200.00 |
| 03/18/86 | HUNT, B. (SHANK, IRWIN) | SPITZ | CAFP TV ADS | NEPL | 237,000.00 |
| 07/29/86 | IMAKE | JANE | GENERAL PRO. | NEPL | 1,080.00 |
| 01/30/86 | INT INC. JAN | N/A | INTEREST | NEPL | 63.93 |
| 03/28/86 | IRELAND | CHRISTIAN | CAFP TV ADS | NEPL | 25.00 |
| 09/12/86 | IRVING SAVINGS | N/A | INTEREST | NEPL | 41.98 |
| 10/03/86 | IRVING SVGS. | N/A | DIVIDEND | NEPL | 40.63 |
| 10/30/86 | KELLUM | DIR MAIL | GENL | NEPL | 10.00 |
| 10/30/86 | KENAN | DIR MAIL | GENL | NEPL | 500.00 |
| 03/12/86 | KILLESHANDRA (HOOPER) | JANE | CAFP TV ADS | NEPL | 15,000.00 |
| 01/30/86 | KING | SPITZ | CAFP TV ADS | NEPL | 60,000.00 |
| 02/28/86 | KING | SPITZ | CAFP TV ADS | NEPL | 60,000.00 |
| 03/10/86 | KING | CLIFF | CAFP TV ADS | NEPL | 35,000.00 |
| 03/31/86 | KING | CLIFF | CAFP TV ADS | NEPL | 11,500.00 |
| 04/07/86 | KING | CLIFF | CAFP TV ADS | NEPL | 150,000.00 |
| 05/21/86 | KING | CLIFF | CAFP TV ADS | NEPL | 150,000.00 |
| 06/16/86 | KING | CLIFF | SDI ADS | NEPL | 150,000.00 |
| 08/28/86 | KING | CLIFF | CAFP FOOD | NEPL | 5,000.00 |
| 09/17/86 | KING | CLIFF | GENL | NEPL | 300,000.00 |
| 10/17/86 | KING | CLIFF | GENL | NEPL | 21,000.00 |
| 07/25/86 | KRIEBLE | SPITZ | SDI ADS | NEPL | 1,000.00 |
| 01/30/86 | LANDRUM | KRIS | TV ADS | NEPL | 500.00 |
| 04/24/86 | LEDBETTER | CLIFF | CAFP TV ADS | NEPL | 5,000.00 |
| 10/20/86 | LEDBETTER | SPITZ | GENL | NEPL | 3,000.00 |
| 04/04/86 | LIDDELL | JANE | CAFP TV ADS | NEPL | 1,000.00 |
| 01/30/86 | LYNCH | CLIFF | CAFP TV ADS | NEPL | 2,000.00 |
| 03/05/86 | LYNCH | CLIFF | CAFP TV ADS | NEPL | 25,000.00 |
| 03/31/86 | LYNCH | CLIFF | CAFP TV ADS | NEPL | 5,000.00 |
| 08/25/86 | LYNCH | CLIFF | CAFP FOOD | NEPL | 4,000.00 |
| 09/30/86 | LYNCH | CLIFF | GENL | NEPL | 3,000.00 |
| 01/30/86 | MAC GREGOR | KRIS | CAFP TV ADS | NEPL | 500.00 |
| 03/20/86 | MANATEE STEVE. | JANE | CAFP TV ADS | NEPL | 500.00 |

1986 CASH RECEIPTS NEPL

| DATE | CONTRIBOTOR | SOLICITOR | PROJECT | ORGANIZATION | AMOUNT |
|---|---|---|---|---|---|
| 03/20/86 | MARRET FORAR | CHRISTIAN | CAFP TV ADS | NEPL | 100.00 |
| 04/14/86 | MARTINEZ | JANE | CAFP TV ADS | NEPL | 450.00 |
| 10/22/86 | MARTINEZ | JANE | GENL | NEPL | 100.00 |
| 06/30/86 | MARVIN | JANE | SDI ADS | NEPL | 15.000.00 |
| 02/28/86 | MCFADDIN | CLIFF | CAFP TV ADS | NEPL | 5.000.00 |
| 03/04/86 | MCKINLEY | CLIFF | CAFP TV ADS | NEPL | 1.250.00 |
| 03/17/86 | McKINLEY | SPITZ | CAFP TV ADS | NEPL | 3.000.00 |
| 03/31/86 | McKINLEY | CLIFF | CAFP TV ADS | NEPL | 2.500.00 |
| 05/20/86 | MCKINLEY | CLIFF | CAFP TV ADS | NEPL | 500.00 |
| 08/04/86 | McKINLEY | CLIFF | CAFP FOOD | NEPL | 500.00 |
| 09/24/86 | MCKINLEY | CLIFF | GENL | NEPL | 3,500.00 |
| 10/01/86 | MCLAUGHLIN | N/A | REIM POSTAGE | NEPL | 7.12 |
| 02/28/86 | MERCUISON | CLIFF | CAFP TV ADS | NEPL | 22.535.40 |
| 03/13/86 | MILLER | JANE | CAFP TV ADS | NEPL | 50.00 |
| 08/25/86 | MILLER | LIAM | RADIO | NEPL | 50.00 |
| 01/30/86 | MILLS | CLIFF | CAFP TV ADS | NEPL | 500.00 |
| 03/13/86 | MILLS | SPITZ | CAFP TV ADS | NEPL | 100.00 |
| 06/23/86 | MILLS | SPITZ | SDI ADS | NEPL | 100.00 |
| 07/24/86 | MILLS | SPITZ | GEN. PROGRAM | NEPL | 50.00 |
| 09/30/86 | MILLS | SPITZ | GENL | NEPL | 100.00 |
| 10/07/86 | MILLS | SPITZ | CAFP GENL | NEPL | 1,000.00 |
| 03/17/86 | MOSBACHER | JANE | CAFP TV ADS | NEPL | 5,000.00 |
| 10/07/86 | MUELLER | SPITZ | CAFP GENL | NEPL | 100.00 |
| 03/25/86 | MURRY | CHRISTIAN | CAFP TV ADS | NEPL | 15.00 |
| 10/30/86 | NELSON | DIR MAIL | GENL | NEPL | 10.00 |
| 01/30/86 | NEWINGTON | SPITZ | CAFP TV ADS | NEPL | 202,920.00 |
| 02/28/86 | NEWINGTON | SPITZ | SENTINEL | NEPL | 57,172.00 |
| 02/28/86 | NEWINGTON | SPITZ | CAFP TV ADS | NEPL | 62,241.00 |
| 03/10/86 | NEWINGTON | SPITZ | CAFP TV ADS | NEPL | 982.50 |
| 03/13/86 | NEWINGTON | SPITZ | CAFP TV ADS | NEPL | 287,144.00 |
| 03/13/86 | NEWINGTON | SPITZ | CAFP TV ADS | NEPL | 190,184.00 |
| 03/28/86 | NEWINGTON | SPITZ | CAFP TV ADS | NEPL | 142,000.00 |
| 08/12/86 | NEWINGTON | SPITZ | CAFP TV ADS | NEPL | 60,000.00 |
| 09/16/86 | NEWINGTON | SPITZ | GENL | NEPL | 132,000.00 |
| 09/18/86 | NEWINGTON | SPITZ | GENL | NEPL | 10,000.00 |
| 09/18/86 | NEWINGTON | SPITZ | GENL | NEPL | 12,000.00 |
| 10/03/86 | NEWINGTON | SPITZ | CAFP GENL | NEPL | 49,000.00 |
| 10/17/86 | NEWINGTON | SPITZ | GENL | NEPL | 20,000.00 |
| 06/23/86 | NEWMAN | FRED | SDI ADS | NEPL | 300.00 |
| 10/28/86 | NICKEL | DIR MAIL | GENL | NEPL | 1.00 |
| 10/27/86 | NOLAN | DIR MAIL | GENL | NEPL | 5.00 |
| 04/14/86 | NUNN | CLIFF | CAFP TV ADS | NEPL | 2,000.00 |
| 03/17/86 | OGBURN | CHRISTIAN | CAFP TV ADS | NEPL | 100.00 |
| 09/05/86 | OGBURN | JANE | CAFP FOOD | NEPL | 100.00 |
| 03/31/86 | ONEIL | SPITZ/KRIS | CAFP TV ADS | NEPL | 65,378.00 |
| 03/31/86 | ONEIL (TEXAS FIRST) | JANE | CAFP TV ADS | NEPL | 747.50 |
| 04/01/86 | O'BOYLE | JANE | TV ADS | NEPL | 130.000.00 |
| 10/07/86 | O'BOYLE | SPITZ | CAFP GENL | NEPL | 30,000.00 |
| 03/13/86 | O'CONNELL | KRIS | CAFP TV ADS | NEPL | 25.00 |
| 04/02/86 | O'NEIL | SPITZ/KRIS | CAFP TV ADS | NEPL | 30,330.00 |
| 02/28/86 | O'NEIL (DTA ANAL) | KRIS/SPITZ | CAFP TV ADS | NEPL | 100.000.00 |
| 03/17/86 | O'NIELL & CO. | KRIS/SPITZ | CAFP TV ADS | NEPL | 255.204.00 |
| 10/03/86 | PALMER NAT'L | N/A | FURNITURE LOAN | NEPL | 76.500.00 |
| 01/30/86 | PARKER | KRIS | CAFP TV ADS | NEPL | 5.000.00 |
| 03/04/86 | PENTECOST | CLIFF | CAFP TV ADS | NEPL | 1,250.00 |
| 03/17/86 | PENTECOST | SPITZ | CAFP TV ADS | NEPL | 3.000.00 |
| 03/31/86 | PENTECOST | CLIFF | CAFP TV ADS | NEPL | 2,500.00 |
| 08/04/86 | PENTECOST | CLIFF | CAFP FOOD | NEPL | 500.00 |
| 09/24/86 | PENTECOST | CLIFF | GENL | NEPL | 2,500.00 |
| 01/30/86 | PERKINS | KRIS | CAFP TV ADS | NEPL | 10,000.00 |
| 09/30/86 | PERRY | SPITZ | GENL | NEPL | 10.00 |
| 03/20/86 | PERSONNEL POLICY | CHRISTIAN | CAFP TV ADS | NEPL | 500.00 |
| 10/07/86 | PEW | SPITZ | CAFP GENL | NEPL | 1,000.00 |
| 09/25/86 | PIERCE | CLIFF | GENL | NEPL | 10,000.00 |
| 03/20/86 | POTTER | CHRISTIAN | CAFP TV ADS | NEPL | 25.00 |
| 06/04/86 | QUERAL/RAMOS | JANE | SDI ADS | NEPL | 50.00 |
| 10/28/86 | QUINN | DIR MAIL | GENL | NEPL | 1.00 |
| 09/23/86 | RAGLE | JANE | CAFP FOOD | NEPL | 450.00 |
| 01/30/86 | RAMSEY | CLIFF | CAFP TV ADS | NEPL | 30,000.00 |
| 09/19/86 | RAMSEY | SPITZ | GENL | NEPL | 18,000.00 |
| 10/07/86 | RAMSEY | SPITZ | CAFP GENL | NEPL | 12,000.00 |

1986 CASH RECEIPTS NEPL

| DATE | CONTRIBUTOR | SOLICITOR | PROJECT | ORGANIZATION | AMOUNT |
|---|---|---|---|---|---|
| 10722786 | RAMSEY | KRIS | GENL | NEPL | 310.00 |
| 03/20/86 | RASH | CHRISTIAN | CAPP TV ADS | NEPL | 500.00 |
| 03/17/86 | RAY | CHRISTIAN | CAPP TV ADS | NEPL | 500.00 |
| 03/31/86 | REEVES | CLIFF | CAPP TV ADS | NEPL | 1,000.00 |
| 01/30/86 | ROBERTS | SPITZ | CAPP TV ADS | NEPL | 1,125.00 |
| 02/28/86 | ROBERTS | JANE | CAPP TV ADS | NEPL | 10,000.00 |
| 06/23/86 | ROBERTS | JANE | SDI ADS | NEPL | 5,000.00 |
| 08/13/86 | ROBERTS | CLIFF | CAPP FOOD | NEPL | 1,000.00 |
| 10/28/86 | ROBERTSON | DIR MAIL | GENL | NEPL | 10.00 |
| 10/28/86 | ROBINSON | DIR MAIL | GENL | NEPL | 50.00 |
| 08/20/86 | ROBT GOMAN AGENCY | N/A | REF OMAHA TV BUY | NEPL | 12,000.00 |
| 08/25/86 | ROGER WILKENS | N/A | REIM P.CASH | NEPL | 30.00 |
| 10/30/86 | ROSSI | DIR MAIL | GENL | NEPL | 100.00 |
| 03/12/86 | SACHER | SPITZ | CAPP TV ADS | NEPL | 100,000.00 |
| 03/13/86 | SACHER | SPITZ | CAPP TV ADS | NEPL | 100,000.00 |
| 03/17/86 | SACHER | SPITZ | CAPP TV ADS | NEPL | 100,000.00 |
| 10/03/86 | SACHER | SPITZ | CAPP GENL | NEPL | 100,000.00 |
| 02/28/86 | SALVATORI | KRIS | CAPP TV ADS | NEPL | 10,000.00 |
| 10/03/86 | SALVATORI | KRIS | GENL | NEPL | 5,000.00 |
| 04/17/86 | SALWASSER | KRIS | CAPP TV ADS | NEPL | 20,000.00 |
| 08/20/86 | SALWASSER | KRIS | CAPP FOOD | NEPL | 2,000.00 |
| 09/19/86 | SALWASSER | KRIS | GENL | NEPL | 20,000.00 |
| 10/27/86 | SALWASSER | KRIS | GENL | NEPL | 410.00 |
| 03/21/86 | SCOTT | KRIS | CAPP TV ADS | NEPL | 250.00 |
| 09/19/86 | SEELIGSON | CLIFF | GENL | NEPL | 200.00 |
| 03/19/86 | SEGGERMAN | CLIFF | CAPP TV ADS | NEPL | 1,000.00 |
| 07/31/86 | SHAW | FRED | GENERAL PRO. | NEPL | 100.00 |
| 10/28/86 | SIBLEY | DIR MAIL | GENL | NEPL | 25.00 |
| 10/30/86 | SNYDER, J.R. | DIR MAIL | GENL | NEPL | 5.00 |
| 01/30/86 | SOMMER | KRIS | TV ADS | NEPL | 1,000.00 |
| 01/30/86 | STARNS | JANE | CAPP TV ADS | NEPL | 30,000.00 |
| 10/03/86 | STATE FARM | N/A | REFUND | NEPL | 308.40 |
| 03/20/86 | STITES | CHRISTIAN | CAPP TV ADS | NEPL | 200.00 |
| 02/28/86 | STK DVD GLFCNDA PRF | N/A | DIV INC | NEPL | 48,060.00 |
| 03/04/86 | STUART | KRIS | CAPP TV ADS | NEPL | 7,500.00 |
| 05/30/86 | ST.GERARD FNDTION | DIR MAIL | SDI ADS | NEPL | 250.00 |
| 03/25/86 | TAFT | CHRISTIAN | CAPP TV ADS | NEPL | 125.00 |
| 03/17/86 | TARRANT | CHRISTIAN | CAPP TV ADS | NEPL | 150.00 |
| 06/06/86 | TARRANT | FRED | SDI ADS | NEPL | 5,000.00 |
| 02/28/86 | TAYLOR | CLIFF | CAPP GENL | NEPL | 500.00 |
| 03/17/86 | TAYLOR | CLIFF | CAPP TV ADS | NEPL | 500.00 |
| 09/26/86 | TAYLOR | SPITZ | RACES | NEPL | 1,000.00 |
| 03/25/86 | TOBY | CHRISTIAN | CAPP TV ADS | NEPL | 25.00 |
| 10/30/86 | TRAMPE, LUCINDA | DIR MAIL | SDI ADS | NEPL | 25.00 |
| 04/02/86 | US INT'L CONTAINER | JANE | CAPP TV ADS | NEPL | 250.00 |
| 09/02/86 | US TREASURY | KRIS | CAPP FOOD | NEPL | 501.00 |
| 10/27/86 | VACHON | DIR MAIL | GENL | NEPL | 10.00 |
| 03/12/86 | VAN DUSEN | SPITZ | CAPP TV ADS | NEPL | 1,000.00 |
| 03/12/86 | WAGENER | DIR MAIL | CAPP TV ADS | NEPL | 5.00 |
| 03/31/86 | WARM | SPITZ | CAPP TV ADS | NEPL | 294,436.88 |
| 09/30/86 | WARM | SPITZ | GENL | NEPL | 20,000.00 |
| 10/17/86 | WARM | KRIS | GENL | NEPL | 1,000.00 |
| 08/31/86 | WARM/GERBER STK 868 | SPITZ | CAPP TV ADS | NEPL | 40,796.00 |
| 09/05/86 | WARM/GRBR STK 6315 | SPITZ | CAPP TV ADS | NEPL | (294,436.88) |
| 09/05/86 | WARM/GRBR STK 7183 | SPITZ | CAPP TV ADS | NEPL | 335,232.68 |
| 09/05/86 | WARM/GRBR STK 868 | SPITZ | CAPP TV ADS | NEPL | (40,796.00) |
| 09/02/86 | WASH CONSLTG GRP | JANE | CAPP FOOD | NEPL | 1,000.00 |
| 09/24/86 | WEBE | CLIFF | GENL | NEPL | 1,000.00 |
| 03/28/86 | WEISL | KRIS | CAPP TV ADS | NEPL | 1,000.00 |
| 03/17/86 | WILLIAMS | CLIFF | CAPP TV ADS | NEPL | 100.00 |
| 03/24/86 | WILLIAMS | CLIFF | CAPP TV ADS | NEPL | 200.00 |
| 08/05/86 | WILLIAMS | FRED | CAPP FOOD | NEPL | 100.00 |
| 10/30/86 | WISE | DIR MAIL | GENL | NEPL | 100.00 |
| 02/28/86 | WITTS | CLIFF | CAPP TV ADS | NEPL | 5,000.00 |
| 03/31/86 | WOOD | CHRISTIAN | CAPP TV ADS | NEPL | 100.00 |
| 10/30/86 | YEREGA | DIR MAIL | GENL | NEPL | 5.00 |

1986 CASH RECEIPTS ~~ALL ORGANIZATIONS~~ NEPL - NOV86 thru Dec.

| DATE | CONTRIBUTOR | SOLICITOR | PROJECT | ORGANIZATION | AMOUNT |
|---|---|---|---|---|---|
| 11/05/86 | AIDEE | DIR MAIL | GENL | NEPL | 50.00 |
| 11/21/86 | ANDERSON | DIR MAIL | GENL | NEPL | 25.00 |
| 12/03/86 | AVELLO | DIR MAIL | GENL | NEPL | 100.00 |
| 11/07/86 | BENEDUM | DIR MAIL | GENL | NEPL | 50.00 |
| 11/05/86 | BEST, L. | DIR MAIL | GENL | NEPL | 1.00 |
| 12/03/86 | BOYER | DIR MAIL | GENL | NEPL | 5.00 |
| 11/05/86 | BRISTOL | DIR MAIL | GENL | NEPL | 50.00 |
| 11/05/86 | BROWNFIELD | DIR MAIL | GENL | NEPL | 50.00 |
| 11/25/86 | BURNER | DIR MAIL | GENL | NEPL | 50.00 |
| 12/03/86 | CALHOUN | DIR MAIL | GENL | NEPL | 10.00 |
| 11/10/86 | CARLISLE | DIR MAIL | GENL | NEPL | 10.00 |
| 11/21/86 | CASE | DIR MAIL | GENL | NEPL | 10.00 |
| 11/25/86 | CHAMBERLAIN | DIR MAIL | GENL | NEPL | 100.00 |
| 11/06/86 | CHRISTIAN | SPITZ | GENL | NEPL | 750.00 |
| 11/05/86 | CLARK | DIR MAIL | GENL | NEPL | 25.00 |
| 11/05/86 | CONDER | DIR MAIL | GENL | NEPL | 3.00 |
| 11/05/86 | CORN | KRIS | GENL | NEPL | 3,000.00 |
| 12/02/86 | COULADIS | DIR MAIL | GENL | NEPL | 10.00 |
| 12/02/86 | COZBY | DIR MAIL | GENL | NEPL | 0.02 |
| 11/05/86 | DANFORTH | DIR MAIL | GENL | NEPL | 10.00 |
| 12/03/86 | DAUENHAUER | DIR MAIL | GENL | NEPL | 50.00 |
| 11/07/86 | DIAZ-TAMAYO | DIR MAIL | GENL | NEPL | 25.00 |
| 12/02/86 | DIJULIO | DIR MAIL | GENL | NEPL | 25.00 |
| 11/05/86 | DONNALLY | DIR MAIL | GENL | NEPL | 151.00 |
| 11/05/86 | DOOLIN | DIR MAIL | GENL | NEPL | 25.00 |
| 12/02/86 | DORCAS | DIR MAIL | GENL | NEPL | 50.00 |
| 11/18/86 | DWINELL | DIR MAIL | GENL | NEPL | 25.00 |
| 11/05/86 | EFINGER | DIR MAIL | GENL | NEPL | 10.00 |
| 11/21/86 | ELWELL | DIR MAIL | GENL | NEPL | 1.00 |
| 11/05/86 | FETZER | DIR MAIL | GENL | NEPL | 25.00 |
| 11/05/86 | FLETCHER, TILTON | DIR MAIL | GENL | NEPL | 100.00 |
| 11/07/86 | FULKERSON | DIR MAIL | GENL | NEPL | 50.00 |
| 11/05/86 | FULLER, CHAS | DIR MAIL | GENL | NEPL | 25.00 |
| 12/03/86 | GNADINGER | DIR MAIL | GENL | NEPL | 5.00 |
| 12/02/86 | GRAHAM | DIR MAIL | GENL | NEPL | 5.00 |
| 11/07/86 | GREENAWALT | DIR MAIL | GENL | NEPL | 10.00 |
| 11/10/86 | GROSS | DIR MAIL | GENL | NEPL | 25.00 |
| 11/07/86 | HARNISH | DIR MAIL | GENL | NEPL | 20.00 |
| 12/02/86 | HARRY | DIR MAIL | GENL | NEPL | 5.00 |
| 12/02/86 | HARRY | DIR MAIL | GENL | NEPL | 7.50 |
| 11/21/86 | HAYDEN | DIR MAIL | GENL | NEPL | 15.00 |
| 11/05/86 | HEIDMANN | DIR MAIL | GENL | NEPL | 50.00 |
| 11/05/86 | HERRMANN | DIR MAIL | GENL | NEPL | 4.35 |
| 11/05/86 | HERZOG | DIR MAIL | GENL | NEPL | 50.00 |
| 11/25/86 | HILGENDORF | DIR MAIL | GENL | NEPL | 20.00 |
| 11/18/86 | HILZINGER | DIR MAIL | GENL | NEPL | 2.00 |
| 11/25/86 | HOCKENSMITH | DIR MAIL | GENL | NEPL | 2.00 |
| 12/02/86 | HOLDEMAN | DIR MAIL | GENL | NEPL | 10.00 |
| 11/07/86 | HOSFORD | DIR MAIL | GENL | NEPL | 50.00 |
| 11/05/86 | INGE | DIR MAIL | GENL | NEPL | 100.00 |
| 11/06/86 | IRVING SAVINGS | NA | DIVIDEND | NEPL | 41.98 |
| 12/03/86 | IRVING TRUST | NA | DIVIDEND | NEPL | 40.63 |
| 11/12/86 | IZZO | DIR MAIL | GENL | NEPL | 10.00 |
| 12/02/86 | JACKSON | DIR MAIL | GENL | NEPL | 10.00 |
| 12/02/86 | KAISER | DIR MAIL | GENL | NEPL | 10.00 |
| 11/05/86 | KERSEY | DIR MAIL | GENL | NEPL | 50.00 |
| 11/21/86 | LECKIE EWING | DIR MAIL | GENL | NEPL | 20.00 |
| 11/07/86 | LEIB | DIR MAIL | GENL | NEPL | 5.00 |
| 11/05/86 | LIMO CONSTRUCTION | DIR MAIL | GENL | NEPL | 100.00 |
| 11/06/86 | LITTLEDALE | NA | P.CASH | NEPL | 20.00 |
| 11/05/86 | LONG | DIR MAIL | GENL | NEPL | 10.00 |
| 12/02/86 | LOVEJOY | DIR MAIL | GENL | NEPL | 50.00 |
| 11/05/86 | LOVE, KEN | LIAM | GENL | NEPL | 151.00 |
| 11/10/86 | LUCHT | DIR MAIL | GENL | NEPL | 50.00 |
| 12/02/86 | MADSEN | DIR MAIL | GENL | NEPL | 50.00 |
| 11/10/86 | MARTIN, WM. | DIR MAIL | SDI | NEPL | 10.00 |
| 12/02/86 | MCCLAY | DIR MAIL | GENL | NEPL | 5.00 |
| 11/07/86 | MELVILLE | DIR MAIL | GENL | NEPL | 25.00 |
| 11/05/86 | MILLER | DIR MAIL | GENL | NEPL | 50.00 |
| 12/02/86 | MILLS, STEWART | DIR MAIL | GENL | NEPL | 100.00 |
| 12/02/86 | MOORE | DIR MAIL | GENL | NEPL | 100.00 |
| 11/05/86 | MULLEN | DIR MAIL | GENL | NEPL | 50.00 |
| 11/10/86 | MUNFORD | DIR MAIL | GENL | NEPL | 25.00 |
| 11/05/86 | MURPHY, B.L. | DIR MAIL | GENL | NEPL | 5.00 |
| 11/05/86 | NELSON | DIR MAIL | GENL | NEPL | 10.00 |
| 11/21/86 | NICHOLSON | DIR MAIL | GENL | NEPL | 1.00 |

| | | | | | |
|---|---|---|---|---|---|
| 11/05/86 | NORRIS | DIR MAIL | GENL | NEPL | 25.00 |
| 12/03/86 | OSTER | DIR MAIL | GENL | NEPL | 25.00 |
| 11/05/86 | PARSONS | DIR MAIL | GENL | NEPL | 100.00 |
| 11/05/86 | PENMOLLOW | DIR MAIL | GENL | NEPL | 25.00 |
| 11/05/86 | PLUMB | DIR MAIL | GENL | NEPL | 20.00 |
| 11/05/86 | RAPP | DIR MAIL | GENL | NEPL | 5.00 |
| 11/05/86 | READY | DIR MAIL | GENL | NEPL | 50.00 |
| 11/05/86 | READ, RICHARD | DIR MAIL | GENL | NEPL | 25.00 |
| 11/05/86 | REYNOLDS | DIR MAIL | GENL | NEPL | 5.00 |
| 12/03/86 | ROLLER | DIR MAIL | GENL | NEPL | 5.00 |
| 11/05/86 | ROSS | DIR MAIL | GENL | NEPL | 25.00 |
| 11/12/86 | ROWE | DIR MAIL | GENL | NEPL | 100.00 |
| 12/03/86 | RUEF | DIR MAIL | GENL | NEPL | 5.00 |
| 11/07/86 | SAMARA | DIR-MAIL | GENL | NEPL | 2,500.00 |
| 12/03/86 | SAUER | DIR MAIL | GENL | NEPL | 100.00 |
| 11/05/86 | SHARTLE | DIR MAIL | GENL | NEPL | 100.00 |
| 12/02/86 | SHULL | DIR MAIL | GENL | NEPL | 5.00 |
| 11/03/86 | SIMON | DIR MAIL | GENL | NEPL | 25.00 |
| 11/05/86 | SMITH, JR. | DIR MAIL | GENL | NEPL | 50.00 |
| 11/05/86 | SNELL | DIR MAIL | GENL | NEPL | 25.00 |
| 11/05/86 | STIDHAM | DIR MAIL | GENL | NEPL | 25.00 |
| 12/02/86 | SUMMERS, W. | DIR MAIL | SDI | NEPL | 40.00 |
| 11/21/86 | SUNNICHT | DIR MAIL | GENL | NEPL | 10.00 |
| 11/13/86 | TELESIO | DIR MAIL | GENL | NEPL | 100.00 |
| 12/03/86 | THIELE | DIR MAIL | GENL | NEPL | 10.00 |
| 12/03/86 | TRAUTMAN | DIR MAIL | GENL | NEPL | 15.00 |
| 11/18/86 | TUT | DIR MAIL | GENL | NEPL | 50.00 |
| 11/05/86 | UNKNOWN | DIR MAIL | GENL | NEPL | 5.01 |
| 11/07/86 | UNKNOWN | DIR MAIL | GENL | NEPL | 1.00 |
| 11/05/86 | VERMOOTEN | DIR MAIL | GENL | NEPL | 25.00 |
| 11/05/86 | WALDO | DIR MAIL | GENL | NEPL | 20.00 |
| 11/03/86 | WEGE | DIR MAIL | GENL | NEPL | 1,000.00 |
| 11/25/86 | WEGE | DIR MAIL | GENL | NEPL | 1,000.00 |
| 12/02/86 | WESTERGARD | DIR MAIL | GENL | NEPL | 1.00 |
| 12/03/86 | WILCOX | DIR MAIL | GENL | NEPL | 50.00 |
| 11/21/86 | WOOD | DIR MAIL | GENL | NEPL | 50.00 |
| 12/02/86 | WOODMANSER | DIR MAIL | GENL | NEPL | 40.00 |

MEMORANDUM

DATE: 1/5/86

TO: SPITZ

FROM: STEVE

RE: GOODMAN ANALYSIS 1985 AND 1986

Presented below is the summary of billings from Goodman Agency and the corresponding payments for the years 1985 and 1986.

| | TOTALS | ACT SEF | NEPL | SENTINEL | ATAC FED | OTHER |
|---|---|---|---|---|---|---|
| 1985 GOODMAN INVOICES | 307,877 | 227,065 | 72,997 | 0 | 0 | 0 |
| 1985 PAYMENTS | (307,877) | (117,585) | (193,792) | 0 | 0 | (1,700) |
| AMOUNT OUTSTANDING | 0 | 109,480 | (120,796) | 0 | 0 | (1,700) |

The above summary suggests that Goodman Agency overbilled American Conservative Trust by $ 109,479 and underbilled the National Endowment by $ 120,795 for the year ended 12/31/85. These are summary figures only and represent the approximate discrepancy. I have detailed support of these figures which indicate minor adjustments to the discrepancy which, in my professional opinion, are not material and need not be considered for further discussion.

| | TOTALS | ACT | NEPL | SENTINEL | ATAC FED |
|---|---|---|---|---|---|
| 1986 GOODMAN INVOICES | 1,001,871 | 40,723 | 829,554 | 130,594 | 1,000 |
| 1986 PAYMENTS | (997,963) | (28,855) | (838,144) | (129,964) | (1,000) |
| SUB-TOTAL | 3,908 | 11,868 | (8,590) | 630 | 0 |
| ADJ: Billed to Act pd by Nepl | 0 | (1,800) | 1,800 | | |
| ADJ: Billed to Act pd by Nepl | 0 | (71) | 71 | | |
| ADJ: Unreconciled | 19 | | 19 | | |
| AMOUNT OUTSTANDING | 3,928 | 9,997 | (6,700) | 630 | 0 |

It appears that in 1986, the problem of invoicing the wrong organization was remedied. As you can see from the 1986 summary the total adjustment for "cross billing" is $ 1,871. The amounts outstanding at 12/31/86 agree with both the Goodman Agency books as well as our books.

ROBERT GOODMAN AGENCY
1985 PROJECT INVOICES

| DATE | INV. # | PROJECT NAME | DESCRIPTION | | AMOUNT | AMOUNT INVOICED ACT | NEPL | OTHER |
|---|---|---|---|---|---|---|---|---|
| 04/22/85 | 4104 | FREEDOM CAN'T WORK | PRODUCTION | | 10,000.00 | 10,000.00 | | |
| /23/85 | 4104 | KOREAN AIRLINER | PRODUCTION | | 10,000.00 | 10,000.00 | | |
| /23/85 | 4105 | COMMISSION REBATE | PRODUCTION | | (3,119.75) | (3,119.75) | | |
| 04/23/85 | 4105 | MEDIA BUY 4/18-4/23 | WJLA TV | WASH DC | 25,950.00 | 25,950.00 | | |
| 04/23/85 | 4105 | MEDIA BUY 4/18-4/23 | WDZL TV | MIAMI FL | 5,875.00 | 5,875.00 | | |
| 04/23/85 | 4105 | MEDIA BUY 4/18-4/23 | WJAC TV | BEAUMONT TX | 950.00 | 950.00 | | |
| 04/23/85 | 4105 | MEDIA BUY 4/18-4/23 | KFDM TV | BEAUMONT TX | 1,960.00 | 1,960.00 | | |
| 04/23/85 | 4105 | MEDIA BUY 4/18-4/23 | KBMT TV | BEAUMONT TX | 490.00 | 490.00 | | |
| 04/23/85 | 4105 | MEDIA BUY 4/18-4/23 | WDBC TV | KANSAS CITY MO | 5,000.00 | 5,000.00 | | |
| 04/23/85 | 4105 | MEDIA BUY 4/18-4/23 | KJRH TV | TULSA OK | 5,000.00 | 5,000.00 | | |
| 04/23/85 | 4105 | MEDIA BUY 4/18-4/23 | KGGM TV | ALBUQUERQUE NM | 3,360.00 | 3,360.00 | | |
| 04/23/85 | 4105 | MEDIA BUY 4/18-4/23 | WTAF TV | PHILA PA | 15,000.00 | 15,000.00 | | |
| 04/23/85 | 4105 | MEDIA BUY 4/18-4/23 | WEWS TV | CLEVELAND OH | 5,090.00 | 5,090.00 | | |
| 04/23/85 | 4105 | MEDIA BUY 4/18-4/23 | WCCB TV | CHARLOTTE NC | 5,015.00 | 5,015.00 | | |
| 04/23/85 | 4105 | MEDIA BUY 4/18-4/23 | WFAA TV | DALLAS TX | 9,075.00 | 9,075.00 | | |
| 04/23/85 | 4105 | MEDIA BUY 4/18-4/23 | WTXX TV | WATERBURY CT | 4,500.00 | 4,500.00 | | |
| | | | | | 104,345.25 | 104,345.25 | 0.00 | 0.00 |
| 04/17/85 | WIRE | FREEDOM CAN'T WORK | PAYMENT/NEPL | | (20,000.00) | | (20,000.00) | |
| 04/17/85 | WIRE | FREEDOM CAN'T WORK | PAYMENT/ACT SEF | | (35,000.00) | (35,000.00) | | |
| 04/18/85 | WIRE | FREEDOM CAN'T WORK | PAYMENT/ACT SEF | | (40,000.00) | (40,000.00) | | |
| 05/31/85 | 1081 | FREEDOM CAN'T WORK | PAYMENT/NEPL | | (5,000.00) | | (5,000.00) | |
| 08/14/85 | 1188 | FREEDOM CAN'T WORK | PAYMENT/NEPL | | (4,345.25) | | (4,345.25) | |
| | | | | | 0.00 | 29,345.25 | (29,345.25) | 0.00 |
| 05/28/85 | 4119 | PARTY'S OVER | PRODUCTION | | | | | |
| 06/10/85 | 4127 | MEDIA BUY 5/28-6/4 | KTBC TV | AUSTIN TX | 6,000.00 | 6,000.00 | | |
| 06/10/85 | 4127 | MEDIA BUY 5/28-6/4 | WDZL TV | MIAMI FL | 2,170.00 | 2,170.00 | | |
| 06/10/85 | 4127 | MEDIA BUY 5/28-6/4 | WJLA TV | WASH DC | 1,500.00 | 1,500.00 | | |
| 06/11/85 | 4131 | MEDIA BUY 6/10 | WJLA TV | WASH DC | 17,600.00 | 17,600.00 | | |
| | | | | | 1,700.00 | 1,700.00 | | |
| | | | | | 29,970.00 | 28,970.00 | 0.00 | 0.00 |
| 04/17/85 | 1345 | PARTY'S OVER | PAYMENT/ACT SEF | | (6,000.00) | (6,000.00) | | |
| 05/23/85 | 1352 | PARTY'S OVER | PAYMENT/ACT SEF | | (21,000.00) | (21,000.00) | | |
| 06/11/85 | ???? | PARTY'S OVER | PAYMENT/NO RECORD | | (1,700.00) | | | (1,700.00) |
| 08/14/85 | 1188 | PARTY'S OVER | PAYMENT/NEPL | | (270.00) | | (270.00) | |
| | | | | | 0.00 | 1,970.00 | (270.00) | (1,700.00) |
| 06/10/85 | 4128 | FCW;KA;PO | PRODUCTION: STORYBOARDS | | 849.23 | 849.23 | | |
| 06/11/85 | 4132 | FCW;KA;PO | PRODUCTION: AUDIO CASSETTES | | 66.92 | 66.92 | | |
| 06/25/85 | 4137 | N/A | LIMO SERVICE | | 391.00 | 391.00 | | |
| 07/01/85 | 4143 | NO PLACE TO HIDE | VHS/CASSETTES | | 125.00 | 125.00 | | |
| 07/15/85 | 4150 | N/A | LIMO SERVICE | | 287.50 | 287.50 | | |
| 11/14/85 | 4244 | MISCELLANEOUS | PRODUCTION: DISTRIBUTION | | 440.69 | 440.69 | | |
| 11/26/85 | 4259 | MISCELLANEOUS | PRODUCTION: DISTRIBUTION | | 270.75 | 270.75 | | |
| | | | | | 2,431.09 | 2,431.09 | 0.00 | 0.00 |
| 05/23/85 | 1352 | MISCELLANEOUS | PAYMENT/ACT SEF | | (385.00) | (385.00) | | |
| 08/14/85 | 1188 | MISCELLANEOUS | PAYMENT/NEPL | | (1,334.65) | | (1,334.65) | |
| 12/05/85 | 1525 | MISCELLANEOUS | PAYMENT/NEPL | | (711.44) | | (711.44) | |
| | | | | | 0.00 | 2,046.09 | (2,046.09) | 0.00 |
| 8/19/85 | 4171 | MCDONALD MEN & MESSAGE | PRODUCTION: 2 30-SEC TV SPOTS | | 7,815.76 | | 7,815.76 | |
| )/85 | 1251 | MCDONALD MEN & MESSAGE | PAYMENT/NEPL | | (7,815.76) | | (7,815.76) | |
| | | | | | 0.00 | 0.00 | 0.00 | 0.00 |

GOODMAN AGENCY
PROJECT INVOICES

| DATE | INV. # | PROJECT NAME | DESCRIPTION | AMOUNT | AMOUNT INVOICED ACT | AMOUNT INVOICED NEPL | AMOUNT INVOICED OTHER |
|---|---|---|---|---|---|---|---|
| ...30/85 | 4223 | MORNING OF PEACE | PRODUCTION | 15,000.00 | 15,000.00 | | |
| 11/01/85 | 4233 | MORNING OF PEACE | MEDIA BUY: KTBC; AUSTIN TX | 3,620.00 | 3,620.00 | | |
| 11/01/85 | 4233 | MORNING OF PEACE | MEDIA BUY: KTTV; AUSTIN TX | 1,840.00 | 1,840.00 | | |
| 11/12/85 | 4239 | MORNING OF PEACE | MEDIA BUY: KTBC; AUSTIN TX | 2,390.00 | 2,390.00 | | |
| 11/12/85 | 4239 | MORNING OF PEACE | MEDIA BUY: KTVV; AUSTIN TX | 2,545.00 | 2,545.00 | | |
| 11/14/85 | 4243 | MORNING OF PEACE | PRODUCTION: DISTRIBUTION | 1,115.46 | 1,115.46 | | |
| 11/18/85 | 4249 | MORNING OF PEACE | PRODUCTION: DISTRIBUTION | 197.64 | 197.64 | | |
| 11/21/85 | 4254 | MORNING OF PEACE | PRODUCTION: STORYBOARD | 570.28 | 570.28 | | |
| | | | | 27,278.38 | 27,278.38 | 0.00 | 0.00 |
| 11/18/85 | 1451 | MORNING OF PEACE | PAYMENT/NEPL | (25,000.00) | | (25,000.00) | |
| 12/05/85 | 1526 | MORNING OF PEACE | PAYMENT/NEPL | (2,278.38) | | (2,278.38) | |
| | | | | 0.00 | 27,278.38 | (27,278.38) | 0.00 |
| 10/14/85 | 4207 | NICARAGUAN AN UPDATE | PRODUCTION | 20,000.00 | | 20,000.00 | |
| 10/16/85 | 4209 | NICARAGUAN AN UPDATE | PRODUCTION | 20,000.00 | | 20,000.00 | |
| 10/28/85 | 4217 | NICARAGUAN AN UPDATE | PRODUCTION: DISTRIBUTION | 2,928.56 | | 2,928.56 | |
| 10/29/85 | 4219 | NICARAGUAN AN UPDATE | MEDIA BUY: WDVM; WASH DC | 21,400.00 | 21,400.00 | | |
| 10/29/85 | 4219 | NICARAGUAN AN UPDATE | MEDIA BUY: WTTG; WASH DC | 8,600.00 | 8,600.00 | | |
| 10/29/85 | 4219 | NICARAGUAN AN UPDATE | MEDIA BUY: WJLA; WASH DC | 19,950.00 | 19,950.00 | | |
| 11/01/85 | 4232 | NICARAGUAN AN UPDATE | MEDIA BUY: WDVM; WASH DC | 4,750.00 | 4,750.00 | | |
| 11/01/85 | 4232 | NICARAGUAN AN UPDATE | MEDIA BUY: WJLA; WASH DC | 3,300.00 | 3,300.00 | | |
| 11/14/85 | 4243 | NICARAGUAN AN UPDATE | PRODUCTION: DISTRIBUTION | 840.14 | 840.14 | | |
| | | | | 101,768.70 | 58,840.14 | 42,928.56 | 0.00 |
| 10/24/85 | 1006 | NICARAGUAN AN UPDATE | PAYMENT/NEPL SP 1 | (20,000.00) | | (20,000.00) | |
| 10/28/85 | 1402 | NICARAGUAN AN UPDATE | PAYMENT/NEPL | (55,000.00) | | (55,000.00) | |
| 10/30/85 | 1490 | NICARAGUAN AN UPDATE | PAYMENT/ACT SEF | (10,000.00) | (10,000.00) | | |
| ../85 | 1010 | NICARAGUAN AN UPDATE | PAYMENT/NEPL SP 1 | (10,000.00) | | (10,000.00) | |
| 11/08/85 | 1435 | NICARAGUAN AN UPDATE | PAYMENT/NEPL | (5,000.00) | | (5,000.00) | |
| 12/05/85 | 1526 | NICARAGUAN AN UPDATE | PAYMENT/NEPL | (1,768.70) | | (1,768.70) | |
| | | | | (0.00) | 48,840.14 | (48,840.14) | 0.00 |
| 11/14/85 | 4245 | THANK YOU | PRODUCTION | 8,000.00 | | 8,000.00 | |
| 11/18/85 | 4246 | THANK YOU | MEDIA BUY: WTAE; | 5,200.00 | 5,200.00 | | |
| 11/19/85 | 4251 | THANK YOU | MEDIA BUY: WDVM; WASH DC | 7,150.00 | | 7,150.00 | |
| 11/19/85 | 4251 | THANK YOU | MEDIA BUY: WTTG; WASH DC | 2,400.00 | | 2,400.00 | |
| 11/19/85 | 4251 | THANK YOU | MEDIA BUY: WJLA; WASH DC | 9,500.00 | | 9,500.00 | |
| 11/20/85 | 4253 | THANK YOU | MEDIA BUY: WTTG; WASH DC | 2,000.00 | | 2,000.00 | |
| 11/25/85 | 4257 | THANK YOU | PRODUCTION: DISTRIBUTION | 1,018.03 | | 1,018.03 | |
| | | | | 35,268.03 | 5,200.00 | 30,068.03 | 0.00 |
| 11/18/85 | WIRE | THANKYOU | PAYMENT/NEPL SP 1 | (5,200.00) | | (5,200.00) | |
| 12/05/85 | 1013 | THANKYOU | PAYMENT/NEPL SP 1 | (5,000.00) | | (5,000.00) | |
| 12/05/85 | 1526 | THANKYOU | PAYMENT/NEPL | (25,068.03) | | (25,068.03) | |
| | | | | 0.00 | 5,200.00 | (5,200.00) | 0.00 |
| | | GRAND TOTALS-INVOICED 1985 | | 307,877.21 | 227,064.86 | 72,996.59 | 0.00 |
| | | GRAND TOTALS-PAYMENTS 1985 | | (307,877.21) | (117,585.00) | (193,792.21) | (1,700.00) |
| | | | | 0.00 | 109,479.86 | (120,795.62) | (1,700.00) |

| DATE | CK # | INV. # | PROJECT NAME | DESCRIPTION | AMOUNT | ACT SEF | NETL | SENTINEL | AIAC FED |
|---|---|---|---|---|---|---|---|---|---|
| 03/12/86 | | 4401 | FREEDOM FIGHTERS | MEDIA BUY; KENS; SAN ANTONIO, TX | 8,525.00 | | 8,525.00 | | |
| 03/12/86 | | 4401 | FREEDOM FIGHTERS | MEDIA BUY; WALT; SARASOTA, FL | 8,920.00 | | 8,920.00 | | |
| 03/12/86 | | 4401 | FREEDOM FIGHTERS | MEDIA BUY; WRAL; RALEIGH, NC | 8,100.00 | | 8,100.00 | | |
| 03/12/86 | | 4401 | FREEDOM FIGHTERS | MEDIA BUY; WAVE; LOUISVILLE, KY | 5,760.00 | | 5,760.00 | | |
| 03/12/86 | | 4401 | FREEDOM FIGHTERS | MEDIA BUY; WJLA; WASH DC | 24,150.00 | | 24,150.00 | | |
| 03/12/86 | | 4401 | FREEDOM FIGHTERS | MEDIA BUY; LEGAL FEES, RALEIGH | 300.00 | | 300.00 | | |
| 03/12/86 | | 4401 | FREEDOM FIGHTERS | MEDIA BUY; WTTG; WASH DC | 21,100.00 | | 21,100.00 | | |
| 03/12/86 | | 4401 | FREEDOM FIGHTERS | MEDIA BUY; KTBC; AUSTIN, TX | 3,410.00 | | 3,410.00 | | |
| 03/12/86 | | 4401 | FREEDOM FIGHTERS | MEDIA BUY; WCPX; ORLANDO FL | 5,525.00 | | 5,525.00 | | |
| 03/12/86 | | 4401 | FREEDOM FIGHTERS | MEDIA BUY; WPTF; RALEIGH, NC | 900.00 | | 900.00 | | |
| 03/12/86 | | 4401 | FREEDOM FIGHTERS | MEDIA BUY; WPTV; WEST PALM BCH, | 5,970.00 | | 5,970.00 | | |
| 03/12/86 | | 4401 | FREEDOM FIGHTERS | MEDIA BUY; KGBT; MCALLEN, TX | 2,225.00 | | 2,225.00 | | |
| 03/12/86 | | 4401 | FREEDOM FIGHTERS | MEDIA BUY; KIII; CORPUS CRISTI, | 2,170.00 | | 2,170.00 | | |
| 03/12/86 | | 4401 | FREEDOM FIGHTERS | MEDIA BUY; KJRH; TULSA, OK | 5,970.00 | | 5,970.00 | | |
| 03/12/86 | | 4401 | FREEDOM FIGHTERS | MEDIA BUY; WSB; COLUMBUS, MS | 2,320.00 | | 2,320.00 | | |
| 03/12/86 | | 4401 | FREEDOM FIGHTERS | MEDIA BUY; WCIX; MIAMI, FL | 12,100.00 | | 12,100.00 | | |
| 03/12/86 | | 4401 | FREEDOM FIGHTERS | MEDIA BUY; WDEF; CHATTANOOGA, TN | 3,740.00 | | 3,740.00 | | |
| 03/12/86 | | 4401 | FREEDOM FIGHTERS | MEDIA BUY; WREG; MEMPHIS, TENN | 4,060.00 | | 4,060.00 | | |
| 03/12/86 | | 4401 | FREEDOM FIGHTERS | MEDIA BUY; KTBC; AUSTIN, TX | 4,500.00 | | 4,500.00 | | |
| 03/12/86 | | 4401 | FREEDOM FIGHTERS | MEDIA BUY; WALB; ALBANY, NY | 1,410.00 | | 1,410.00 | | |
| 03/12/86 | | 4401 | FREEDOM FIGHTERS | MEDIA BUY; WSAV; SAVANNAH, GA | 2,425.00 | | 2,425.00 | | |
| 03/12/86 | | 4401 | FREEDOM FIGHTERS | MEDIA BUY; WFTV; ORLANDO FL | 8,105.00 | | 8,105.00 | | |
| 03/12/86 | | 4401 | FREEDOM FIGHTERS | MEDIA BUY; WOLO; COLUMBIA | 2,485.00 | | 2,485.00 | | |
| 03/12/86 | | 4401 | FREEDOM FIGHTERS | MEDIA BUY; WSMV; NASHVILLE TENN | 10,825.00 | | 10,825.00 | | |
| 03/12/86 | | 4401 | FREEDOM FIGHTERS | MEDIA BUY; WCTI; GREENVILLE, SC | 2,100.00 | | 2,100.00 | | |
| 03/12/86 | | 4401 | FREEDOM FIGHTERS | MEDIA BUY; WLBT; JACKSON, MS | 2,680.00 | | 2,680.00 | | |
| 03/12/86 | | 4401 | FREEDOM FIGHTERS | MEDIA BUY; KWTV; OKLA. CITY, OK | 6,675.00 | | 6,675.00 | | |
| 03/12/86 | | 4401 | FREEDOM FIGHTERS | MEDIA BUY; WLOS; GREENSBORO, NC | 7,500.00 | | 7,500.00 | | |
| 03/17/86 | | 4404 | FREEDOM FIGHTERS | MEDIA BUY; WJLA; WASH, DC | 4,700.00 | | 4,700.00 | | |
| 03/17/86 | | 4404 | FREEDOM FIGHTERS | MEDIA BUY; WPTF; RALEIGH, NC | 2,750.00 | | 2,750.00 | | |
| 03/17/86 | | 4404 | FREEDOM FIGHTERS | MEDIA BUY; KTVV; AUSTIN, TX | 2,970.00 | | 2,970.00 | | |
| 03/17/86 | | 4404 | FREEDOM FIGHTERS | MEDIA BUY; WTTG; WASH, DC | 3,600.00 | | 3,600.00 | | |
| 03/17/86 | | 4404 | FREEDOM FIGHTERS | MEDIA BUY; WJTV; JACKSON, MS | 1,025.00 | | 1,025.00 | | |
| 03/17/86 | | 4404 | FREEDOM FIGHTERS | MEDIA BUY; WDEF; CHATTANOOGA, TN | 1,430.00 | | 1,430.00 | | |
| 03/17/86 | | 4404 | FREEDOM FIGHTERS | MEDIA BUY; WLBT; JACKSON, MS | 960.00 | | 960.00 | | |
| 03/17/86 | | 4404 | FREEDOM FIGHTERS | MEDIA BUY; KJRH; TULSA, OK | 2,050.00 | | 2,050.00 | | |
| 03/17/86 | | 4404 | FREEDOM FIGHTERS | MEDIA BUY; WSMV; NASHVILLE, TN | 1,900.00 | | 1,900.00 | | |
| 03/17/86 | | 4404 | FREEDOM FIGHTERS | MEDIA BUY; WLTX; COLUMBIA | 1,450.00 | | 1,450.00 | | |
| 03/17/86 | | 4404 | FREEDOM FIGHTERS | MEDIA BUY; KOTV; TULSA, OK | 1,900.00 | | 1,900.00 | | |
| 03/17/86 | | 4404 | FREEDOM FIGHTERS | MEDIA BUY; WRAL; RALEIGH, NC | 1,250.00 | | 1,250.00 | | |
| 03/19/86 | | 4411 | FREEDOM FIGHTERS | MEDIA BUY; KTBC; AUSTIN TX | 285.00 | | 285.00 | | |
| 03/19/86 | | 4411 | FREEDOM FIGHTERS | MEDIA BUY; WSAV; SAVANNH GA | 615.00 | | 615.00 | | |
| 03/19/86 | | 4411 | FREEDOM FIGHTERS | MEDIA BUY; WFTV; ORLANDO FL | 2,000.00 | | 2,000.00 | | |
| 03/19/86 | | 4411 | FREEDOM FIGHTERS | MEDIA BUY; WJTV; JACKSON | 256.00 | | 256.00 | | |
| 03/19/86 | | 4411 | FREEDOM FIGHTERS | MEDIA BUY; WSB; COLUMBUS/TUPELO | 5.00 | | 5.00 | | |
| 03/19/86 | | 4411 | FREEDOM FIGHTERS | MEDIA BUY; KENS; SAN ANTONIO TX | 1,380.00 | | 1,380.00 | | |
| 03/19/86 | | 4411 | FREEDOM FIGHTERS | MEDIA BUY; WLTX; COLUMBIA | 250.00 | | 250.00 | | |
| 03/19/86 | | 4411 | FREEDOM FIGHTERS | MEDIA BUY; WSMV; NASHVILLE TN | 665.00 | | 665.00 | | |
| 03/19/86 | | 4411 | FREEDOM FIGHTERS | MEDIA BUY; WMAZ; MACON GA | 845.00 | | 845.00 | | |
| 03/19/86 | | 4411 | FREEDOM FIGHTERS | MEDIA BUY; WOLO; COLUMBIA | 45.00 | | 45.00 | | |
| 03/19/86 | | 4411 | FREEDOM FIGHTERS | MEDIA BUY; KJRH; TULSA OK | 400.00 | | 400.00 | | |
| 03/19/86 | | 4411 | FREEDOM FIGHTERS | MEDIA BUY; KIII; CORPUS CHRISTI | 565.00 | | 565.00 | | |
| 03/31/86 | | 4426 | FREEDOM FIGHTERS | MEDIA BUY; WTTG; WASH DC | 3,800.00 | | 3,800.00 | | |
| 03/31/86 | | 4426 | FREEDOM FIGHTERS | MEDIA BUY; WSMV; NASHVILLE TN | 16,573.00 | | 16,573.00 | | |
| 03/31/86 | | 4426 | FREEDOM FIGHTERS | MEDIA BUY; KTVV; AUSTIN TX | 6,355.00 | | 6,355.00 | | |
| 03/31/86 | | 4426 | FREEDOM FIGHTERS | MEDIA BUY; WCTI; GREENVILLE NC | 4,955.00 | | 4,955.00 | | |
| 03/31/86 | | 4426 | FREEDOM FIGHTERS | MEDIA BUY; WTTG; WASH DC | 14,000.00 | | 14,000.00 | | |
| 03/31/86 | | 4426 | FREEDOM FIGHTERS | MEDIA BUY; WMC ; MEMPHIS TN | 380.00 | | 380.00 | | |
| 03/31/86 | | 4426 | FREEDOM FIGHTERS | MEDIA BUY; LEGAL FEES; RALEIGH | 300.00 | | 300.00 | | |
| 03/31/86 | | 4426 | FREEDOM FIGHTERS | MEDIA BUY; KENS; SAN ANTONIO TX | 23,375.00 | | 23,375.00 | | |
| 03/31/86 | | 4426 | FREEDOM FIGHTERS | MEDIA BUY; WRAL; RALEIGH NC | 18,825.00 | | 18,825.00 | | |
| 03/31/86 | | 4426 | FREEDOM FIGHTERS | MEDIA BUY; WJLA; WASH DC | 26,050.00 | | 26,050.00 | | |
| 03/31/86 | | 4426 | FREEDOM FIGHTERS | MEDIA BUY; KTBC; AUSTIN TX | 5,850.00 | | 5,850.00 | | |
| 03/31/86 | | 4426 | FREEDOM FIGHTERS | MEDIA BUY; WPTF; RALEIGH NC | 3,455.00 | | 3,455.00 | | |
| 04/01/86 | | 4451 | FREEDOM FIGHTERS | PRODUCTION | 839.41 | | 839.41 | | |
| 04/09/86 | | 4460 | FREEDOM FIGHTERS | MEDIA BUY; KOTV; TULSA OK | 3,300.00 | | 3,300.00 | | |
| 04/09/86 | | 4460 | FREEDOM FIGHTERS | MEDIA BUY; WDRB; LOUISVILLE KY | 1,950.00 | | 1,950.00 | | |
| 04/09/86 | | 4460 | FREEDOM FIGHTERS | MEDIA BUY; WAVE; LOUISVILLE KY | 1,220.00 | | 1,220.00 | | |
| 04/09/86 | | 4460 | FREEDOM FIGHTERS | MEDIA BUY; WFTV; ORLANDO FL | 6,015.00 | | 6,015.00 | | |
| 04/09/86 | | 4460 | FREEDOM FIGHTERS | MEDIA BUY; WJLA; WASH DC | 19,500.00 | | 19,500.00 | | |
| 04/09/86 | | 4460 | FREEDOM FIGHTERS | MEDIA BUY; KWTV; OKLAHOMA CITY | 4,400.00 | | 4,400.00 | | |

| DA | OK # | INV. # | PROJECT NAME | DESCRIPTION | AMT | ACT SELF | NET | SENTINEL | AIDC FED |
|---|---|---|---|---|---|---|---|---|---|
| 04/23/86 | | 4469 | FREEDOM FIGHTERS | MEDIA BUY; BXA; WASH DC | 800.00 | | 800.00 | | |
| 04/23/86 | | 4492 | FREEDOM FIGHTERS | MEDIA BUY; WJLA; WASH DC | 10,100.00 | | 10,100.00 | | |
| 04/24/86 | | 4492 | FREEDOM FIGHTERS | MEDIA BUY; WTTG; WASH DC | 3,600.00 | | 3,600.00 | | |
| 04/24/86 | | 4499 | FREEDOM FIGHTERS | MEDIA BUY; WTTG; WASH DC | 10,800.00 | | 10,800.00 | | |
| 04/29/86 | | 4499 | FREEDOM FIGHTERS | MEDIA BUY; WJLA; WASH DC | 36,700.00 | | 36,700.00 | | |
| 05/12/86 | | 4511 | FREEDOM FIGHTERS | PRODUCTION | 649.56 | | 649.56 | | |
| 03/06/86 | | 4548 | FREEDOM FIGHTERS | PRODUCTION | 424.70 | | 424.70 | | |
| 03/20/86 | | 4379 | GENERAL | DISTRIBUTION | 606.01 | | 606.01 | | |
| 04/01/86 | | 4414 | GENERAL | DISTRIBUTION | 568.71 | | 568.71 | | |
| 04/23/86 | | 4452 | GENERAL | DISTRIBUTION | 2,259.67 | | 2,259.67 | | |
| 05/24/86 | | 4493 | GENERAL | DISTRIBUTION | 769.54 | | 769.54 | | |
| 07/29/86 | | 4613 | GENERAL | DISTRIBUTION | 857.02 | | 857.02 | | |
| 04/09/86 | | 4673 | GENERAL | DISTRIBUTION | 547.57 | | 547.57 | | |
| 04/24/86 | | 4462 | HELICOPTER | DISTRIBUTION | 8.19 | | 8.19 | | |
| 03/11/86 | | 4498 | HELICOPTER | DISTRIBUTION | 52.10 | | 52.10 | | |
| 03/17/86 | | 4400 | HELICOPTERS | PRODUCTION | 6,000.00 | | 6,000.00 | | |
| 03/20/86 | | 4405 | HELICOPTERS | DISTRIBUTION | 1,416.23 | | 1,416.23 | | |
| 03/20/86 | | 4413 | HELICOPTERS | DISTRIBUTION | 30.00 | | 30.00 | | |
| 03/26/86 | | 4412 | HELICOPTERS | DISTRIBUTION | 26.81 | | 26.81 | | |
| 05/01/86 | | 4421 | HELICOPTERS | PRODUCTION | 433.18 | | 433.18 | | |
| 03/17/86 | | 4536 | HELICOPTERS | PRODUCTION | 725.00 | | 725.00 | | |
| 03/20/86 | | 4402 | LETTER | PRODUCTION | 7,500.00 | | 7,500.00 | | |
| 03/20/86 | | 4413 | LETTER | DISTRIBUTION | 50.40 | | 50.40 | | |
| 03/20/86 | | 4413 | LETTER | DISTRIBUTION | 604.59 | | 604.59 | | |
| 03/20/86 | | 4412 | LETTER | DISTRIBUTION | 26.81 | | 26.81 | | |
| 03/20/86 | | 4412 | LETTER | DISTRIBUTION | 166.43 | | 166.43 | | |
| 03/26/86 | | 4420 | LETTER | DISTRIBUTION | 36.75 | | 36.75 | | |
| 04/09/86 | | 4462 | LETTER | PRODUCTION | 309.45 | | 309.45 | | |
| 05/05/86 | | 4549 | LETTER | DISTRIBUTION | 8.18 | | 8.18 | | |
| 11/25/86 | | 5110 | MEXICAN EARTHQUAKE | PRODUCTION | 81.67 | | 81.67 | | |
| 11/13/86 | | 5107 | MISCELLANEOUS | RESEARCH | 400.00 | | 400.00 | | |
| 01/20/86 | | 4232 | MORNING OF PEACE | DISTRIBUTION | 997.48 | 997.48 | | | |
| 01/20/86 | | 4310 | MORNING OF PEACE | MEDIA BUY; WTTG; WASH DC | 1,800.00 | 1,800.00 | | | |
| 06/19/86 | | 4607 | MORNING OF PEACE | DISTRIBUTION | 70.61 | 70.61 | | | |
| 09/18/86 | | 4836 | MORNING OF PEACE | DISTRIBUTION | 50.35 | 50.35 | | | |
| 11/05/86 | | 5083 | NICARAGUAN UPDATE | DISTRIBUTION | 34.23 | | 34.23 | | |
| 11/05/86 | | 5082 | NICARAGUAN UPDATE | PRODUCTION | 300.00 | | 300.00 | | |
| 10/31/86 | | 7777 | POLITICAL CONTRIBUTION | FRIENDS; JIM GOLDEN COMMITTEE | 6,500.00 | | 6,500.00 | | |
| 06/19/86 | | 4606 | PRESIDENT'S OATH | PRODUCTION | 1,000.00 | | | | 1,000.00 |
| 07/01/86 | | 4632 | PRESIDENT'S OATH | DISTRIBUTION | 5,000.00 | | 5,000.00 | | |
| 07/08/86 | | 4641 | PRESIDENT'S OATH | DISTRIBUTION | 50.35 | | 50.35 | | |
| 07/08/86 | | 4643 | PRESIDENT'S OATH | MEDIA BUY; WJLA; WASH DC | 1,260.00 | | 1,260.00 | | |
| 07/08/86 | | 4643 | PRESIDENT'S OATH | MEDIA BUY; WTVN; COLUMBUS | 2,500.00 | | 2,500.00 | | |
| 07/08/86 | | 4643 | PRESIDENT'S OATH | MEDIA BUY; KUTA; DENVER CO | 1,920.00 | | 1,920.00 | | |
| 07/08/86 | | 4643 | PRESIDENT'S OATH | MEDIA BUY; KTBC; AUSTIN TX | 7,500.00 | | 7,500.00 | | |
| 07/08/86 | | 4643 | PRESIDENT'S OATH | MEDIA BUY; WTTG; WASH DC | 1,470.00 | | 1,470.00 | | |
| 07/15/86 | | 4656 | PRESIDENT'S OATH | DISTRIBUTION | 2,000.00 | | 2,000.00 | | |
| 07/31/86 | | 4696 | PRESIDENT'S OATH | PRODUCTION; STORYBOARDS | 351.20 | | 351.20 | | |
| 07/31/86 | | 4696 | RECONNAISANCE | PRODUCTION; STORYBOARDS | 416.10 | | 416.10 | | |
| 06/19/86 | | 4605 | RECONNAISSANCE | PRODUCTION | 416.10 | | 416.10 | | |
| 06/24/86 | | 4610 | RECONNAISSANCE | MEDIA BUY; WPTV; W. PALM BEACH FL | 2,500.00 | | 2,500.00 | | |
| 06/24/86 | | 4610 | RECONNAISSANCE | MEDIA BUY; WTTG; WASH DC | 3,900.00 | | 3,900.00 | | |
| 06/24/86 | | 4610 | RECONNAISSANCE | MEDIA BUY; KPVI; IDAHO FALLS | 16,000.00 | | 16,000.00 | | |
| 06/24/86 | | 4610 | RECONNAISSANCE | MEDIA BUY; WCIX; MIAMI FL | 1,860.00 | | 1,860.00 | | |
| 07/01/86 | | 4632 | RECONNAISSANCE | DISTRIBUTION | 2,150.00 | | 2,150.00 | | |
| 02/26/86 | | 4354 | REFUGEES | PRODUCTION | 837.84 | | 837.84 | | |
| 03/06/86 | | 4377 | REFUGEES | DISTRIBUTION | 6,000.00 | | 6,000.00 | | |
| 03/06/86 | | 4378 | REFUGEES | DISTRIBUTION | 63.05 | | 63.05 | | |
| 03/17/86 | | 4406 | REFUGEES | DISTRIBUTION | 520.20 | | 520.20 | | |
| 03/26/86 | | 4419 | REFUGEES | PRODUCTION | 96.02 | | 96.02 | | |
| 04/09/86 | | 4462 | REFUGEES | DISTRIBUTION | 313.85 | | 313.85 | | |
| 02/26/86 | | 4354 | TERRORIST INFLUENCE | PRODUCTION | 8.19 | | 8.19 | | |
| 03/06/86 | | 4377 | TERRORIST INFLUENCE | DISTRIBUTION | 6,000.00 | | 6,000.00 | | |
| 03/06/86 | | 4378 | TERRORIST INFLUENCE | DISTRIBUTION | 63.06 | | 63.06 | | |
| 03/06/86 | | 4376 | TERRORIST INFLUENCE | DISTRIBUTION | 520.21 | | 520.21 | | |
| 03/17/86 | | 4406 | TERRORIST INFLUENCE | DISTRIBUTION | 228.25 | | 96.02 | | |
| 03/26/86 | | 4419 | TERRORIST INFLUENCE | PRODUCTION | 96.02 | | 313.85 | | |
| 04/09/86 | | 4462 | TERRORIST INFLUENCE | DISTRIBUTION | 313.85 | | 8.19 | | |
| 04/24/86 | | 4498 | TERRORIST INFLUENCE | DISTRIBUTION | 8.19 | | 52.10 | | |
| 05/01/86 | | 4536 | TERRORIST INFLUENCE | PRODUCTION | 52.10 | | 725.00 | | |
| | | | | | 725.00 | | | | |

| DATE | CK # | INV. # | PROJECT NAME | DESCRIPTION | | | DCI SF | MPL | SENTINEL | AMC FED |
|---|---|---|---|---|---|---|---|---|---|---|
| 10/23/86 | | 5005 | BACK DOOR/ELEC DAY | PRODUCTION | | 11,000.00 | 11,000.00 | | | |
| 10/30/86 | | 5056 | BACK DOOR/ELEC DAY | MEDIA BUY: KUSA; | DENVER CO | 8,300.00 | 8,300.00 | | | |
| 10/30/86 | | 5026 | BACK DOOR/ELEC DAY | MEDIA BUY: KWGN; | DENVER CO | 5,450.00 | 5,450.00 | | | |
| 10/30/86 | | 5057 | BACK DOOR/ELEC DAY | DISTRIBUTION | | 805.00 | 805.00 | | | |
| 11/03/86 | | 5065 | BACK DOOR/ELEC DAY | MEDIA BUY: KWGN; | DENVER CO | 3,800.00 | 3,800.00 | | | |
| 11/03/86 | | 5065 | BACK DOOR/ELEC DAY | MEDIA BUY: KUSA; | DENVER CO | 8,450.00 | 8,450.00 | | | |
| 06/19/86 | | 4608 | BARNES: DOES HE KNOW | DISTRIBUTION | | 45.42 | | | 45.42 | |
| 06/19/86 | | 4604 | BARNES: DOES HE KNOW | PRODUCTION | | 11,500.00 | | | 11,500.00 | |
| 07/01/86 | | 4633 | BARNES: DOES HE KNOW | DISTRIBUTION | | 853.22 | | | 853.22 | |
| 07/31/86 | | 4697 | BARNES: DOES HE KNOW | PRODUCTION | | 407.25 | | | 407.25 | |
| 06/19/86 | | 4608 | BARNES: GENERAL | DISTRIBUTION | | 1,725.49 | | | 1,725.49 | |
| 06/19/86 | | 4604 | BARNES: FACT CHECK | PRODUCTION | | 21,000.00 | | | 21,000.00 | |
| 07/01/86 | | 4633 | BARNES: FACT CHECK | DISTRIBUTION | | 1,277.51 | | | 1,277.51 | |
| 07/31/86 | | 4697 | BARNES: FACT CHECK | PRODUCTION | | 407.25 | | | 407.25 | |
| 08/06/86 | | 4726 | BARNES: FACT CHECK | DISTRIBUTION | | 55.00 | | | 55.00 | |
| 07/30/86 | | 4693 | BARNES: GENERAL | DISTRIBUTION | | 563.40 | | | 563.40 | |
| 06/24/86 | | 4611 | BARNES: PROTOTYPES | MEDIA BUY: KENS; | SAN ANTONIO | 16,050.00 | | | 16,050.00 | |
| 06/24/86 | | 4611 | BARNES: PROTOTYPES | MEDIA BUY: WJLA; | WASH DC | 25,675.00 | | | 25,675.00 | |
| 06/24/86 | | 4611 | BARNES: PROTOTYPES | MEDIA BUY: KGBT; | MCALLEN | 3,320.00 | | | 3,320.00 | |
| 06/24/86 | | 4611 | BARNES: PROTOTYPES | MEDIA BUY: WPTF; | RALEIGH | 5,685.00 | | | 5,685.00 | |
| 06/24/86 | | 4611 | BARNES: PROTOTYPES | MEDIA BUY: WSMV; | NASHVILLE | 18,000.00 | | | 18,000.00 | |
| 06/24/86 | | 4611 | BARNES: PROTOTYPES | MEDIA BUY: WHAS; | LOUISVILLE | 14,160.00 | | | 14,160.00 | |
| 06/24/86 | | 4611 | BARNES: PROTOTYPES | MEDIA BUY: KTBC; | AUSTIN TX | 10,380.00 | | | 10,380.00 | |
| 08/07/86 | | 4728 | BARNES: PROTOTYPES | MEDIA BUY: WHAS; | LOUISVILLE REFU | 14,760.00 | | | 14,760.00 | |
| 06/19/86 | | 4608 | BARNES: TIME CHECK | DISTRIBUTION | | 575.16 | | | 575.16 | |
| 06/19/86 | | 4604 | BARNES: TIME CHECK | PRODUCTION | | 3,000.00 | | | 3,000.00 | |
| 07/01/86 | | 4633 | BARNES: TIME CHECK | DISTRIBUTION | | 266.83 | | | 266.83 | |
| 07/31/86 | | 4697 | BARNES: TIME CHECK | PRODUCTION | | 407.25 | | | 407.25 | |
| 08/07/86 | | 4729 | CAN WE WAIT | PRODUCTION | | 9,500.00 | | 9,500.00 | | |
| 09/03/86 | | 4795 | CAN WE WAIT | DISTRIBUTION | | 476.05 | | 476.05 | | |
| 02/26/86 | | 4354 | FACTS | PRODUCTION | | 6,000.00 | | 6,000.00 | | |
| 03/06/86 | | 4378 | FACTS | DISTRIBUTION | | 520.20 | | 520.20 | | |
| 03/17/86 | | 4406 | FACTS | DISTRIBUTION | | 95.02 | | 95.02 | | |
| 03/26/86 | | 4419 | FACTS | PRODUCTION | | 313.85 | | 313.85 | | |
| 04/09/86 | | 4462 | FACTS | DISTRIBUTION | | 8.19 | | 8.19 | | |
| 03/17/86 | | 4403 | FLAG | PRODUCTION | | 4,250.00 | | 4,250.00 | | |
| 03/20/86 | | 4413 | FLAG | DISTRIBUTION | | 604.59 | | 604.59 | | |
| 03/20/86 | | 4413 | FLAG | DISTRIBUTION | | 33.20 | | 33.20 | | |
| 03/20/86 | | 4412 | FLAG | DISTRIBUTION | | 50.13 | | 50.13 | | |
| 03/20/86 | | 4412 | FLAG | DISTRIBUTION | | 26.82 | | 26.82 | | |
| 03/26/86 | | 4420 | FLAG | PRODUCTION | | 309.45 | | 309.45 | | |
| 04/09/86 | | 4462 | FLAG | DISTRIBUTION | | 8.18 | | 8.18 | | |
| 02/04/86 | | 4331 | FREEDOM FIGHTER UPDATE | DISTRIBUTION | | 1,945.85 | | 1,945.85 | | |
| 03/06/86 | | 4385 | FREEDOM FIGHTERS | MEDIA BUY: WLBT; | JACKSON MS | 2,680.00 | | 2,680.00 | | |
| 03/06/86 | | 4385 | FREEDOM FIGHTERS | MEDIA BUY: WTLV; | JACKSONVILLE | 6,500.00 | | 6,500.00 | | |
| 03/06/86 | | 4385 | FREEDOM FIGHTERS | MEDIA BUY: WHAS; | LOUISVILLE KY | 5,760.00 | | 5,760.00 | | |
| 03/06/86 | | 4385 | FREEDOM FIGHTERS | MEDIA BUY: WSMV; | NASHVILLE TN | 7,925.00 | | 7,925.00 | | |
| 03/06/86 | | 4385 | FREEDOM FIGHTERS | MEDIA BUY: KENS; | SAN ANTONIO TX | 8,525.00 | | 8,525.00 | | |
| 03/06/86 | | 4385 | FREEDOM FIGHTERS | MEDIA BUY: WMAZ; | MACON GA | 2,785.00 | | 2,785.00 | | |
| 03/06/86 | | 4385 | FREEDOM FIGHTERS | MEDIA BUY: WMC; | MEMPHIS TN | 4,060.00 | | 4,060.00 | | |
| 03/06/86 | | 4385 | FREEDOM FIGHTERS | MEDIA BUY: WFTV; | ORLANDO FL | 7,095.00 | | 7,095.00 | | |
| 03/06/86 | | 4385 | FREEDOM FIGHTERS | MEDIA BUY: WMC; | MEMPHIS TN | 2,030.00 | | 2,030.00 | | |
| 03/06/86 | | 4385 | FREEDOM FIGHTERS | MEDIA BUY: WCTI; | GREENVILLE | 2,100.00 | | 2,100.00 | | |
| 03/06/86 | | 4385 | FREEDOM FIGHTERS | MEDIA BUY: WPTF; | RALEIGH NC | 700.00 | | 700.00 | | |
| 03/06/86 | | 4385 | FREEDOM FIGHTERS | MEDIA BUY: WCPX; | ORLANDO FL | 4,525.00 | | 4,525.00 | | |
| 03/06/86 | | 4385 | FREEDOM FIGHTERS | MEDIA BUY: WRAL; | RALEIGH NC | 8,300.00 | | 8,300.00 | | |
| 03/06/86 | | 4385 | FREEDOM FIGHTERS | MEDIA BUY: KJRH; | TULSA OK | 5,970.00 | | 5,970.00 | | |
| 03/06/86 | | 4385 | FREEDOM FIGHTERS | MEDIA BUY: WLOS; | GREENSBORO NC | 7,500.00 | | 7,500.00 | | |
| 03/06/86 | | 4385 | FREEDOM FIGHTERS | MEDIA BUY: WTTG; | WASH DC | 13,200.00 | | 13,200.00 | | |
| 03/06/86 | | 4385 | FREEDOM FIGHTERS | MEDIA BUY: KIII; | CORPUS CHRISTI | 2,170.00 | | 2,170.00 | | |
| 03/06/86 | | 4385 | FREEDOM FIGHTERS | MEDIA BUY: WSAV; | SAVANNAH GA | 2,425.00 | | 2,425.00 | | |
| 03/06/86 | | 4385 | FREEDOM FIGHTERS | MEDIA BUY: WTLD; | ALBANY NY | 1,410.00 | | 1,410.00 | | |
| 03/06/86 | | 4385 | FREEDOM FIGHTERS | MEDIA BUY: WXSB; | COLUMBUS | 2,320.00 | | 2,320.00 | | |
| 03/06/86 | | 4385 | FREEDOM FIGHTERS | MEDIA BUY: WJTV; | JACKSON MS | 890.00 | | 890.00 | | |
| 03/06/86 | | 4385 | FREEDOM FIGHTERS | MEDIA BUY: KTBC; | AUSTIN TX | 3,100.00 | | 3,100.00 | | |
| 03/06/86 | | 4385 | FREEDOM FIGHTERS | MEDIA BUY: KGBT; | MCALLEN | 2,225.00 | | 2,225.00 | | |
| 03/06/86 | | 4385 | FREEDOM FIGHTERS | MEDIA BUY: WDEF; | CHATTANOOGA | 3,740.00 | | 3,740.00 | | |
| 03/06/86 | | 4385 | FREEDOM FIGHTERS | MEDIA BUY: KTVV; | AUSTIN TX | 2,685.00 | | 2,685.00 | | |
| 03/06/86 | | 4385 | FREEDOM FIGHTERS | MEDIA BUY: WJLA; | WASH DC | 28,775.00 | | 28,775.00 | | |
| 03/12/86 | | 4401 | FREEDOM FIGHTERS | MEDIA BUY: WMAZ; | MACON, GA | 2,785.00 | | 2,785.00 | | |
| 03/12/86 | | 4401 | FREEDOM FIGHTERS | MEDIA BUY: WJTV; | JACKSON, MS | 890.00 | | 890.00 | | |
| 03/12/86 | | 4401 | FREEDOM FIGHTERS | MEDIA BUY: WLTX; | COLUMBIA | 2,060.00 | | 2,060.00 | | |
| 03/12/86 | | 4401 | FREEDOM FIGHTERS | MEDIA BUY: WTLV; | JACKSONVILLE, F | 6,500.00 | | 6,500.00 | | |

| DATE | CHK # | INV. # | PROJECT NAME | DESCRIPTION | AMOUNT | ACT SEF | NSPL | SENTINEL | AIAC FED |
|---|---|---|---|---|---|---|---|---|---|
| 02/04/86 | ---- | 4330 | THANK YOU, MR. MES | PRODUCTION | 491.11 | | 491.11 | | |
| 03/17/86 | | 4403 | THEY ARE US | PRODUCTION | 4,250.00 | | 4,250.00 | | |
| 03/20/86 | | 4412 | THEY ARE US | DISTRIBUTION | 50.12 | | 50.12 | | |
| 03/20/86 | | 4412 | THEY ARE US | DISTRIBUTION | 86.81 | | 86.81 | | |
| 03/20/86 | | 4412 | THEY ARE US | DISTRIBUTION | 36.75 | | 36.75 | | |
| 03/26/86 | | 4420 | THEY ARE US | PRODUCTION | 309.45 | | 309.45 | | |
| 04/09/86 | | 4462 | THEY ARE US | DISTRIBUTION | 8.18 | | 8.18 | | |
| 04/09/86 | | 4462 | THEY ARE US | DISTRIBUTION | 398.70 | | 398.70 | | |
| 05/05/86 | | 4544 | THEY ARE US | PRODUCTION | 81.66 | | 81.66 | | |
| 04/09/86 | | 4459 | THROW MONEY | PRODUCTION | 9,800.00 | | 9,800.00 | | |
| 04/17/86 | | 4475 | THROW MONEY | DISTRIBUTION | 513.40 | | 513.40 | | |
| 05/05/86 | | 4544 | THROW MONEY | PRODUCTION | 332.42 | | 332.42 | | |
| 05/12/86 | | 4548 | THROW MONEY | PRODUCTION | 35.00 | | 35.00 | | |
| 07/23/86 | | 4672 | TRUE COLORS | DISTRIBUTION | 900.00 | | 900.00 | | |
| 07/29/86 | | 4671 | TRUE COLORS | PRODUCTION | 5,000.00 | | 5,000.00 | | |
| 07/30/86 | | 4686 | TRUE COLORS | MEDIA BUY; WJLA; WASH DC | 25,150.00 | | 25,150.00 | | |
| 07/30/86 | | 4686 | TRUE COLORS | MEDIA BUY; WTTG; WASH DC | 16,800.00 | | 16,800.00 | | |
| 08/06/86 | | 4725 | TRUE COLORS | PRODUCTION | 387.05 | | 387.05 | | |
| 08/20/86 | | 4762 | TRUE COLORS | DISTRIBUTION | 90.00 | | 90.00 | | |
| 09/11/86 | | 4806 | TRUE COLORS | PRODUCTION; STORYBOARDS | 408.55 | | 408.55 | | |
| 08/13/86 | | 4751 | WILL THEY WAIT | MEDIA BUY; WTTG; WASH DC | 12,800.00 | | 12,800.00 | | |
| 08/13/86 | | 4744 | WILL THEY WAIT | MEDIA BUY; ????; OMAHA REFUND | (12,000.00) | | (12,000.00) | | |
| 08/13/86 | | 4744 | WILL THEY WAIT | MEDIA BUY; ????; OMAHA | 12,000.00 | | 12,000.00 | | |
| 08/13/86 | | 4751 | WILL THEY WAIT | MEDIA BUY; WJLA; WASH DC | 27,100.00 | | 27,100.00 | | |
| 08/20/86 | | 4762 | WILL THEY WAIT | DISTRIBUTION | 240.00 | | 240.00 | | |
| 09/11/86 | | 4806 | WILL THEY WAIT | PRODUCTION; STORYBOARDS | 408.55 | | 408.55 | | |
| 10/07/86 | | 4909 | WILL THEY WAIT | MEDIA BUY; WTTG; WASH DC | 9,300.00 | | 9,300.00 | | |
| 10/07/86 | | 4909 | WILL THEY WAIT | MEDIA BUY; WJLA; WASH DC | 30,000.00 | | 30,000.00 | | |
| 11/03/86 | | 5071 | WILL THEY WAIT | MEDIA BUY; WJLA; WASH DC | 6,500.00 | | 6,500.00 | | |
| 07/15/86 | | 4651 | ???????? | MEDIA BUY; WCLO; COLUMBIA REFUND | (18.50) | | (18.50) | | |
| 07/15/86 | | 4651 | ???????? | MEDIA BUY; WJLA; WASH DC REFUND | (24,097.50) | | (24,097.50) | | |
| 07/15/86 | | 4651 | ???????? | MEDIA BUY; KWTV; OKLAHOMA CITY R | (722.50) | | (722.50) | | |
| 07/15/86 | | 4651 | ???????? | MEDIA BUY; WCTI; NEW BERN REFUND | (136.00) | | (136.00) | | |
| 07/15/86 | | 4651 | ???????? | MEDIA BUY; WHAS; LOUISVILLE REFU | (680.00) | | (680.00) | | |
| 07/15/86 | | 4651 | ???????? | MEDIA BUY; KOTV; TULSA OK REFUND | (255.00) | | (255.00) | | |
| 07/15/86 | | 4651 | ???????? | MEDIA BUY; KTVV; AUSTIN TX REFUN | (658.75) | | (658.75) | | |
| | | | | | 1,001,871.04 | 40,723.44 | 829,553.82 | 130,593.78 | 1,000.00 |
| 02/04/86 | 1689 | 4310 | | | (70.61) | | (70.61) | | |
| 02/20/86 | 1770 | 4299 | | | (1,800.00) | | (1,800.00) | | |
| 02/25/86 | 1801 | 4351 | | | (30,000.00) | | (30,000.00) | | |
| 02/25/86 | 1781 | 4331 | | | 0.00 | | 0.00 | | |
| 02/25/86 | 1781 | 4330 | | | (2,436.96) | | (2,436.96) | | |
| 03/03/86 | W-REG | | | | (12,000.00) | | (12,000.00) | | |
| 03/07/86 | W-SPI | | | | (120,000.00) | | (120,000.00) | | |
| 03/10/86 | W-SPI | | | | (80,000.00) | | (80,000.00) | | |
| 03/13/86 | W-SPI | | | | (11,000.00) | | (11,000.00) | | |
| 03/14/86 | W-SPI | | | | (25,000.00) | | (25,000.00) | | |
| 03/14/86 | W-SPI | | | | (100,000.00) | | (100,000.00) | | |
| 03/14/86 | 1854 | 4354 | | | (18,000.00) | | (18,000.00) | | |
| 03/17/86 | 1878 | 4378 | | | | | | | |
| 03/17/86 | 1878 | 4400 | | | | | | | |
| 03/17/86 | 1878 | 4377 | | | | | | | |
| 03/17/86 | 1878 | 4376 | | | (7,914.97) | | (7,914.97) | | |
| 03/19/86 | 1892 | 4406 | | | | | | | |
| 03/19/86 | 1892 | 4405 | | | | | | | |
| 03/19/86 | 1892 | 4402 | | | (43,688.29) | | (43,688.29) | | |
| 03/19/86 | 1892 | 4403 | | | | | | | |
| 03/19/86 | 1892 | 4404 | | | | | | | |
| 03/24/86 | 1070 | | HELICOPTER/KADFI | | (10,000.00) | | (10,000.00) | | |
| 03/27/86 | 1930 | 4413 | | | | | | | |
| 03/27/86 | 1930 | 4411 | | | (13,449.92) | | (13,449.92) | | |
| 03/27/86 | 1930 | 4414 | | | | | | | |
| 03/27/86 | W-SPI | | | | (100,000.00) | | (100,000.00) | | |
| 03/27/86 | 1930 | 4412 | | | | | | | |
| 04/04/86 | W-SPI | | | | (40,000.00) | | (40,000.00) | | |
| 04/10/86 | 1930 | 4414 | | | | | | | |
| 04/10/86 | 1958 | 4411 | | | (13,404.22) | | (13,404.22) | | |
| 04/10/86 | 1930 | 4412 | | | | | | | |

| DATE | CHK # | INV. # | PROJECT NAME | DESCRIPTION | AMOUNT | ACT SEF | NEFL | SENTINEL | AIAC FED |
|---|---|---|---|---|---|---|---|---|---|
| 03/10/86 | 1958 | 4413 | | | | | | | |
| 04/10/86 | 1104 | 4475 | | | (513.40) | | (513.40) | | |
| 04/10/86 | 1930 | 4413 | | | | | | | |
| 04/10/86 | 1958 | 4412 | | | | | | | |
| 04/10/86 | 1930 | 4411 | | | 13,449.92 | | 13,449.92 | | |
| 04/10/86 | 1958 | 4414 | | | | | | | |
| 04/18/86 | 1084 | 4451 | | | (5,402.16) | | (5,402.16) | | |
| 04/18/86 | 1084 | 4421 | | | | | | | |
| 04/18/86 | 1084 | 4452 | | | | | | | |
| 04/18/86 | 1084 | 4419 | | | | | | | |
| 04/18/86 | 1084 | 4420 | | | | | | | |
| 04/21/86 | 1103 | 4460 | | | | | | | |
| 04/21/86 | 1103 | 4462 | | | | | | | |
| 04/21/86 | 1103 | 4459 | | | (46,641.00) | | (46,641.00) | | |
| 05/14/86 | 1110 | 4536 | | | | | | | |
| 05/14/86 | 1110 | 4511 | | | (2,595.31) | | (2,595.31) | | |
| 05/14/86 | 1110 | 4544 | | | | | | | |
| 05/27/86 | 1115 | 4548 | | | (459.70) | | (459.70) | | |
| 05/31/86 | J.E. | | | | 16,115.72 | | 16,115.72 | | |
| 06/12/86 | W-SP2 | | | | (35,000.00) | | (35,000.00) | | |
| 06/18/86 | W-SEN | | | | (100,000.00) | | | (100,000.00) | |
| 06/23/86 | 1117 | 4606 | | | | | | | |
| 06/23/86 | 1117 | 4605 | | | (7,500.00) | | (7,500.00) | | |
| 06/26/86 | 1027 | 4604 | | | (37,270.91) | | | (37,270.91) | |
| 06/26/86 | 1204 | 4607 | | | (50.35) | (50.35) | | | |
| 06/26/86 | 1027 | 4608 | | | | | | | |
| 06/27/86 | 1118 | 4613 | | | (857.02) | | (857.02) | | |
| 07/07/86 | 1119 | 4632 | | | (888.19) | | (888.19) | | |
| 07/07/86 | W-SP4 | | | | (15,010.00) | | (15,010.00) | | |
| 07/08/86 | 1028 | 4633 | | | (2,397.56) | | | (2,397.56) | |
| 07/10/86 | 1120 | 4641 | | | (1,260.00) | | (1,260.00) | | |
| 07/21/86 | 1121 | 4656 | | | (351.20) | | (351.20) | | |
| 07/28/86 | W-SP4 | 4686 | | | (41,950.00) | | (41,950.00) | | |
| 07/31/86 | J.E. | | | REFUND CANCELLATION MEDIA BUYS | 37,556.61 | | 37,556.61 | | |
| 08/01/86 | 1124 | 4673 | | | (547.57) | | (547.57) | | |
| 08/05/86 | 106 | | TRUE COLORS | | (5,900.00) | | (5,900.00) | | |
| 08/07/86 | J.E. | | | REFUND CR. BAL AND WAYS REF | 9,649.85 | | | 9,649.85 | |
| 08/11/86 | W-SDI | 4751 | | | (39,900.00) | | (39,900.00) | | |
| 08/11/86 | W-REB | | | MEDIA BUY: ; OMAHA | (12,000.00) | | (12,000.00) | | |
| 08/12/86 | 1126 | 4693 | | | (832.20) | | (832.20) | | |
| 08/12/86 | 1022 | 4725 | | | (387.05) | | (387.05) | | |
| 08/14/86 | 1127 | 4729 | | | (9,500.00) | | (9,500.00) | | |
| 08/27/86 | J.E. | 4726 | | REFUND OVERPAYMENT 4726 | 55.00 | | | 55.00 | |
| 08/31/86 | J.E. | | | MEDIA BUY: ; OMAHA REFUND | 12,000.00 | | 12,000.00 | | |
| 09/04/86 | 1024 | 4762 | TRUE COLORS | DISTRIBUTION | (90.00) | | (90.00) | | |
| 09/04/86 | 1024 | 4762 | WILL THEY WAIT | DISTRIBUTION | (240.00) | | (240.00) | | |
| 10/02/86 | 2690 | 4795 | MISCELLANEOUS | DISTRIBUTION | (124.85) | | (124.85) | | |
| 10/07/86 | W-SDI | 4909 | | | (39,300.00) | | (39,300.00) | | |
| 10/07/86 | W-SDI | 5083 | | | | | | | |
| 10/14/86 | 1030 | 4806 | WILL THEY WAIT | PRODUCTION: STORYBOARDS | (817.10) | | (817.10) | | |
| 10/14/86 | 2744 | 4836 | MORNING OF PEACE | DISTRIBUTION | (34.23) | | (34.23) | | |
| 10/28/86 | WIRE | 5065 | | | (16,000.00) | (16,000.00) | | | |
| 10/31/86 | W-REB | 5071 | | | (20,000.00) | | (20,000.00) | | |
| 10/31/86 | W-REB | 5082 | | | | | | | |
| 10/31/86 | | | POLITICAL CONTRIBUTION | FRIENDS OF JIM GOLDEN COMMITTEE | (1,000.00) | | | | (1,000.00) |
| 11/06/86 | WIRE | 5056 | | | (6,000.00) | (6,000.00) | | | |
| 11/07/86 | WIRE | 5056 | | | (8,000.00) | (8,000.00) | | | |
| 11/10/86 | 1643 | 5057 | | | (805.00) | (805.00) | | | |
| 12/03/86 | 3118 | 5110 | MEXICO EARTHQUAKE | RESEARCH MEXICO EARTHQUAKE | (400.00) | | (400.00) | | |
| | | | | | (997,962.67) | (28,855.35) | (838,143.70) | (129,963.62) | (1,000.00) |
| | | | | | 3,908.37 | 11,868.09 | 18,589.88 | 630.16 | 0.00 |
| | 4232 | | MORNING OF PEACE | BILLED TO ACT PAID BY NEFL | 0.00 | (1,800.00) | 1,800.00 | | |
| | 4310 | | MORNING OF PEACE | BILLED TO ACT PAID BY NEFL | 0.00 | (70.61) | 70.61 | | |
| | | | UNRECONCILED | | 19.27 | | 19.27 | | |
| | | | BALANCE | | 3,927.64 | 9,997.48 | 16,700.00 | 630.16 | 0.00 |

MEMORANDUM

DATE 1/5/87

TO: SPITZ

FROM: STEVE

RE: GOODMAN ANALYSIS 1985 AND 1986

Summarized below are the results of the audit I performed on the billing from Goodman and the payments thereon.

| | ACT | NEPL | SENTINEL | ATAC FED |
|---|---|---|---|---|
| Total Billed 1985 and 1986 | 267,788 | 914,551 | 130,594 | 1,000 |
| Total payments 1985 and 1986 | (148,140) | (1,033,826) | (129,964) | (1,000) |
| DIFFERENCE | 119,648 | (119,275) | 630 | 0 |

The results of extensive comparative research indicate that a billing problem existed on Goodman's behalf for the most part of 1985. There was approximately $ 110,000 invoiced to ACT that should have been invciced to NEPL. We are currently revieving the video tapes to determine which organization should in fact, have paid for each ad.

The billing problem was corrected in 1986 in that only $ 1,871 was incorrectly billed. The current balances outstanding as of 12/31/86 are:

| | |
|---|---|
| NEPL | (6,700) |
| SENTINEL | (630) |
| ACT | 9,997 |
| NET DUE RGA | 3,928 |

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

September 28, 1988

Ronald G. Precup, Esq.
Nussbaum, Owen & Webster
One Thomas Circle
Washington, D.C. 20005

RE: MUR 2406
Subpoena of Richard Miller

Dear Mr. Precup:

Enclosed is a check for thirty-four dollars and twenty cents ($34.20), which represents the witness fee and mileage reimbursement for the deposition of your client, Richard Miller, that occurred on September 15, 1988, in the Office of the General Counsel, Federal Election Commission, Washington, D.C. At the deposition, you were informed that the check would be mailed to you once it had been prepared.

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

Sincerely,

Lawrence M. Noble
General Counsel

Enclosure

2004079510

United States Treasury 15-51/000 W 028,360,243

09 22 88 8 WASHINGTON, D.C. Check No. 3007 63580056

141257 02 RICHARD MILLER 95350001

Pay to the order of RICHARD MILLER F E C WASH DC

$*****34*20

8AW122 WITNESS FEE

⑈3007⑈ ⑆000000518⑆ 63580056⑈

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

October 6, 1988

**MEMORANDUM**

TO: Thomas J. Josefiak
Chairman

FROM: Lawrence M. Noble
General Counsel

SUBJECT: Reissuing Subpoenas in MUR 2406 (Channell)

On June 10, 1988, the Commission approved proposed subpoenas for depositions for Krishna Littledale, Jane McLaughlin, and Clifton Smith, as nonrespondent witnesses. A copy of the certification is attached.

Staff of this Office sought the addresses for these witnesses from the Independent Counsel. The Independent Counsel declined to provide us at that time with the home addresses of these witnesses, but did provide the names of the attorneys representing these persons. Therefore, the subpoenas were drafted and signed as addressed to the attorneys. The attorneys, however, returned the subpoenas and informed this Office that they were no longer representing these persons. They did not provide us with the home addresses.

We then commenced an attempt to locate these individuals. In late August as part of the on-going investigation in this matter, we obtained copies of the reports filed by the nonfederal account for the Anti-Terrorism American Committee, a Channell PAC. These reports disclosed disbursements to these three persons and listed what appeared to be their home address. We then sought confirmation of these addresses from the Independent Counsel. In early September, the Independent Counsel confirmed these addresses.

We have, therefore, rescheduled the depositions and redrafted the subpoenas accordingly. As we noted above, the Commission previously approved the subpoenas for these persons.

Attachment

Staff person: George F. Rishel

0004079611

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

October 11, 1988

**CERTIFIED MAIL**
**RETURN RECEIPT REQUESTED**

Krishna S. Littledale
Star Route 2, Box 102
Prince Frederick, MD 90678

**RE: MUR 2406**

Dear Mr. Littledale:

The Federal Election Commission has the statutory duty of enforcing the the Federal Election Campaign Act of 1971, as amended, and Chapters 95 and 96 of Title 26, United States Code. The Commission has issued the attached subpoena, which requires you to appear and give sworn testimony on November 17, 1988, at 999 E Street, N.W., Washington D.C., in connection with an investigation it is conducting. The Commission does not consider you a respondent in this matter, but rather a witness only.

Because this information is being sought as part of an investigation being conducted by the Commission, the confidentiality provision of 2 U.S.C. § 437g(a)(12)(A) applies. That section prohibits making public any investigation conducted by the Commission without the express written consent of the person with respect to whom the investigation is made. You are advised that no such consent has been given in this case.

You may consult with an attorney and have an attorney present with you at the deposition. If you intend to be so represented, please advise us of the name and address of your attorney prior to the date of the deposition.

Pursuant to 11 C.F.R. § 111.14, a witness summoned by the Commission shall be paid $30.00, plus mileage at the rate of 22.5 cents per mile. You will be given a check for your witness fee and mileage at the time of the deposition.

Please confirm your scheduled appearance with Judybeth Greene on our toll free line (800/424-9530) within two days of your receipt of this notification.

0004075012

If you have any questions, please direct them to Judybeth Greene, the attorney handling this matter, at (202) 376-8200.

Sincerely,

Lawrence M. Noble
General Counsel

Enclosure
Subpoena

9011407950113

**BEFORE THE FEDERAL ELECTION COMMISSION**

In the Matter of ) MUR 2406

**SUBPOENA**

TO: Krishna S. Littledale
Star Route 2, Box 102
Prince Frederick, MD 90678

Pursuant to 2 U.S.C. § 437d(a)(3), and in furtherance of its investigation in the above-captioned matter, the Federal Election Commission hereby subpoenas you to appear for deposition with regard to your activities on behalf of the National Endowment for the Preservation of Liberty, Sentinel, American Conservative Trust, Anti-Terrorism American Committee, and Curl Russel Channell and related matters. Notice is hereby given that the deposition is to be taken on November 17, 1988, in Room 657 at 999 E Street, N.W., Washington, D.C., beginning at 9:30 a.m. and continuing each day thereafter as necessary.

WHEREFORE, the Chairman of the Federal Election Commission has hereunto set his hand at Washington, D.C., this 11th day of Oct., 1988.

Thomas J. Josefiak,
Chairman
Federal Election Commission

ATTEST:

Marjorie W. Emmons
Secretary to the Commission

0004079501 4

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

October 11, 1988

**CERTIFIED MAIL**
**RETURN RECEIPT REQUESTED**

Jane E. McLaughlin
614 Maryland Avenue, N.E.
Washington, D.C. 20002

RE: MUR 2406

Dear Ms. McLaughlin:

The Federal Election Commission has the statutory duty of enforcing the the Federal Election Campaign Act of 1971, as amended, and Chapters 95 and 96 of Title 26, United States Code. The Commission has issued the attached subpoena, which requires you to appear and give sworn testimony on November 16, 1988, at 999 E Street, N.W., Washington D.C., in connection with an investigation it is conducting. The Commission does not consider you a respondent in this matter, but rather a witness only.

Because this information is being sought as part of an investigation being conducted by the Commission, the confidentiality provision of 2 U.S.C. § 437g(a)(12)(A) applies. That section prohibits making public any investigation conducted by the Commission without the express written consent of the person with respect to whom the investigation is made. You are advised that no such consent has been given in this case.

You may consult with an attorney and have an attorney present with you at the deposition. If you intend to be so represented, please advise us of the name and address of your attorney prior to the date of the deposition.

Pursuant to 11 C.F.R. § 111.14, a witness summoned by the Commission shall be paid $30.00, plus mileage at the rate of 22.5 cents per mile. You will be given a check for your witness fee and mileage at the time of the deposition.

Please confirm your scheduled appearance with Michael Marinelli on our toll free line (800/424-9530) within two days of your receipt of this notification.

If you have any questions, please direct them to Michael Marinelli, the attorney handling this matter, at (202) 376-8200.

Sincerely,

Lawrence M. Noble
General Counsel

Enclosure
Subpoena

20044079501 0

**BEFORE THE FEDERAL ELECTION COMMISSION**

In the Matter of ) MUR 2406

**SUBPOENA**

TO: Jane E. McLaughlin
614 Maryland Avenue, N.E.
Washington, D.C. 20002

Pursuant to 2 U.S.C. § 437d(a)(3), and in furtherance of its investigation in the above-captioned matter, the Federal Election Commission hereby subpoenas you to appear for deposition with regard to your activities on behalf of the National Endowment for the Preservation of Liberty, Sentinel, American Conservative Trust, Anti-Terrorism American Committee, and Curl Russel Channell and related matters. Notice is hereby given that the deposition is to be taken on November 16, 1988, in Room 657 at 999 E Street, N.W., Washington, D.C., beginning at 9:30 a.m. and continuing each day thereafter as necessary.

WHEREFORE, the Chairman of the Federal Election Commission has hereunto set his hand at Washington, D.C., this 11th day of Oct., 1988.

Thomas J. Josefiak,
Chairman
Federal Election Commission

ATTEST:

Marjorie W. Emmons
Secretary to the Commission

0040790017

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

October 11, 1988

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Fred Clifton Smith, Jr.
4849 Connecticut Avenue, N.W., #721
Washington, D.C. 20008

RE: MUR 2406

Dear Mr. Smith:

The Federal Election Commission has the statutory duty of enforcing the Federal Election Campaign Act of 1971, as amended. The Commission has issued the attached subpoena which requires you to appear and give sworn testimony on November 30, 1988, at 999 E Street, N.W., Washington, D.C., in connection with an investigation it is conducting. The Commission does not consider you a respondent in this matter, but rather a witness only.

Because this information is being sought as part of an investigation being conducted by the Commission, the confidentiality provision of 2 U.S.C. § 437g(a)(12)(A) applies. That section prohibits making public any investigation conducted by the Commission without the express written consent of the person with respect to whom the investigation is made. You are advised that no such consent has been given in this case.

You may consult with an attorney and have an attorney present with you at the deposition. If you intend to be so represented, please advise us of the name and address of your attorney prior to the date of the deposition.

Pursuant to 11 C.F.R. § 111.14, a witness summoned by the Commission shall be paid $30.00, plus mileage at the rate of 22.5 cents per mile. You will be given a check for your witness fee and mileage at the time of the deposition.

Within two days of your receipt of this notification, please confirm your scheduled appearance with Sandra H. Robinson, the attorney assigned to this matter, at (202) 376-8200. If you have any questions, please contact Ms. Robinson.

Sincerely,

Lawrence M. Noble
General Counsel

Enclosure
Subpoena

0004079501?

**BEFORE THE FEDERAL ELECTION COMMISSION**

In the Matter of ) MUR 2406 )

**SUBPOENA**

TO: Fred Clifton Smith, Jr.
4849 Connecticut Avenue, N.W., #721
Washington, D.C. 20008

Pursuant to 2 U.S.C. § 437d(a)(3), and in furtherance of its investigation in the above-captioned matter, the Federal Election Commission hereby subpoenas you to appear for deposition with regard to your activities on behalf of the National Endowment for the Preservation of Liberty, Sentinel, American Conservative Trust, Anti-Terrorism American Committtee, and Carl Russell Channell and related matters. Notice is hereby given that the deposition is to be taken on Wednesday, November 30, 1988, in Room 657 at 999 E Street, N.W., Washington, D.C., beginning at 9:30 a.m. and continuing each day thereafter as necessary.

WHEREFORE, the Chairman of the Federal Election Commission has hereunto set his hand at Washington, D.C., this 11th day of October, 1988.

Thomas J. Josefiak, Chairman
Federal Election Commission

ATTEST:

Marjorie W. Emmons
Secretary to the Commission

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FEDERAL ELECTION COMMISSION
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BEFORE THE FEDERAL ELECTION COMMISSION

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|---|---|---|
| In the matter of | ) | |
| | ) | |
| National Endowment for the Preservation of Liberty; Carl Russell Channell; Sentinel; American Conservative Trust State Election Fund; American Conservative Trust and Carl R. Channell, as treasurer | ) | MUR 2406 |

GENERAL COUNSEL'S REPORT

In the First General Counsel's Report in this matter, this Office noted that among the organizations controlled by Carl Russell Channell was the Anti-Terrorism American Committee ("ATAC"), which is registered with the Commission as a nonconnected political committee. That report further noted that since no specific allegations had been made in the complaint with respect to ATAC, this Office was making no recommendations with respect to it at that time. See First General Counsel's Report, signed November 24, 1987, at page 14, footnote 6. The Commission, however, did find reason to believe against the National Endowment for the Preservation of Liberty ("NEPL") at that time for violation(s) of 2 U.S.C. § 441b(a) for making contributions or expenditures in connection with a federal election. See Certification, dated December 9, 1987.

In the course of the investigation in this matter, this Office obtained copies of the published reports of the House and Senate Select Committees that contained the depositions (with selected exhibits) taken by staff of the committees. The deposition of Carl Russell Channell is contained in Appendix B,

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Volume 4, of these reports, covering approximately 700 pages including exhibits.

On Page 681 of this volume is an exhibit entitled "Carl Channell Affiliated Companies Statement of Operations - 1986." A copy of this exhibit is attached as Attachment 1; however, it is difficult to read because the document had been reduced when it was published. This table covers the operations of 10 Channell organizations, including NEPL and the federal and nonfederal accounts of ATAC. Under the heading for "Project Expenditures" is a line identified as "Blackmore & Kiewlon." That line also lists $84,900 in expenditures by NEPL, $22,000 by the federal account of ATAC, and $12,750 by the nonfederal account of ATAC for a total of $119,650.

The federal account of ATAC filed its September 1986 monthly report on September 18, 1986, and disclosed a $22,000 disbursement to Blakemore & Killough of New York City on August 26, 1986, for advertising. After receiving two RFAIs from the Reports Analysis Division regarding this report, the committee filed an amendment on December 9, 1986, that disclosed this $22,000 disbursement as an independent expenditure on behalf of Linda Chavez, the Republican candidate for the U.S. Senate in 1986 in Maryland. It further disclosed the address for the firm as 1180 Avenue of the Americas and the purpose of the disbursement as television commercial production and time buy. See Attachment 2.

In late August 1988, this Office obtained copies of the filings by the nonfederal account of ATAC from the District of

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Columbia Office of Campaign Finance. In the report of the nonfederal account covering August 1, 1986, through September 30, 1986, ATAC-State Election Fund ("ATAC-SEF") disclosed a $12,750 disbursement and a $20 disbursement to Blakemore & Killough on August 22, 1986, for "ad campaign-Senate races and wire fee." See Attachment 3.

In the deposition of Carl Channell taken on September 2, 1987, the following testimony was elicited:

> Q There is also an entry there by the name, Blackmore and Kiewlon. Do you know what that refers to?
> A Yes. They are advertising and polling and survey agency in New York, and we worked with them on--it had nothing to do with Nicaragua. It was in the summer and fall of 1986, and we worked--we had some ads done for the tax debate they had here, which didn't go. And then we did something else for them on the constitution.
> I am not sure--that didn't go either because we didn't get to do our program this year, but we had started either in the late summer or the fall, Blackmore and Kiewlon.
> Q Were they involved in the ads for the 1986 congressional campaigns?
> A They did, I think, an ad, one ad.
> Q Do you know which campaign?
> A I don't.
> Q What is your understanding of the correct spelling of the name of that company?
> A That this is wrong.
> Q What is correct?
> A I am not sure I can tell you that. It is Blakemore, and I think it is Kilo. This just isn't correct.
> Q Are they based in New York?
> A Yes, they are.

See Attachment 4.

When this information was uncovered during the investigation, this Office sought to determine if a firm by the name of Blakemore & Killough was still in existence and what its current address is. On September 26, 1988, we received a response from

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the postmaster that the firm was still located at the 1180 Avenue of the Americas address on the 21st floor. See Attachment 5.

In CIR #6, this Office noted that NEPL had paid Arthur J. Finkelstein & Associates $35,500 for a survey relating to the California and Maryland Senate races and another $19,900 for a survey relating to the Maryland race. The exhibits to Mr. Channell's deposition also include a copy of a telegram sent to Lt. Colonel Oliver North at the White House on September 9, 1986, from ATAC. The telegram informed Lt. Col. North of the defeat of Michael Barnes for nomination to the U.S. Senate in the Maryland Democratic primary election. The telegram further stated that "[w]e at the Anti-Terrorism American Committee (ATAC) feel proud to have participated in a campaign to ensure Congressman Barnes defeat." The telegram is signed by Mr. Channell and Kris Littledale, a Channell employee and fundraiser. See Attachment 6. We note that the address ATAC has used in its filings with the Commission and the D.C. Office is the same Prince Frederick, Maryland, address for Mr. Littledale. When staff of the Select Committees sought to question Mr. Channell about this telegram, his attorney objected on grounds of relevance in that the document did not relate to Nicaragua. Counsel for Mr. Channell also objected on similar grounds when committee staff sought to question him about ads ATAC ran in Maryland.

The $12,770 payments to Blakemore & Killough by ATAC-State Election Fund, a nonfederal account, appears related to the $22,000 payment to the firm by ATAC for an independent

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expenditure on behalf of Linda Chavez. The description of the ATAC-SEF payment as for "ad campaign-Senate races" makes this connection likely. Although Mr. Channell has indicated that this firm also did work relating to the tax debate and the Constitution, there is no indication about what this other work consisted of or whether all or part of the $84,900 payment to the firm by NEPL is related to campaign advertising.

Accordingly, this Office recommends that the Commission approve the proposed subpoena to Blakemore & Killough as a nonrespondent witness to determine what these payments were for and what work the firm performed for NEPL and ATAC as well as other Channell organizations.

**RECOMMENDATION**

Approve the attached letter and subpoena to Blakemore & Killough as a nonrespondent witness.

10/19/88
Date

Lawrence M. Noble
General Counsel

Attachments
1. Statement of Operations exhibit
2. ATAC September 1986 Monthly Reports
3. ATAC-SEF Report
4. Excerpt from Channell Deposition
5. Postmaster letter
6. ATAC telegram exhibit
7. Proposed letter and subpoena.

Staff person: George F. Rishel

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BEFORE THE FEDERAL ELECTION COMMISSION

| | | |
|---|---|---|
| In the Matter of | ) | |
| | ) | |
| National Endowment to the | ) | |
| Preservation of Liberty; | ) | MUR 2406 |
| Carl Russell Channell; | ) | |
| Sentinel; American Conservative | ) | |
| Trust State Election Fund; | ) | |
| American Conservative Trust | ) | |
| and Carl R. Channell, as treasurer | ) | |

CERTIFICATION

I, Marjorie W. Emmons, Secretary of the Federal Election Commission, do hereby certify that on October 24, 1988, the Commission decided by a vote of 6-0 to approve the letter and subpoena to Blakemore & Killough as a nonrespondent witness, as recommended in the General Counsel's report signed October 19, 1988.

Commissioners Aikens, Elliott, Josefiak, McDonald, McGarry, and Thomas voted affirmatively for the decision.

Attest:

Oct. 24, 1988
Date

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

Received in the Office of Commission Secretary: Wed., 10-19-88, 2:59
Circulated on 48 hour tally basis: Thurs., 10-20-88, 11:00
Deadline for vote: Mon., 10-24-88, 11:00

0004076502

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

November 1, 1988

**CERTIFIED MAIL**
**RETURN RECEIPT REQUESTED**

Blakemore & Killough
21st Floor
1180 Avenue of the Americas
New York, NY 10036

RE: MUR 2406

Dear Sir:

The Federal Election Commission has the statutory duty of enforcing the Federal Election Campaign Act of 1971, as amended, and Chapters 95 and 96 of Title 26, United States Code. The Commission has issued the attached subpoena and order which requires you to provide certain information in connection with an investigation it is conducting. The Commission does not consider you a respondent in this matter, but rather a witness only.

Because this information is being sought as part of an investigation being conducted by the Commission, the confidentiality provision of 2 U.S.C. § 437g(a)(12)(A) applies. That section prohibits making public any investigation conducted by the Commission without the express written consent of the person with respect to whom the investigation is made. You are advised that no such consent has been given in this case.

You may consult with an attorney and have an attorney assist you in the preparation of your responses to this subpoena and order. However, you are required to submit the information within 15 days of your receipt of this subpoena and order. All answers to questions must be submitted under oath.

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If you have any questions, please contact Michael Marinelli, the attorney assigned to this matter, at (800) 424-9530 or (202) 376-8200.

Sincerely,

Lawrence M. Noble
General Counsel

Enclosure
Subpoena and Order

20040795028

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of )
) MUR 2406
)

**SUBPOENA TO PRODUCE DOCUMENTS**
**ORDER TO SUBMIT WRITTEN ANSWERS**

TO: Blakemore & Killough
21st Floor
1180 Avenue of the Americas
New York, NY 10036

Pursuant to 2 U.S.C. § 437d(a)(1) and (3), and in furtherance of its investigation in the above-captioned matter, the Federal Election Commission hereby orders you to submit written answers to the questions attached to this Order and subpoenas you to produce the documents requested on the attachment to this Subpoena. Legible copies which, where applicable, show both sides of the documents may be substituted for originals.

Such answers must be submitted under oath and must be forwarded to the Office of the General Counsel, Federal Election Commission, 999 E Street, N.W., Washington, D.C. 20463, along with the requested documents within 15 days of receipt of this Order and Subpoena.

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WHEREFORE, the Chairman of the Federal Election Commission has hereunto set his hand in Washington, D.C. on this 28th day of October 1988.

Thomas J. Josefiak, Chairman
Federal Election Commission

ATTEST:

Marjorie W. Emmons
Secretary to the Commission

Attachments
Document Request and Questions (3 pages)

2004079030

## INSTRUCTIONS

In answering these interrogatories and request for production of documents, furnish all documents and other information, however obtained, including hearsay, that is in possession of, known by or otherwise available to you, including documents and information appearing in your records.

Each answer is to be given separately and independently, and unless specifically stated in the particular discovery request, no answer shall be given solely by reference either to another answer or to an exhibit attached to your response.

The response to each interrogatory propounded herein shall set forth separately the identification of each person capable of furnishing testimony concerning the response given, denoting separately those individuals who provided informational, documentary or other input, and those who assisted in drafting the interrogatory response.

If you cannot answer the following interrogatories in full after exercising due diligence to secure the full information to do so, answer to the extent possible and indicate your inability to answer the remainder, stating whatever information or knowledge you have concerning the unanswered portion and detailing what you did in attempting to secure the unknown information.

Should you claim a privilege with respect to any documents, communications, or other items about which information is requested by any of the following interrogatories and requests for production of documents, describe such items in sufficient detail to provide justification for the claim. Each claim of privilege must specify in detail all the grounds on which it rests.

Unless otherwise indicated, the discovery request shall refer to the time period from January 1986 to the present.

The following interrogatories and requests for production of documents are continuing in nature so as to require you to file supplementary responses or amendments during the course of this investigation if you obtain further or different information prior to or during the pendency of this matter. Include in any supplemental answers the date upon which and the manner in which such further or different information came to your attention.

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**DEFINITIONS**

For the purpose of these discovery requests, including the instructions thereto, the terms listed below are defined as follows:

"You" shall mean the named nonrespondent witness in this action to whom these discovery requests are addressed, including all officers, employees, agents or attorneys thereof.

"Persons" shall be deemed to include both singular and plural, and shall mean any natural person, partnership, committee, association, corporation, or any other type of organization or entity.

"Document" shall mean the original and all non-identical copies, including drafts, of all papers and records of every type in your possession, custody, or control, or known by you to exist. The term document includes, but is not limited to books, letters, contracts, notes, diaries, log sheets, records of telephone communications, transcripts, vouchers, accounting statements, ledgers, checks, money orders or other commercial paper, telegrams, telexes, pamphlets, circulars, leaflets, reports, memoranda, correspondence, surveys, tabulations, audio and video recordings, drawings, photographs, graphs, charts, diagrams, lists, computer print-outs, and all other writings and other data compilations from which information can be obtained.

"Identify" with respect to a document shall mean state the nature or type of document (e.g., letter, memorandum), the date, if any, appearing thereon, the date on which the document was prepared, the title of the document, the general subject matter of the document, the location of the document, the number of pages comprising the document.

"Identify" with respect to a person shall mean state the full name, the most recent business and residence addresses and the telephone numbers, the present occupation or position of such person, the nature of the connection or association that person has to any party in this proceeding. If the person to be identified is not a natural person, provide the legal and trade names, the address and telephone number, and the full names of both the chief executive officer and the agent designated to receive service of process for such person.

"And" as well as "or" shall be construed disjunctively or conjunctively as necessary to bring within the scope of these interrogatories and requests for the production of documents any documents and materials which may otherwise be construed to be out of their scope.

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**INTERROGATORIES**
**AND REQUEST FOR DOCUMENTS**

1. Identify Blakemore & Killough and its principals, officers, or directors.

2. State whether Blakemore & Killough provided any goods or services to the following listed organizations during 1986 and, if so, describe in detail all such goods or services and list all payments received from these organizations in 1986 and the purposes for each payment:

a. National Endowment for the Preservation of Liberty;
b. Anti-Terrorism American Committee;
c. Anti-Terrorism American Committee-State Election Fund;
d. American Conservative Trust;
e. American Conservative Trust-State Election Fund;
f. Sentinel; and
g. Channell Corporation.

The response to the question should include, but is not limited to, the payments of approximately $84,900 from the National Endowment for the Preservation of Liberty on unspecified date(s), $22,000 from the Anti-Terrorism American Committee on August 26, 1986, and $12,770 from the Anti-Terrorism American Committee-State Election Fund on August 22, 1986.

3. Provide copies of all documents relating to goods or services provided to or payments received from the organizations listed in Question 2 to include, but not limited to, all invoices, correspondence, scripts, storyboards, advertising copy and graphics.

4. Identify all persons associated in any way with Blakemore & Killough with respect to the provision of goods or services to the organizations listed in Question 2.

5. Identify the person(s) associated with the organizations listed in Question 2 with whom Blakemore & Killough dealt in the provision of goods or services to such organizations.

6. If any of the subpoenaed documents cannot be provided, explain in detail the reason(s) why such document(s) cannot be provided and describe in detail the content of all documents that cannot be provided.

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

October 25, 1988

Fred Clifton Smith, Jr.
4757 Chevy Chase Drive, #315
Chevy Chase, Maryland 20815

RE: MUR 2406

Dear Mr. Smith:

This is to confirm that your deposition has been rescheduled at your request. The deposition will take place on December 7, 1988, at 9:30 a.m., at the Federal Election Commission, 999 E Street, N.W., Room 657, Washington, D.C. You are reminded that the Commission does not consider you a respondent in this matter, but rather a witness only.

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

Sincerely,

Lawrence M. Noble
General Counsel

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# TRANSCRIPT OF PROCEEDINGS

BEFORE THE

FEDERAL ELECTION COMMISSION

| |
|---|
| In the Matter of: |
| MUR 2406 |

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DEPOSITION OF KRISHNA S. LITTLEDALE

Washington, D. C.

Friday, November 18, 1988

ACE-FEDERAL REPORTERS, INC.
*Stenotype Reporters*
~~111~~ North Capitol Street
Washington, D.C. 20001
(202) 347-3700
**Nationwide Coverage**
**800-336-6646**

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BEFORE THE

FEDERAL ELECTION COMMISSION

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In the Matter of: :
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MUR 2406 :
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DEPOSITION OF KRISHNA S. LITTLEDALE

Washington, D. C.

Friday, November 18, 1988

Deposition of KRISHNA S. LITTLEDALE, called for examination pursuant to notice of deposition, at the offices of the Federal Election Commission, 999 E Street, N.W., Sixth Floor, at 9:30 a.m. before RONALD J. WILSON, a Notary Public within and for the District of Columbia, when were present on behalf of the respective parties:

JUDYBETH GREENE, ESQ.
SANDRA ROBINSON, ESQ.
GEORGE RISHEL, ESQ.
Federal Election Commission
999 E Street, N.W.
Washington, D. C.
On behalf of Federal Election Commission.

## CONTENTS


| WITNESS | EXAMINATION |
|---|---|
| Krishna S. Littledale | |
| by Ms. Greene | 3 |


## EXHIBITS


| LITTLEDALE DEPOSITION NUMBER | IDENTIFIED |
|---|---|
| Exhibit 1 | 17 |
| Exhibit 2 | 42 |


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PROCEEDINGS

Whereupon,

KRISHNA S. LITTLEDALE

was called as a witness and, having been first duly sworn, was examined and testified as follows:

EXAMINATION

BY MS. GREENE:

Q My name is Judybeth Greene; I am representing the Office of General Counsel of the Federal Election Commission with the assistance of Sandra Robinson and George Rishel. This deposition is being taken pursuant to a FEC subpoena in connection with an investigation under section 437(g), Title II of this Act. This investigation is designated as matter under review, 2406. The confidentiality provisions of the Act apply until the file is closed in this matter.

Mr. Littledale, the deposition will cover your activity on behalf of the National Endowment for Preservation of Liberty, Sentinel, American Conservative Trust, state and federal committees, Anti-Terrorism American Committee, state and federal committees, and Carl Channell and related matters. You understand that you are

under oath and penalties for perjury apply to this deposition?

A Yes.

Q I am going to ask you some questions to find out about the facts giving rise to this investigation. In answering the questions, please use words and not gestures as gestures don't --

A He can't hear them.

Q Right. If you don't hear or understand a question, say so and we will rephrase or repeat it. If you realize an earlier answer you gave is incorrect or incomplete, please say so and you will be allowed to correct or supplement that answer. If you find you are tired or confused or want a cigarette break, let us know. If you hear the question and answer it, we will understand that you have given the answer to the best of your memory. Do you understand the instructions I gave you?

A Yes.

Q Did you review any documents or talk to any other people in preparing for your testimony today?

A Reviewed no documents. Mentioned to one person that I was testifying here, but did not discuss the nature

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of that testimony in any way, shape or form.

Q Who did you mention that to?

A Cliff Smith.

Q Could you please state your full name and address.

A Littledale, Krishna S., 240 Bay Avenue, Prince Frederick, Maryland 20678.

Q Mr. Littledale, when we sent you the subpoena, we addressed to Star Route 2, Box 102, Prince Frederick, Maryland.

A Yes.

Q Is that your home address?

A That is correct.

Q What address is that?

A Address that was valid about up until almost a year ago today. You all are a little bit behind times. The post office changed my address for me.

Q Could you explain that.

A My house stayed in one place and the post office changed my address. I don't understand that. I can't explain it. You will have to ask the post office. Second time they have done it in 5 years and I don't appreciate it.

Q Okay. How long have you been in that house in Prince Frederick?

A About five years.

Q What is your current job?

A Consultant.

Q Do you work for anyone else?

A What do you mean --

Q Are you self-employed?

A I guess you could call that. I work for anybody who will pay me money.

Q How long have you been working as a consultant?

A Since last November with the exception of the period June 17th to September 5th of this year.

Q What were you doing between June 17th and September 5, 1988?

A I was employed by Travel Wholesalers International in Falls Church, Virginia.

Q What was your job before November 1987?

A November -- in other words, November last year?

Q Yes.

A I worked for an organization called the United States Freedom Foundation.

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Q And how long did you work for that organization?

A Approximately six months.

Q And who do you work for or what organization did you work for before that?

A A variety of organizations headed by Carl Channell.

Q When did you start work for Carl Channell?

A August of '85.

Q How did did your employment with Carl Channell come about?

A I was recruited to work for him by Dan Conrad.

Q Which organizations for Mr. Channell were you working for?

A In the sense of which organization was I being paid by, I don't remember. It varied depending on a variety of different things which I had no control over. I think at one point or another I probably received salary from all of the organizations that you mentioned, but take note, I said "I think." I don't remember.

Q When you say "all of the organizations I mentioned," can I go through them and you say yes?

A Yes.

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Q Or no?

A Fire away.

Q National Endowment for Preservation of Liberty, were you paid by them?

A Yes.

Q Were you paid by Sentinel?

A I believe so.

Q Paid by the American Conservative Trust federal committee?

A I believe so.

Q By the American Conservative Trust state committee?

A I believe so.

Q By the American terrorism -- Anti-Terrorism American Committee federal committee?

A I believe so. By that, I assume you mean Anti-Terrorism American Committee and when you say the state committee, I assume you mean Anti-Terrorism state election fund.

Q Correct.

A Thank you.

Q When Mr. Conrad recruited you to work for

Mr. Channell in August 1985 --

A Recruited me between April 8 and July of '85. I began working in August.

Q When you began working in August, who did you understand, who did you believe you were working for? One of those organizations?

A Yes.

Q Which one was that?

A National Endowment for the Preservation of Liberty.

Q What were your responsibilities at the National Endowment for the --

A Raise money.

Q And when did you start -- did you work for any of the other organizations associated with Mr. Channell?

A As I already stated at one point or another I worked for one or the other. Or believe I did.

Q Okay. What I would like to do is establish a kind of time line between 1985 and 1987 of when you were working for each one of these organizations. If you can do that --

A It will be very difficult at best. I don't look

at the paychecks I receive. I give them to my wife and I don't pay a damn bit of attention what account they are drawn on, so to say in a specific month I was paid by a specific organization, I would be at best guessing.

Q Were there any -- would you say there were any definite lines between these organizations?

A Could you clarify what you are asking?

Q Okay. Was there any point where when you started working for the National Endowment for Preservation of Liberty that you can identify that you began working for another organization, another Carl Channell organization?

A In other words, was there a delineating point when I ceased to work for one and started to work for another, sure.

Q When was that?

A When Channell told me to raise money for a different one. If Channell told me to raise money for something other than the National Endowment for the Preservation of Liberty, obviously would be working for the other organization.

Q Okay. Earlier we referred to an organization called the Anti-Terrorism --

A Anti-Terrorism American Committee.

Q Can you explain what the purposes were of that organization?

A It was a political action committee. Its purpose was to defeat candidates that opposed the President's policies on antiterrorism.

Q I am referring to the federal committee. Did you make any solicitation on behalf of ATAC's federal committee?

A Yes.

Q And were those solicitations connected in any way to senatorial or congressional elections?

A Yes, I would say so.

Q Could you describe what you said in the solicitation you made on behalf of ATAC?

A Specifically, I would not be able to recall. I could give you a general idea.

Q Please do that.

A The general gist of solicitations made to raise money for the Anti-Terrorism American Committee was to help defeat House and Senate candidates who opposed President Reagan's antiterrorism policies specifically; the bombing

of Libya, the additional funding that had been requested for embassy security. And I believe the forcing down and seizure of an Arab jet that was carrying highjackers that had been involved with some highjacking incident, I believe was the Achille Lauro.

Q Was it also related in any way to the freedom fighters in Nicaragua?

A Not especially, no. That might very vaguely have been mentioned from the point of view that I believe PLO types had been in Nicaragua and so it may have been mentioned from that point of view, but only in the most minor of ways that I recall anyway.

Q Was it any different between ATAC's federal committee and ATAC's state election fund?

A Sure.

Q Would you explain what that was.

A One is involved in campaigns for federal office and the other is involved in get-out-the-vote activities or campaigns for state office, non-federal office.

Q Does ATAC mean the Anti-Terrorism American Committee?

A Yes.

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Q Did you and Mr. Channell send a telegram to Oliver North stating that we, ATAC, feel proud to participate in a campaign to ensure Congressman Barnes' defeat?

A A telegram was sent with my name on it without my knowledge.

Q Do you know why it was sent without your approval or without your knowledge?

A Why they sent it without checking it with me, no.

Q Did --

A Safer to say they figured I would not object and they were perfectly correct.

Q Did ATAC contribute to Congressman Barnes' defeat?

A I think so, sure.

Q How did it do that?

A In the final couple of weeks before the Democratic primary, ATAC ran a series of ads which depicted the election as being between Linda Chavez and Barbara Mikulski. The purpose of these ads was to give you Democratic voters the impression that Barbara Mikulski's nomination for the Democratic nominee race for Senate as a

foregone conclusion. Congressman Barnes at that point was trailing but not by too much and was in the midst of a last-minute effort to raise funds for a last-minute television blitz before the primary. The idea of the ads was by suggesting Barbara Mikulski already was the de facto nominee. And it would damage Congressman Barnes' fundraising and thereby ensure he would not get the Democratic nomination for Senate, that was successful that he got his clock cleaned.

Q Who funded these efforts?

A Anti-Terrorism American Committee.

Q Did the ATAC state election fund pay for any part of those ads?

A I have no idea. I didn't write the checks.

MS. GREENE: This is a good time to take a break to get more coffee.

(Recess.)

MS. GREENE: On the record.

BY MS. GREENE:

Q We are back on the record.

A Great.

Q Could you describe the ads that ATAC ran on

regarding Chavez, Linda Chavez?

A I don't remember too well anymore. The gist of them was that they compared Chavez and Mikulski's position on a number of issues and I think they said Mikulski was too liberal for Maryland, but I am not really sure.

Q Earlier you stated that ATAC paid for these ads. And then you stated that you didn't know whether the state election fund of ATAC also contributed?

A I have no idea from which accounts the actual checks were drawn.

Q When you say from which accounts, is it possible that other Channell-affiliated organizations may have paid for this as well?

A I would doubt that.

Q Why would you doubt that?

A Because that would be against the law and Mr. Channell is always very careful whenever he had dreamed up an ad to consult with counsel as to whether this ad or the ad in question that he dreamed up could be paid for by a federal PAC or a state election funds or a lobbying organization or a nonprofit.

Q Did you have any idea of specifically how much

these ads cost, Chavez ads cost?

A At a press conference, this is what memory tells me and I don't guarantee it is accurate, but I believe at a press conference, Mr. Channell said $122,000 or something like that. However, it is unlikely that that bears any relation to how much was actually spent. It is a common tactic with political action committees to overstate how much money will be spent at a press conference in order to increase the likelihood of getting press coverage as to how much money was actually spent, I don't know.

Q When you solicited money for ATAC, did you solicit money with the specific program or a specific ad in mind?

A I did, upon occasion, solicit funds for the ATAC after the ad had been produced specifically for the purpose of airing that ad.

Q How did you choose the people you would solicit?

A Spitz gave me names and told me to solicit them.

Q Then you said you solicited money for the purposes of airing ads. Which ads did you mean?

A I was referring to the ads that we have been speaking about that compared Barbara Mikulski and Linda

Chavez.

Q Did you solicit money for ATAC for purposes of airing any other ads?

A I don't remember doing so.

Q Are you familiar with with a firm called Blakemore & Killough?

A Yes.

Q How are you familiar with them?

A I believe they produced the ads and Mikulski and Chavez.

Q To your knowledge, did Blakemore & Killough produce ads for any other Channell-affiliated organization?

A Not that I remember.

MS. GREENE: I would like to have this exhibit marked as Littledale Exhibit Number 1.

(Littledale Exhibit 1 identified.)

THE WITNESS: In the little bit below center of this Xerox, there is something handwritten that says, I believe, Channell something or another to. Could you tell me what that says?

BY MS. GREENE:

Q I believe it says Channell exhibit or ex. 2.

This Deposition Exhibit Number 1 is a statement of Carl Channell-affiliated companies statement of operations in 1985 and 1986.

Mr. Littledale, I refer you to the page marked 681, about half way down that page, it refers to, under project expenditures, a firm called Blakemore & Killough with an expenditure by NEPL of $84,900 and expenditure by ATAC federal election of 22,000 and expenditure by ATAC state election fund of 12,750 for a total of 119,650.

A Yes.

Q To your knowledge, was this sum of money all for the airing and production of the Chavez ad?

A I have no idea. As I stated earlier, I thought the only production that Blakemore, Killough had done for us was the Chavez/Mikulski ad and I thought that had been paid for by the Anti-Terrorism American Committee, so what the $84,900 expenditure was for, I haven't the foggiest.

Q When you say the only ad Blakemore, Killough did for us --

A For Spitz Channell or any of his organizations.

Q Thank you. In the reports filed by ATAC with the Federal Election Commission, this committee uses the

address Star Route 2, Box 102, Prince Frederick, Maryland which is the same as your home address. Why is that?

A Spitz asked me if he could use my home address for the address forward and I said sure.

Q Is your home address used as the addresses for any other Spitz Channell related-organizations?

A No.

Q Is it also used as the address for ATAC state election fund?

A I don't know.

Q And --

A Let me revise the earlier answer. The question was, was it used for any other Channell-affiliated organizations. It might have been for the state election fund of the ATAC, but I don't remember.

Q Other than what we discussed about your solicitations for the airing of the Mikulski/Chavez ad, did you to do any other solicitation for ATAC for the federal committee?

A Yes.

Q What were these related to?

A Defeating candidates that opposed President

Reagan's antiterrorism policies.

Q Were they for a specific ad or ads?

A Not that I recall, no. The only solicitations that I recall making for a specific advertisement was the one, the solicitations I made for the ad comparing Mikulski and Chavez.

Q Were these solicitations for polls?

A I did make at one point a solicitation for polling that was done by Finklestein I think, but I don't believe that was for ATAC.

Q Who paid for the polling done by Finklestein?

A I believe the National Endowment for the Preservation of Liberty.

Q When you solicited people for funds to defeat certain candidates, did you identify those candidates to the people you were soliciting?

A I believe that in some solicitations I did identify certain specific candidates.

Q How were candidates targeted for defeat by ATAC?

A I don't recall the specifics of how they were chosen.

Q Did ATAC or ATAC state election fund participate

in the Central American Freedom Program?

A Not to my knowledge, not that I recall.

Q Is your address still used as the address for ATAC?

A When I left the employ of Carl Channell, I instructed the committee's attorney, Curt Herge, to inform the FEC that was no longer the address and have the address changed. Whether that was in fact done, I don't know and I do, to this day, still receive letters addressed to ATAC at my address. If you know how to change that, please do so.

Q What do you do with the mail you receive for ATAC?

A Generally I give it to Angela, the secretary.

Q Whose secretary?

A Mr. Channell's secretary.

Q Could you describe the organizational purposes of the National Endowment for the Preservation of Liberty?

A Clarify what you mean by "organizational purposes"?

Q What was it formed to do?

A Nonprofit educational organization.

Q What are its goals?

A According to its incorporation papers, I don't know.

Q According to your familiarity with the organization?

A The purpose was to educate the public on the situation in Nicaragua and Central America.

Q Did you work with this organization?

A Yes.

Q In what capacity?

A Raised money.

Q Did you raise money for specific projects?

A Yes.

Q Could you describe what the projects were?

A Numerous projects. I solicited funds for National Endowment for the Preservation of Liberty, for television ads regarding Nicaragua, for humanitarian assistance for the freedom fighters in Nicaragua, for nonhumanitarian assistance for its freedom fighters in Nicaragua and I think for polling regarding the situation in Nicaragua. Would you repeat to me the ones I mentioned?

Q You referred to TV ads for Nicaragua, I am not sure were you talking about human --

A Humanitarian assistance.

Q Nonhumanitarian assistance?

A Yes.

Q Polling regarding Nicaragua?

A Okay. Public relations regarding the situation in Nicaragua. Those are the ones that I recall at the moment.

Q Who did you solicit? Excuse me. How did you choose who to solicit?

A Mr. Channell gave me a list of names.

Q Do you know where those lists came from?

A No.

Q Did you ever choose who to solicit?

A I never solicited anybody without Mr. Channell first having told me to solicit that person.

Q Did you ever suggest to Mr. Channell who should be solicited?

A I don't recall doing so.

Q During these solicitations on behalf of the NEPL, did you make any mention on behalf the senatorial or Congressional elections?

A I don't recall doing so, although it is possible

I did at some point. I hate not to be able to answer all of the questions with you; it is a long time ago and you can all probably imagine the various and sundry other people that asked me a million questions and has also and what ranks I have been with regard to all of this and it is not something that I make a point of trying to remember. In fact, since I gave my depositions to the special prosecutor's office and Capitol Hill, I made a point of trying to forget all of this.

MS. GREENE: Off the record.

(Discussion off the record.)

MS. GREENE: On the record.

BY MS. GREENE:

Q Before you made solicitation calls for NEPL, did you attend any fundraisers meetings?

A Yes.

Q Do you recall being at a fundraisers meeting on May 23, 1986?

A I am figuring out when that was.

Q Okay.

A I don't recall a specific fundraising meeting on that date, but it is very likely that I did attend a

fundraising meeting on that date. Mr. Channell had impromptu fundraising meetings on almost a daily basis.

Q Did Mr. Channell ever make remarks that when people gave $30,000 to NEPL, they were really making a $30,000 tax-deductible political donation?

A A fundraising meeting did take place in which Mr. Channell outlined a solicitation in which a $30,000 contribution to NEPL could be construed as having the effect of a $30,000 political contribution. There is -- both Capitol Hill and the special prosecutor's office has a transcript of that meeting or what I believe is a transcript of that meeting. And Mr. Channell outlined a solicitation in which a $30,000 contribution to NEPL could be construed as having a similar effect as a $30,000 contribution to a PAC.

Q What was that solicitation in connection?

A SDI, I believe.

Q Did you ever use these -- when you made the solicitation, did you make this suggested approach?

A I believe I did not.

Q Did you ever make any references when you were making solicitations for NEPL that those contributions

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would be essentially tax-deductible political donations?

A Could you clarify exactly what you are asking?

Q When you made solicitations on behalf of the NEPL, did you make any representations or suggestions to people that you were soliciting that these contributions to NEPL would really have the effect of being political donations?

A I don't believe I did, and the reason I say I don't believe I did is, A, because I don't remember doing so, and B, because I remember being uncomfortable with the logic Mr. Channell had used with regard to the fundraising meeting of May 23, you say took place on May 23rd, where Mr. Channell outlined a scenario in which a $30,000 contribution to NEPL was equivalent to a $30,000 political contribution.

Q When you made solicitations for NEPL TV ads and on Nicaragua, did you make any representations to the people you were soliciting this may have the effect of influencing elections?

A No, I don't recall doing so.

Q Did you make any statements to that effect with regard to your other solicitations for NEPL?

A Could you repeat the first question and then repeat that one.

MS. GREENE: Please read it back.

(The reporter read the record as requested.)

THE WITNESS: Okay. No. I don't recall at any point suggesting to people that contributions to NEPL would help defeat or help elect political candidates for office.

BY MS. GREENE:

Q Now, with reference to the meeting that at which Mr. Channell made the statements regarding the $30,000, do you have any idea when that meeting was?

A You suggested it was May 23, 1986. I don't recall when it was. I believe that it took place at a restaurant called La Brasserie on Capitol Hill.

Q Did you make any solicitations for this SDI project?

A A few, very few.

Q And how did you describe the project to those people that you were soliciting?

A I believe I stated that it was to build support for the President's Strategic Defense Initiative and to bring SDI to the forefront of people's minds.

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Q Where would these funds that you solicited eventually be deposited?

A I believe in the National Endowment for the Preservation of Liberty.

Q Do you know how they were used?

A No.

Q When you made solicitations on behalf of the NEPL, did you -- were they over-the-phone solicitations?

A Sometimes. Sometimes in person.

Q Did you do anything else for NEPL? Other than solicitations?

A I did whatever Spitz Channell told me to do. I viewed myself not as working for any specific organization. I viewed myself as more of an employee of Spitz Channell.

Q Other than making solicitations on behalf of the NEPL did you do any other work for NEPL?

A I ran errands, I got Spitz's coffee if he wanted me to, and I had dinner with Spitz if he wanted me to have dinner with him. I am not sure I understand what what you mean by other work for NEPL.

Q Did you participate in making plans for the TV advertisements or making ads for the solicitations?

A Sure.

Q Or coordination with other groups?

A Other groups?

Q Other Channell-affiliated groups?

A Sure. But it wasn't so much a matter of my having any part in the planning. It was more a matter of my being present in a room when Spitz said what was going to happen. "Spitz" is a bit of an autocrat.

Q Are you familiar with a program called the "Central American Freedom Program"?

A Yes.

Q Could you describe what that was?

A It was to educate the American public on what was going on in Nicaragua and Central America and build support for the President's policies there.

MR. GREENE: This is a good time to take a break.

(Recess.)

MS. GREENE: On the record.

BY MS. GREENE:

Q You referred to a program called the "Central American Freedom Program." Can you explain that?

A A program to educate the American public on the

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President's policies in Central America and the situation in Nicaragua and promote support for the President's policies there.

Q What was your involvement in the program?

A Raise money for it.

Q Was this program coordinated with any political committees or campaigns?

A Spitz Channell was head of the National Endowment and he was also head of political committees. So one could not say that the two were totally ignorant of each other.

Q Were the activities of ATAC or ACT coordinated with NEPL Central American Freedom Program?

A Could you clarify what you mean by "coordinate"?

Q Was the Central American Freedom Program coordinated with programs put on by ATAC or ACT?

A Spitz ran them both.

Q Did you make any solicitation for the Central American Freedom Program?

A Yes.

Q Who did you make solicitations to?

A I could not remember them all. Do you want me

to name names?

Q Could you name a few names?

A Sure. Virginia Anderson of Washington, D.C. We are speaking of solicitations for Central American Freedom Program. Virginia Anderson of Washington, D.C. Tom Cliggett of Washington, D.C. Melvin Solwaser of Red Hill, California,; Givens. I don't remember the first name. Mr. and Mrs. Givens of Alabama and Washington, D.C.

Q Did Spitz Channell give you those names to solicit?

A Yes. Or Dan Conrad.

Q Do you know where Dan Conrad is today?

A No.

Q Do you have any idea where he is living?

A I would take a wild guess and say San Francisco.

Q Are you still in contact?

A With Dan, no. I have not spoken to Mr. Conrad in several months. Many months.

Q When was the last time you spoke to him?

A In the summer sometime, probably late spring or early summer.

Q Was he in Washington?

A Yes, he was.

Q Do you know where he was living at the time?

A He had an apartment down near the Watergate. I don't know the address, but I could show it to you if you wanted me to.

Q Do you know about what cross streets?

A No. It is one of those things where I -- if you want to get in a car, I could probably remember how to get there, but the addresses and cross streets and whatnot, I don't remember. You would recognize if you see it, if you know what I mean.

Q Yes. Do you know where Spitz Channell is?

A To the best of my knowledge he is still living on Belmont Road.

Q Belmont Road where?

A Northwest, in Washington. 2032 I believe is the number.

Q Did ATAC or ACT fund any part of the Central American Freedom Program?

A Did ATAC or ACT --

Q Did they --

A Not to my knowledge.

Q Did the Central American Freedom Program fund any of ATAC or ACT --

A Not to my knowledge. Again, I was not involved in writing checks. My only job was to make sure there was money in the bank.

Q Okay. Were there any joint solicitation activities done on behalf of ATAC or ACT and the Central American Freedom Program?

A Clarify what you mean by that.

Q Were there joint fundraisers?

A No, not that I know of.

Q When you got on the phone to make a solicitation on behalf of the NEPL for the Central American Freedom Program, did you also at the same time make a solicitation for ATAC or ACT?

A No. I never did multiple solicitations at one time.

Q Did you ever follow up on solicitation for NEPL with solicitation for ATAC or ACT?

A What do you mean by "follow up"?

Q Contact the same person.

A Sure. In other words, what you are asking me

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did I ever solicit somebody for ATAC or ACT that I had previously solicited for NEPL?

Q Yes.

A Yes.

Q Was the Central American Freedom Program mentioned in any other solicitations for ATAC or ACT?

A Not that I recall.

Q Were any of NEPL's other activities mentioned in solicitations for ATAC or ACT?

A Not that I recall.

Q When you made solicitations for the Central American Freedom Program, did you make any mention of senatorial or congressional elections?

A Repeat the question, please.

(The reporter read the record as requested.)

THE WITNESS: Not that I can recall, no.

BY MS. GREENE:

Q And --

A The only time that I solicited funds for political action committees were in the, as I recall, in the summer -- wait a minute. When did I do that?

(Pause.)

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THE WITNESS: It must have been -- in the early summer, late spring of 1986 and in October of 1986, total of about two months. That was about the only solicitations that I made for political action committees.

BY MS. GREENE:

Q Which political action committees were those?

A In the summer and early spring of 1986 for a period of two to perhaps three weeks I solicited funds for ATAC and in October of 1986 I made solicitations for ACT and I may have made a solicitation, as a matter of fact I probably did make a few solicitations for ATAC and I also may have made some solicitations in September of '86 for ATAC. As a matter of fact, I believe all of the solicitations I made for ATAC were in the early summer or late spring of '86 and around September of '86. I say September because I think that is when the Democratic primary for Senate in Maryland was and I believe all of the solicitation I made in October '86 were for ATAC I believe.

Q When you made solicitation for the Central American Freedom Program for NEPL, did you make any mention of senatorial or congressional elections?

A Not that I recall. I may have mentioned them in

passing, but only in passing.

Q When you say "in passing," how could that have come up?

A It could have come up in the sense that you are talking about certain senators' position on Nicaragua and you say he is a real bad one. It would be great if he got beaten, but solicitations for NEPL for the Central American Freedom Program did not focus on elections or candidates. However, in as much as Nicaragua was a political issue being hotly debated in the press and what have you, it would not surprise me if a certain senator or certain congressman did come up from time to time. As a matter of fact, I am certain Michael Barnes came up from time to time in discussions of the Central American Freedom Program during solicitations.

Q When he came up in discussions, did you bring him up?

A I may have brought up or contributors may have brought him up.

Q In that context, did you ever mention that these donations to the Central American Freedom Program would help defeat Congressman Barnes?

A No. That is against the law.

Q Are you familiar with an organization called "Sentinel"?

A Yes.

Q How are you familiar with that?

A "Spitz" Channell was head of it.

Q Did you ever do any work for Sentinel?

A Yes.

Q What did you do?

A Raised money for it.

Q And who paid you when you raised money for Sentinel?

A As I said earlier, I received a check from Spitz. What organization the checks were drawn on, I don't know. I -- when I get paid, I take the check and put it in my pocket or briefcase and when I get home that night I hand it to my wife and she hands it back to me and says sign the back and I do that. I am very, very bad at handling a checkbook, so all the money I make I give to her.

Q What are the goals of Sentinel?

A It was a lobbying organization and the purpose was to lobby Congress.

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Q On what issues?

A What its organizational statement said it was going to lobby on, I don't know. The only lobbying that I knew of it doing was regarding Nicaragua.

Q The checks that you received in payment for your work for Spitz Channell and his organizations, did the checks ever identify the organization that they were from?

A Sure. They got the name of the organization right on it.

Q But you don't recall?

A No. I mean as I say I don't really look at them. I take the check and give it to my wife.

Q Were the checks all the same color?

A No. I don't believe so. But that really doesn't mean much, if anything, because the National Endowment for the Preservation of Liberty had numerous accounts and some had a different color.

Q Did you notice different mastheads or formats?

A I may have noticed them at the time, but I didn't pay any attention to it. I am quite sure at one point or another I was paid by an organization other than NEPL. When I was paid by other organizations in as much as

what months I was paid for by other organizations, I don't know, and which other organizations I was paid from on what months, I don't know.

Q Would you be able to identify other organizations that paid you within that two-year period from 1985 to '87?

A I can name organizations that I may have been paid at one point or another during that period. When it happened, I would be doing little more than guessing.

Q If I don't ask you when it happened, could you state that you were paid by Sentinel for some work you did between 1985 and 1987?

A I believe at some point I did receive an entire month's pay or part of a month's pay from Sentinel.

Q Did you ever receive pay from the American Conservative Trust?

A I think I may have.

Q Did you ever receive pay from the American Conservative Trust state committee, state election fund?

A It is possible. I don't remember doing so, but it is possible.

Q Did you ever receive funds or pay from ATAC, the

federal committee?

A It is possible, but I don't recall doing so, but it is possible.

Q Did you ever receive pay from ATAC?

A I believe so. It stands for Anti-Terrorism American Committee state election fund. The answer to the question is I believe so.

Q Did you solicit funds for Sentinel?

A Yes.

Q When you solicited funds for Sentinel, were these for specific projects or programs?

A Yes.

Q What were those programs?

A The -- in, I believe, June of 1986, I solicited funds for Sentinel for a series of television ads being run by Sentinel and I believe that in late 1986 meaning -- no. Not late 1986, early 1987, I believe, although it may have been late '86, I believe I solicited funds for Sentinel for the purposes of helping pay the legal bills of Lieutenant Colonel Oliver North.

Q That mean it was solicited on behalf of Sentinel?

A Yes.

Q Did you make any mention of senatorial or congressional elections during the solicitation for television ads for the Contras?

A Not that I raw, no. The focus of the solicitation was to get congressmen and specifically representatives, not senators, to get congressmen to vote for an upcoming appropriation on aid to the freedom fighters in Nicaragua. It is entirely possible that I may have at one point or another or during the course of conversation elections may have come up, but the vast majority of the focus of the solicitations was getting congressmen to vote for the Nicaraguan freedom fighter aid appropriation.

Q Speaking about the other part of the solicitation, was it ever mentioned that these ads would help to defeat particular representatives if they did not vote for Contra aid?

A Not that I recall, but I won't say it is impossible.

MS. GREENE: What I would like to do now is introduce Deposition Exhibit 2, which are ads by Sentinel on Contra aid. It is a three-page, stapled document.

(Littledale Exhibit 2 identified.)

BY MS. GREENE:

Q Is this document an accurate reflection of the ads run by Sentinel?

A Yes.

Q This document shows a picture of Congressman Michael Barnes?

A Yes.

Q With a statement that he is still not backing President Reagan on Nicaragua and better call him?

A Yes.

Q How was Michael Barnes chosen as a target for this ad?

A Michael Barnes was one, if not the leading opponent of aid to the freedom fighters in Nicaragua and the purposes of running ads about Michael Barnes is that he is located right here in Washington, right out there in the Maryland suburbs, so when you put these ads on so that Michael Barnes constituents can see them, all of Congress also sees them.

Q Turning to page 2 of Littledale Deposition Exhibit 2, there is an ad, there a few ads, one features

Congressman J.J. Pickle, Congressman Bill Hefner and Congressman Ed Jones. How were these individuals targeted?

A How were they chosen? They were congressmen, I believe, who were considered to be possible swing votes on the appropriation request for aid to the Nicaraguan freedom fighters.

Q Where were they run?

A In their district or television station that reached their districts.

Q When you made solicitation to air these ads, did you ever tell the people you were soliciting what the wording of the ads would be?

A Yes, and I also believe at one point I actually made one of the ads for somebody I was soliciting.

Q Who made the decision on where to place these ads?

A Spitz Channell.

Q Okay.

A Anyway, I believe it was Spitz Channell.

Q Are you familiar with an organization called ACT?

A Yes.

Q American Conservative Trust?

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A Yes.

Q Can you tell me what its goals are from your familiarity with that organization?

A To help conservative challenger candidates and defeat liberal candidates.

Q What kinds of work did you do for ACT?

A Raise money.

Q And did you raise money for specific projects?

A Yes.

Q What projects were those?

A The only time that I recall raising money for ACT was in October of 1986 and, as I recall, we were running some ads trying to defeat certain candidates.

Q ACT was running ads?

A I believe so.

Q And what was the focus of those ads?

A I don't recall the specific ads.

Q Did those ads have to do with the Contras?

A I don't recall the ads.

Q Would the ad have been identifying the conservative challengers as supporting the Contras?

A They might have, but I don't recall the specific

ads.

Q Did you do any solicitations on behalf of ACT-SEF?

A I believe so, yes.

Q And what were those solicitations for?

A I believe we received some funds for ACT-SEF to run get-out-vote messages in North Carolina.

Q Why North Carolina?

A It was an important race of some sort going on there.

Q When you made solicitations on behalf of the ACT-SEF, did you make any mention of specific senatorial or congressional candidates during the solicitation?

A I don't believe so. I don't recall exactly what the newspaper ad said, but I don't believe so because that would not have been legal.

Q What do you mean by "the newspaper ad" --

A The messages we ran in North Carolina were newspaper ads as I recall and I don't believe that the newspaper ads mentioned any federal campaigns because that would not have been legal for a state election fund to do.

Q When you solicited money for that project for

that state election fund, you were talking to people to solicit money and did you make any mention of a particular candidate or candidates?

A There is a good chance I did, but I don't specifically recall. I only think that I solicited two people for ACT-SEF and one of them didn't give and the other did, but I don't recall the specific solicitation. I am trying to remember a gal who gave money for ACT-SEF. I believe that was Mrs. Anderson.

Q Her first name?

A Virginia Anderson. As a matter of fact, I didn't really solicit her. She was the only one that I remember getting money from for ACT-SEF and I didn't really solicit her. We sent her a letter and I called her up and chatted with her. She had given money to me before and she said, by the way, I am mailing your check, so it was not a matter of my making a specific solicitation. The solicitation had been made by mail. The telephone solicitation that I recall making for ACT-SEF was a Henry Salvatore in California and he said no.

Q Where was Mrs. Virginia Anderson living?

A On Cathedral Avenue, 4201, I believe.

Q When you spoke to Mrs. Anderson before she sent up the check, did you discuss the particular candidates that were running in North Carolina?

A I don't believe so. As I say, I didn't solicit her. She was solicited by mail in a letter that Spitz sent out and I don't recall the contents of the letter.

Q But I am referring to the phone conversation that you had with her.

A The phone conversation was more a matter of just chatting and saying I am being friendly. One of the techniques that Spitz favored in solicitation was to continually be in touch with contributors not only for the purpose of solicitation, but often just to chat and say hello.

Q During that chat did you discuss --

A I don't believe so --

Q -- raising funds?

A I don't believe so. I think we probably discussed Nicaragua.

Q All right. What was the difference between ACT and ACT-SEF?

A One was a federal political action committee and

the other was a state political action committee.

Q Did they have different goals?

A One was to participate in federal elections and the other was to participate in get-out-and-vote efforts and nonfederal elections. State elections.

Q When you made solicitations for this organization, did you mention, when you made solicitations for ACT, did you mention particular senatorial or congressional elections?

A When I made solicitations for ACT, did I mention specific senatorial or congressional elections? I am sure I did.

Q Did you mention the American Conservative -- the Central American Freedom Program?

A I may have mentioned it in passing, but I don't specifically recall doing so. The other thing is that very seldom did I specifically refer to the Central American Freedom Program. It is not a term that we used often. That was a title put on a sort of brochure type of thing that we put together but we didn't very often in speaking use the term Central American Freedom Program, so it is very, very unlikely at any point during a solicitation for

ACT or ACT-SEF that I specifically said the Central American Freedom Program. It is likely that I mentioned Central America during solicitations for ACT or ACT-SEF or ATAC or ATAC-SEF, but it is extremely unlikely that I said the words "Central American Freedom Program."

Q To clarify on that, when you made these solicitations on behalf of ACT and ACT-SEF, did you refer to the efforts NEPL was making on behalf of the Contras in Central America?

A I don't recall doing so. As I say, it is entirely possible that I spoke about Central America and that I would have said something like -- and this is just an example, not a specific statement I made at any point -- but it is entirely possible that I said something like we need to defeat this person because he opposes the President's policy in Nicaragua. But it is unlikely that I ever specifically said Central American Freedom Program and as to whether I specifically referred to the activities of NEPL, I don't recall. The thing you have to remember is that if you have a contributor that you speak to regularly, you don't, in the course of a solicitation, talk about specific organizations. You say we need to do thus-and-so

and thus-and-so, we need you to give X amount of money to do it, here is who you make the check out to. When I got on the phone I didn't identify myself as Kris Littledale I am calling you from ACT or ATAC, but identified myself by name.

Q How were these people that you were soliciting familiar with you?

A Because I probably solicited them before.

Q How did you make that first contact?

A More than likely I made it in a solicitation for NEPL.

Q So what did they think they were contributing to if you didn't identify a particular organization?

A Whatever effort I described for them on the phone.

Q You would tell them which organization to make the check out to?

A That is correct.

Q Did that cause any confusion by the people you were soliciting?

A I don't recall any confusion on their parts, no.

Q Did you tell the people you were soliciting all

of these organizations were connected to Mr. Channell?

A I don't recall telling anybody that, no. These are not the kinds of questions that people that give money away to politically oriented groups ask. The majority of the people we were calling get tons of mail and many phone calls asking for money for political action committees, lobbying organizations, or politically oriented nonprofit and by that I mean policy or issue-oriented nonprofit organizations. And it is just a bad technique to say hello, this is Kris Littledale from and name an organization. You say hi, this is Kris Littledale, I want to talk to you about such-and-such and then you start talking to them about whatever it is that you are eventually going to solicit, be it an election or nonprofit activity, you describe the activity and why it needs to be done and you ask the person to provide funding to help get it done.

Q Would these people that you were soliciting, the ones that you initially solicited on behalf of NEPL?

A Yes.

Q Did there ever come a time when you approached the same people to say we have to defeat so-and-so?

A In the course of soliciting somebody for one of

the PACs, I probably did, sure. Or we have to keep so-and-so from being defeated.

Q When you did that, did you, how did you say the contributions should be --

A If I asked somebody to give money to defeat somebody or to keep somebody from being defeated, I would instruct them to make the check payable to one of the PACs. You can't tell somebody that you are going to use money given to a nonprofit to defeat somebody. That is against the law.

Q Are you familiar with a service called "Washington On-Line"?

A I am.

Q How are you familiar with that service?

A We had that service in our office.

Q Which office?

A We had it at the office on Capitol Hill and in the office on 1331 Pennsylvania.

Q The office on Capitol Hill, which organization's office was that?

A ACT was there, ACT-SEF was there and Sentinel was there and ATAC was there.

Q And at the office at 1331 --

A I think it was 1331 Pennsylvania Avenue, Northwest.

Q Which organizations were there?

A Just about all of them I think.

Q ACT and ACT-SEF?

A And NEPL, Sentinel. American Conservative Foundation, Western Goals, Hill Potomac, Grow Washington.

Q ATAC?

A I think it maintained its address out of my home.

Q Do you know if Washington On-Line had a contract with any individual organization?

A I don't know who paid the bills.

Q Did you ever use this service in connection with your employment at ATAC?

A Yes.

Q How did you use the service?

A If I was given a series of names by Dan Conrad or Spitz Channell to solicit, I would look up the people on Washington On-Line to get an idea of what their giving history was.

Q Did you ever use the service as a basis for

determining who to solicit for different projects?

A Who to solicit for what project, I was always instructed by Spitz Channell or Dan Conrad.

Q Do you know if they used the Washington On-Line system to make that determination?

A It is possible that they did.

Q Did they ever discuss it with you?

A No.

Q Did, when you made -- when you made solicitations to people whose names appeared on the Washington On-Line, did you ever make any reference to the contribution or the amount of the contribution that was listed in the Washington On-Line?

A No. Not that I recall.

Q Is it possible that you would have or that you said to somebody, "you gave $5000 to this organization" --

A As I said a moment ago, no. It is not a good idea to be a smart ass to somebody that you are trying to give you money, and telling them that you know more about them than they think you do is a case of being a smart ass as far as I am concerned.

Q Did any of the organizations connected to

Mr. Channel target certain congressmen for defeat in the 1986 elections?

A The only specific election that I recall was the Chavez/Mikulski race. Congresswoman Mikulski was then a candidate, Democratic candidate for the U.S. Senate from Maryland and we did wish to defeat her.

Q Which organizations were working to do that?

A I remember the ATAC ads dealing with Mikulski and Chavez and I don't recall if we did any ads after that concerning that race, although for some reason I think we did. I have a recollection we may have run some ads just before the election concerning Mikulski and Chavez, but I don't recall specific ads or who would have funded them and ACT, as I recall, it ran some ads to help certain people or to hurt certain other people in the last week or two before the election, but I don't recall which candidates or which races they were referring to.

Q Were polls used to target any of these congressmen or senators?

A Polls done by Finklestein, garnered from polls done by Finklestein was probably used in helping to determine where in state to run ads or things like that.

Specifically how specific races were chosen, I don't know.

Q Who paid for the Finklestein poll?

A I don't know who wrote the check.

Q What I would like to do now is take another break.

A Fine by me.

(Recess.)

MS. GREENE: On the record.

BY MS. GREENE:

Q Who was involved in the decisionmaking process on which congressmen to target for defeat in 1986?

A Certainly Spitz Channell and I believe that he consulted with IBC, International Business Communications, and I believe he consulted with Dan Kuykendall, although I am not sure, he may have consulted with Finklestein on that. I believe Spitz had a meeting at one point with Mitch Daniels, who was a political advisor of some sort at the White House, so I think it is possible that Spitz consulted with him on that. Those are the only folks that I can think of that he was likely to have consulted on the subject.

Q But for purposes of choices made of who the

Channell organizations were going to target for defeat in 1986, who was involved in those decisions?

A As I said, Spitz Channell and he likely consulted with people I mentioned on that.

Q Would --

A I was not involved in the decisionmaking process. I was a fundraiser. I was told to raise money for this or that or the other thing and so I raised money for it or tried.

Q Did organizations other than ACT or ATAC affiliated with Mr. Channell participate in programs or advertisements to defeat certain congressmen in the 1986 elections?

A Not to my knowledge.

Q Earlier you mentioned a few other Channell organizations that we have not discussed.

A Yes.

Q One was Hill Potomac?

A That is a consulting organization.

Q Is that a Channell-affiliated organization?

A It was an organization Spitz Channell recreated.

Q That was a for-profit organization?

A I don't know. I once asked Spitz what Hill Potomac was and what Grow Washington was and his answer was don't worry about it until I tell you to raise money for it. That should give you an idea of how involved I was in the decisionmaking. Don't worry about it until I tell you to raise money for it.

Q Did you later come to learn what either of these organizations did?

A No.

Q What about Western Goals?

A Western Goals was a nonprofit organization that had been created by Congressman Larry McDonald that Linda Guell had run after Congressman McDonald's death that Spitz Channell took over in, I believe, the late summer or early fall of 1986.

Q Did Western Goals have any program or activities regarding the Contras in Nicaragua?

A I believe before Spitz Channell took over the organization they did do some fundraising related to the freedom fighters in Nicaragua.

Q Did you do any fundraising for them?

A A tiny bit.

Q What was that related to?

A It was related to a radio program they had which essentially consisted of -- what were they called?

(Pause.)

THE WITNESS: It was little snippets of the news. You know sometimes on news you will hear they will say such-and-such happened today and on that subject so-and-so said and then they will have that person's voice saying whatever he said. Western Goals had a little operation on Capitol Hill with both incoming and outgoing WATS line and they would tape record a little statement, it's made by so-and-so up on the Hill or so-and-so at such a hearing or what have you and they would then call radio stations and then offer these, sound bites you would call them, to the radio station to play on the news. It is sort of a news service.

BY MS. GREENE:

Q Was that connected to the programs of any of the other Channell organizations like ACT or NEPL?

A Western Goals was pretty independent.

Q You referred to two different offices that the channel organizations were located at. There are a lot of

organizations listed at the Capitol Hill address?

A Yes.

Q About how many people were in that office?

A At its height, there were maybe 16 or so.

Q What about the office on Pennsylvania Avenue?

A At -- you are speaking of the office at Capitol Hill?

Q The one on Pennsylvania Avenue?

A I screwed you up. The office on Pennsylvania Avenue, at its height, had about 16, maybe 17, I believe, and the office on Capitol Hill at its height had about 11, maybe 12. I will tell you that was a tight fit. I mean there could not have been more than about 1500 square feet, maybe 2000 square feet, on Capitol Hill and packing those people in there was tight.

Q Did most of the people work for more than one Channell organization?

A Yes, I would say so. Probably, yes.

MS. GREENE: What I would like to do now is to continue the deposition. We will adjourn for the day, but there are matters I want to address before we close. First of all, I want to thank you for coming and remind you that

the confidentiality provisions of section 437(g) still apply to this proceeding.

THE WITNESS: What does that say? I can't tell anybody about this or I can't tell any specific person about it or what?

MS. ROBINSON: That you cannot discuss the matter with anyone the content of it or the subject of the questions that have been asked or persons that have been asked about because neither party has released this and stated that it can be opened.

THE WITNESS: What if the attorney for one of the people involved were to contact me and ask me the kinds of questions asked here? Am I allowed to tell them or not?

MS. ROBINSON: I would think not. Because once again, I would think not.

THE WITNESS: Okay. So in the event an attorney for any of the people I have been asked questions about asked me about this, I am to refer them to you all.

MS. ROBINSON: Yes.

THE WITNESS: Would one of you give me your card before I leave?

MS. ROBINSON: Do I anticipate --

THE WITNESS: I know of one other person that you subpoenaed for this and it would not surprise me if in some way, shape or form one of the various and sundry people mentioned here were to find out that this took place and to tell their attorney and if their attorney found out it took place, I would be surprised if they didn't call me up and asked me the type of questions asked.

MS. ROBINSON: They should be referred to the Commission.

BY MS. GREENE:

Q How many miles was it from your house to --

A About 48.

Q -- to the deposition here today?

A Right.

Q Round trip?

A One way. I live in the boondocks.

Q The Commission's regulations 11 CFR section 111.14 provides you are entitled to a $30 witness fee and payment for the mileage you traveled to the deposition, so we will be sending you a check for this amount soon.

(Whereupon, at 12:05 p.m., the deposition was adjourned.)

## CERTIFICATE OF NOTARY PUBLIC & REPORTER

I, R. J. WILSON, the officer before whom the foregoing deposition was taken, do hereby certify that the witness whose testimony appears in the foregoing deposition was duly sworn by me; that the testimony of said witness was taken in shorthand and thereafter reduced to typewriting by me or under my direction; that said deposition is a true record of the testimony given by said witness; that I am neither counsel for, related to, nor employed by any of the parties to the action in which this deposition was taken; and, further, that I am not a relative or employee of any attorney or counsel employed by the parties hereto, nor financially or otherwise interested in the outcome of this action.

Notary Public in and for the
District of Columbia

My Commission Expires MARCH 14, 1991

0004970508

LITTLEDALE EX 1
11/18/88

681

[redacted]

| | NPL | Western Goals Foundation | Western Goals Education | Channell | Services, Inc. | Anti-Terrorist American Committee Federal Election Fund | Anti-Terrorist American Committee State Election Fund | American Conservative Trust (ACT) Federal Election Fund | American Conservative Trust (ACT) State Election Fund | American Conservative Foundation | Total |
|---|---|---|---|---|---|---|---|---|---|---|---|
| REVENUES | | | | | | | | | | | |
| Contributions | [redacted] | [redacted] | [redacted] | [redacted] | [redacted] | [redacted] | [redacted] | [redacted] | [redacted] | [redacted] | [redacted] |
| Transfers In | [redacted] | [redacted] | [redacted] | [redacted] | [redacted] | [redacted] | [redacted] | [redacted] | [redacted] | [redacted] | [redacted] |
| Other Revenue | [redacted] | [redacted] | [redacted] | [redacted] | [redacted] | [redacted] | [redacted] | [redacted] | [redacted] | [redacted] | [redacted] |
| Total | [redacted] | [redacted] | [redacted] | [redacted] | [redacted] | [redacted] | [redacted] | [redacted] | [redacted] | [redacted] | [redacted] |
| EXPENDITURES | | | | | | | | | | | |
| Transfers Out | [redacted] | [redacted] | [redacted] | | | [redacted] | | [redacted] | | | [redacted] |
| Project Expenditures | | | | | | | | | | | |
| Overhead | [redacted] | | | | [redacted] | | | [redacted] | [redacted] | | [redacted] |
| Mailings | [redacted] | | | | | | | | | | [redacted] |
| Literature | [redacted] | | | | | | | | | | [redacted] |
| Newsletter | [redacted] | | | | | | | | | | [redacted] |
| Broadcast Media | [redacted] | | | | | | | | | | [redacted] |
| Phone & Postage | [redacted] | | | | [redacted] | | | | | | [redacted] |
| Telephone & Utilities | [redacted] | | | | | [redacted] | [redacted] | | | | [redacted] |
| Fundraising | [redacted] | | | | | | | | | | [redacted] |
| Rent | [redacted] | | | | [redacted] | | [redacted] | | [redacted] | | [redacted] |
| Web Site Fees | [redacted] | | | [redacted] | | | | | | | [redacted] |
| Polling | [redacted] | | | | [redacted] | | | | | | [redacted] |
| Public Campaign - Loan | [redacted] | | | | | | | | | | [redacted] |
| Legal & Accounting | | [redacted] | | | [redacted] | | | | | | [redacted] |
| Salaries/Wages | | | | | [redacted] | | | | | | [redacted] |
| Miscellaneous | | | | | [redacted] | | [redacted] | [redacted] | | | [redacted] |
| Other | [redacted] | | | | | | | [redacted] | | | [redacted] |
| Fundraising | | | | | | | | | | | |
| Direct Fundraising | [redacted] | | | | | | | | | | [redacted] |
| Direct Mail Fundraising | [redacted] | [redacted] | | | | | | | | | [redacted] |
| Travel - Fundraising | [redacted] | [redacted] | | | | | | | | | [redacted] |
| Other | [redacted] | [redacted] | | | | | | | | | [redacted] |

680

[redacted]

Channell Ex 2

| | NPL | Western Goals Foundation | Western Goals Education | Channell | Services, Inc. | Anti-Terrorist American Committee Federal Election Fund | Anti-Terrorist American Committee State Election Fund | American Conservative Trust (ACT) Federal Election Fund | American Conservative Trust (ACT) State Election Fund | American Conservative Foundation | Total |
|---|---|---|---|---|---|---|---|---|---|---|---|
| REVENUES | | | | | | | | | | | |
| Contributions | [redacted] | [redacted] | [redacted] | [redacted] | [redacted] | [redacted] | [redacted] | [redacted] | [redacted] | [redacted] | [redacted] |
| Other Revenue | [redacted] | [redacted] | [redacted] | [redacted] | [redacted] | [redacted] | [redacted] | [redacted] | [redacted] | [redacted] | [redacted] |
| Total | [redacted] | | | [redacted] | | | | [redacted] | [redacted] | | [redacted] |
| EXPENDITURES | | | | | | | | | | | |
| Project Expenditures | | | | | | | | | | | |
| Mailings | [redacted] | | | | | | | | [redacted] | | [redacted] |
| Broadcast Media | | | | | | | | | [redacted] | | [redacted] |
| Literature | | | | | | | | [redacted] | [redacted] | | [redacted] |
| Web Site Fees | | | | | | | | | [redacted] | | [redacted] |
| Other | [redacted] | | | | | | | | | | [redacted] |
| Consultants and Public Relations | | | | | | | | | | | |
| Fee | [redacted] | | | | | | | | | | [redacted] |
| Direct Mailing | [redacted] | | | | | | | | | | [redacted] |
| Other | [redacted] | | | | | | | | | | [redacted] |
| Salaries and Administrative | | | | | | | | | | | |
| Travel | [redacted] | | | | | | | | | | [redacted] |
| Carl Channell | [redacted] | | | | | | | | [redacted] | | [redacted] |
| Payroll | [redacted] | | | [redacted] | | | | | | | [redacted] |
| Rent | [redacted] | | | [redacted] | | | | | | | [redacted] |
| Office Expense | | | | | | | | [redacted] | | | [redacted] |
| Other | [redacted] | | | | | | | | | | [redacted] |
| Legal and Accounting | | | | | | | | | | | |
| Steve Kelmon | [redacted] | | | | | | | [redacted] | [redacted] | | [redacted] |
| Gibbs & Hedge - Legal | | | | | | | | [redacted] | | | [redacted] |
| Other | [redacted] | | | | | | | [redacted] | | | [redacted] |
| Other Expenditures | | | | | | | | | | | |
| Ind Contribution | [redacted] | | | | | | | | | | [redacted] |
| Nic. Rev. Council | [redacted] | | | | | | | | | | [redacted] |
| IRC | [redacted] | | | | | | | | [redacted] | | [redacted] |
| Penalty for Gov. | | | | | | | | | [redacted] | | [redacted] |
| Further Extension for Gov. | | | | | | | | | [redacted] | | [redacted] |
| Income Limited. | | | | | | | | [redacted] | | | [redacted] |
| Campbell for Congress | | | | | | | | [redacted] | | | [redacted] |
| Austin Hospital | | | | | | | | [redacted] | | | [redacted] |
| Investigation | | | | | | | | [redacted] | | | [redacted] |
| Wells, Inc. | | | | | | | | [redacted] | | | [redacted] |
| Other | | | | [redacted] | | | | [redacted] | [redacted] | | [redacted] |
| Total | [redacted] | | | [redacted] | | | | [redacted] | [redacted] | | [redacted] |
| NET REVENUE (EXPENDITURES) | [redacted] | | | [redacted] | | | | [redacted] | [redacted] | | [redacted] |

SEE FOOTNOTES ON ANALYSIS II C

LITTLEFIELD EX 2
11/18/88

SPONSOR: Sentinel
TITLE: "Time Checks" TIME: 10-sec ea.

*(Stopwatch ticking)*
It's 6:30. And your Congressman, Michael Barnes, is *still* not backing President Reagan on Nicaragua.

Better call him.

*(Stopwatch ticking)*
It's 11:30. And your Congressman, Michael Barnes, has *still* not decided to support the President on Nicaragua.

Call him.

RECEIVED
FEDERAL ELECTION COMMISSION
MAIL ROOM

88 DEC -6 AM 10: 30

# J.S. HUNTING INC.

November 28, 1988

Mr. Lawrence M. Noble
General Counsel
Federal Election Commission
999 E. Street, N.W.
Washington, D.C. 20463

88 DEC -5 PM 1:41

Dear Mr. Lawrence:

RE: MUR 2406

Your request, dated November I, to Blakemore & Killough is answered as follows:

I. Blakemore & Killough existed in 1985-1986 to provide advertising services. Equal partners, principals and directors were: Charles N. Blakemore and James Killough III. Charles Blakemore left in 1986 and Blakemore & Killough ceased operations.

2. Please see attached copy (#2) C. Blakemore letter to Wm. Davis on 7/29/87 which lists the payments received and from which organizations.

3. Copies that remain in our files cover invoices by suppliers as well as our own invoice and are identified as #3A. Copy samples, and correspondence are noted as #3B.

4.To my knowledge, no other people from our firm were associated with this project, beyond Mr. . Blakemore, and the above (#3A) suppliers which worked with us.

5. The parties with whom we worked were Spitz Channel and Dan Conrad.

We hope this answers your questions.

Sincerely,

James Killough

1180 AVENUE OF THE AMERICAS, NEW YORK, N.Y. 10036 (212) 302-9370 FAX-212-730-2297
NEW YORK WASHINGTON, D.C. DALLAS FT. WORTH

00407510

**BUSINESS RECORDS SUBMITTED**
**WITH NOVEMBER 28, 1988, BLAKEMORE AND KILLOUGH**
**RESPONSE TO SUBPOENA HAVE BEEN DELETED**
**FROM THE PUBLIC RECORD**

0004079702

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

December 5, 1988

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Virginia State Library
12th & Broad Streets
Richmond, Virginia 2319-3491

MUR 2406

Dear Sirs:

On September 13, 1988, this Office ordered copies of the state election reports filed by the American Conservative Trust, State Election Fund from October to November 1986. A check for $14.25 was included in the order. Enclosed is a copy of the original order and check.

To date this Office has not received the requested reports. Please provide us with the ordered documentation. If you cannot do so please, refund the amount sent in payment.

If there are any questions, please contact Michael Marinelli, the attorney assigned to this matter, at (202) 376-8200.

Sincerely,

Lawrence M. Noble
General Counsel

Lois G. Lerner
Associate General Counsel

Enclosure
Order and Check

0004079510 3

86C#1427

# TRANSCRIPT OF PROCEEDINGS

UNITED STATES OF AMERICA

BEFORE THE

FEDERAL ELECTION COMMISSION

| |
|---|
| In the Matter of: |
| MUR 2406 |

88 DEC 21 PM 4:49

2004075104

DEPOSITION OF FRED CLIFTON SMITH, JR.

Washington, D. C.

Wednesday, December 7, 1988

ACE-FEDERAL REPORTERS, INC.
*Stenotype Reporters*
444 North Capitol Street
Washington, D.C. 20001
(202) 347-3700
**Nationwide Coverage**
**800-336-6646**

UNITED STATES OF AMERICA

BEFORE THE

FEDERAL ELECTION COMMISSION

- - - - - - - - - - - - - - - - - - -x

In the Matter of: :

MUR 2406 :

- - - - - - - - - - - - - - - - - - -x

DEPOSITION OF FRED CLIFTON SMITH, JR.

Washington, D. C.

Wednesday, December 7, 1988

Deposition of FRED CLIFTON SMITH, JR., called for examination pursuant to notice of deposition, at the Federal Election Commission, 999 E Street, N.W., Suite 627, at 9:30 a.m. before RONALD J. WILSON, a Notary Public within and for the District of Columbia, when were present on behalf of the repsective parties:

SANDRA H. ROBINSON, ESQ.
FRANIA MONARSKI, ESQ.
Federal Election Commission
999 E Street, N.W.
Washington, D. C.
On behalf of Federal
Election Commission.

J. CURTIS HERGE, ESQ.
Herge, Sparks, Christopher
& Biondi
Suite 200
8201 Greensboro Drive
McLean, Virginia 22102
On behalf of the Deponent.

0004075103

# CONTENTS


| WITNESS | EXAMINATION |
|---|---|
| Fred Clifton Smith, Jr. | |
| by Ms. Robinson | 3 |


# EXHIBITS


| SMITH DEPOSITION NUMBER | IDENTIFIED |
|---|---|
| Exhibit 1 | 15 |
| Exhibit 2 | 18 |
| Exhibit 3 | 34 |
| Exhibit 4 | 70 |


0004076

2004079107

P R O C E E D I N G S

Whereupon,

FRED CLIFTON SMITH, JR.

was called as a witness and, having been first duly sworn, was examined and testified as follows:

EXAMINATION

BY MS. ROBINSON:

Q Good morning. My name is Sandra Robinson representing the Federal Election Commission. This deposition is being taken pursuant to section 437(d)(a)(3) of the Federal Election Campaign Act of 1971 as amended.

For the record, would you give your name and address.

A Fred Clifton Smith, Jr.,

Q What is your telephone number?

A

Q The name of the witness' counsel?

MR. HERGE: J. Curtis Herge with the law firm of Herge, Sparks, Christopher & Biondi in McLean, Virginia.

BY MS. ROBINSON:

Q I will ask you a series of questions and I would

remind you perjury applies here and you are under oath. I would like you to respond verbally and not with gestures so the reporter can get everything down.

I would like to know if you reviewed any documents or talked to anyone prior to coming down here today?

A No, other than my attorney which was just "hello, how are you."

Q You don't have to tell me the details, but you did not review documents?

A No.

Q

A

Q

A

Q

A

Q And do you know Carl Russell Channell?

A Yes.

Q How did you come to know him?

A I met Mr. Channell when I interviewed for a job with him in August of 1983 and that was my first meeting

with him. He later hired me in September of 1983.

Q He hired you for what position?

A In the beginning he hired me as a fundraiser for his then political consulting firm the Channell Corporation. And in that position I was responsible for working on several accounts of the firm raising funds for these accounts for these various clients.

Q And in the beginning did you hold other positions with Mr. Channell, with any other organizations affiliated with him?

A Right. As time passed by, he decided that he wanted to form his own political action committee and also other organizations, nonprofit foundations. He formed the American Conservative Trust and I don't remember the date. It was probably in early '84 because we were active in the election, and in the beginning I was sort of on the staff and then I was the political director, but you have -- that was for purposes of having a title for letter signing purposes. And at some point after that, I think maybe in perhaps early '85, the treasurer at that time who served as treasurer of ACT, American Conservative Trust, decided he didn't have time to be treasurer anymore and deal with all

of the paperwork and so we had to have a treasurer and Mr. Channell asked me to take that position and I did.

Q Did you work with any other organizations associated with Mr. Channell?

A Yes. Mr. Channell was president of a number of organizations, a lobbying firm called Sentinel, a nonprofit foundation, National Endowment for the Preservation of Liberty, and another political action committee, Anti-Terrorism American Committee that he later formed, and also the Western Goals Foundation which he took over from those who used to be in charge of it again later on down the road, several years later.

Q And you worked with all of these organizations from 1983 up until what date?

A Well, I worked with all of them at one point or another, but usually I was working and focused on one at a time and I was there working with him in some capacity until May of 1987.

Q How would you describe your basic job function?

A It was to develop and maintain relationships with contributors who would be interested in supporting the various programs and projects of these organizations.

Q So basically you were a fundraiser?

A Yes.

Q And could you describe the method of fundraising that was generally used?

A Okay. Well, in my work with Mr. Channell, one of the things he did not believe in was using a lot of direct mail as a lot of organizations, as I am sure you know being in the business you are in, do. He felt it was a waste of funds because you spend the money on the direct mail company and do not get very much in return, so we tried to do everything in-house and we would send out a number of solicitation letters on a project, several hundred. I don't think we ever sent out a mailing of more than 3- or 400 at one time which is highly unusual because usually you send out millions of pieces of mail and then there would be various staff members within the organization who worked with or had relationships with various contributors and we would call them after they had time to receive the letter and review it and discuss the project with them and ask for their support.

Also, if the case warranted, we would travel, go visit them wherever they may live, discuss the project with

them and ask for their help in person, and on occasion we had meetings and fundraising events in Washington and they would come here for the event and we would meet with them here.

Q About how many fundraisers were employed with the Channell organizations throughout your connection with them?

A How many total for every organization?

Q Yes. If you can give me that.

A Okay. I think probably no more than seven.

Q Did each of you have a specific number of contributors or certain contributors you were responsible for, or areas, or how was it divided?

A It was divided by simply whom you had contact in the past initially from a cold call and if they had been interested in supporting whatever project you were working on. You, of course, in fundraising you go back to the folks who helped you in the past because obviously they were helping before and they may be interested in helping again and you sort of try to develop a family, so to speak, of contributors, and as far as being broken down geographically, there was no such thing as that.

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Q Okay. Let's go back to your involvement or employment in connection with the American Conservative Trust and the American Conservative Trust State Election Fund.

A Yes.

Q Can you describe the function -- first of all, let's establish you stated you did work for ACT?

A Yes. That was meant to include ACT and the State Election Fund.

Q What were the dates of the involvement with that organization?

A Okay. From its date of inception until late 1986.

Q What was the date of inception?

A I don't remember. I don't know if Curt remembers or not.

Q Perhaps on the date they filed their papers with the Commission to become a political action committee?

A Yes.

Q What were your primary functions there again?

A At the American Conservative Trust to be a fundraiser.

Q And ACT-SEF?

A ACT-SEF was the State Election Fund arm of the American Conservative Trust and it was an -- I don't know how to describe it. The State Election Fund was allowed to participate in some campaign expenditures, if I remember right, in certain states that the federal was not.

Q Did you serve as treasurer of both ACT and ACT-SEF?

A That is a good question. I don't think I was ever, unless I am mistaken, officially declared, or whatever, as treasurer of ACT-SEF, but I think it would be a natural progression if I was treasurer of ACT, I was treasurer of ACT-SEF, too, but I never thought about it.

Q Did ACT-SEF have to file reports with --

A Yes.

Q Would you sign the reports?

A Yes.

Q In what capacity?

A As treasurer.

Going back for a moment to ACT-SEF and filing reports, and such, I am sure that is easy to find out, but I can't recall if I was treasurer of ACT-SEF in an official

capacity and if I signed off on those reports or not. I notice I signed off when we would file our monthly and bimonthly things, FEC reports for the American Conservative Trust, but the ACT-SEF reports, filings were far less regular and were not as frequent at all. I don't remember -- I am thinking, obviously when you were bringing it up now, they had to be signed by someone I suppose and I am not sure.

Q Okay. Can we take a short break?

A Yes.

(Recess.)

MS. ROBINSON: On the record.

BY MS. ROBINSON:

Q All right. We were talking about ACT and ACT-SEF?

A Yes.

Q Let's talk about your duties as treasurer of ACT.

A Okay.

Q In that position were you familiar with the financial transactions of the committee?

A Yes. To the extent of contributions made to candidates and certain general administrative and bills of

the committee, this type of thing.

Q And other than being the treasurer of that committee, did you perform any other duties in addition to your fundraising duties?

A My chief responsibility was fundraising. Really the only thing I ever did as treasurer was try and file our monthly reports or whatever reporting period we were in and that is one of the main responsibilities as treasurer and it was almost secondary because the fundraising was my main responsibility. It doesn't take a whole month to file a report. It takes some time to do it, but the main responsibility was fundraising.

Q During 1984 would you say that ACT was the most active organization of the Channell-affiliated organizations or were the others also active for fundraising efforts for projects going on?

A In 1984 my best recollection is that ACT would have been the most active. It was a presidential election year and I don't believe that, for example, the National Endowment was very active at all at that point.

Q The Channell Corporation, that is where you initially came into the organization?

A Yes.

Q Was that corporation dormant during 1984? Was it inactive during that time?

A I do not remember specifically what the Channell Corporation did in 1984, but because I am not remembering much, it must be because it did not do much.

Q So the solicitations or fundraising for ACT was basically the same you described earlier about your general methods?

A Yes.

Q Do you recall approximately how much you raised for ACT during that period during 1984?

A I believe that ACT raised about $40,000. That sticks in my head, that figure. That is a guess based on a vague memory of it. I am thinking around $40,000 because I think I remember a conversation with Mr. Channell at the end of the year where we talked about how much we raised and this would have been in the fall. ACT was only active in the fall and I believe it was $40,000.

Q In the fall of '84?

A Yes. I am thinking only in the isolated window of late summer to the end of the year just because I think

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that is the only time we did much, and again we can look back and see, as I am sure you can do, but that is the best that I can remember.

Q You were involved with ACT during the year of 1985 as well as late 1986?

A Yes.

Q What was the primary focus of the committee during that period?

A In 1985, to the best of my recollection, ACT was not very active at all. It was not an election year. At least no major elections were going on. Mr. Channell was pursuing other projects through the National Endowment for the Preservation of Liberty. In 1986, again, we would have been active in the campaign.

Q In 1985 did ACT and/or ACT-SEF purchase ads in the Washington Post and the Washington Times regarding President Reagan's victory?

A Yes. I know what you are talking about and I am trying to remember who sponsored those ads. It was two full-page ads that we sponsored ordinarily in the Washington Post and a full page in the Washington Times and I believe it was ACT or ACT-SEF who sponsored them.

Q But you don't know which one specifically?

A No, but I think it would have been ACT or ACT-SEF. They appeared on Inauguration Day, 1985.

Q ACT and ACT-SEF, here we were thinking of them as a federal and nonfederal account. Is that basically how they were set up in the organization?

A Yes.

Q Okay. Now --

A If I can comment a bit further, it was my understanding as a result of conversations I had over the course of time, the ACT-SEF account was an account that could be utilized for certain administrative expenses as well.

MS. ROBINSON: Okay. Going back to ACT-SEF, I will hand you what I want the reporter to mark as Federal Election Commission Exhibit 1.

(FEC Exhibit 1 identified.)

BY MS. ROBINSON:

Q These are documents we obtained in the course of investigating this matter and I will give you a chance to look at it and to note what they are.

A Okay.

Q They are --

A Just a minute.

(Discussion off the record.)

BY MS. ROBINSON:

Q For the record, they are copies of committee campaign contributions and expenditures report filed with the Commonwealth of Virginia State Board of Elections by the American Conservative Trust State Election Fund; is that correct?

A Yes, ma'am.

Q And the reports go from the period of the inception of the committee through October 24, 1985 and then the last report here, there are two or three of them attached, and the last one I believe covers a period from June 1, 1986 through October 15, 1986; is that correct?

A Yes, it is.

Q I would direct your attention to the signature of the treasurer or appropriate person at the bottom of each form.

A That is my signature.

Q So that we can assume during the period of these reports you were acting as treasurer of ACT-SEF?

A Certainly that is my signature and in all honesty I think they were given to me to sign since whoever gave it to me knew I was treasurer of ACT and thought it was appropriate for me to sign these. I don't remember officially being declared treasurer of ACT-SEF, but I don't know as we sit here how that should have been done, but yes, I did sign them. I guess they thought I was the appropriate person because it says "signature of the treasurer or appropriate person."

Q If you did not prepare these reports, can you identify the person or persons who did?

A I probably worked and helped prepare them. I am not trying to be vague, but it has been a long time ago. I probably worked to help prepare them in some way, probably research contributions, but that was a very frequent happening with the ACT federal reports, but as you know, we were required to file periodic reports and I was used to go back and see who contributed and their participation and where they lived as far as the pertinent information required by law, and in this case I was probably thinking in the same mode. This is more research to put on another form.

Q Who else would have helped prepare these reports, the ACT-SEF reports?

A They probably would have been actually physically prepared and typed by the accounting staff of the accountants that serviced Mr. Channell.

Q Would they also -- did they also have input with preparing the reports for the ACT or did someone else assist you for preparing the reports for ACT?

A In preparation for ACT federal, I did not type them. I usually did those sometimes with the assistance of Mr. Herge.

MS. ROBINSON: I will show you, then, what I would like to have marked as FEC Exhibit 2.

(FEC Exhibit 2 identified.)

BY MS. ROBINSON:

Q Have you ever seen this document before today, Mr. Smith?

A I had seen documents that because of the nature of the printing equipment in our office were in a format in this way and looked this way, but --

Q Would you read the heading for the record.

A "State Election Fund, December 31, 1986" and it

appears to me to be just a financial statement, year end financial statement.

Q For ACT-SEF?

A Yes, ma'am. Yes, ma'am. Can I look at it a minute longer?

Q Yes. Please go ahead.

(Discussion off the record.)

THE WITNESS: I do not have a specific memory of seeing this before.

BY MS. ROBINSON:

Q Okay.

A I could have, but I don't remember.

Q Does it look like a document that may have been prepared periodically for ACT-SEF in tabulating assets, contributions, expenditures?

A I remember this type of document was prepared periodically for the other organizations, but as far as ACT-SEF goes, I don't think with any frequency that took place.

Q Okay. All right. On page -- I would note in Exhibit 1, as we noted before, the last report only goes through October 15, 1986?

A Right.

Q And in looking at Exhibit 2 on page 2, the total contributions for the month of October received by ACT-SEF according to this document was $91,010; is that correct?

A Yes.

Q The total contributions received in November was $11,500?

A Yes.

Q And this is through October-November 1986?

A Yes.

Q At which time you would have still been involved with ACT and ACT-SEF; is that correct?

A Yes.

Q And I can assume in Exhibit 1, the report that goes through October 15th pretty clearly or accurately tells what happened to funds up until that point?

A Yes, ma'am. It should to the best of my recollection.

Q Can you state what ACT-SEF did with the contributions received in October and November of 1986 as reflected on Exhibit 2? How were those funds used by the committee? It is not specifically indicated here.

A Right. So you want to know how this money was expended?

Q Correct.

A Okay. Without looking at something else, I can't recall.

Q Can you tell me if ACT-SEF sponsored any independent expenditures during the year 1986?

A Yes.

Q And who were those expenditures made on behalf of?

A I know of one independent expenditure we did on behalf of Linda Chavez who was running for office in Maryland. We may have done one for Paula Hawkins in the state of Florida. We may have done one for Jeremiah Denton and I say "may have" because either we did one or we talked about doing it.

Q Were these independent expenditures sponsored by ACT or ACT-SEF?

A They should have been sponsored by ACT federal, but I can't remember exactly now. My initial response is they should have been funded by federal unless they could be -- wait a minute.

(Discussion off the record.)

THE WITNESS: There may have been instances where they could have been funded by ACT-SEF.

BY MS. ROBINSON:

Q What would those instances be?

A I am remembering we -- I think we sponsored an independent expenditure once in the state of West Virginia where the independent expenditure was sponsored by the State Election Fund for some newspaper ads and I am getting confused as to -- now we are talking about these other states and I honestly can't remember.

Q In West Virginia the newspaper ads, what did they discuss?

A It was in support of Governor Archie Moore, in support of Moore for Governor of West Virginia.

Q Did they talk about any other candidates?

A Did they mention by name in the ad?

Q Yes.

A No, ma'am; not to my recollection.

Q Did ACT-SEF sponsor any newspaper ads in any other states?

A Yes, ma'am.

Q What states?

A If memory serves me correctly, we sponsored newspaper ads that were not specifically geared toward any candidate, but were geared towards encouraging the general electorate to vote and take part in the election on Election Day and I believe this was 1984 and that would have been -- I believe we ran the ad in Charlotte, North Carolina, in Connecticut, and I don't remember other specific places.

Q And these ads were for the 1984 federal election, general election?

A Yes, ma'am. They were for -- yes, several days before the election.

Q Did any of the ads mention candidates?

A No, ma'am. It said -- it encouraged to vote. It was that type of thing, but it didn't mention any candidates' names or anything like that.

Q You mentioned possibly three independent expenditures, one for Chavez in Maryland that may have been sponsored by which organization?

A It was sponsored by ACT federal in all likelihood. That is my initial reaction. What I am trying

to picture in my mind is a disclaimer that I had seen somewhere and I can't conjure it up.

Q What was the form of the disclaimer?

A It was a television ad and it was supporting the election of Linda Chavez.

Q And she was running for the Senate at the time?

A Yes.

Q And this was in --

A In 1986.

Q You were telling me about the form of the independent expenditure.

A It was my recollection that was an ad that mentioned also Barbara Mikulski because that was the opponent and Linda Chavez who ACT was supporting, and I remember the end of the ad saying "Vote for Linda Chavez, Reagan candidate," implying President Reagan endorsed her, or whatever.

Q Who produced the ad for ACT?

A Probably the Robert Goodman Agency. I believe we may have used one other, and I am not sure, but we may have used another advertising firm, but Robert Goodman produced almost all if not all of our television ads.

Q What is the name of the other advertising firm?

A I believe -- I don't remember the name, but I believe it was an agency Mr. Goodman referred us to when he could not produce something because of internal conflicts with doing other things. And this was a smaller firm and I believe it was in Maryland and if I heard the name of it, I would recognize it instantly.

Q Were you responsible for writing the checks for payment to the vendors who produced this ad?

A I could have written some checks for payment, but I don't have a specific memory. A lot of times Mr. Channell would meet with the vendors or the principal with whom he was doing business and he would present a check at that time. And if that was the case, he would usually sign it himself or do the check himself. One of the reasons I remembered this, oddly enough, is that he liked to handwrite checks because he said everybody typed them "and let's be different." Like when you give a contribution to a candidate, they type the check and it looks alike and he has an unusual handwriting and he would handwrite thinking it was different. That is why I remember he would write them sometimes.

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Q So you don't recall writing any checks on ACT or ACT-SEF accounts to make payment on the Chavez advertisement?

A I could have, but I don't recall specifically, no.

Q Then Mr. Channell was authorized to sign the checks for ACT and ACT-SEF?

A Yes.

Q Who else was authorized to sign the checks?

A I believe the only authorized signatories were myself, Mr. Channell and Mr. Conrad.

Q Did Mr. Conrad have occasion to sign them even though was authorized to do so?

A He would have more likely signed checks for other organizations, but to tell you the truth, unless it was a specific instance like Mr. Channell meeting with someone to pay them, it was, in all likelihood, whoever was around at the time who was authorized to sign.

Q You mentioned Hawkins, an independent expenditure in Florida. What is the context of that expenditure?

A I don't remember.

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Q Was it a television ad?

A Yes. Either we talked about it or we did it. One or both.

Q Do you remember if the Goodman Agency was involved with that?

A Yes. I remember some conversations somewhere in my mind, I think I was perhaps present in a conversation between Mr. Goodman and Mr. Channell talking about the situation in Florida and Paula Hawkins, and that leads me to believe that was in reference to that.

Q How about the Denton independent expenditure?

A The same scenario with remembering -- okay.

Q It was a television ad? Or was it a newspaper ad?

A It would have been television and I remember one thing, as we were talking, there was some ads that we produced that were never aired, so I guess in effect if they are never aired, they are not considered legally expenditures, but for some reason they were never aired, and again there could be more independent expenditures than I am remembering, but it is hard to recollect.

Q Did any of your independent expenditures discuss

the Strategic Defense Initiative?

A It seems to me that I recall independent expenditures at some time that we did while I was employed by Mr. Channell that focused on the SDI issue and I have not thought about it until you just brought it up.

Q Did ACT or ACT-SEF sponsor an independent expenditure directed at Mr. Wirth in Colorado in 1986?

A Yes, I believe we did, and if I remember correctly there was two ads, one with a longer format, perhaps 30 seconds, and one that was a shorter, I believe 10 seconds, and I believe in this instance what you are talking about was the theme of SDI.

Q Did you conduct a special fundraiser for these different independent expenditures?

A You mean events here in Washington?

Q Or were there specific solicitations done saying that you were going to be contributing so we can do this independent expenditure so we can do this specific ad.

A I can't tell you specificaly what it said, but my gut reaction would have been that it would have been a general fundraising campaign during that time to fund various independent expenditures around the country in

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support of candidates -- obviously in favor of candidates that the American Conservative Trust was in support of.

Q Was an agency called Rand Films involved in producing the ads?

A I think so.

Q Do you remember what they did for ACT or ACT-SEF?

A They did whatever it was that for some reason Mr. Goodman's agency was not able to do and if it was -- it was a production of a television ad and I don't remember why Mr. Goodman could not do it, but I believe it was the workload, or something, that prevented him from being able to take care of it.

Q Were you involved in any discussion or discussions about the contents of the ad, where they would be focused or developed?

A I would have casual conversations from time to time with Mr. Channell about what he was planning to do relative to independent expenditures, but in almost all cases, if not all cases, he decided where he wanted to place ads and how much money we would spend, and such, and it became our responsibility to raise the funds and at that point I would get more involved in -- make the efforts to

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raise the funds.

Q Did any of the other organizations participate in developing or funding these expenditures for these ads?

A To my knowledge I know of no financial participation by any organization in funding these ads. Can you be a little more specific as to "other organizations participate"? Do you mean did they write a check and pay for them?

Q That, and did they participate in determining how the ads would look, what they would --

A You see, the situation with that is Mr. Channell, as you well know, headed all of the organizations, so he was in essentially all of the organizations in terms of the fact he was president of all of them. I don't think anybody -- if you are president of ACT and president of other things, you can't help but -- you are president of all of them. I do not know of any specific case when an organization other than a political action committee funded an independent expenditure and I would not have -- if that were happening, I would have certainly objected to it. That is not appropriate.

Q Did ACT or ACT-SEF make any contributions

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towards Mr. Helms' campaign in 1984?

A I know we sent out a fundraising letter on Mr. Helms to raise money for that, yes. I believe we made if not a $5000 contribution in '84, it may have been $5000 for the primary and $5000 for the --

Q "We" being --

A ACT.

Q So other than a direct contribution, did you do any independent expenditure?

A I don't recall that we did.

Q Okay. I would like to focus now on the Anti-Terrorism American Committee and I understand that there is also a state election fund for that committee?

A Yes.

Q And we will be referring to them as ATAC and ATAC-SEF.

Can you describe the purposes or functions of those two organizations?

A The Anti-Terrorism American Committee, my recollection of my first conversation having to do with that organization is what Channell told me. He decided to form a new political action committee and that he decided

to call it Anti-Terrorism American Committee and it was basically going to be just a second political action committee that he was forming to initially focus in on trying to utilize the issue of terrorism in some way, obviously, from the name to create interest in the organization and that is about it.

Q And it was basically to lobby?

A No. It was not to lobby. It was a political action committee.

Q ATAC-SEF was the state account of that committee?

A Yes.

Q And what were the dates of your involvement with ATAC and ATAC-SEF?

A From its inception and I would say probably until the end of 1986, but I can't remember, again, what ATAC or ATAC-SEF did in 1986 and I am sure if you have some documentation you want to show me, I probably could remember if I looked at it, but I don't think ATAC or ATAC-SEF -- I know they didn't sponsor any activities in 1987 as far as IREs or anything like that, so I used the cutoff date of end of '86.

Q What were your responsibilities in connection

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with ATAC and ATAC-SEF?

A To be a fundraiser.

Q To your knowledge, did ATAC pay for any independent expenditures in Maryland in regard to a senatorial race?

A Excuse us a minute.

MS. ROBINSON: We will take a short recess.

(Recess.)

MS. ROBINSON: On the record.

THE WITNESS: I would like to clarify what I said earlier. It is seems to me ATAC was probably the sponsoring organization of the Linda Chavez ad and not the American Conservative Trust. I think ATAC was the sponsoring entity there and not ACT, but I would not know for sure until I saw the ad and saw the disclaimer on it.

BY MS. ROBINSON:

Q So other than that one independent expenditure that you talked about earlier, there were no other ads produced in connection with the Maryland senatorial race in 1986 by ATAC?

A Not to the best of my memory.

Q So that for the Chavez independent expenditure,

ATAC possibly paid for that?

A Yes.

MS. ROBINSON: I would like to introduce the FEC Exhibit 3.

(FEC Exhibit 3 identified.)

BY MS. ROBINSON:

Q For the record, it is a one-page with two charts entitled "Carl Channell-Affiliated Companies Statement of Operations 1986." I believe the bottom half is statement of operations 1985. I would refer you to the top chart, statement of operations 1986, and under the heading "Project Expenditures," there seems to be a list of different vendors that may have been connected with projects?

A Right.

Q If you look at the one, Blakemore & Killough. Are you familiar with that firm? Have you heard of them before?

A I have heard of them and I cannot remember what it is they did. I remember them existing, but I don't remember whether they were a television production agency or a research firm.

Q Do you remember them being involved in the

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Chavez independent expenditure?

A Yes. These guys may have been, this may have been the firm that produced that ad because when you said that, it caused me to remember for some reason I don't believe Mr. Goodman produced that ad. It may have been this firm and that may have been who produced the Chavez or independent expenditure in Maryland by ATAC.

Q Do you know if they produced any other advertisements or products for ATAC or any of the other Channell organizations?

A They could have, but I don't remember specifically if they did. My inclination is they didn't, but I didn't remember this until now when you brought it up.

Q Do you know if any of the other Channell-affiliated organizations were involved again with ATAC's activities either financially or through making decisions or discussions about what ATAC would be doing other than Mr. Channell who, as you explained, was president of them all?

A Right. No.

Q So that none of the other Channell organizations made any payments in connection with ATAC activities?

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A Not to my recollection.

Q Are you aware of a mailgram from ATAC, and I think it was dated September 9, 1986, over yours and Mr. Channell's and Mr. Chris Littledale's signature regarding the Mike Barnes campaign in Maryland?

A I remember a mailgram with our names on it, yes.

Q Can you describe the contents of that mailgram.

A Excuse me for a moment?

Q Sure.

(Discussion off the record.)

THE WITNESS: I cannot remember the specifics, what the mailgram said. I remember what you already said that it dealt with, Congressman Michael Barnes and it had my name and Mr. Littledale's name and Mr. Littledale. It had my name, Mr. Channell's name and I believe it was Mr. Littledale's names, although I don't remember that specifically. As far as the specific mailgram, I cannot remember.

BY MS. ROBINSON:

Q What was the subject matter of the mailgram? Did it discuss the election or did it discuss Mike Barnes' campaign, his efforts to win or losing or what?

A I'm sorry, I don't remember specifically.

Q Would you happen to have a copy of the mailgram?

A No, ma'am. I don't. As I am sure you know, everything, practically every piece of paper that we had was subpoenaed by the independent counsel and they took just about every piece of paper in the place.

Q Did you work with a project called Central American Freedom Program?

A Yes.

Q Can you describe that program in general terms?

A The Central American Freedom Program was a project that, to the best of my knowledge, was sponsored by the National Endowment for the Preservation of Liberty. Its purpose was to be an educational campaign, a public educational campaign discussing the political and social situation that was currently evolving in Central America through the medium of television ads in an effort to further bring this whole issue to light before the American public. It was Mr. Channell's belief this was an issue that was severely misunderstood by the American public and something needs to be done to try and rectify that in terms of maybe getting two sides of the story across as opposed

to maybe one side of the story and that was in general what the project was.

Q And how did it aim to meet that objective of educating the public?

A The initial objectives I believe was to be radio, TV ads discussing the issues as well as speaking campaigns by individuals who were fluent on this issue talking to various groups around the country about the Central American issue and what was going on down there. I remember specifically the ads and the speaking campaign and there may have been other components to it that we talked about that were never pursued.

Q What were the dates of involvement with the program?

A That would have been probably all of 1985 and perhaps into 1986, but I can't remember specifically or at what point because there are so many organizations that we are talking about that they all seem to mesh together.

Q What did you do for the Central American Freedom Program?

A To be a fundraiser. Mainly to raise funds for the ads, television ads, and perhaps some newspaper ads,

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but I can't remember specifically.

Q The television ads, were some of these independent expenditures for the different candidates that you named earlier, were they made in connection with the Central American Freedom Program? Did they discuss issues raised about Central America?

A I am trying to remember if the Central American Freedom Program was fundamentally sponsored by one organization or whether it was sponsored by other organizations as well. It is my recollection that the National Endowment for the Preservation of Liberty is the only organization that sponsored it.

Q So ACT and ACT-SEF and ATAC and ATAC-SEF were not involved in raising funds for the Central American Freedom Program?

A I don't believe they were.

Q When you would solicit funds for ACT, did you inform the potential contributor what the contribution would be used for or how did you describe that if you did at all?

A To the best of my recollection, it would have been solicitation trying to -- in general, trying to

support House and Senate candidates that were perceived to be in need of help, in need that perhaps the polls were coming out they were going to lose and Mr. Channell at times tried to be very scientific about deciding who to support and who not to support. At one point we hired a polling firm to do some research and data to help us in deciding various projects to pursue. And in all honesty, he sort of got -- it was not a staff decision, but he decided that.

Q In soliciting funds for the National Endowment for the Preservation of Liberty in connection with the Central American Freedom Program, would you mention specific candidates for office or incumbents, House and Senate races?

A To the best of my recollection, no.

Q What would be the basic pitch --

A You got to remember this was a time in which this entire Central American issue was very much in the public eye being talked about by the media and national leaders and it was the issue on the public agenda at that time and we felt that it was an appropriate time to try and fund and support this educational campaign due to the large

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amount of exposure it was getting and my conversation would be relative to those points.

Again, I can't remember specific conversations, but that would be -- we were planning to do an ad. For example, one ad that we did dealt with the helicopters that the Sandinista government in Nicaragua used in their war with the Nicaraguan Contras and I may say this is an ad focusing -- the contents of the ad is going to focus in on the helicopters and this type -- I might approach it from that. If I knew what the ad would be about, I would talk about what would be in the ad is what I am trying to get across.

Q How many ads were produced under the Central American Freedom Program?

A I would say probably about 10.

Q Were all 10 of them aired?

A I think there were a few that were produced that were not aired. Maybe after they were produced, they were not -- they didn't turn out the right way or something, but again, I don't know. I think a more accurate answer is I don't know.

Q Do you remember where they were aired?

A All over the country.

Q Were there specific ads for specific areas?

A When this effort began, when this project began, Mr. Channell worked out a program, an overall plan, it was my impression, to pursue this Central American Freedom Program and I didn't have any control or input into where the ads were aired.

Q Were you aware of where they were being aired?

A Yes, as they went on the air, I would know this was going on today in Atlanta or New York or Austin or wherever.

Q Were you aware of the contents basically of all 10 of these ads?

A Not always before they were produced. Sometime I would know the contents of them after they were produced and I would see them for the first time.

Q Did any of these ads mention specific congressional members or candidates for Congress?

A Funded by the National Endowment?

Q Yes.

A Not to the best of my recollection, they didn't.

Q What was the basic purpose of these ads? When

were they aired?

A They would have been aired basically in 1985.

Q And the purpose of them was to have an effect on --

A The purpose was to try and cause the American viewing public to think about this issue more than perhaps they were thinking about it at the moment and give serious thought to it.

Q Was one purpose to impact on the congressional vote that was to occur in the spring of 1985?

A No one ever said to me in my organization that that was the purpose.

Q Did anyone say that the ads were to impact on -- in the various areas where they were aired -- on the upcoming 1986 congressional elections?

A No. No one ever said that to me.

Q Did you participate in any discussions or decisions about these ads?

A None other than passing conversation with Mr. Channell from time to time. For example, when we might have lunch, he would bring up if an ad was just produced, he would say, we produced this ad and I think it did or did

not turn out well. It would be in that mode.

Q Did the Robert Goodman Agency produce these ads?

A In this particular instance, yes, I believe they did. I believe they produced all of the Central American Freedom Program ads with the exception of the other few I mentioned that produced for the Channell-affiliated organizations.

Q Did you ever occasion to talk with anyone at the Goodman Agency about these ads on behalf of Central American Freedom Program or NEPL?

A I would probably have made phone calls to the Goodman Agency to find out the status of what was going on in terms of a schedule with them when they were finished or when they were not finished and usually when I did that, it would be at Mr. Channell's direction. He would say -- I am saying that, but I don't have a specific memory of doing that, but thinking back on it, it would not surprise me to know that I did.

Q How were the funds solicited for the activity? Was it by telephone or mail?

A It was telephone and mail and in person. We would go and visit contributors from time to time and we

had several fundraising events here.

Q The solicitations were done under the auspices of which Channell organization?

A The National Endowment.

Q Do you recall how much money was raised for this program or for the ads specifically?

A No, I don't.

Q To your knowledge, did ACT or ACT-SEF or ATAC or ATAC-SEF pay for any of these ads?

A Can I consult with my attorney?

Q Go ahead.

(Discussion off the record.)

THE WITNESS: All right. I remember there was some confusion at one point over a problem that seemed to happen with invoicing with certain ads that had and had not been paid for. To the best of my recollection, it seems the Goodman Agency might have invoiced certain ads that had been -- that were produced for ACT in the past and might have billed those to National Endowment and vice versa and when this was discovered, there was an effort made to try and clarify just which invoices had been misdirected and ultimately perhaps which payments may have been made

incorrectly. And it was very confusing and to my knowledge, it was never resolved and as you know, later Mr. Channell's organizations went out of business and I don't think it was resolved at that point. I will say, in my view, there was an honest effort made to -- it was a paperwork mixup and the effort was made by the organizations which Mr. Channell was head of and the effort was made by the Goodman Agency to clarify.

BY MS. ROBINSON:

Q Do you have any understanding as to how that mixup occurred initially?

A Well, I can tell you that I remember Mr. Channell when this all came up and it got rather frustrating because you know how paperwork can be and it got confusing and I remember him saying Mr. Goodman's agency invoiced correctly and billed wrong and when the bill came in, the responsibility of the accounting staff was to make sure that the invoice was for the right thing and they would just pay the bill. And that is -- again, that is all I know how perhaps they had been dealing with ACT for a year or two and, all of a sudden, Mr. Channell wanted new ads made and they were made, but in this case

for a different organization, but maybe they didn't put on the invoice -- change the name and sent the bill to the same organization as before. That is my feeling as to what happened. But I don't remember, I can't tell you and again I just remember this when you brought it up.

Q Who was signing the checks at that time?

A Again it would have been just about anybody that was there or, again, if Mr. Channell would meet with Mr. Goodman and pay him with a major check for a production or something, he would have signed it.

Q Would you have been signing checks at that time?

A I could have.

Q And were all of the organizations housed in the same offices?

A Yes.

Q So they shared the same address?

A Yes.

Q Share the same telephone numbers?

A No. They had separate telephone numbers.

Q How else were they distinguished? For example, you as a staff person in your role with ACT, you were in a specific spot in the offices. Did ACT have its own one

office or suite of offices?

A No.

Q It was not that clearly defined?

A That is correct.

Q How about the bank accounts?

A There were separate accounts for each organization. There was resolutions developed for each organization.

Q You mentioned earlier some polling that had been done. Was this polling done by the Arthur Finkelstein organization?

A Yes.

(Recess.)

MS. ROBINSON: On the record.

BY MS. ROBINSON:

Q We are going to talk about the polling, but before that, I want to -- it is not clear to me and I may have asked the question, but did ACT, ACT-SEF, ATAC or ATAC-SEF solicit funds on behalf of the Central American Freedom Program?

A Not to my recollection and I would like to make a clarification on an earlier topic we discussed the

confusion in billing from the Robert Goodman Agency. I think to be as clear as I can what the problem was for the longest time, the American Conservative Trust and then ATAC were the only organizations around that Mr. Goodman had anything to do it with. Therefore, when other organizations wanted to sponsor some form of television production, he would say, Spitz Channell is producing another ad and he would automatically assume it was the American Conservative Trust, for example, and send an invoice to this effect. That is how the whole problem arose and I wish I could be more specific in who it was, how it was resolved, but I don't believe it was ever resolved.

Q Okay. Back to the polling that was done by the Finkelstein agency, you indicated that this was done at the request of Mr. Channell?

A Yes.

Q And could you state again what the purpose of that was of the polling activity?

A I believe the polling that I am thinking about was the polling we did in 1985 relative to trying to determine Americans' views towards SDI and that is the only

thing I remember about what Finkelstein did. I was not involved with that process much at all. I only saw Mr. Finkelstein once and it was hello, how are you, and Mr. Channell was the one who dealt with Mr. Finkelstein almost exclusively. Mr. Conrad may have a few times.

Q Do you know what the information obtained from the polling activity was used for? How it was used?

A No.

Q Did you see any work that was done -- under which organization was the polling activity conducted? Was it a project of the Central American Freedom Program or NEPL? Which organization paid for the activity?

A I don't remember. What I am thinking about, when I think of Mr. Finkelstein, I think of the polling that I believe we did in the summer of 1985 and that was 3-1/2 years ago and I don't remember who paid for it or who sponsored it.

Q Did you see any of the information was being used to determine where to place ads?

A No, I didn't see that.

Q Was there any discussion about the polling results in the office in any meetings that you may have

attended?

A Again, the polling that I am thinking about was to do with SDI and that was in 1985 and that is why I am confused myself because we talked about SDI ads that took place a year later relative to a campaign, an expenditure, but I am myself confused because this was a year before then and data was -- polling data was taken a year before that and scientifically it would not be correct a year later, so I don't recall myself why I am remembering that way.

Q Could the polling information have been used to determine where to place the 10 ads that were paid for by the Central American Freedom Program in 1985?

A It could have been, but it is my recollection that Mr. Finkelstein was not -- I remember him coming on board in terms of Mr. Channell working with him beginning in the summer. I believe that we were already running ads, NEPL was already sponsoring ads in the spring.

Q So you don't know what happened to the poll results?

A It is my feeling that nothing much happened to them and what I mean by that is the polling was done and I

think Mr. Channell spent a lot of effort on it, but I am not sure what was done with the results of it. I remember seeing some reports that Mr. Finkelstein had issued relative to his polling results and they were in bound books and computer printouts and I remember seeing the bounds books because they were thick and there were a number of them and I never knew what was done with them. I never saw them again. I could not tell you what happened to them.

Q You didn't look through the books yourself in making solicitations?

A No. I never used those books to make solicitations.

Q Did you see anyone else using the information for any purpose?

A I remember seeing Mr. Channell read -- look at the books, but I don't remember him making a solicitation holding the book.

Q Not necessarily a solicitation for any other purpose by anyone else?

A No.

Q Did any of the Channell organizations target

certain Congressmen for defeat in the 1986 elections?

A What do you mean by "target"?

Q Was assistance given to opponents of candidates that the organizations or organization may have wanted to see defeated?

A You mean assistance by supporting an independent expenditure on their behalf?

Q Or any kinds of activity, independent expenditure, contributions, services.

A May I speak to counsel?

Q Yes.

(Discussion off the record.)

THE WITNESS: I don't -- I am confused by the question.

BY MS. ROBINSON:

Q The question is whether or not any of the Channell organizations with which you were involved at any time for the 1986 elections decided to support a specific candidate for federal office or decided -- this is getting complicated. Answer that one.

A The candidates that, for example, the independent expenditure was done on behalf of either

through ACT or ATAC were -- those IEs were pursued because Mr. Channell through his own means decided those were the candidates to be pursued for those IEs and I don't know anything more about it than that. I would come into the picture when it was time it raise money and before that point I had nothing to do with other than a passing conversation with Mr. Channell of what he was planning to do. He is very much his own man which many people are and he worked very hard to build these organizations and was someone who liked to run them the way he saw fit.

Q And the only organizations, again, that were involved in that kind of activity were ACT and ATAC?

A To my knowledge, yes.

Q Who were the candidates that you already named? Were any other candidates identified or supported?

A I don't recall any other candidates.

Q Were any other candidates targeted for defeat?

A I called one candidate, Ken Cramer, in Colorado and, to tell you the truth, I don't recall if we supported him or not, but I remember his name was one of the people that came up with regard to independent expenditure, something was being planned to be done, but I don't

remember what it was.

Q Mr. Channell made decisions by himself as to which candidates to target or were other principals in either organization involved?

A He would discuss his plans from time to time. It is my impression he would discuss them with, for example, Mr. Goodman since he is the one producing the ads and I don't believe Mr. Goodman had a policymaking role. In fact I know he did not. We had a public relations counsel that he would discuss things with, but when he came to the policy, the policy of the organization, he was the one who made the decisions.

Q Who is the public relation counsel?

A International Business Communications.

Q The principal contact person in that organization was whom?

A That would have been Richard Miller.

Q You mentioned the Goodman Agency may have assisted with -- that Blakemore & Killough, other than the Chavez ad, did they participate in any other ads?

A Did Blakemore or Goodman participate?

Q Blakemore --

A No, I don't believe they did.

Q Okay.

A I believe there was one solo performance.

Q Are you familiar with a firm or service called Washington On-Line?

A Yes.

Q And how are you familiar with them?

A That is a sort of a data base computer company that has the ability to research, for example, FEC contribution public records.

Q And did the Channell organizations have a contract for that service?

A For a time we did, yes.

Q Through which organization?

A I don't know. You mean who signed up and who paid for it?

Q Correct.

A I cannot tell you.

Q But it was available through the offices where all of the organizations were housed?

A Yes.

Q And were you specifically using the Washington

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On-Line contribution tracking system?

A What do you mean "specifically"?

Q Was that the name of the service that you received from Washington On-Line?

A I never heard it called that. It could have been what we were using. It sounds political. Tracking service?

Q What type of information were you getting from the Washington On-Line service?

A Well, I know that from time to time when I was talking to a contributor that I had worked with in the past, that if I was interested in finding what contributions they had given in the past, I may go and look them up or have someone do it for me as to what contribution they contributed to in the past.

Q So the Washington On-Line service provided information on contributors?

A It was my view it was to provide sort of a research background.

Q What kind of information would it give you?

A It would tell you, to the best of my recollection, what candidates an individual had supported

and I don't know much more than that if it did. However, I do know you could not use it to go out and pull out everybody and use that as a solicitation device. That was not legal and I never did that. If I would have called you today out of the blue from an in-house list we had and talked to you and you sent a contribution to some -- for some independent expenditure, I might go back and look at what you had supported in the past. It was a matter of public record and I may say, in 1984 you gave this and this contribution to whatever campaign or whatever.

Q What would be the purpose for obtaining that information?

A It would be to get a better perspective on the contributor to understand the contributor a little better. In the business of fundraising, what you try to do is get the potential supporter, understand them so you can work with them on various projects and if you understand if they are -- you know, if you have an idea of candidates they gave to in the past, you may be able to understand a little more about them just from their giving history.

Q Would this include information about the amount they contributed?

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A I think it would tell who the contribution was to and how much.

Q Would you use that information to determine which projects to ask a contributor to support and how much to ask them to contribute? Would that be part of the information you would use?

A I usually would have already asked them for a contribution at this point. It was -- no. It was just to get an idea on this person and who they had given to in the past like their home Senator in their home state which is not surprising to find out.

Q And you would usually solicit the same contributors again and again?

A Yes. That is actually something we -- you always try to broaden your base of contributors, but what my -- I worked primarily in seeking major grants, whether the maximum allowable grant by law to a political action committee or split up into increments or grants for the foundation, one of the foundations, and yes, I would usually work with the same people over and over again.

Q You mentioned an in-house list. How many in-house lists were there?

A Goodness. Mr. Channell, ever since I have known him, had his own in-house fundraising list and he never discussed where or how he got them or anything to that effect.

Q You have no inforation about how they were developed?

A No. I do know at one point all of these names were taken and put on the computer to make things more efficient, so when we get a mailing, you would press a button and get them printed up to that effect, but that is something I was never privy to. I think Mr. Channell considered that confidential. I know from time to time he would mention he would do research in magazines and try to find potential contributors out of magazine articles and that is about all he ever said about that.

Q So there was one basic in-house list?

A To my recollection, there were several different lists and, again, I don't know what the significance of each list, different list was, and I remember a lot of the same name would be duplicated on this list, so I think, all in all, yes, there was one in-house list because there was a lot of duplication.

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Q Were the lists divided according to organization perhaps? For instance, did NEPL have a list and ACT have a list?

A Yes, there would have been probably a list telling who contributed to what project just as a matter of record at the end of each project when it was over. Of course, if you want to take a list and -- I would prepare the list for ACT for the contributions for the federal accounts. That in effect was a list. I would know in my head that would be an ACT contributors list in my own head and I would think of it in that way. There were probably five or six different lists.

Q Did they have different names or different headings?

A I don't know.

Q Were they divided up by geographic area?

A No. I never saw anything that said southwest or northeast.

Q Were they divided up by congressional districts?

A No, I never saw that.

Q Were names from the Washington On-Line service added to any of these lists?

A Not to my knowledge. It could be that somebody could have called somebody and gotten a contribution from a contributor and later it turns out they were in the On-Line Service, but that would be after the fact and not before. At least with me -- and I have no reason to believe that happened to other staff including Mr. Channell because he is about as computer-oriented as I am which is zero and I am one much these people who stays as far away from computers as I can get, although that may not be wise in this age.

Q Other than the way that you described how you used the Washington On-Line service to look at --

A Giving histories.

Q Of ones that you already solicited?

A Yes.

Q Was it used in any other way by the Channell organizations, any of them?

A Okay. I remember in one particular instance Spitz Channell planning a project and had a group of contributors he was planning to solicit and that he looked at a group of -- looked at the giving history of the people before he solicited them, but that is not too much

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different than what I told you already. I don't know -- when you say "other ways," I don't know what other ways there could be. Certainly they didn't take the mailing labels off them and --

Q In that instance where he looked at the information before soliciting these people, he already had --

A His names.

Q And those names came perhaps from his in-house list --

A From his list, yes.

Q Were you ever employed by the National Endowment for the Preservation of Liberty?

A Yes.

Q And during what time were you employed by them?

A From early in 1985 and 1986.

Q What was your primary function there?

A Fundraising.

Q What kinds of activities was the National Endowment involved in?

A National Endowment was involved as the primary sponsor of the Central American Freedom Program which was

the educational effort on the Central American issue and also the National Endowment was concerned with the SDI issue in terms of an educational campaign on that front as well and was going to sponsor a major educational campaign relative to SDI and ended up never doing it because there was not enough interest on the contributors' part.

Q Did you attend a fundraisers meeting on May 23, 1986 for the National Endowment for the Preservation of Liberty?

A Excuse me a minute?

Q Sure.

(Pause.)

(Witness consulted with counsel.)

THE WITNESS: Unless I am mistaken, the meeting that you were referring to has come up in other conversations over the past two years or year and a half. I have been asked about this before and I cannot remember exact dates of meetings and such, but I -- I think I know the meeting you are talking about and you can further tell me what it is you are asking. I don't think I was at that meeting in which there was a meeting conducted by Mr. Channell and he was discussing in broad generalities

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fundraising for all of his organizations and if this is the meeting that was reported in the Washington Post, I know about it because it has been the famous lunch meeting and I am sorry I missed it because it seems like it was something to be part of, maybe not contentwise, but I was the only one not there and I remember that I had something else to do because I usually did go to lunch, it was a staff lunch and I was not at this meeting.

BY MS. ROBINSON:

Q Do you remember being present at any meeting where Mr. Channell made the comment that a contribution to NEPL would in effect be a contribution to federal campaigns?

A No.

Q You don't remember him saying that?

A No. I don't remember hearing. I remember reading about people saying he said that in the newspaper and I have been asked about this before. I don't remember him saying that to me.

Q In your solicitation efforts for NEPL, did you make that kind of comment to persons you were soliciting?

A No.

Q Did anyone else soliciting on behalf of NEPL

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make that comment?

A I can only speak for myself.

Q Did you work for an organization called Sentinel?

A Yes.

Q And when were your dates of employment there?

A Probably '85 and '86.

Q And what was the purpose or function of Sentinel?

A It was a lobbying organization.

Q What were your responsibilities with that organization?

A To be a fundraiser.

Q Were any funds solicited for this organization used to pay for television ads?

A I believe Sentinel sponsored some ads, but I could not tell you what the content was or when they appeared.

Q Did it have anything to do with the Contras issue?

A It probably did. But again, the ads, there were so many of them, I just remember there were a lot of ads and I can remember seeing the scripts that I saw a lot of times. We might have a copy of each. There was a copy in

the office and we may have made it and looked at it several times just in the course of having it in the office, but I cannot -- I cannot give you specifics on Sentinel ads.

Q When making solicitations for contributions to Sentinel, did you check congressional candidates or incumbents? Or did you mention the elections at all?

A Sentinel was an organization that was a lobbying organization that focused on issues in the legislative agenda and my conversations would have been relative to that.

Q Are you familiar with the American Conservative Foundation?

A Yes.

Q Were you involved with it?

A That was another organization Mr. Channell founded. He founded it rather late in the time frame that we are talking about, from 1983 to 1987. I don't believe I ever participated in any projects of the American Conservative Foundation. I may have and if you -- I mean if you have anything to tell me to jog my memory, but American -- they never did very much if anything and if so, I don't believe I did anything.

Q What was it designed to do?

A I don't know.

Q Do you know, other than Mr. Channell, who else was associated with it?

A Theoretically, you could say, again, like in other organizations at one time or another all of his staff were affiliated with it at one time or another.

Q When you say it was founded rather late, about what date, what year or month was it founded?

A It is my recollection it came about into existence sometime in 1986.

Q You don't recall soliciting funds for the American Conservative Foundation?

A I don't recall a specific solicitation. Again, this is because I solicited so many grants during my time, hundreds.

Q Do you understand what the status of it is?

A I have no idea.

Q Do you know if it had separate bank accounts?

A Yes. It would have had its own bank account.

Q How do you know that?

A Because every organization did. There is no way

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it could have functioned in any type of financial entity.

Q Were you authorized to sign checks for this foundation?

A I may have been, but I don't remember specifically.

Q Do you recall signing any checks for this foundation?

A Not specifically, no.

Q Did you ever know at any point how much money the Foundation may have had or if they had any funds at all?

A I don't know.

Q Okay. At the time you left Mr. Channell's employment in May of 1987, did you know whether that organization was still in existence?

A When I left his employment, it was my impression all of his organizations were still in existence and I believe they were.

Q Did you work for Mr. Channell after May 1987 in any capacity?

A No, ma'am.

Q You obviously were working for all of the organizations throughout your tenure --

A At one time or another.

Q Who actually paid your salary?

A I would get paid whenever I would receive a paycheck. We were paid on a monthly basis and would be from whatever organization or project I was working on at that time. I would get -- if I was working on the Central American Freedom Program, then NEPL would pay. They would be the check-writing entity.

Q Were you salaried or paid on a commission?

A Both. In the beginning of my tenure with Mr. Channell, I was salaried and commissioned and later it was changed to all salary and then it was changed to a salary bonus.

Q I have here three separate documents which I will give you an opportunity to look at and I would like to have them marked as FEC Exhibit 4.

(FEC Exhibit 4 identified.)

BY MS. ROBINSON:

Q The first single sheet that I handed you is a chart and it is entitled "Federal Election Fund" and I can tell you it is connected with the American Conservative Trust statement of operation 1986.

A Okay.

Q The second document is the 1986 year end report that was filed by the American Conservative Trust and covers the period November 25, 1986 to December 31, 1986. I am sorry, that is the third document and I believe it was signed by you; is that correct?

A Yes.

Q And the other document is the 1986 April monthly report.

A Yes. That is also signed by me.

Q If you would look at the April monthly report, Mr. Smith, and I would note that we just had the first two pages of that report, summary page and detailed summary page.

A Yes.

Q Look at the first page, column A, line C, "Total Receipts for the Month" and that amount is $6550?

A That is correct.

Q And in looking at the chart for the federal election fund, the single sheet of paper, the amount is $5550. Can you explain the discrepancy in those two amounts?

MR. HERGE: Where did this come from?

MS. ROBINSON: This was obtained in the course of the investigation. It is a chart.

THE WITNESS: Obviously, it came from Mr. Channell's offices at some point.

BY MS. ROBINSON:

Q Perhaps.

A The only thing that I can tell you, it would have been an error. I tried to always be as accurate as I could in preparing these reports. Mr. Herge can confirm that. I would worry him to death about that. I would call him up and send him photocopies and finally I learned how to do them. And I don't know why there is $1000 difference. I don't have any idea.

Q I was wondering if perhaps the one sheet statement of operations may not include certain unitemized contributions perhaps?

A This may not include unitemized contributions? I had never seen this and I have never seen anything with federal election funds on it before. It looks like maybe something our in-house accounting department would have generated by the type of print, but I don't know.

Q I would note in the other yearend report in column B, line D, the subtotal of receipts, year to date 80,111.20, and the year-to-date total on this one sheet chart is $75,025 and I was wondering if you could give any explanation for that discrepancy?

A The only thing that I can say at all is that perhaps whoever did this --

Q Meaning the one-page chart?

A Yes. May have gotten confused with numbers between the federal ACT and the state election account, but again I don't know. I would use -- in preparing the reports, I would use the actual checks contributed as my basis, I would go back and/or photocopy the checks we used and we kept a logbook and logged in all contributions that came in and I would try and double-check myself in those days to be accurate in filing what had been contributed.

Q And the logbook included contributions regardless of amount?

A Yes.

Q Did Mr. Channell organize a breakfast meeting on December 1985 regarding support of the campaign of Senator Grassley from Iowa?

A I don't know if he organized it or not, but he would call a meeting, I recall him saying he would have breakfast with Senator Grassley and I was not at it. I remember it was going to happen.

Q Do you remember a meeting organized of persons to support Senator Grassley's campaign?

A Separate meeting?

Q Separate meeting perhaps.

A No.

Q Do you recall attending a meeting in December of 1985 organized by perhaps Mr. Channell or someone else with other persons regarding supporting Senator Grassley's bid for the Congress in 1986?

A I remember discussing in general Mr. Grassley, that he was running for election, but I don't remember a specific meeting that was called, as you said, at a Grassley meeting, meeting of Grassley supporters.

Q You had a general discussion with who --

A I remember talking to Mr. Channell. He was going to be having this breakfast meeting and I don't believe there was any supporters or contributors at that meeting.

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Q As far as you know, who attended that meeting?

A As far as I know, it was the Senator, Senator Grassley, Mr. Channell, maybe Mr. Conrad, although I am not sure about that, and I believe Mr. Grassley's assistant at the time, Mr. Synhorst.

Q That meeting was held in December 1985?

A Yes, I believe it was held toward the end of December 1985.

Q Do you remember where it was held?

A Somewhere on Capitol Hill. It may have been in the Senate dining room.

Q You did not attend that meeting?

A No.

Q Do you know what the meeting was about?

A It was a meeting, to my recollection, to -- just for Mr. Channell to meet with Mr. Grassley and have an opportunity to meet with him and I think discuss his fundraising because Mr. Synhorst, to my recollection, was Mr. Grassley's main fundraising person on his fundraising within his campaign.

Q Did any of the Channell organizations become involved with fundraising for Mr. Grassley? Or any of the

employees of the Channell organizations?

A As in soliciting contributions for Mr. Grassley?

Q Yes.

A Can I clarify with counsel?

Q Yes.

(Discussion off the record.)

THE WITNESS: To the best of my recollection, none of the organizations got involved in raising money for Mr. Grassley's campaign, nor did they solicit any contributions for Mr. Grassley that I called anybody and asked for a grant for him.

BY MS. ROBINSON:

Q Did any of the employees of the Channell organiation work with the Grassley committee outside of the offices of the Channell organization?

A Did they work with the Grassley committee?

Q Did they provide services to the Grassley committee?

A Not to my knowledge.

Q The Grassley committee has reported you along with other several people associated with the Channell organization as making contributions?

A Yes.

Q Did Mr. Channell encourage you to make that contribution?

A Yes.

Q What did he say?

A He told me that he wanted me to make a contribution to Mr. Grassley's campaign.

Q When did he tell you that?

A It would have been probably in December of '85 or late November, within a couple-week period.

Q Did he say that to other employees or persons associated with the Channell organizations?

A It is my impression that he did, but I didn't hear him say that.

Q Was that the first time or the only time Mr. Channell requested that you make a contribution to a federal candidate?

A Yes. To the best of my recollection.

Q Did Mr. Channell say that he would reimburse you or promise to reimburse you for making the contribution?

A At the time that he asked me to make this contribution, it was more not -- it was more of a -- I

don't think "request" is the right word and I am trying to think of the right word. He told me I needed to do this and I said I can't afford to make $1000 contribution and I somehow or another in the context of the conversation it came up that I would be reimbursed for it. Whether or not I actually was, I don't know. I cannot remember if that ever happened, but I do remember being reluctant to make it because I felt I could not afford it and I believe that he was trying to put together enough year end contributions to Mr. Grassley's -- so Mr. Grassley's campaign receipts may go over $1 million or some figure.

Q Do you know if he promised to reimburse any other persons --

A No, ma'am.

Q -- for making contributions to the Grassley campaign?

A No, I don't and I wouldn't think that he would under normal circumstances. I had never, as I said, made a contribution of $1000 to anything before and all of a sudden here was a matter of $1000 and -- I did not hear him say that to anyone else and I don't have reason to believe that he went out and solicited that.

Q What funds was he going to use to reimburse you this $1000?

A He didn't specify and, as I said, I don't know. He didn't say, I will give you some money from here or here.

Q What did he say?

A It was a matter of my sort of arguing with him saying that I could not afford to do this, although it was not a heated discussion by any means and I said Spitz, I cannot afford to give $1000 contribution, I don't have it and I can't remember specifically the specific conversation, but somehow or another a resolution was reached that we will do this and you can be reimbursed for it, but I don't believe the word "reimbursed" was used. I am sure it was not. I had the impression that I would get the $1000 back.

Q It was your understanding Mr. Channell would give you the $1000 back?

A Either he would or perhaps maybe one of the organizations would. He didn't specify how that was going to happen. I think at the time all I cared about was that I would not be out $1000 when I could not afford to be.

Q As a result of the conversation, you made a contribution to the Grassley campaign committee?

A Yes.

Q Were you reimbursed?

A I have -- can I talk to him?

Q Sure.

(Discussion off the record.)

THE WITNESS: I have tried to figure this out, but I know that this is -- I know this is important and I -- when I made the contribution, I made it out of a savings account and I have no record of being reimbursed $1000 back into that account and I have gone as far as to go look and see and you would think that -- I think it is logical that I would put it back where I had taken it from just being human nature and I cannot figure it out to save my life and I thought about it and I am beginning to think it was done and I forgot, even though you would think I would not forget since I was against doing it, but there is no single $1000 contribution back in there, I have not found any check to that effect, I have not found any record of a deposit to that effect.

BY MS. ROBINSON:

Q And $1000 is the amount that you contributed to the Grassley campaign?

A Yes.

Q Do you remember when you made that contribution?

A It was in mid-December or thereabouts. I could look again for you and get the exact date.

Q That is okay. You say it is likely that you would have put it back in your savings account, but is it possible you would have put it in a checking account or some other account?

A No, it isn't because I was having -- the whole point of it was, I, at the time -- like most people, I was young and just out of school and trying to develop a savings and hopefully be able to have enough money to have a down payment on a home and this type of thing and I was geared in a savings mode and if I had taken out $1000 from my savings account as I did, I would not have just taken it and put it in the regular checking account to spend later. I would have put it back where I got it from. If it had been $50 or $100, maybe, but not $1000.

Q You had regular savings account as well as a checking account?

A Yes.

Q Do you recall receiving an extra amount in your

paycheck that may -- it is possible you could have gotten $1000 back in separate smaller amounts?

A No. I can't tell you that it is not possible, but I just don't think that is the way it would have been handled giving it back in small increments like that. It would not have been any point to that.

Q You don't recall paychecks that the amount was greater than you expected?

A I thought about that, too, and I tried to look the best I can to that effect and I don't see evidence of that and I must tell you in all honesty, even though I am unhappy about this entire scenario now, still I am a bit surprised that I cannot find the reimbursement into my account because I would have thought I would have been, but it is conceivable that it never happened. I know I thought I could not afford it.

Q Did you talk about it with Mr. Channell after you made the contribution? Did you talk about it later and discuss when you would get your money back?

A I don't remember doing that, no, but I talked to him about it at the time it came up and he was well aware that I was concerned that I could not do this at that time.

Q Did you discuss it with any other persons?

A No.

Q Did any of the other employees or persons connected with the Channell organizations discuss making contributions to the Grassley campaign in 1985?

A Did either of the other employees of either of the Channell organizations?

Q Yes.

A I think Spitz asked a number of people -- not a number, but he may have asked Mr. Conrad to make a contribution, but I don't know if he did.

Q So none of these people talked with you about it?

A No.

Q There was no discussion about this?

A It was not a big -- to tell you the truth, I was a little bit embarrassed over my situation and I was not too interested in going into it with anyone.

Q Do you know Eric John Olson?

A Yes.

Q Has he of worked for any of the Channell organizations?

A He has done consulting work in a computer-related

sense for one of the organizations and I don't know which one it was.

Q Do you know specifically what he was doing?

A No. He is a computer consultant.

Q You don't remember which organization he was doing that for?

A No. I don't know. I would not venture a guess. I can't remember.

Q Do you remember the period of time of his work?

A It may have been '86. I think it was probably 1986.

Q Do you remember how much he was paid or which organization paid him?

A I remember a little more now because I remember he did this after we moved from the old office to the new office. We moved in -- wait a minute. We moved in '86, August '86, so it would have been August of '86 and after that when he did that. I don't remember how much he was totally paid. Again you are asking me things that have come up before in the media and there has been a lot of hype about that and I am a little concerned that I try to remember independently what I remember and not what I read.

I know on one occasion there was -- there was a $5000 amount that he said he was owed and I remember that and then other than that, the total amount that he was paid, I don't know.

Q Were you signing checks at that time?

A In all likelihood, yes, and I did sign, I believe, one check to him.

Q On which organization's checks?

A You are not going to like it, but I don't remember.

Q Okay. Do you remember the amount?

A I believe it was $5000.

Q All right. I will remind you that this deposition is taken under the confidentiality provisions of the Act and none of the parties have given us a written release to say anything about it, so I would caution you to keep this confidential.

Do you wish to review the deposition and sign it or would you waive signature?

MR. HERGE: He would like to read it.

MS. ROBINSON: All right.

We will adjourn the deposition at this time and

we will forward a check for the witness fee and travel reimbursement.

(Whereupon, at 12:30 p.m. the deposition was adjourned.)

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FRED CLIFTON SMITH, JR.

0004075190

## CERTIFICATE OF NOTARY PUBLIC & REPORTER

I, R. J. WILSON, the officer before whom the foregoing deposition was taken, do hereby certify that the witness whose testimony appears in the foregoing deposition was duly sworn by me; that the testimony of said witness was taken in shorthand and thereafter reduced to typewriting by me or under my direction; that said deposition is a true record of the testimony given by said witness; that I am neither counsel for, related to, nor employed by any of the parties to the action in which this deposition was taken; and, further, that I am not a relative or employee of any attorney or counsel employed by the parties hereto, nor financially or otherwise interested in the outcome of this action.

Notary Public in and for the
District of Columbia

My Commission Expires MARCH 14, 1991

0004075191

FEC EX 1
12/7/95

COMMONWEALTH OF VIRGINIA

STATE BOARD OF ELECTIONS

# COMMITTEE CAMPAIGN CONTRIBUTIONS AND EXPENDITURES

American Conservative Trust State Election Fund
Name of Committee

1331 Pennsylvania Ave. NW Suite 350 S
Street or Box Number

Washington, DC 20004
City, State, ZIP

(202) 662-8700
Area Code - Daytime Telephone Number

**TYPE OF REPORT**
(Check appropriate box)

xx Consolidated (Inception to 10/24/95)

- ☐ January 15
- ☐ 8 days before 1st Tuesday in March
- ☐ 8 days before 1st Tuesday in May
- ☐ 8 days before 2nd Tuesday in June
- ☒ 8 days before November General Election 1995
- ☐ 30 days after November General Election
- ☐ Final Report*

*Final Report to be filed no later than 30 days after the closing of the account and must include a termination statement signed by an officer of the committee.

## SUMMARY

Report Covering Period From Inception through October 24, 1995

| | | |
|---|---|---|
| 1. Balance on Hand (Line 6 of Last Report) | | $ -0- |
| 2. Contributions Received (Line 17—page 2) | | $ 560,815.22 |
| 3. Add: Balance Outstanding Loans (Line 28—page 2) | | $ -0- |
| 4. Total Expendable Funds | | $ 560,815.22 |
| 5. Expenses: | | |
| a. (Line 23—page 2) | $ 547,553.71 | |
| b. Add: Outstanding Loans (Prev. Report—Line 3) | $ -0- | $ 547,553.71 |
| 6. Balance on Hand (Line 4 less Line 5) | | $ 13,261.51 |

## TOTALS TO DATE

| | |
|---|---|
| 7. Contributions (Line 7 of Last Report plus Line 2 of this Report) | $ 560,815.22 |
| 8. Expenses (Line 8 of Last Report plus Line 5a of this Report) | $ 547,553.71 |
| 9. Expenses Remaining Unpaid—Schedule D | $ -0- |
| 10. Campaign Depository | |
| Account Number | |

## OATH OR AFFIRMATION

Under penalty of perjury, I declare that I have examined this report, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete.

Signature of Treasurer or Appropriate Person

Subscribed and sworn to (affirmed) before me this 24th day of October 19 95

My commission expires: My Commission Expires October 31, 1998

Notary Public

#5

0004107592

# STATEMENT OF RECONCILIATION OF FUNDS

Report Covering Period From inception through 10/24/85

Full Name of Candidate or Committee: American Conservative Trust State Election Fund

## FUNDS RECEIVED

CONTRIBUTIONS

| | | | |
|---|---|---|---|
| Schedule A (Over $100) | # 148 | $ 560,815.22 | |
| Itemized ($100 or less) | # | $ | |
| TOTAL (Add Lines 11 & 12) | # 148 | b | $ 560,815.22 |
| Less: Rebates and Refunds | | $ | |
| Less: Other | | $ | |
| TOTAL (Add Lines 14 & 15) | | | ( -0- ) |
| Net To Line 2—Summary (Line 13 less Line 16) | | | $ 560,815.22 |

## FUNDS DISBURSED

EXPENDITURES

| | | |
|---|---|---|
| Schedule B | | $ 547,553.71 |
| Less: Utility Deposits Refundable | $ | |
| Less: Rent Deposits Refundable | $ | |
| Less: Other | $ | |
| TOTAL (Add Lines 19, 20, 21) | | ( 547,553.71 ) |
| Net To Line 5A—Summary (Line 18 less Line 22) | | $ 13,261.51 |

## LOAN ACCOUNT

| | |
|---|---|
| Loan Account Balance—Last Report | $ |
| Loans Received this Period—Schedule C—Part I | $ |
| SUBTOTAL (Add Lines 24 & 25) | $ |
| Less: Loans Repaid This Period—Schedule C—Part II | ( ) |
| Loan Balance to Date—to Line 3—Summary | $ |

C00405195

AMERICAN CONSERVATIVE TRUST STATE ELECTION FUND
CASH DISBURSEMENTS AND ACCRUALS
SCHEDULE B INCEPTION THRU OCTOBER 24, 1985

| DATE | PAYEE | AMOUNT | DESCRIPTION |
|---|---|---|---|
| 04/30/84 | SEDAM & HERGE | 500.00 | LEGAL |
| 04/30/84 | GINN'S | 421.24 | OFFICE SUPPLY |
| 04/30/84 | ROGER WILKINS | 814.25 | SALARY |
| 05/31/84 | C & P TELEPHONE | 261.32 | TELEPHONE |
| 05/31/84 | GUPPERT PRINTING | 186.00 | PRINTING |
| 05/31/84 | KAY JUY HOFNER | 297.57 | CONSULTING |
| 05/31/84 | DAVID WHITEHILL | 30.00 | UTILITIES |
| 05/31/84 | CARL CHANNELL | 500.00 | SALARY |
| 07/31/84 | PRE-PRESS STUDIO DESIGN | 88.40 | PRINTING |
| 08/31/84 | CARL CHANNELL | 500.00 | SALARY |
| 10/31/84 | AMERICAN EXPRESS | 3,500.00 | TRAVEL |
| 10/31/84 | PRE-PRESS STUDIO DESIGN | 344.24 | OFFICE SUPPLY |
| 10/31/84 | SEDAM & HEREGE | 500.00 | LEGAL |
| 10/31/84 | EDNA K. HEALY | 225.00 | TEMP |
| 10/31/84 | C & P TELEPHONE | 52.18 | TELEPHONE |
| 10/31/84 | CARL CHANNELL | 500.00 | SALARY |
| 10/31/84 | STEVE MONAHON | 405.00 | ACCOUNTING |
| 10/31/84 | PEPCO | 57.91 | ELECTRIC |
| 10/31/84 | D.C. TREASURER | 62.05 | UTILITIES |
| 10/31/84 | COMPUTER COMMUN., INC. | 155.91 | EQUIP. RENTAL |
| 10/31/84 | RON WHICHARD | 1,000.00 | CONSULTING |
| 10/31/84 | D.C. TREASURER | 248.22 | UTILITIES |
| 10/31/84 | DON WASHINGTON | 1,520.25 | SALARY |
| 10/31/84 | MIKE LURIA | 1,000.00 | PRINTING |
| 10/31/84 | MIKE LURIA | 200.00 | PRINTING |
| 10/31/84 | GREENWICH TIME | 3,332.07 | ADVERTISING |
| 10/31/84 | CARL. R. CHANNELL | 505.00 | ADVERTISING |
| 10/31/84 | CARL R. CHANNELL | 3,500.00 | SALARY |
| 10/31/84 | CHARLOTTE OBSERVER | 8,542.80 | ADVERTISING |
| 10/31/84 | CHARLESTON NEWSPAPERS | 2,101.05 | ADVERTISING |
| 10/31/84 | CLIFF SMITH | 2,699.37 | SALARY |
| 10/31/84 | CLIFF SMITH | 327.42 | SALARY |
| 10/31/84 | ROCKY MOUNT EVENING TELE. | 746.91 | ADVERTISING |
| 10/31/84 | INDEPENDENT MAIL | 1,000.93 | ADVERTISING |
| 10/31/84 | CHANNELL CORP | 3,500.00 | RENT UTILITIES |
| 10/31/84 | DAVID WHITEHILL | 70.00 | UTILITIES |
| 11/30/84 | B & B CATERERS | 750.00 | ENTERTAINMENT |
| 11/30/84 | PRO-LITH, INT. | 493.50 | ADVERTISING |
| 11/30/84 | CLIFF SMITH | 250.00 | OFFICE SUPPLY |
| 11/30/84 | PEPCO | 300.00 | ELECTRIC |
| 11/30/84 | EDNA K. HEALY | 180.00 | TEMP |
| 11/30/84 | CHANNELL CORP. | 1,701.74 | TELEPHONE |
| 11/30/84 | C & P TELEPHONE | 577.83 | TELEPHONE |
| 11/30/84 | RON-CON CAMERA | 7.42 | XEROX |
| 11/30/84 | WASHINGTON EXPRESS | 491.25 | DELIVERY |
| 11/30/84 | EBERLE MARKETING GROUP | 875.00 | EQUIP. RENT |
| 11/30/84 | METRO GRAPHICS | 237.27 | OFFICE SUPPLY |
| 11/30/84 | PRE-PRESS STUDIO DESIGN | 1,000.00 | OFFICE SUPPLY |
| 11/30/84 | DANIEL LYNN CONRAD | 445.05 | CONSULTING |
| 11/30/84 | FRANCOS FURNITURE | 500.00 | FURNITURE |

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AMERICAN CONSERVATIVE TRUST STATE ELECTION FUND
CASH DISBURSEMENTS AND ACCRUALS
SCHEDULE B INCEPTION THRU OCTOBER 24, 1985

| DATE | PAYEE | AMOUNT | DESCRIPTION |
|---|---|---|---|
| 11/30/84 | STEVE MCMAHON | 2,400.00 | ACCOUNTING |
| 11/30/84 | RON-CON CAMERA | 5.81 | XEROX |
| 11/30/84 | D.C. POSTMASTER | 335.00 | POSTAGE |
| 11/30/84 | RON-CON CAMERA | 14.67 | XEROX |
| 11/30/84 | FEDERAL EXPRESS | 14.00 | DELIVERY |
| 11/30/84 | HANSEN FOR CONGRESS | 5,000.00 | CAMPAIGN - HANSEN |
| 11/30/84 | PRE-PRESS STUDIO DESIGN | 270.30 | OFFICE SUPPLY |
| 11/30/84 | RON-CON CAMERA | 14.74 | XEROX |
| 11/30/84 | PEPCO | 166.07 | ELECTRIC |
| 11/30/84 | PEPCO | 85.66 | ELECTRIC |
| 11/30/84 | WASHINGTON EXPRESS | 94.50 | DELIVERY |
| 11/30/84 | ITT INDUSTRIAL CREDIT | 1,347.10 | EQUIP. RENT |
| 11/30/84 | ERIC J. OLSEN | 2,500.00 | CONSULTING |
| 11/30/84 | TRAVEL WORLD | 742.00 | TRAVEL |
| 11/30/84 | ROGER WILKINS | 45.84 | OFFICE SUPPLY |
| 11/30/84 | RON-CON CAMERA | 31.73 | XEROX |
| 11/30/84 | CLIFF SMITH | 200.00 | TRAVEL |
| 11/30/84 | FEDERAL EXPRESS | 500.00 | DELIVERY |
| 11/30/84 | FEDERAL EXPRESS | 14.00 | DELIVERY |
| 11/30/84 | PRE-PRESS STUDIO DESIGN | 229.49 | OFFICE SUPPLY |
| 11/30/84 | D.C. POSTMASTER | 322.00 | POSTAGE |
| 11/30/84 | CHANNELL CORP. | 2,500.00 | RENT |
| 11/30/84 | ANGELA DAVIS | 9.74 | OFFICE SUPPLY |
| 11/30/84 | CLIFF SMITH | 2,165.00 | SALARY |
| 11/30/84 | ROGER WILKINS | 1,482.00 | SALARY |
| 11/30/84 | ANGELA DAVIS | 1,132.00 | SALARY |
| 11/30/84 | WESTLAND PRINTERS | 369.94 | PRINTING |
| 11/30/84 | CARL R. CHANNELL | 2,000.00 | SALARY |
| 12/31/84 | RON-CON CAMERA | 7.79 | XEROX |
| 12/31/84 | EDNA K. HEALY | 274.50 | TEMP |
| 12/31/84 | GWSAE | 70.00 | MISC/MEETING |
| 12/31/84 | CURRY COPY | 500.00 | XEROX |
| 12/31/84 | ANGELA DAVIS | 9.36 | OFFICE SUPPLY |
| 12/31/84 | C & P TELEPHONE | 621.45 | TELEPHONE |
| 12/31/84 | MALLONEY OFFICE SUPPLY | 197.07 | OFFICE SUPPLY |
| 12/31/84 | CARL R. CHANNELL | 270.02 | MEETING |
| 12/31/84 | RON-CON CAMERA | 18.02 | XEROX |
| 12/31/84 | WESTLAND PRINTERS | 513.04 | PRINTING |
| 12/31/84 | MICHAEL LURIA | 160.00 | PRINTING |
| 12/31/84 | STANLEY O. MILLER | 2,500.00 | CONSULTING |
| 12/31/84 | SUBURBAN BANK | 767.69 | LEASE EXPENSE |
| 12/31/84 | CAREER CONSULTANTS INC. | 569.38 | TEMP |
| 12/31/84 | CHANNELL CORP. | 1,000.00 | UTILITIES |
| 12/31/84 | STEVE MCMAHON | 1,320.00 | ACCOUNTING |
| 12/31/84 | LANIER BUS. EQUIPMENT | 118.14 | OFFICE SUPPLY |
| 12/31/84 | LANIER BUS. EQUIPMENT | 1,163.09 | COPIER MAINT. |
| 12/31/84 | LANIER BUS. EQUIPMENT | 1,826.03 | LEASE EXPENSE |
| 12/31/84 | LANIER BUS. EQUIPMENT | 322.30 | LEASE EXPENSE |
| 12/31/84 | ITT INDUSTRIAL CREDIT | 60.65 | INSURANCE |
| 12/31/84 | ITT INDUSTRIAL CREDIT | 301.25 | LEASE |

00040705193

AMERICAN CONSERVATIVE TRUST STATE ELECTION FUND
CASH DISBURSEMENTS AND ACCRUALS
SCHEDULE B INCEPTION THRU OCTOBER 24, 1985

| DATE | PAYEE | AMOUNT | DESCRIPTION |
|---|---|---|---|
| 12/31/84 | STATE FARM | 337.68 | INSURANCE |
| 12/31/84 | EBERLE MARKETING GROUP | 375.00 | EQUIP. RENT |
| 12/31/84 | FEDERAL EXPRESS | 389.50 | DELIVERY |
| 12/31/84 | CHANNELL CORP. | 4,526.62 | TAXES |
| 12/31/84 | RON-CON CAMERA | 48.18 | XEROX |
| 12/31/84 | J. PARKER BAILEY | 600.00 | ACCOUNTING |
| 12/31/84 | D.C. POSTMASTER | 425.00 | POSTAGE |
| 12/31/84 | ROGER WILKINS | 1,482.00 | SALARY |
| 12/31/84 | ANGELA DAVIS | 1,300.00 | SALARY |
| 12/31/84 | CLIFF SMITH | 1,100.00 | SALARY |
| 12/31/84 | ANGELA DAVIS | 150.00 | BONUS |
| 12/31/84 | ROGER WILKINS | 150.00 | BONUS |
| 12/31/84 | CLIFF SMITH | 150.00 | BONUS |
| 12/31/84 | CLIFF SMITH | 1,000.00 | SALARY |
| 01/31/85 | DUPONT ACTION LIGHTS | 350.00 | ADVERTISEMENT |
| 01/31/85 | C&P TELEPHONE | 379.78 | PHONE |
| 01/31/85 | MICHAEL LURIA | 200.00 | ARTWORK |
| 01/31/85 | WESTLAND PRINTERS | 300.00 | PRINTING |
| 01/31/85 | C & P | 1,078.73 | TELEPHONE |
| 01/31/85 | MAC DINNER | 300.00 | PUBLIC RELATIONS |
| 01/31/85 | EDNA HEALY | 220.50 | SALARY |
| 01/31/85 | DAVID WHITEHILL | 60.00 | OFFICE CLEANING |
| 01/31/85 | ANGELA DAVIS | 5.00 | SUPPLIES |
| 01/31/85 | STEVE MCMAHON | 1,200.00 | ACCOUNTING FEES |
| 01/31/85 | LANIER | 3,500.00 | SUPPLIES/XEROX PAPER |
| 01/31/85 | LURIA | 700.00 | GRAPHIC WORK |
| 01/31/85 | DELARSAH | 400.00 | CONSULTANT |
| 01/31/85 | ROGER WILKINGS | 9.21 | SUPPLIES |
| 01/31/85 | NEW YORK TIMES | 27,627.00 | ADVERTISEMENT |
| 01/31/85 | WASHINGTON POST | 23,310.67 | ADVERTISEMENT |
| 01/31/85 | DUPONT ACTION LIGHTS | 350.00 | ADVERTISEMENT |
| 01/31/85 | DC POSTMASTER | 46.37 | POSTAGE |
| 01/31/85 | CASH-CRC TRAVEL NY | 300.00 | TEMP HELP |
| 01/31/85 | CLIFF SMITH | 4.45 | PRINTING |
| 01/31/85 | CLIFF SMITH | 2,000.00 | SALARY |
| 01/31/85 | CLIFF SMITH | 1,083.12 | SALARY |
| 01/31/85 | ANGELA DAVIS | 1,312.68 | SALARY |
| 01/31/85 | ROGER WILKINS | 1,480.80 | SALARY |
| 02/28/85 | DAVID WHITEHILL | 170.00 | OFFICE CLEANING |
| 02/28/85 | D & F OFFICE FURN. | 521.52 | OFFICE FURNITURE |
| 02/28/85 | CARL R. CHANNELL | 12,000.00 | SALARY |
| 02/28/85 | STEPHEN MCMAHON | 2,220.00 | ACCOUNTING FEES |
| 02/28/85 | WASHINGTON TIMES | 4,611.49 | ADVERTISEMENT |
| 02/28/85 | ANGELA DAVIS | 9.45 | SUPPLIES |
| 02/28/85 | CHANNELL CORP | 3,400.00 | RENT:OVERHEAD COSTS |
| 02/28/85 | TSI | 440.80 | TEMP HELP |
| 02/28/85 | CLIFF SMITH | 32.35 | CABS |
| 02/28/85 | CLIFF SMITH | 80.00 | CABFARE |
| 02/28/85 | C. CHANNELL | 300.00 | TRAVEL/FUNDRAISING |

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AMERICAN CONSERVATIVE TRUST STATE ELECTION FUND
CASH DISBURSEMENTS AND ACCRUALS
SCHEDULE B INCEPTION THRU OCTOBER 24, 1985

| DATE | PAYEE | AMOUNT | DESCRIPTION |
|---|---|---|---|
| 02/28/85 | C&P TELEPHONE | 170.71 | PHONE |
| 02/28/85 | C&P TELEPHONE | 426.62 | PHONE |
| 02/28/85 | C&P TELEPHONE | 1,300.10 | PHONE |
| 02/28/85 | MIKE LURIA | 700.00 | ARTWORK/PRINTING |
| 02/28/85 | RON CON CAMERA | 18.55 | XEROXING |
| 02/28/85 | CLIFF SMITH | 8.60 | CABS |
| 02/28/85 | STATE FARM | 1,357.81 | INSURANCE |
| 02/28/85 | C&P TELEPHONE | 77.46 | PHONE |
| 02/28/85 | WASHINGTON TIMES | 8.00 | PUBLICATIONS |
| 02/28/85 | BAUMGARTEN | 16.20 | OFFICE SUPPLIES |
| 02/28/85 | DC POSTMASTER | 16.20 | POSTAGE |
| 02/28/85 | RICHMOND TIMES | 13.45 | PUBLICATIONS |
| 02/28/85 | CHANNELL CORP | 1,600.00 | OVERHEAD/ALLOCATION |
| 02/28/85 | UVVAC | 1,500.00 | ADVERTISEMENT |
| 02/28/85 | RON CON CAMERA | 22.26 | XEROXING |
| 02/28/85 | MONACLE REST. | 130.00 | MEETING |
| 02/28/85 | DAVID WHITEHILL | 160.00 | MAINTENANCE |
| 02/28/85 | B & B | 807.84 | FUNDRAISING |
| 02/28/85 | DC POSTMASTER | 10.41 | POSTAGE |
| 02/28/85 | RON CON CAMERA | 22.26 | XEROXING |
| 02/28/85 | GINNS | 99.38 | OFFICE SUPPLIES |
| 02/28/85 | DAVID WHITEHILL | 160.00 | MAINTENANCE |
| 02/28/85 | WASHINGTON POST | 23,310.67 | ADVERTISEMENT |
| 02/28/85 | C. CHANNELL | 12,000.00 | CONSULTANT FEE |
| 02/28/85 | CLIFF SMITH | 12.55 | CABS |
| 02/28/85 | DAVID WHITEHILL | 160.00 | MAINTENANCE |
| 02/28/85 | MIKE LURIA | 350.00 | ARTWORK/PRINTING |
| 02/28/85 | ROGER WILKINS | 8.75 | SUPPLIES |
| 02/28/85 | CLIFF SMITH | 7.80 | CABS |
| 02/28/85 | CASH - TRAVEL TEXAS | 1,000.00 | TRAVEL:FUNDRAISING |
| 02/28/85 | ANGELA DAVIS | 1,312.68 | PAYROLL |
| 02/28/85 | ROGER WILKINS | 1,480.80 | PAYROLL |
| 02/28/85 | CLIFF SMITH | 1,083.12 | SALARY |
| 02/28/85 | VALLEY VISTA PHARMACY | 339.03 | FUNDRAISING |
| 02/28/85 | VALLEY VISTA PHARMACY | 159.00 | GIFTS TO DONORS |
| 02/28/85 | STEVE MCMAHON | 2,100.00 | ACCOUNTING FEES |
| 02/28/85 | C&P TELEPHONE | 653.56 | PHONE |
| 02/28/85 | PEPCO | 231.37 | ELECTRIC |
| 02/28/85 | UNTD VA BANK | 1,000.00 | FUNDRAISING REIMB |
| 02/29/85 | BANK CHARGE | 5.00 | BANK CHARGES |
| 02/28/85 | CARL R. CHANNELL | 3,500.00 | SALARY |
| 02/28/85 | WASHINGTON TIMES | 2,777.00 | ADVERTISEMENT |
| 03/31/85 | CLIFF SMITH | 9.35 | CABS |
| 03/31/85 | DAVID WHITEHILL | 160.00 | MAINTENANCE |
| 03/31/85 | WESTERN UNION | 272.50 | ADVERTISEMENT |
| 03/31/85 | CLIFF SMITH | 645.00 | PAYROLL |
| 03/31/85 | CHANNELL CORP | 500.00 | OVERHEAD/ALLOC |
| 03/31/85 | PEPCO | 201.82 | ELECTRIC |
| 03/31/85 | GINNS | 1,850.37 | OFFICE SUPPLIES |
| 03/31/85 | CHANNELL CORP | 800.00 | OVERHEAD/ALLOC |

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AMERICAN CONSERVATIVE TRUST STATE ELECTION FUND
CASH DISBURSEMENTS AND ACCRUALS
SCHEDULE B INCEPTION THRU OCTOBER 24, 1985

| DATE | PAYEE | AMOUNT | DESCRIPTION |
|---|---|---|---|
| 03/31/85 | TRAVEL WORLD | 400.00 | TRAVEL/FUNDRAISING |
| 03/31/85 | CLIFF SMITH | 8.00 | CABS |
| 03/31/85 | WASHINGTON TIMES | 40.00 | ADVERTISEMENT |
| 03/31/85 | MALLOREY OFFICE SUPPLY | 114.92 | OFFICE SUPPLIES |
| 03/31/85 | TRAVEL WORLD | 726.00 | TRAVEL/FUNDRAISING |
| 03/31/85 | ROGER WILKINS | 9.00 | SUPPLIES |
| 03/31/85 | LANIER | 292.29 | EQUIP. RENTAL |
| 03/31/85 | RAINBOW ADWORKS | 422.07 | ARTWORK/PRINTING |
| 03/31/85 | WESTLAND PRINTERS | 944.46 | PRINTING |
| 03/31/85 | KING FLORIST | 58.00 | GIFT |
| 03/31/85 | BAUMGARTEN | 14.29 | SUPPLIES |
| 03/31/85 | WASHINGTON EXPRESS | 125.00 | COURIER |
| 03/31/85 | CLIFF SMITH | 8.40 | CABS |
| 03/31/85 | AMERICAN EXPRESS | 578.56 | PUB. RELATION/FUNDRAISING |
| 03/31/85 | CARL R. CHANNELL | 3,500.00 | CONSULTANT FEE |
| 03/31/85 | DC TREASURER | 25.00 | FILING FEE |
| 03/31/85 | CLIFF SMITH | 12.25 | CABS |
| 03/31/85 | METROGRAPHICS | 148.40 | STATIONARY |
| 03/31/85 | CHANNELL CORP | 762.69 | LEASE EXPENSE |
| 03/31/85 | C&P TELEPHONE | 495.40 | PHONE |
| 03/31/85 | ANGELA DAVIS | 656.34 | PAYROLL |
| 03/31/85 | ROGER WILKINS | 740.40 | PAYROLL |
| 03/31/85 | EDNA HEALY | 204.75 | TEMP HELP |
| 03/31/85 | 1ST VIRGINIA | 1,500.00 | PUB. RELATION/FUNDRAISING |
| 03/31/85 | CURRY COPY | 400.00 | DELIVERY |
| 03/31/85 | PALMER NAT'L | 5.00 | BANK CHARGE |
| 04/30/85 | WASHINGTON TIMES | 2,340.40 | ADVERTISEMENT |
| 04/30/85 | CASH | 1,000.00 | TRAVEL/FUNDRAISING |
| 04/30/85 | CLIFF SMITH | 17.00 | CABS |
| 04/30/85 | WASHINGTON TIMES | 50.00 | ADVERTISEMENT |
| 04/30/85 | WASHINGTON TIMES | 15.00 | SUPPLIES |
| 04/30/85 | INSTITUTIONAL DEVELOPMENT | 5,000.00 | ADVERTISEMENT |
| 04/30/85 | ELKINS INTERMOUNTAIN | 531.96 | ADVERTISEMENT |
| 04/30/85 | TIMES PUBLISHING CO | 1,719.31 | ADVERTISEMENT |
| 04/30/85 | SOUTRN CONN. NEWSPAPER | 2,500.02 | ADVERTISEMENT |
| 04/30/85 | DAVID WHITEHILL | 160.00 | MAINTENANCE |
| 04/30/85 | CARL R. CHANNELL | 3,000.00 | CONSULTANT FEE |
| 04/30/85 | WESTERN UNION | 830.62 | ADVERTISEMENT |
| 04/30/85 | CLIFF SMITH | 10.00 | CABS |
| 04/30/85 | TRAVEL WORLD | 650.00 | TRAVEL/FUNDRAISING |
| 04/30/85 | CLEMSON UNIV. | 165.00 | ADVERTISEMENT |
| 04/30/85 | STEVE MCMAHON | 840.00 | ACCOUNTING FEES |
| 04/30/85 | ROBERT GOODMAN | 75,000.00 | ADVERTISEMENT |
| 04/30/85 | CLIFF SMITH | 2,000.00 | SALARY |
| 04/30/85 | FMI | 265.00 | TRAVEL/FUNDRAISING |
| 04/30/85 | CLIFF SMITH | 7.00 | CABS |
| 04/30/85 | WASHINGTON TIMES | 2,140.40 | ADVERTISEMENT |
| 04/30/85 | IBC | 5,000.00 | ADVERTISEMENT |
| 04/30/85 | DAN CONRAD | 2,500.00 | CONSULTANT FEE |

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AMERICAN CONSERVATIVE TRUST STATE ELECTION FUND
CASH DISBURSEMENTS AND ACCRUALS
SCHEDULE B INCEPTION THRU OCTOBER 24, 1985

| DATE | PAYEE | AMOUNT | DESCRIPTION |
|---|---|---|---|
| 04/30/85 | RAINBOW ADWORKS | 534.70 | ARTWORK/PRINTING |
| 04/30/85 | FEDERAL EXPRESS | 290.00 | COURIER |
| 04/30/85 | STATE FARM | 291.30 | INSURANCE |
| 04/30/85 | STATE FARM | 410.10 | INSURANCE |
| 04/30/85 | STATE FARM | 509.90 | INSURANCE |
| 04/30/85 | C&P | 924.52 | PHONE |
| 04/30/85 | LANIER | 306.90 | EQUIP RENTAL |
| 04/30/85 | WASHINGTON EXPRESS | 85.50 | COURIER |
| 04/30/85 | PREPRESS | 500.00 | PRINTING |
| 04/30/85 | LANIER | 960.59 | EQUIP RENTAL |
| 04/30/85 | PALMER NAT'L | 20.00 | BANK CHARGE |
| 04/30/85 | INTERNAL REVENUE SERVICE | 9,378.37 | 1984 PAYROLL TAXES |
| 04/30/85 | DC TREASURER | 346.75 | 1984 PAYROLL TAXES |
| 04/30/85 | COMPT. OF TREASURY/MD | 208.26 | 1984 PAYROLL TAXES |
| 04/30/85 | COMPT. OF TREASURY/MD | 1,009.54 | 1984 PAYROLL TAXES |
| 04/30/85 | DC TREASURER | 508.80 | 1984 PAYROLL TAXES |
| 04/30/85 | COMPT. OF TREASURY/MD | 1,100.00 | SURETY BOND MD. W/H |
| 04/30/85 | CLIFF SMITH | 6.00 | CABS |
| 04/30/85 | CARRIBEAN AMER. DIR. | 75.00 | PUBLICATION |
| 04/30/85 | CLIFF SMITH | 6.00 | CABS |
| 04/30/85 | CLIFF SMITH | 6.00 | CABS |
| 04/30/85 | UNITED VIRGINIA | 1,000.00 | PUB. RELATION/FUNDRAISING |
| 04/30/85 | ANGELA DAVIS | 16.00 | SUPPLIES |
| 04/30/85 | DC TREASURER | 270.50 | PAYROLL TAXES |
| 04/30/85 | MD COMPTROLLER | 743.18 | PAYROLL TAXES |
| 04/30/85 | ANGELA DAVIS | 748.34 | PAYROLL |
| 04/30/85 | CLIFF SMITH | 541.62 | PAYROLL |
| 04/30/85 | IRS | 5,108.86 | PAYROLL TAXES |
| 05/31/85 | PORTER/LEIGHTON FOR GOV. | 5,000.00 | POL. CONTRIBUTION |
| 05/31/85 | DAVID WHITEHILL | 170.00 | MAINTENANCE |
| 05/31/85 | CLIFF SMITH | 1,839.03 | PAYROLL |
| 05/31/85 | CLIFF SMITH | 6.00 | CABS |
| 05/31/85 | CLIFF SMITH | 10.00 | CABS |
| 05/31/85 | ANGELA DAVIS | 4.83 | SUPPLIES |
| 05/31/85 | POLITICS IN AMER | 499.00 | ADVERTISEMENT |
| 05/31/85 | CLIFF SMITH | 6.00 | CABS |
| 05/31/85 | DC POSTMASTER | 183.00 | POSTAGE |
| 05/31/85 | DC POSTMASTER | 10.00 | POSTAGE |
| 05/31/85 | ROGER WILKINS | 740.40 | PAYROLL |
| 05/31/85 | CARL R. CHANNELL | 4,000.00 | PAYROLL |
| 05/31/85 | ISC | 5,000.00 | ADVERTISEMENT |
| 05/31/85 | FEC | 25.05 | FEES |
| 05/31/85 | CLIFF SMITH | 15.00 | CABS |
| 05/31/85 | STEVE MCMAHON | 2,400.00 | ACCOUNTING FEES |
| 05/31/85 | CLIFF SMITH | 6.00 | CABS |
| 05/31/85 | C&P | 1,369.03 | PHONE |
| 05/31/85 | C. CHANNELL | 3,000.00 | CONSULTANT FEE |
| 05/31/85 | ROBERT GOODMAN | 21,385.00 | ADVERTISEMENT |
| 05/31/85 | RICHMOND TIMES | 78.10 | PUBLICATIONS |

AMERICAN CONSERVATIVE TRUST STATE ELECTION FUND
CASH DISBURSEMENTS AND ACCRUALS
SCHEDULE B INCEPTION THRU OCTOBER 24, 1985

| DATE | PAYEE | AMOUNT | DESCRIPTION |
|---|---|---|---|
| 05/31/85 | WALLSTREET JRNL | 41.00 | PUBLICATIONS |
| 05/31/85 | DC POSTMASTER | 114.00 | POSTAGE |
| 05/31/85 | UNITED VIRGINIA | 1,000.00 | PUB. RELATIONS/FUNDRAISING |
| 05/31/85 | COLUMBIA BOOKS | 84.80 | PUBLICATIONS |
| 05/31/85 | FEC | 110.40 | FILING FEES |
| 05/31/85 | DAVID WHITEHILL | 170.00 | MAINTENANCE |
| 05/31/85 | CLIFF SMITH | 1,083.24 | PAYROLL |
| 05/31/85 | GOODMAN AGENCY | 6,000.00 | ADVERTISEMENT |
| 05/31/85 | ROGER WILKINS | 740.40 | PAYROLL |
| 05/31/85 | ANGELA DAVIS | 748.33 | PAYROLL |
| 05/31/85 | CHANNELL CORP | 767.69 | OVERHEAD/ALLOC |
| 05/31/85 | DAN CONRAD | 2,500.00 | CONSULTANT FEE |
| 05/31/85 | CLIFF SMITH | 964.52 | PAYROLL |
| 05/31/85 | RON CON CAMERA | 22.16 | XEROXING |
| 05/31/85 | WASHINGTON EXPRESS | 45.75 | COURIER |
| 05/31/85 | WESTERN UNION | 372.90 | FUNDRAISING |
| 05/31/85 | MANPOWER | 286.35 | TEMP HELP |
| 05/31/85 | MANPOWER | 720.03 | TEMP HELP |
| 05/31/85 | POTOMAC PERSONNELL | 33.45 | TEMP HELP |
| 05/31/85 | B&B CATERERS | 1,081.45 | FUNDRAISING |
| 05/31/85 | FEDERAL EXPRESS | 1,819.25 | FUNDRAISING |
| 05/31/85 | WASHINGTON TIMES | 1,110.17 | ADVERTISEMENT |
| 05/31/85 | PUROLATOR COURIER | 11.00 | COURIER |
| 05/31/85 | GARY TAYLOR | 203.52 | FRAMING |
| 05/31/85 | WESTLAND PRINTERS | 1,106.46 | PRINTING |
| 06/30/85 | PEPCO | 77.12 | ELECTRIC |
| 06/30/85 | C&P | 81.89 | PHONE |
| 06/30/85 | ATT | 64.93 | EQUIP RENTAL |
| 06/30/85 | ATT | 6.22 | EQUIP RENTAL |
| 06/30/85 | TRAVEL WORLD | 187.00 | TRAVEL/FUNDRAISING |
| 06/30/85 | LANIER | 299.60 | EQUIP RENTAL |
| 06/30/85 | LANIER | 440.37 | EQUIP RENTAL |
| 06/30/85 | ITT | 150.62 | EQUIP RENTAL |
| 06/30/85 | CHANNELL CORP | 52.30 | OVERHEAD ALLOC |
| 06/30/85 | CHANNELL CORP | 1,425.00 | OVERHEAD ALLOC |
| 06/30/85 | HADJI | 1,000.00 | FURNISHINGS |
| 06/30/85 | RAINBOW ADWORKS | 500.00 | ARTWORK/PRINTING |
| 06/30/85 | C&P | 613.67 | PHONE |
| 06/30/85 | SEIDM & HERGE | 750.00 | LEGAL FEES |
| 06/30/85 | D&F OFFICE FURNITURE | 47.00 | FURNISHINGS |
| 06/30/85 | DAVID WHITEHILL | 170.00 | MAINTENANCE |
| 06/30/85 | MICHAEL JOYNER | 17.00 | PUBLICATIONS |
| 06/30/85 | ANGELA DAVIS | 3.23 | SUPPLIES |
| 06/30/85 | PALMER NAT'L | 20.00 | BANK CHARGES |
| 06/30/85 | CLIFF SMITH | 15.00 | CABS |
| 06/30/85 | C. CHANNELL | 6,000.00 | CONSULTANT FEE |
| 06/30/85 | ROGER WILKINS | 740.40 | PAYROLL |
| 06/30/85 | ROBERT ARNOLD | 105.00 | TEMP HELP |

AMERICAN CONSERVATIVE TRUST STATE ELECTION FUND
CASH DISBURSEMENTS AND ACCRUALS
SCHEDULE B INCEPTION THRU OCTOBER 24, 1985

| DATE | PAYEE | AMOUNT | DESCRIPTION |
|---|---|---|---|
| 07/31/85 | DAN CONRAD | 3,000.00 | CONSULTANT FEE |
| 07/31/85 | IBC | 5,000.00 | ADVERTISEMENT |
| 07/31/85 | DAN CONRAD | 316.86 | PUB. RELATION/FUNDRAISING |
| 07/31/85 | DAVID WHITEHILL | 340.00 | MAINTENANCE |
| 07/31/85 | TELEMARKETING | 172.00 | PUBLICATIONS |
| 07/31/85 | THE FREE PRESS | 139.95 | PUBLICATIONS |
| 07/31/85 | DARNELL | 91.50 | PUBLICATIONS |
| 07/31/85 | DARNELL | 75.50 | PUBLICATIONS |
| 07/31/85 | WESLEY SMITH | 150.00 | CONSULTANT FEE |
| 07/31/85 | STEVE MCMAHON | 2,400.00 | ACCOUNTING FEES |
| 07/31/85 | WESLEY SMITH | 6.00 | CABS |
| 07/31/85 | DHL EXPRESS | 40.00 | COURIER |
| 07/31/85 | CLIFF SMITH | 6.00 | CABS |
| 07/31/85 | WELLINGTON INTERIORS | 1,376.91 | FURNISHINGS |
| 07/31/85 | UNITED VIRGINIA | 1,000.00 | PUB. RELATIONS/FUNDRAISING |
| 07/31/85 | CLIFF SMITH | 6.00 | CABS |
| 07/31/85 | CLIFF SMITH | 6.00 | CABS |
| 07/31/85 | DAN CONRAD | 3,000.00 | CONSULTANT FEE |
| 07/31/85 | CARL R. CHANNELL | 6,000.00 | CONSULTANT FEE |
| 07/31/85 | ANGELA DAVIS | 5.93 | SUPPLIES |
| 07/31/85 | GARY TAYLOR | 101.76 | FRAMING |
| 07/31/85 | C&P | 861.31 | PHONE |
| 07/31/85 | TRAVEL WORLD | 232.00 | TRAVEL/FUNDRAISING |
| 07/31/85 | LANIER | 146.15 | EQUIP RENTAL |
| 07/31/85 | SEDAM & HERGE | 1,148.57 | LEGAL FEES |
| 07/31/85 | PEPCO | 63.47 | ELECTRIC |
| 07/31/85 | WESTLAND PRINTERS | 643.42 | PRINTING |
| 07/31/85 | J&R ELECTRIC CO. | 115.34 | MAINTENANCE |
| 07/31/85 | RAINBOW ADWORKS | 1,209.54 | ARTWORK/PRINTING |
| 07/31/85 | RAINBOW ADWORKS | 1,008.29 | ARTWORK/PRINTING |
| 07/31/85 | ROGER WILKINS | 15.00 | SUPPLIES |
| 07/31/85 | CHANNELL CORP | 381.33 | OVERHEAD/ALLOC |
| 07/31/85 | ELECTRIC TYPEWRITER | 138.75 | MAINTENANCE/REPAIR |
| 07/31/85 | COLUMBIA BOOKS | 45.43 | PUBLICATIONS |
| 07/31/85 | BAUMGARTEN | 12.49 | SUPPLIES |
| 07/31/85 | CAMERON PRESS | 75.50 | PHOTOCOPYING |
| 07/31/85 | MILLER & ARNEY | 1,000.00 | OFFICE FURN/PYMT |
| 07/31/85 | MANPOWER | 47.31 | TEMP HELP |
| 07/31/85 | CITY OF ALEXANDRIA | 17.00 | PARKING |
| 07/31/85 | ITT INDUSTRIAL | 285.46 | EQUIP RENTAL |
| 07/31/85 | STATE FARM | 511.70 | INSURANCE |
| 07/31/85 | THE ASSOCIATES | 104.61 | EQUIP RENTAL |
| 07/31/85 | VALLEE, INC | 1,425.00 | RENT |
| 07/31/85 | DAVID WHITEHILL | 170.00 | MAINTENANCE |
| 07/31/85 | CITY OF ALEXANDRIA | 20.00 | PARKING |
| 07/31/85 | MALLOREY | 113.36 | SUPPLIES |
| 07/31/85 | C&P | 477.33 | PHONE |
| 07/31/85 | AT&T | 807.13 | EQUIP PURCHASE |
| 07/31/85 | IRS | 3,330.24 | PAYROLL TAXES |
| 07/31/85 | IRS | 552.33 | PAYROLL TAXES |

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AMERICAN CONSERVATIVE TRUST STATE ELECTION FUND
CASH DISBURSEMENTS AND ACCRUALS
SCHEDULE B INCEPTION THRU OCTOBER 24, 1985

| DATE | PAYEE | AMOUNT | DESCRIPTION |
|---|---|---|---|
| 07/31/85 | IBC | 5,000.00 | CONSULTANT FEE |
| 07/31/85 | NAT'L INFO DATA CENTER | 24.35 | PUBLICATION |
| 07/31/85 | CLIFF SMITH | 6.00 | CABS |
| 07/31/85 | ROGER WILKINS | 740.40 | PAYROLL |
| 07/31/85 | PALMER NAT'L | 32.38 | CHECK PRINTING |
| 07/31/85 | ROBERT GOODMAN AGENCY | 1,700.00 | AD AGENCY |
| 07/31/85 | PALMER NAT'L | 10.00 | WIRE FEE |
| 08/31/85 | TERMINIX | 37.50 | PEST EXTERMINATION |
| 08/31/85 | RON CON CAMERA | 58.99 | XEROXING |
| 08/31/85 | DC POSTMASTER | 268.00 | POSTAGE |
| 08/31/85 | ANGELA DAVIS | 10.68 | SUPPLIES |
| 08/31/85 | JONES COLAD GROUP | 700.00 | PRINTING |
| 08/31/85 | RON CON CAMERA | 18.55 | POSTAGE |
| 08/31/85 | ANGELA DAVIS | 3.71 | SUPPLIES |
| 08/31/85 | DAVID WHITEHILL | 190.00 | MAINTENANCE |
| 08/31/85 | DOUG FRANCE | 71.76 | EQUIPMENT |
| 08/31/85 | CLIFF SMITH | 6.00 | CABS |
| 08/31/85 | AMERICAN POLITICAL REPORT | 135.00 | PUBLICATION |
| 08/31/85 | BARRONS MAGAZINE | 85.00 | PUBLICATION |
| 09/30/85 | J. PARKER BAILEY | 324.50 | ACCOUNTING FEES |
| 09/30/85 | CLIFF SMITH | 13.00 | CABS |
| 09/30/85 | CLIFF SMITH | 6.00 | CABS |
| 09/30/85 | JONES COLAD GROUP | 800.00 | PRINTING |
| 09/30/85 | DC TREASURER | 622.96 | 2ND QTR P/R TAXES |
| 09/30/85 | COMPT. OF TREASURY/MD | 99.13 | 2ND QTR P/R TAXES |
| 09/30/85 | CLIFF SMITH | 6.00 | CABS |
| 09/30/85 | KEMP-DURRETTE | 125.00 | FUNDRAISING EXPENSE |
| 09/30/85 | CLIFF SMITH | 9.00 | CABS |
| 10/24/86 | KURT HERGES | 41.25 | LEGAL FEES |
| 10/24/86 | IBC | 120.00 | COURIER COSTS |
| 10/24/86 | CLIFF SMITH | 30.00 | CABFARE |
| 10/24/86 | CLIFF SMITH | 15.00 | CABFARE |
| 10/24/86 | CLIFF SMITH | 8.00 | CABFARE |
| | TOTAL | 547,553.71 | |

| CONTRIBUTOR | DATE | AMOUNTS | INDIVIDUAL AGGREGATE AGGREGATE |
|---|---|---|---|
| UNKNOWN | 01/16/85 | 112.00 | |
| UNKNOWN | 09/22/83 | 1,500.00 | |
| UNKNOWN | 09/22/83 | 1,500.00 | |
| UNKNOWN | 09/29/83 | 3,000.00 | |
| UNKNOWN | 10/29/84 | 38,000.00 | |
| UNKNOWN | 11/07/84 | 5,000.00 | |
| UNKNOWN | 11/07/84 | 3,200.00 | |
| UNKNOWN | 12/21/84 | 3,400.00 | 55,712.00 |
| DR. MARY J. ADAMKIEWICZ | 11/02/84 | 2,000.00 | |
| RIVERSIDE STABLES | 02/21/85 | 1,000.00 | |
| MILFORD, DE 19963 | 04/19/85 | 4,230.28 | 7,230.28 |
| MRS. MARY POPE ALLES | 01/16/85 | 1,000.00 | |
| 180 SOUTH LAKE AVE, #425 | 02/07/85 | 500.00 | |
| PASADENA, CA 91105 | 04/25/85 | 5,000.00 | |
| | 05/13/85 | 1,000.00 | 7,500.00 |
| MR. K. H. ARLETH | 02/27/85 | 100.00 | 100.00 |
| 10718 DEERWOOD | | | |
| HOUSTON, TX 77042 | | | |
| PATRICIA D. BECK | 01/16/85 | 500.00 | 500.00 |
| 10210 STRAIT LANE | | | |
| DALLAS, TX 75229 | | | |
| JAMES R. BELL | 04/06/84 | 100.00 | 100.00 |
| R.R. NO. 1 | | | |
| BLOOMINGTON, IL 61701 | | | |
| MRS. JACK BIRCHER | 01/31/85 | 250.00 | |
| P. O. BOX 360 | 04/26/85 | 500.00 | |
| BOONVILLE, IN 47601 | 05/14/85 | 250.00 | 1,000.00 |
| MR. WENDELL R. BIRD | 04/17/85 | 15,000.00 | 15,000.00 |
| 200 CANDLER BUILDING | | | |
| ATLANTA GA 30303 | | | |
| MR. INMAN BRANDON | 01/16/85 | 500.00 | |
| 3300 1ST ATLANTA BANK TWR. | 05/17/85 | 250.00 | |
| ATLANTA, GA 30303 | 11/27/84 | 50.00 | 800.00 |

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| CONTRIBUTOR | DATE | AMOUNTS | INDIVIDUAL AGGREGATE |
|---|---|---|---|
| MR. WILLIAM BUSH<br>P.O. BOX 147<br>BRANDON, MS 39042 | 11/27/84 | 300.00 | 300.00 |
| JAMES CALHOUN<br>1107 BEECH ROAD<br>ROSEMONT, PA 19010 | 03/05/84<br>10/09/84 | 5,000.00<br>2,601.00 | 7,601.00 |
| J. LAMAR CARSON<br>424 SOUTH MAIN<br>GUNNISON, UT 84634 | 02/27/85 | 10.00 | 10.00 |
| MRS. ROY CHAMBERLAIN<br>P.O. BOX 1264<br>LUSK, WY 82225 | 03/01/85<br>05/13/85 | 250.00<br>1,300.00 | 1,550.00 |
| CARL R. CHANNELL<br>2032 BELMONT RD.<br>WASHINGTON DC 20009 | 01/16/85 | 137.25 | 137.25 |
| SAMUEL W. CHANNELL<br>1970 SMITH ROAD<br>CHARLESTON, WV 25300 | 01/17/85 | 500.00 | 500.00 |
| BARBARA B. CHRISTIAN<br>3601 AXTON LANE<br>GOSHEN, KY 40026 | 01/16/85<br>02/21/85<br>04/15/85 | 1,000.00<br>150.00<br>500.00 | 1,650.00 |
| MR. MAX CLAMPITT<br>9207 AMBASSADOR ROW<br>DALLAS, TX 75247 | 02/20/85 | 100.00 | 100.00 |
| REX S. CLARK<br>7460 HERSCHEL AVE.<br>LA JOLLA, CA 92037 | 02/20/85<br>05/17/85 | 150.00<br>1,000.00 | 1,150.00 |
| MR. W. G. CONWAY<br>P. O. BOX 17921<br>SAN ANTONIO, TX 78217 | 03/01/85 | 100.00 | 100.00 |
| FEDERAL CHICAGO CORP.<br>3222-32 ELSTON AVENUE<br>CHICAGO, IL 60614 | 02/27/85 | 100.00 | 100.00 |

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| CONTRIBUTOR | DATE | AMOUNTS | INDIVIDUAL AGGREGATE |
|---|---|---|---|
| MARY C. CROMLEY<br>10265 INWOOD ROAD<br>DALLAS, TX 75229 | 04/23/85 | 1,000.00 | 1,000.00 |
| MR. FRANK DARLINGTON<br>24 WINDING ROAD<br>LEETSDALE, PA 15056 | 04/19/85<br>11/27/84 | 8,000.00<br>500.00 | 8,500.00 |
| T. CULLEN DAVIS<br>P.O. BOX 1224<br>FORT WORTH, TX 76101 | 12/12/84 | 1,500.00 | 1,500.00 |
| DENVER WEST<br>P.O. BOX 661<br>1546 COLE BLVD.<br>GOLDEN, CO 80401 | 01/16/85 | 250.00 | 250.00 |
| MRS. MACIE J. DOBER<br>1 BEEHAVEN RD., BETHLEHEM<br>WHEELING, WV 26003 | 01/16/85 | 500.00 | 500.00 |
| ELKINS MOTOR LODGE<br>P.O. BOX 46<br>ELKINS, WV 26241 | 01/16/85 | 250.00 | 250.00 |
| ANNE M. FITZSIMMONS<br>5034 LOYOLA LANE<br>ORLANDO, FL 32821 | 02/20/85 | 100.00 | 100.00 |
| FINA & M. IRENE FRANCO<br>NO ADDRESS ON FILE | 04/06/84 | 100.00 | 100.00 |
| MR. JAMES B. FURRH, JR.<br>1236 CAPITOL TOWERS<br>JACKSON, MS 39201 | 11/27/84 | 50.00 | 50.00 |
| MRS. ST. JOHN GARWOOD<br>1802 SAN GABRIEL<br>AUSTIN, TX 78701 | 01/16/85 | 7,000.00 | |
| | 02/20/85 | 100.00 | |
| | 03/12/84 | 3,000.00 | |
| | 04/17/85 | 10,000.00 | |
| | 04/19/85 | 15,000.00 | |
| | 06/11/84 | 1,000.00 | |
| | 10/05/84 | 3,958.69 | |
| | 10/19/84 | 1,000.00 | |
| | 11/27/84 | 100.00 | |
| | 11/27/84 | 1,500.00 | |
| | 12/12/84 | 1,000.00 | 43,658.69 |

0014007 3220 3

| CONTRIBUTOR | DATE | AMOUNTS | INDIVIDUAL AGGREGATE |
|---|---|---|---|
| MRS. DAN GERBER, SR.<br>BOX 31<br>FREMONT, MI 49412 | 02/07/85<br>04/19/85<br>05/13/85 | 500.00<br>1,000.00<br>1,000.00 | 2,500.00 |
| MR. P. W. GIFFORD<br>5956 SHERRY LANE, #1000<br>DALLAS, TX 75247 | 03/08/85 | 100.00 | 100.00 |
| MRS. HILDA GRIFFITH<br>4700 NORTH 20TH ROAD<br>ARLINGTON, VA 22207 | 02/20/85<br>02/21/85 | 100.00<br>300.00 | 400.00 |
| MR. HERBERT P. HALEY<br>P. O. BOX 47<br>ALBANY, GA 31703 | 04/25/85 | 1,000.00 | 1,000.00 |
| MR. TATNALL HILLMAN<br>422 BELROSE LANE<br>RANDOR, PA 19087 | 02/27/85 | 150.00 | 150.00 |
| MR. A. R. HIXON, JR.<br>P. O. BOX 1105<br>ARLINGTON, VA 76010 | 05/13/85 | 3,000.00 | 3,000.00 |
| MR. DUDLEY HUGHES<br>4050 CRANE BLVD<br>JACKSON, MS 39216 | 04/19/85 | 1,000.00 | 1,000.00 |
| MR. NELSON BUNKER HUNT<br>2400 THANKSGIVING TOWER<br>DALLAS, TX 75201 | 01/16/85 | 1,500.00 | 1,500.00 |
| MR. STUART IRBY<br>IRBY CONSTRUCTION CO.<br>P.O. BOX 1819<br>JACKSON, MS 39205 | 05/13/85<br>01/16/85<br>04/18/85<br>11/07/84 | 2,000.00<br>1,500.00<br>5,000.00<br>1,000.00 | 9,500.00 |
| MR. J. M. JOHNSON<br>ROUTE 2, BOX 40<br>KYLE, TX 78640 | 01/16/85<br>02/27/85<br>05/30/85 | 1,500.00<br>100.00<br>1,000.00 | 2,600.00 |
| MRS. LINDA B. JONES<br>R.F.D. 1<br>WINDSOR, ME 04363 | 04/16/85 | 20,000.00 | 20,000.00 |
| MR. ROBERT H. KRIEBLE<br>705 NORTH MOUNTAIN ROAD<br>NEWINGTON, CT 06371 | 03/14/85 | 100.00 | 100.00 |

| CONTRIBUTOR | DATE | AMOUNTS | INDIVIDUAL AGGREGATE |
|---|---|---|---|
| MRS. ANNE L. LEHMANN<br>10 APPLE TREE LANE<br>ST. LOUIS, MO 63124 | 01/16/85 | 1,000.00 | |
| | 01/16/85 | 1,000.00 | |
| | 01/16/85 | 1,000.00 | |
| | 01/16/85 | 1,000.00 | |
| | 12/17/84 | 1,000.00 | |
| | 12/17/84 | 1,000.00 | 6,000.00 |
| MRS. W. W. LYNCH<br>4924 BRIARWOOD PLACE<br>DALLAS, TX 75209 | 05/17/85 | 2,600.00 | 2,600.00 |
| ROSINE BLOUNT MCFADDIN<br>880 FIFTH STREET<br>BEAUMONT, TX 77701 | 12/17/84 | 1,000.00 | 1,000.00 |
| DONALD L. MEIKE<br>SUSSEX ROUTE<br>KAYCEE, WY 82639 | 11/30/84 | 100.00 | 100.00 |
| MILLER, S.<br>NO ADDRESS ON FILE | 12/12/83 | 2,500.00 | 2,500.00 |
| MR. & MRS. DONALD MILLS<br>4495 WOODLAWN<br>BEAUMONT, TX 77703 | 04/23/85 | 1,000.00 | |
| | 05/13/85 | 100.00 | 1,100.00 |
| MRS. PAGE NELSON<br>3318 SOUTHWESTERN BLVD<br>DALLAS, TX 75225 | 04/25/85 | 1,800.00 | 1,800.00 |
| MRS. BARBARA NEWINGTON<br>P. O. BOX 1098<br>GREENWICH, CT 06836 | 01/17/85 | 33,800.00 | |
| | 01/17/85 | 7,800.00 | |
| | 01/18/85 | 29,100.00 | |
| | 02/07/85 | 57,000.00 | |
| | 02/21/85 | 16,100.00 | |
| | 04/15/85 | 35,000.00 | |
| | 04/18/85 | 65,000.00 | |
| | 05/08/85 | 25,000.00 | |
| | 05/30/85 | 15,000.00 | |
| | 10/19/84 | 3,000.00 | |
| | 11/16/84 | 2,000.00 | |
| | 12/17/84 | 23,000.00 | 311,800.00 |
| MR. JOHN C. OLIVER, JR.<br>548 OLIVER BLDG<br>PITTSBURGH, PA 15222 | 02/20/85 | 100.00 | |
| | 04/23/85 | 1,000.00 | |
| | 10/25/84 | 1,095.00 | 2,195.00 |

| CONTRIBUTOR | DATE | AMOUNTS | INDIVIDUAL AGGREGATE |
|---|---|---|---|
| MR. W. B. OSBORN, JR.<br>P. O. BOX 8C<br>SAN ANTONIO, TX 78286 | 04/15/85 | 2,500.00 | 2,500.00 |
| GEORGE S. PATTON<br>650 ASBURY STREET<br>SOUTH HAMILTON, MA 01982 | 11/27/84<br>02/27/85 | 30.00<br>100.00 | 130.00 |
| MR./MRS. NOLAN PENTECOST<br>SANCO ROUTE<br>ROBERT LEE, TX 76945 | 02/21/85 | 100.00 | 100.00 |
| DR W. C. PERRY<br>3820 AUSTIN AVE.<br>WACO, TX 76710 | 01/16/85 | 5.00 | 5.00 |
| MR./MRS. JULIUS PIERCE<br>6040 MOSS RANCH ROAD<br>MIAMI, FL 33156 | 01/16/85<br>10/19/84<br>11/02/84<br>11/27/84 | 1,500.00<br>2,101.00<br>1,000.00<br>4,700.00 | 9,301.00 |
| MR. JOHN W. RAMSEY, JR.<br>3510 CRANBROOK<br>WICHITA FALLS, TX 76308 | 03/06/84<br>04/19/85 | 3,000.00<br>2,500.00 | 5,500.00 |
| DARWIN L. RENNER<br>1314 CEDAR HILL AVENUE<br>DALLAS, TX 75208 | 01/16/85 | 250.00 | 250.00 |
| KENNETH H. ROSE<br>13140 WRAYBURN ROAD<br>ELM GROVE, WI 53122 | 03/01/85 | 25.00 | 25.00 |
| HARRIS SAUNDERS, JR.<br>201 OFFICE PARK DRIVE<br>BIRMINGHAM, AL 35223 | 12/31/84 | 1,000.00 | 1,000.00 |
| MR. E. C. SCURLOCK<br>3739 KNOLLWOOD<br>HOUSTON, TX 77019 | 04/23/85 | 1,000.00 | 1,000.00 |
| MR./MRS. HARRY SEGGERMAN<br>5060 CONGRESS STREET<br>FAIRFIELD, CT 06430 | 04/23/85<br>11/30/84 | 1,000.00<br>500.00 | 1,500.00 |
| MR. CHARLES N. SHARPE, JR.<br>500 E. 9TH STREET<br>KANSAS CITY, MO 64106 | 12/12/84 | 100.00 | 100.00 |

0 0 0 4 0 7 5 2 0 8

| CONTRIBUTOR | DATE | AMOUNTS | INDIVIDUAL AGGREGATE |
|---|---|---|---|
| MR. RICHARD T. SINK<br>624 INDIANA STREET<br>WICHITA FALLS, TX 76302 | 02/20/85 | 100.00 | 100.00 |
| MR. JAMES SOUTER<br>1603 S.E. 19TH ST., #112<br>EDMOND, OK 73034 | 04/25/85 | 1,000.00 | 1,000.00 |
| SPENCER'S INC.<br>MOUNT AIRY, N.C. | 03/01/85 | 100.00 | 100.00 |
| MR. R. A. STRANAHAN, JR.<br>P. O. BOX 910<br>TOLEDO, OH 43661 | 04/25/85 | 1,000.00 | 1,000.00 |
| KATHERINE M. SWIM<br>P. O. BOX 1590<br>MONTEREY, CA 93942 | 11/02/84<br>12/31/84 | 500.00<br>1,000.00 | 1,500.00 |
| V. E. TAYLOR<br>3459 BINKLEY<br>DALLAS, TX 75205 | 04/23/85<br>05/13/85<br>01/16/85<br>02/21/85 | 100.00<br>560.00<br>500.00<br>300.00 | 1,460.00 |
| ELEANOR K. VAN DUSEN<br>RT. 1, BOX 209<br>EASTON, MD 21601 | 01/16/85 | 1,500.00 | 1,500.00 |
| VENEER SERVICE INC.<br>C/O JOHN TURNBULL<br>P.O. BOX 768<br>NEWBERG, OR 97132 | 03/01/85 | 250.00 | 250.00 |
| JAMES H. WARE, JR.<br>1512 SOUTH WOODHAVEN<br>BATON ROUGE, LA 70815 | 04/06/84<br>11/02/84<br>11/27/84 | 100.00<br>500.00<br>100.00 | 700.00 |
| MR./MRS. DAVID H. WARM<br>RT. 1, MAPLE HILL FARM<br>NORTHPORT, MI 49670 | 04/23/85<br>04/23/85<br>05/30/85 | 2,500.00<br>100.00<br>1,000.00 | 3,600.00 |
| MARY ALICE WILLS<br>503 SOUTH EVANS<br>BLOOMINGTON, IL 61701 | 04/06/84 | 100.00 | 100.00 |

| CONTRIBUTOR | DATE | AMOUNTS | INDIVIDUAL AGGREGATE |
|---|---|---|---|
| MRS. FRANK E. WILSON<br>P. O. BOX 207<br>ELKINS, WV 26241 | 11/07/84 | 100.00 | 100.(*) |
| TOTALS | | 560,815.22 | 560,815.22 |

0004075210

AMERICAN CONSERVATIVE TRUST STATE ELECTION FUND
CASH DISBURSEMENTS AND ACCRUALS
SCHEDULE B INCEPTION THRU OCTOBER 24, 1985

| DATE | PAYEE | AMOUNT | DESCRIPTION |
|---|---|---|---|
| 10/31/83 | CHRISTINA CRAWFORD | 500.00 | CONSULTING |
| 10/31/83 | CHRISTINA CRAWFORD | 27.05 | OFFICE SUPPLY |
| 10/31/83 | CRAWFORD PRINTING | 90.00 | PRINTING |
| 10/31/83 | SEDAM & HERGE | 934.17 | LEGAL |
| 10/31/83 | CARL R. CHANNELL | 750.00 | CONSULTING |
| 10/31/83 | ROGER WILKINS | 500.00 | SALARY |
| 10/31/83 | CARL R. CHANNELL | 75.00 | TRAVEL |
| 10/31/83 | MIKE LURIA | 300.00 | CONSULTING |
| 10/31/83 | D.C. TREASURER | 70.00 | PARKING |
| 11/30/83 | MIKE LURIA | 300.00 | PRINTING |
| 11/30/83 | BANK CHARGES | 32.56 | CHECK PRINTING |
| 11/30/83 | CARL R. CHANNELL | 500.00 | CONSULTING |
| 11/30/83 | LOUIS BONSIGNORE | 500.00 | CONSULTANT |
| 11/30/83 | CARL R. CHANNELL | 110.89 | OFFICE SUPPLY |
| 12/31/83 | CARL R. CHANNELL | 250.00 | MEETING EXPENSE |
| 12/31/83 | DAVID WHITEHILL | 60.00 | UTILITIES |
| 12/31/83 | ROGER WILKINS | 500.00 | SALARY |
| 12/31/83 | C & P TELEPHONE | 36.08 | TELEPHONE |
| 12/31/83 | DAVID WHITEHILL | 60.00 | UTILITIES |
| 12/31/83 | LOUIS BONSIGNORE | 500.00 | CONSULTANT |
| 12/31/83 | CARL R. CHANNELL | 500.00 | CONSULTANT |
| 12/31/83 | LOUIS BONSIGNORE | 500.00 | CONSULTANT |
| 01/31/84 | SEDAM & HERGE | 216.80 | LEGAL |
| 02/28/84 | CARL R. CHANNELL | 300.00 | CONSULTANT |
| 02/28/84 | C & P TELEPHONE | 72.79 | TELEPHONE |
| 02/28/84 | VALLEE, INC. | 425.00 | RENT |
| 02/29/84 | CARL R. CHANNELL | 2,000.00 | CONSULTANT |
| 03/31/84 | CHANNELL CORP. | 900.00 | EQUIP. RENT |
| 03/31/84 | ROGER WILKINS | 1,712.21 | SALARY |
| 03/31/84 | NATIONAL JOURNAL | 82.68 | PUBLICATIONS |
| 03/31/84 | THE TROVER SHOP | 19.61 | PUBLICATIONS |
| 03/31/84 | THE MONOCLE | 130.00 | PUBLICATIONS |
| 03/31/84 | C & P TELEPHONE | 35.98 | TELEPHONE |
| 03/31/84 | MIKE LURIA | 300.00 | PRINTING |
| 03/31/84 | CLIFF SMITH | 400.00 | SALARY |
| 04/30/84 | KAY JOY HOFNER | 420.00 | CONSULTING |
| 04/30/84 | CARL R. CHANNELL | 500.00 | SALARY |
| 04/30/84 | CHANNELL CORP. | 400.00 | RENT |
| 04/30/84 | U.S. POSTMASTER | 45.00 | POSTAGE |
| 04/30/84 | PRE-PRESS STUDIO DESIGN | 519.82 | PRINTING |
| 04/30/84 | LANIER BUS. EQUIPMENT | 1,139.54 | EQUIP. RENT |

COMMONWEALTH OF VIRGINIA

STATE BOARD OF ELECTIONS

# COMMITTEE CAMPAIGN CONTRIBUTIONS AND EXPENDITURES

American Conservative Trust
State Election Fund
Name of Committee

1331 Pennsylvania Ave., NW
Street or Box Number

Washington, DC 20004
City, State, ZIP

(202) 662-8700
Area Code - Daytime Telephone Number

## TYPE OF REPORT
(Check appropriate box)

- ☐ January 15
- ☐ 8 days before 1st Tuesday in March
- ☐ 8 days before 1st Tuesday in May
- ☐ 8 days before 2nd Tuesday in June
- ☐ 8 days before November General Election
- ☒ 30 days after November General Election 1985
- ☐ Final Report*

*Final Report to be filed no later than 30 days after the closing of the account and must include a termination statement signed by an officer of the committee.

## SUMMARY

Report Covering Period From 10/25/85 through 11/30/85

| | | |
|---|---|---|
| 1. Balance on Hand (Line 6 of Last Report) | | $ 13,261.51 |
| 2. Contributions Received (Line 17—page 2) | | 25,000.00 |
| 3. Add: Balance Outstanding Loans (Line 28—page 2) | | |
| 4. Total Expendable Funds | | $ 38,261.51 |
| 5. Expenses: | | |
| a. (Line 23—page 2) | $ 34,789.91 | |
| b. Add: Outstanding Loans (Prev. Report—Line 3) | | |
| 6. Balance on Hand (Line 4 less Line 5) | | $ 3,471.70 |

## TOTALS TO DATE

| | |
|---|---|
| 7. Contributions (Line 7 of Last Report plus Line 2 of this Report) | $ 585,315.22 |
| 8. Expenses (Line 8 of Last Report plus Line 5a of this Report) | $ 582,343.52 |
| 9. Liabilities Remaining Unpaid—Schedule D | $ |

10. Campaign Depository _____

Account Number _____

## OATH OR AFFIRMATION

Under penalty of perjury, I declare that I have examined this report, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete.

_____
Chairman or Treasurer or Appropriate Person)

Subscribed and sworn to (affirmed) before me this 15th day of December 19 90

My Commission Expires: January 14, 1990

_____
Notary Public

FORM C 11/85

0004075212

# STATEMENT OF RECONCILIATION OF FUNDS

Report Covering Period From 10/25/95 through 11/30/95

Full Name of Candidate or Committee: American Conservative Trust State Election Fund

## FUNDS RECEIVED

CONTRIBUTIONS

| | | | |
|---|---|---|---|
| Schedule A (Over $100) | # 1 | $ 25,000.00 | |
| Itemized ($100 or less) | # | $ | |
| TOTAL (Add Lines 11 & 12) | # | | $ 25,000.00 |
| Less: Rebates and Refunds | | $ | |
| Less: Other | | $ | |
| TOTAL (Add Lines 14 & 15) | | | ( ) |
| Net To Line 2—Summary (Line 13 less Line 16) | | | $ 25,000.00 |

## FUNDS DISBURSED

EXPENDITURES

| | | |
|---|---|---|
| Schedule B | | $ 34,799.81 |
| Less: Utility Deposits Refundable | $ | |
| Less: Rent Deposits Refundable | $ | |
| Less: Other | $ | |
| TOTAL (Add Lines 19, 20, 21) | | ( ) |
| Net To Line 5A—Summary (Line 18 less Line 22) | | $ 34,799.81 |

## LOAN ACCOUNT

| | |
|---|---|
| Loan Account Balance—Last Report | $ |
| Loans Received this Period—Schedule C—Part I | $ |
| SUBTOTAL (Add Lines 24 & 25) | $ |
| Less: Loans Repaid This Period—Schedule C—Part II | ( ) |
| Loan Balance to Date—to Line 3—Summary | $ |

00040732137

SCHEDULE A

ITEMIZATION OF CONTRIBUTIONS OVER $100

American Conservative Trust State Election Fund

Full Name of Candidate or Committee

| (Date) | Contributor's Full Name, Mailing Address, and ZIP Code (List Alphabetically) | Occupation and Principal Place of Business Of Contributions of More Than $250 In the Aggregate | Amount of Receipt This Period |
|---|---|---|---|
| 10/25/85 | Mrs. St. John Garwood<br>1802 San Gabriel<br>Austin, TX 78701 | Aggregate to Date $08,658.69 | This period $ 25,000.00 |
| | | Aggregate to Date $ | This period $ |
| | | Aggregate to Date $ | This period $ |
| | | Aggregate to Date $ | This period $ |
| | | Aggregate to Date $ | This period $ |
| | | Aggregate to Date $ | This period $ |
| | | Aggregate to Date $ | This period $ |
| | | Aggregate to Date $ | This period $ |
| | | Aggregate to Date $ | This period $ |
| | | Aggregate to Date $ | This period $ |
| | | Aggregate to Date $ | This period $ |

TOTAL THIS PERIOD $ _____
(Complete only if this is last page of Schedule A)

Page _____ of _____

00040705214

AMERICAN CONSERVATIVE TRUST STATE ELECTION FUND
CASH DISBURSEMENTS
PERIOD OCTOBER 25, 1985 THRU NOVEMBER 30, 1985

SCHEDULE B

| DATE | PAYEE | AMOUNT | DESCRIPTION |
|---|---|---|---|
| 10/31/85 | DURETTE FOR GOV | 16,000.00 | POL. CONTRIBUTION |
| 10/31/85 | ROBERT GOODMAN AGENCY | 10,000.00 | ADVERTISEMENT |
| 10/31/85 | IRS | 276.00 | 3RD QTR P/R TAX |
| 10/31/85 | DC TREASURER | 67.63 | JULY W/H TAX |
| 10/31/85 | DC DOES | 1,440.63 | UNEMPLOYMENT TAX |
| 10/31/85 | VA DEPT OF TAX | 10.00 | FILING FEES |
| 11/30/85 | UNITED VIRGINIA | 1,000.00 | PUB. RELATIONS/FUNDRAISIN |
| 11/30/85 | PUBLIC MANAGEMENT INST | 2,500.00 | CONSULTANT FEE |
| 11/30/85 | CLIFF SMITH | 8.00 | CABS |
| 11/30/85 | LA BRASSERIE | 65.35 | PUB. RELATIONS |
| 11/30/85 | C. CHANNELL | 3,000.00 | CONSULTANT FEE |
| 11/30/85 | ENTRE COMPUTERS | 74.20 | COMPUTER SUPPLIES |
| 11/30/85 | CLIFF SMITH | 8.00 | CABS |
| 11/30/85 | CASH | 150.00 | PETTY CASH/CABS, MISC SUP |
| 11/30/85 | DAVID WHITEHILL | 190.00 | MAINTENANCE |
| | TOTAL | 34,789.81 | |

0004052153

COMMONWEALTH OF VIRGINIA

STATE BOARD OF ELECTIONS

# COMMITTEE CAMPAIGN CONTRIBUTIONS AND EXPENDITURES

American Conservative Trust
State Election Fund
Name of Committee

1331 Pennsylvania Ave., NW
Street or Box Number

Washington, DC 20004
City, State, ZIP

(202) 662-8700
Area Code - Daytime Telephone Number

**TYPE OF REPORT**
(Check appropriate box)

- XX ☐ January 15 1986
- ☐ 8 days before 1st Tuesday in March
- ☐ 8 days before 1st Tuesday in May
- ☐ 8 days before 2nd Tuesday in June
- ☐ 8 days before November General Election
- ☐ 30 days after November General Election
- ☐ Final Report*

*Final Report to be filed no later than 30 days after the closing of the account and must include a termination statement signed by an officer of the committee.

## SUMMARY

Report Covering Period From 11/30/85 through 12/31/85

| | | |
|---|---|---|
| 1. Balance on Hand (Line 6 of Last Report) | | $ 3,471.70 |
| 2. Contributions Received (Line 17—page 2) | | -0- |
| 3. Add: Balance Outstanding Loans (Line 26—page 2) | | |
| 4. Total Expendable Funds | | $ 3,471.70 |
| 5. Expenses: | | |
| a. (Line 23—page 2) | $ 2,285.35 | |
| b. Add: Outstanding Loans (Prev. Report—Line 3) | | |
| 6. Balance on Hand (Line 4 less Line 5) | | $ 1,186.35 |

## TOTALS TO DATE

| | |
|---|---|
| 7. Contributions (Line 7 of Last Report plus Line 2 of this Report) | $ 585,315.22 |
| 8. Expenses (Line 8 of Last Report plus Line 5a of this Report) | $ 584,628.87 |
| 9. Expenses Remaining Unpaid—Schedule D | $ |
| 10. Campaign Depository | |
| Account Number | |

## OATH OR AFFIRMATION

Under penalty of perjury, I declare that I have examined this report, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete.

F. Clifton Smith
Chairman or Treasurer or Appropriate Person)

Subscribed and sworn to (affirmed) before me this 23rd day of January, 19 86.

My commission expires: ~~My Commission Expires~~ October 14, 1990

Notary Public

FORM CE 11-79(B)

0004052215

# STATEMENT OF RECONCILIATION OF FUNDS

Report Covering Period From 11/30/95 through 12/31/95

Full Name of Candidate or Committee: American Conservative Trust State Election Fund

## FUNDS RECEIVED

CONTRIBUTIONS

| | | | |
|---|---|---|---|
| 11. Schedule A (Over $100) | # | $ | |
| 12. Itemized ($100 or less) | # | $ | |
| 13. TOTAL (Add Lines 11 & 12) | # | | $ -0- |
| 14. Less: Rebates and Refunds | | $ | |
| 15. Less: Other | | $ | |
| TOTAL (Add Lines 14 & 15) | | | ( ) |
| 16. Net To Line 2—Summary (Line 13 less Line 16) | | | $ -0- |

## FUNDS DISBURSED

EXPENDITURES

| | | | |
|---|---|---|---|
| 17. Schedule B | | | $ 2,295.35 |
| 18. Less: Utility Deposits Refundable | | $ | |
| 19. Less: Rent Deposits Refundable | | $ | |
| 20. Less: Other | | $ | |
| 21. TOTAL (Add Lines 19, 20, 21) | | | -0- ( ) |
| 22. Net To Line 5A—Summary (Line 18 less Line 22) | | | $ 2,295.35 |

## LOAN ACCOUNT

| | |
|---|---|
| 23. Loan Account Balance—Last Report | $ |
| 24. Loans Received this Period—Schedule C—Part I | $ |
| 25. SUBTOTAL (Add Lines 24 & 25) | $ |
| 26. Less: Loans Repaid This Period—Schedule C—Part II | ( ) |
| Loan Balance to Date—to Line 3—Summary | $ |

95217

AMERICAN CONSERVATIVE TRUST STATE ELECTION FUND
CASH DISBURSEMENTS
PERIOD 11/30/85 THRU 12/31/85

SCHEDULE B

| DATE | PAYEE | AMOUNT | DESCRIPTION |
|---|---|---|---|
| 12/31/85 | IRS | 255.35 | 1ST QTR 85 ADDT'L P/R TAX |
| 12/31/85 | MID-ATLANTIC POL. REPORT | 30.00 | PUBLICATION |
| 12/31/85 | UNITED VIRGINIA | 500.00 | PUB. RELATION/FUNDRAISING |
| 12/31/85 | CPAC '86 | 1,500.00 | ADVERTISEMENT |
| | TOTAL | 2,285.35 | |

C00407585218

COMMONWEALTH OF VIRGINIA

STATE BOARD OF ELECTIONS

# COMMITTEE CAMPAIGN CONTRIBUTIONS AND EXPENDITURES

American Conservative Trust
State Election Fund
Name of Committee

1331 Pennsylvania Ave., NW
Street or Box Number

Washington, DC 20004
City, State, ZIP

(202) 662-8700
Area Code - Daytime Telephone Number

**TYPE OF REPORT**
(Check appropriate box)

- ☐ January 15
- ☒ 8 days before 1st Tuesday in March 1986
- ☐ 8 days before 1st Tuesday in May
- ☐ 8 days before 2nd Tuesday in June
- ☐ 8 days before November General Election
- ☐ 30 days after November General Election
- ☐ Final Report*

*Final Report to be filed no later than 30 days after the closing of the account and must include a termination statement signed by an officer of the committee.

## SUMMARY

Report Covering Period From 1/1/86 through 2/21/86

| | | |
|---|---|---|
| 1. Balance on Hand (Line 6 of Last Report) | | $ 1,186.35 |
| 2. Contributions Received (Line 17—page 2) | | 2,900.00 |
| 3. Add: Balance Outstanding Loans (Line 28—page 2) | | |
| 4. Total Expendable Funds | | $ 4,086.35 |
| 5. Expenses: | | |
| a. (Line 23—page 2) | $ 956.35 | |
| b. Add: Outstanding Loans (Prev. Report—Line 3) | | 956.35 |
| 6. Balance on Hand (Line 4 less Line 5) | | $ 3,130.00 |

## TOTALS TO DATE

| | |
|---|---|
| 7. Contributions (Line 7 of Last Report plus Line 2 of this Report) | $ 588,715.22 |
| 8. Expenses (Line 8 of Last Report plus Line 5a of this Report) | $ 585,585.22 |
| 9. Expenses Remaining Unpaid—Schedule D | $ |

10. Campaign Depository _____

Account Number _____

## OATH OR AFFIRMATION

Under penalty of perjury, I declare that I have examined this report, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete.

F. Ellis Smith
(Signature of Treasurer or Appropriate Person)

Subscribed and sworn to (affirmed) before me this 23rd day of February, 19 86.

My commission expires: My Commission Expires October 1, 1990

Notary Public

FEPA - 02 11/84 2M

0 0 0 4 0 7 6 5 2 1 7

# STATEMENT OF RECONCILIATION OF FUNDS

Report Covering Period From 1/1/86 through 2/21/86

Full Name of Candidate or Committee: American Conservative Trust State Election Fund

## FUNDS RECEIVED

CONTRIBUTIONS

| | | | |
|---|---|---|---|
| 11. Schedule A (Over $100) | # 1 | $ 2,900.00 | |
| 12. Unitemized ($100 or less) | # | $ | |
| 13. TOTAL (Add Lines 11 & 12) | # | | $ 2,900.00 |
| 14. Less: Rebates and Refunds | | $ | |
| 15. Less: Other | | $ | |
| TOTAL (Add Lines 14 & 15) | | | ( ) |
| 16. Net To Line 2—Summary (Line 13 less Line 16) | | | $ 2,900.00 |

## FUNDS DISBURSED

EXPENDITURES

| | | |
|---|---|---|
| 18. Schedule B | | $ 956.35 |
| 19. Less: Utility Deposits Refundable | $ | |
| 20. Less: Rent Deposits Refundable | $ | |
| 21. Less: Other | $ | |
| 22. TOTAL (Add Lines 19, 20, 21) | | ( ) |
| 23. Net To Line 5A—Summary (Line 18 less Line 22) | | $ 956.35 |

## LOAN ACCOUNT

| | |
|---|---|
| 24. Loan Account Balance—Last Report | $ |
| 25. Loans Received this Period—Schedule C—Part I | $ |
| 26. SUBTOTAL (Add Lines 24 & 25) | $ |
| 27. Less: Loans Repaid This Period—Schedule C—Part II | ( ) |
| Loan Balance to Date—to Line 3—Summary | $ |

00040760522020

AMERICAN CONSERVATIVE TRUST STATE ELECTION FUND
CASH DISBURSEMENTS
PERIOD 1/1/86 THRU 2/21/86

SCHEDULE B

| DATE | PAYEE | AMOUNT | DESCRIPTION |
|---|---|---|---|
| 01/31/86 | INTERNAL REVENUE SERVICE | 383.85 | INT., LATE PAY., 1984 W/H |
| 01/31/86 | INTERNAL REVENUE SERVICE | 164.50 | FUTA TAX 1985 |
| 01/31/86 | DAVID WHITEHILL | 190.00 | UTILITIES |
| 02/05/86 | G.M.H ENTERPRISES | 28.00 | PUBLICATIONS |
| 02/06/86 | DAVID WHITEHILL | 190.00 | MAINTENANCE/CLEANING |
| | TOTAL | 956.35 | |

00040752221

COMMONWEALTH OF VIRGINIA

STATE BOARD OF ELECTIONS

# COMMITTEE CAMPAIGN CONTRIBUTIONS AND EXPENDITURES

American Conservative Trust
State Election Fund
Name of Committee

1331 Pennsylvania AVe., NW
Street or Box Number

Washington, DC 20004
City, State, ZIP

(202) 662-8700
Area Code - Daytime Telephone Number

## TYPE OF REPORT
(Check appropriate box)

- ☐ January 15
- ☐ 8 days before 1st Tuesday in March
- ☒ 8 days before 1st Tuesday in May 1986
- ☐ 8 days before 2nd Tuesday in June
- ☐ 8 days before November General Election
- ☐ 30 days after November General Election
- ☐ Final Report*

*Final Report to be filed no later than 30 days after the closing of the account and must include a termination statement signed by an officer of the committee.

## SUMMARY

Report Covering Period From 2/22/86 through 4/25/86

| | | |
|---|---|---|
| 1. Balance on Hand (Line 6 of Last Report) | | $ 3,130.00 |
| 2. Contributions Received (Line 17—page 2) | | -0- |
| 3. Add: Balance Outstanding Loans (Line 28—page 2) | | |
| 4. Total Expendable Funds | | $ 3,130.00 |
| 5. Expenses: | | |
| a. (Line 23—page 2) | $ 99.18 | |
| b. Add: Outstanding Loans (Prev. Report—Line 3) | | 99.18 |
| 6. Balance on Hand (Line 4 less Line 5) | | $ 3,030.82 |

## TOTALS TO DATE

| | |
|---|---|
| 7. Contributions (Line 7 of Last Report plus Line 2 of this Report) | $ 538,715.22 |
| 8. Expenses (Line 8 of Last Report plus Line 5a of this Report) | $ 535,684.40 |
| 9. Expenses Remaining Unpaid—Schedule D | $ |

10. Campaign Depository _____

Account Number _____

## OATH OR AFFIRMATION

Under penalty of perjury, I declare that I have examined this report, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete.

J. Clifton Smith Jr.
(Signature of Treasurer or Appropriate Person)

Subscribed and sworn to (affirmed) before me this 23rd day of October, 19 86.

My Commission Expires October 14, 1990

My commission expires: _____, 19_____.

Notary Public

FEPA - 03 11/84-3M

0004075222

# STATEMENT OF RECONCILIATION OF FUNDS

Report Covering Period From 2/22/86 through 4/25/96

Full Name of Candidate or Committee: American Conservative Trust STate Election Fund

## FUNDS RECEIVED

CONTRIBUTIONS

| | | | | |
|---|---|---|---|---|
| | Schedule A (Over $100) | # | $ | |
| | Itemized ($100 or less) | # | $ | |
| 12. | TOTAL (Add Lines 11 & 12) | # | | $ |
| 13. | Less: Rebates and Refunds | | $ | |
| 14. | Less: Other | | $ | |
| | TOTAL (Add Lines 14 & 15) | | | ( ) |
| | Net To Line 2—Summary (Line 13 less Line 16) | | | $ -0- |

## FUNDS DISBURSED

EXPENDITURES

| | | | |
|---|---|---|---|
| 18. | Schedule B | | $ 255.89 |
| 19. | Less: Utility Deposits Refundable | $ | |
| 20. | Less: Rent Deposits Refundable | $ | |
| | Less: Other US Treasury W/H Tax Refund | $ 156.71 | |
| 22. | TOTAL (Add Lines 19, 20, 21) | | ( 156.71 ) |
| | Net To Line 5A—Summary (Line 18 less Line 22) | | $ 99.18 |

## LOAN ACCOUNT

| | | |
|---|---|---|
| | Loan Account Balance—Last Report | $ |
| | Loans Received this Period—Schedule C—Part I | $ |
| 26. | SUBTOTAL (Add Lines 24 & 25) | $ |
| | Less: Loans Repaid This Period—Schedule C—Part II | ( ) |
| | Loan Balance to Date—to Line 3—Summary | $ |

P00407523

AMERICAN CONSERVATIVE TRUST STATE ELECTION FUND
CASH DISBURSEMENTS
PERIOD 2/22/86 THRU 4/25/86

SCHEDULE B

| DATE | PAYEE | AMOUNT | DESCRIPTION |
|---|---|---|---|
| 02/28/86 | WASHINGTON REPUBLICANS 86 | 45.00 | PUBLICATIONS |
| 02/28/86 | BRADDOCK PUBLICATIONS | 39.95 | PUBLICATIONS |
| 02/28/86 | WASH. BUSINESS JOURNAL | 14.97 | PUBLICATIONS |
| 03/31/86 | CLIFF SMITH | 16.00 | LOCAL TRANSPORT/CABS |
| 03/31/86 | WASH. BUSINESS JOURNAL | 14.97 | PUBLICATIONS |
| 03/31/86 | DELTA AIRLINES | 100.00 | TRAVEL/FUNDRAISING |
| 04/03/86 | DC TREASURER | 25.00 | ANNUAL REPORT FILING FEE |
| | TOTAL | 255.89 | |

00040752224

COMMONWEALTH OF VIRGINIA

STATE BOARD OF ELECTIONS

# COMMITTEE CAMPAIGN CONTRIBUTIONS AND EXPENDITURES

American Conservative Trust
State Election Fund
Name of Committee

1331 Pennsylvania AVe., NW
Street or Box Number

Washington, DC 20004
City, State, ZIP

(202) 662-8700
Area Code - Daytime Telephone Number

## TYPE OF REPORT
(Check appropriate box)

- ☐ January 15
- ☐ 8 days before 1st Tuesday in March
- ☐ 8 days before 1st Tuesday in May
- ☒ 8 days before 2nd Tuesday in June 1986
- ☐ 8 days before November General Election
- ☐ 30 days after November General Election
- ☐ Final Report*

*Final Report to be filed no later than 30 days after the closing of the account and must include a termination statement signed by an officer of the committee.

## SUMMARY

Report Covering Period From 4/26/86 through 5/31/86

| | | |
|---|---|---|
| 1. Balance on Hand (Line 6 of Last Report) | | $ 3,030.32 |
| 2. Contributions Received (Line 17—page 2) | | |
| 3. Add: Balance Outstanding Loans (Line 28—page 2) | | |
| 4. Total Expendable Funds | | $ 3,030.32 |
| 5. Expenses: | | |
| a. (Line 23—page 2) | $ | |
| b. Add: Outstanding Loans (Prev. Report—Line 3) | | ( ) |
| 6. Balance on Hand (Line 4 less Line 5) | | $ 3,030.32 |

## TOTALS TO DATE

| | |
|---|---|
| 7. Contributions (Line 7 of Last Report plus Line 2 of this Report) | $ 538,715.22 |
| 8. Expenses (Line 8 of Last Report plus Line 5a of this Report) | $ 535,634.40 |
| 9. *Expenses Remaining Unpaid—Schedule D | $ |
| 10. Campaign Depository | |
| Account Number | |

## OATH OR AFFIRMATION

Under penalty of perjury, I declare that I have examined this report, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete.

J. Gilbert Smith
Chairman or Treasurer or Appropriate Person

Subscribed and sworn to (affirmed) before me this 23rd day of June, 19 86.

My commission expires: My Commission Expires October 14, 1989, 19 ____.

Notary Public

FEC Form 3P (1-86)

0004072223

# STATEMENT OF RECONCILIATION OF FUNDS

Report Covering Period From 4/26/86 through 5/31/86

Full Name of Candidate or Committee: American Conservative Trust State Election Fund

## FUNDS RECEIVED

CONTRIBUTIONS

| | | | |
|---|---|---|---|
| Schedule A (Over $100) | # | $ -0- | |
| Itemized ($100 or less) | # | $ | |
| TOTAL (Add Lines 11 & 12) | # | | $ -0- |
| Less: Rebates and Refunds | | $ | |
| Less: Other | | $ | |
| TOTAL (Add Lines 14 & 15) | | | ( ) |
| Net To Line 2—Summary (Line 13 less Line 16) | | | $ -0- |

## FUNDS DISBURSED

EXPENDITURES

| | | |
|---|---|---|
| Schedule B | | $ -0- |
| Less: Utility Deposits Refundable | $ | |
| Less: Rent Deposits Refundable | $ | |
| Less: Other | $ | |
| TOTAL (Add Lines 19, 20, 21) | | ( ) |
| Net To Line 5A—Summary (Line 18 less Line 22) | | $ -0- |

## LOAN ACCOUNT

| | |
|---|---|
| Loan Account Balance—Last Report | $ |
| Loans Received this Period—Schedule C—Part I | $ |
| SUBTOTAL (Add Lines 24 & 25) | $ |
| Less: Loans Repaid This Period—Schedule C—Part II | ( ) |
| Loan Balance to Date—to Line 3—Summary | $ |

00045226

COMMONWEALTH OF VIRGINIA

STATE BOARD OF ELECTIONS

# COMMITTEE CAMPAIGN CONTRIBUTIONS AND EXPENDITURES

American Conservative Trust
STate Election Fund
... of Committee

1331 Pennsylvania AVE NW
...ber or Box Number

Washington, DC 20004
City, State, ZIP

(202) 662-8700
Area Code - Daytime Telephone Number

## TYPE OF REPORT
(Check appropriate box)

- ☐ January 15
- ☐ 8 days before 1st Tuesday in March
- ☐ 8 days before 1st Tuesday in May
- ☐ 8 days before 2nd Tuesday in June
- XX☒ 8 days before November General Election 1986
- ☐ 30 days after November General Election
- ☐ Final Report*

*Final Report to be filed no later than 30 days after the closing of the account and must include a termination statement signed by an officer of the committee.

## SUMMARY

Report Covering Period From 6/1/86 through 10/15/86

| | | |
|---|---|---|
| 1. Balance on Hand (Line 6 of Last Report) | | $ 3,030.32 |
| 2. Contributions Received (Line 17—page 2) | | -0- |
| 3. Add: Balance Outstanding Loans (Line 28—page 2) | | |
| 4. Total Expendable Funds | | $ 3,030.32 |
| 5. Expenses: | | |
| a. (Line 23—page 2) | $ 1,143.47 | |
| b. Add: Outstanding Loans (Prev. Report—Line 3) | | 1,143.47 |
| 6. Balance on Hand (Line 4 less Line 5) | | $ 1,887.35 |

## TOTALS TO DATE

| | |
|---|---|
| 7. Contributions (Line 7 of Last Report plus Line 2 of this Report) | $ 538,715.22 |
| 8. Expenses (Line 8 of Last Report plus Line 5a of this Report) | $ 536,827.37 |
| 9. Expenses Remaining Unpaid—Schedule D | $ |

10. Campaign Depository _____

Account Number _____

## OATH OR AFFIRMATION

Under penalty of perjury, I declare that I have examined this report, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete.

_____
Signature of Treasurer or Appropriate Person

Subscribed and sworn to (affirmed) before me this 22nd day of October 19 86.

My commission expires: My Commission Expires October 14, 1990

_____
Notary Public

FEC ID: C00040071

5227

# STATEMENT OF RECONCILIATION OF FUNDS

Report Covering Period From 6/1/86 through 10/15/86

Full Name of Candidate or Committee: American Conservative Trust State Election Fund

## FUNDS RECEIVED

CONTRIBUTIONS

| | | | |
|---|---|---|---|
| 11. Schedule A (Over $100) | # | $ | |
| 12. Unitemized ($100 or less) | # | $ | |
| 13. TOTAL (Add Lines 11 & 12) | # | | $ |
| 14. Less: Rebates and Refunds | | $ | |
| 15. Less: Other | | $ | |
| TOTAL (Add Lines 14 & 15) | | | ( ) |
| Net To Line 2—Summary (Line 13 less Line 16) | | | $ -0- |

## FUNDS DISBURSED

EXPENDITURES

| | | | |
|---|---|---|---|
| 18. Schedule B | | | $ 1,413.55 |
| 19. Less: Utility Deposits Refundable | | $ | |
| 20. Less: Rent Deposits Refundable | | $ | |
| 21. Less: Other refund PC Research Service | | $ 370.08 | |
| 22. TOTAL (Add Lines 19, 20, 21) | | | ( 370.08 ) |
| Net To Line 5A—Summary (Line 18 less Line 22) | | | $ 1,043.47 |

## LOAN ACCOUNT

| | |
|---|---|
| 23. Loan Account Balance—Last Report | $ |
| 24. Loans Received this Period—Schedule C—Part I | $ |
| 25. SUBTOTAL (Add Lines 24 & 25) | $ |
| 26. Less: Loans Repaid This Period—Schedule C—Part II | ( ) |
| Loan Balance to Date—to Line 3—Summary | $ |

C00407528

AMERICAN CONSERVATIVE TRUST STATE ELECTION FUND
CASH DISBURSEMENTS
PERIOD 6/1/86 THRU 10/24/86

SCHEDULE B

| DATE | PAYEE | AMOUNT | DESCRIPTION |
|---|---|---|---|
| 7/31/86 | J. PARKER BAILEY | 132.00 | ACCOUNTING |
| 8/31/86 | J. PARKER BAILEY | 132.00 | ACCOUNTING |
| 8/31/86 | PC RESEARCH SERVICES | 540.00 | PUBLICATIONS |
| 8/31/86 | HERGE, SPARKS, C. & B. | 260.36 | LEGAL |
| 8/31/86 | KING FLORIST INC. | 110.00 | PUBLIC RELATIONS |
| 09/04/86 | WESTLAND PRINTERS | 84.80 | STATIONARY |
| 09/04/86 | MCI MAIL | 4.00 | ELECTRONIC MAIL ACCESS |
| 09/04/86 | BAUMGARTEN | 10.00 | 3 RUBBER STAMPS |
| 09/04/86 | SCRIPPS HOWARD BUS.JRNL | 15.89 | 1 YR. SUBSCRIPTION |
| 09/04/86 | FT. WORTH STAR TELEGRAM | 37.50 | 3 MOS DAILY DELIVERY |
| 10/02/86 | KING FLORIST | 57.00 | PUBLIC RELATIONS/FLOWERS |
| 10/14/86 | HUMAN EVENTS | 30.00 | 1 YR SUBSCRIPTION |
| | TOTAL | 1,413.55 | |

C00407227

FEC FY2
2/17/88

ACT

American Conservative Trust

Victory in 86

STATE ELECTION FUND
DECEMBER 31, 1986

| | |
|---|---|
| **ASSETS** | |
| CASH AND MARKETABLE SECURITIES | |
| GENERAL A/C @ PALMER | $ 76.25 |
| PETTY CASH | 0.00 |
| OTHER INVESTMENTS | 0.00 |
| TOTAL CASH AND MARKETABLE SECURITIES | 76.25 |
| ACCOUNTS AND NOTES RECEIVABLE | |
| AFFILIATES | 0.00 |
| EMPLOYEE ADVANCE | 0.00 |
| TOTAL RECEIVABLES | 0.00 |
| FIXED ASSETS | |
| FURNITURE AND EQUIPMENT | 4,607.19 |
| LEASEHOLD IMPROVEMENTS | 0.00 |
| TOTAL FIXED ASSETS | 4,607.19 |
| OTHER ASSETS | |
| PREPAID SERVICE CONTRACTS | 1,100.00 |
| TOTAL ASSETS | 0.00 |
| P/R TAXES PAYABLE | 5,783.44 |
| NET ASSETS AVAILABLE | (13,503.88) |
| | $ (7,720.44) |

STATEMENT OF CHANGES IN NET ASSETS
FOR THE YEAR ENDING
DECEMBER 31, 1986

| | |
|---|---|
| CONTRIBUTIONS | $ 105,410.00 |
| OTHER INCOME | 52.57 |
| TOTAL ADDITIONS | 105,462.57 |
| PROJECT EXPENDITURES | 22,684.90 |
| DIRECT FUNDRAISING EXPENSES | 2,320.11 |
| ADMINISTRATIVE COSTS | 95,071.54 |
| TOTAL DEDUCTIONS | 120,076.55 |
| NET INCREASE (DECREASE) IN NET ASSETS | (14,613.98) |
| NET ASSETS AVAILABLE AT BEGINNING OF PERIOD | 6,893.54 |
| NET ASSETS AVAILABLE AT END OF PERIOD | $ (7,720.44) |

1331 Pennsylvania Avenue, N.W., Suite 375 South • Washington D.C. 20004 (202) 662-8701

American Conservative T
State Election Fund

1986 CASH RECEIPTS LEDGER

| DATE | CONTRIBUTOR | SOLICITOR | PROJECT | FUND | BANK ACCT | AMOUNT |
|---|---|---|---|---|---|---|
| 01/08/86 | ACT FED _ | CLIFF | GENL | ACT SEF | SEF | 2,900.00 |
| | TOTAL JANUARY CONTRIBUTIONS | | | | | 2,900.00 |
| 10/20/86 | GARWOOD, MR. | SPITZ | GENL | ACT SEF | SEF | 12,500.00 |
| 10/20/86 | GARWOOD, MR. | SPITZ | GENL | ACT SEF | SEF | 2,500.00 |
| 10/20/86 | GARWOOD, MRS. | SPITZ | GENL | ACT SEF | SEF | 10,000.00 |
| 10/28/86 | PIERCE | SPITZ | ACT SEF | ACT SEF | SEF | 1,000.00 |
| 10/28/86 | KING | CLIFF | ACT SEF | ACT SEF | SEF | 25,000.00 |
| 10/29/86 | NEWINGTON | SPITZ | ACT SEF | ACT SEF | SEF | 10,000.00 |
| 10/29/86 | GARWOOD, MR. | SPITZ | ACT SEF | ACT SEF | SEF | 2,000.00 |
| 10/29/86 | GARWOOD, MRS. | SPITZ | ACT SEF | ACT SEF | SEF | 15,000.00 |
| 10/31/86 | ADAMKIEWICZ | CLIFF | ACT SEF | ACT SEF | SEF | 910.00 |
| 10/31/86 | NEWINGTON | SPITZ | ACT SEF | ACT SEF | SEF | 3,000.00 |
| 10/31/86 | KING | CLIFF | ACT SEF | ACT SEF | SEF | 9,100.00 |
| | TOTAL OCTOBER CONTRIBUTIONS | | | | | 91,010.00 |
| 11/03/86 | GARWOOD, MRS. | SPITZ | ACT SEF | ACT SEF | SEF | 4,000.00 |
| 11/05/86 | ANDERSON, VIRGINIA | KRIS | ACT SEF | ACT SEF | SEF | 5,000.00 |
| 11/06/86 | BRANDON | CLIFF | ACT SEF | ACT SEF | SEF | 2,500.00 |
| | TOTAL NOVEMBER CONTRIBUTIONS | | | | | 11,500.00 |
| | | | TOTAL CONTRIBUTIONS - 1986 | | | 105,410.00 |

0004075231

FEC EX 3
12/7/88

681

[illegible] CHANNELL AFFILIATED COMMITTEES
STATEMENT OF OPERATIONS - 1985

[illegible] 11 0

| | NRA | WESTERN GIRLS FOUNDATION | WESTERN GIRLS ENDEAVOR | CHANNELL | SERVICES | NON-FEDERAL AMERICAN COMMITTEE (CONNECTED ENTITY) FEDERAL ELECTION FUND | NON-FEDERAL AMERICAN COMMITTEE (CONNECTED ENTITY) STATE ELECTION FUND | AMERICAN CONSERVATIVE TRUST (ACT) FEDERAL ELECTION FUND | AMERICAN CONSERVATIVE TRUST (ACT) STATE ELECTION FUND | AMERICAN CONSERVATIVE FOUNDATION | TOTAL |
|---|---|---|---|---|---|---|---|---|---|---|---|
| REVENUES | | | | | | | | | | | |
| [illegible] | 7,[illegible] | [illegible] | [illegible] | 1,788 | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] |
| [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] |
| [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] |
| TOTAL | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] | [illegible] |
| EXPENDITURES | | | | | | | | | | | |
| [illegible] | [illegible] | [illegible] | [illegible] | | | [illegible] | | [illegible] | | | [illegible] |
| PROJECT EXPENDITURES | | | | | | | | | | | |
| [illegible] | [illegible] | | | | [illegible] | | | [illegible] | [illegible] | | [illegible] |
| [illegible] | [illegible] | | | | | | | | | | [illegible] |
| [illegible] | [illegible] | | | | | | | | | | [illegible] |
| [illegible] | [illegible] | | | | | | | | | | [illegible] |
| [illegible] | [illegible] | | | | [illegible] | | | | | | [illegible] |
| [illegible] | [illegible] | | | | | [illegible] | [illegible] | | | | [illegible] |
| [illegible] | [illegible] | | | | [illegible] | | | | | | [illegible] |
| [illegible] | [illegible] | | | | | | [illegible] | | [illegible] | | [illegible] |
| [illegible] | [illegible] | | | [illegible] | | | | | | | [illegible] |
| [illegible] | [illegible] | | | | [illegible] | | | | | | [illegible] |
| [illegible] | [illegible] | [illegible] | | | | | | | | | [illegible] |
| [illegible] | [illegible] | | | | [illegible] | | [illegible] | [illegible] | | | [illegible] |
| [illegible] | [illegible] | | | | | | | [illegible] | | | [illegible] |
| [illegible] | [illegible] | | | | | | | | | | [illegible] |
| [illegible] | | | | | | | | | | | |
| [illegible] | [illegible] | | | | | | | | | | [illegible] |
| [illegible] | [illegible] | [illegible] | | | | | | | | | [illegible] |
| [illegible] | [illegible] | [illegible] | | | | | | | | | [illegible] |
| [illegible] | [illegible] | [illegible] | | | | | | | | | [illegible] |

[illegible] CHANNELL AFFILIATED COMMITTEES
STATEMENT OF OPERATIONS - 1985

[illegible] 11 0

Channell Ex. 2

| | NRA | WESTERN GIRLS FOUNDATION | WESTERN GIRLS ENDEAVOR | CHANNELL | SERVICES | NON-FEDERAL AMERICAN COMMITTEE (CONNECTED ENTITY) FEDERAL ELECTION FUND | NON-FEDERAL AMERICAN COMMITTEE (CONNECTED ENTITY) STATE ELECTION FUND | AMERICAN CONSERVATIVE TRUST (ACT) FEDERAL ELECTION FUND | AMERICAN CONSERVATIVE TRUST (ACT) STATE ELECTION FUND | AMERICAN CONSERVATIVE FOUNDATION | TOTAL |
|---|---|---|---|---|---|---|---|---|---|---|---|
| REVENUES | | | | | | | | | | | |
| CONTRIBUTIONS | 2,[illegible] | | | 20,000 | | | | 16,799 | 855,930 | | 3,870,168 |
| OTHER REVENUE | 930 | [illegible] | [illegible] | | [illegible] | [illegible] | [illegible] | | | [illegible] | 930 |
| TOTAL | 3,361,920 | | | 20,000 | | | | 16,799 | 855,930 | | 3,877,108 |
| EXPENDITURES | | | | | | | | | | | |
| PROJECT EXPENDITURES | | | | | | | | | | | |
| [illegible] | 168,943 | | | | | | | | 114,085 | | 282,678 |
| [illegible] | | | | | | | | | 11,000 | | 11,000 |
| [illegible] | | | | | | | | 1,900 | 13,092 | | 14,992 |
| NEW YORK TIMES | | | | | | | | | 27,627 | | 27,627 |
| MEDIA ADS | | | | | | | | | 46,621 | | 46,621 |
| OTHER | 2,8,693 | | | | | | | | | | 230,693 |
| CONSULTING AND PUBLIC RELATIONS | | | | | | | | | | | |
| [illegible] | 33,595 | | | | | | | | | | 33,595 |
| [illegible] | 60,000 | | | | | | | | | | 60,000 |
| OTHER | 74,266 | | | | | | | | | | 74,266 |
| GENERAL AND ADMINISTRATIVE | | | | | | | | | | | |
| PAYROLL | 64,[illegible] | | | | | | | | | | 64,[illegible] |
| [illegible] CHANNELL | 86,000 | | | | | | | | 44,340 | | 131,[illegible] |
| PAYROLL | 74,909 | | | 3,922 | | | | | | | 78,831 |
| RENT | 20,000 | | | 11,250 | | | | | | | 31,250 |
| PRINTING EXPENSE | | | | | | | | 1,998 | | | 1,998 |
| OTHER | 127,251 | | | | | | | | | | 127,251 |
| LEGAL AND ACCOUNTING | | | | | | | | | | | |
| STEVE ROBINSON | 18,000 | | | | | | | 2,620 | 16,500 | | 37,120 |
| SIMON & HERCE - LEGAL | | | | | | | | 1,000 | | | 1,000 |
| OTHER | 10,[illegible] | | | | | | | 1,000 | | | 11,[illegible] |
| OTHER EXPENDITURES | | | | | | | | | | | |
| [illegible] CONTRIBUTION | 85,000 | | | | | | | | | | 85,000 |
| NAT. DEV. COUNCIL | 30,000 | | | | | | | | | | 30,000 |
| IRC | 1,412,001 | | | | | | | | 17,000 | | 1,429,001 |
| [illegible] | | | | | | | | | 14,000 | | 14,000 |
| [illegible] | | | | | | | | | 9,500 | | 9,500 |
| [illegible] | | | | | | | | 1,000 | | | 1,000 |
| [illegible] | | | | | | | | 1,000 | | | 1,000 |
| [illegible] | | | | | | | | 5,122 | | | 5,122 |
| [illegible] | | | | | | | | 2,000 | | | 2,000 |
| [illegible] | | | | | | | | 1,000 | | | 1,000 |
| OTHER | | | | 14,604 | | | | 13,179 | 155,513 | | 183,271 |
| TOTAL | 2,463,788 | | | 29,756 | | | | 32,950 | 466,690 | | 2,992,688 |
| NET REVENUE (EXPENDITURES) | 898,148 | | | (9,307) | | | | 2,349 | (10,760) | | 884,430 |

[illegible] 11 0

680

0 0 0 1 4 0 7 5 2 3 2

Federal Election Fund

1986

| | JANUARY | FEBRUARY | MARCH | APRIL | MAY | JUNE | JULY | AUGUST | SEPTEMBER | OCTOBER | NOVEMBER | DECEMBER | Y T D TOTALS |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| CONTRIBUTIONS | 0.00 | 0.00 | 0.00 | 5,550.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 49,100.00 | 19,725.00 | 650.00 | 75,025.00 |
| INTEREST INCOME | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| DIVIDEND INCOME | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| UNREALIZED GAIN/(LOSS) | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| REALIZED GAIN/(LOSS) | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| TOTAL ADDITIONS | 0.00 | 0.00 | 0.00 | 5,550.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 49,100.00 | 19,725.00 | 650.00 | 75,025.00 |
| DISBURSEMENTS | | | | | | | | | | | | | |
| PROJECTS | | | | | | | | | | | | | |
| POLITICAL ADVERTISING | 0.00 | 0.00 | 0.00 | 5,944.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 800.00 | 6,744.00 |
| GOODMAN ADVERTISING | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 50.35 | 0.00 | 0.00 | 0.00 | 14,000.00 | 14,000.00 | 0.00 | 28,050.35 |
| RAM FILMS | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 25,000.00 | 4,000.00 | 0.00 | 29,000.00 |
| CAMPAIGN CONTRIBUTION | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 3,000.00 | 0.00 | 0.00 | 3,000.00 |
| CAMPAIGN CONTRIBUTION | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 1,000.00 | 0.00 | 1,000.00 |
| CAMPAIGN CONTRIBUTION | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| TOTAL PROJECTS | 0.00 | 0.00 | 0.00 | 5,944.00 | 0.00 | 50.35 | 0.00 | 0.00 | 0.00 | 42,000.00 | 19,000.00 | 800.00 | 67,794.35 |
| FUNDRAISING | | | | | | | | | | | | | |
| DIRECT | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| DIRECT MAIL | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| TRAVEL | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| LOCAL TRANSPORT (CABS) | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| LOCAL TRANSPORT (LIMO) | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| TOTAL FUNDRAISING | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| ADMINISTRATIVE | | | | | | | | | | | | | |
| ACCOUNTING/AUDITING | 0.00 | 0.00 | 139.00 | 710.50 | 137.00 | 132.00 | 0.00 | 0.00 | 0.00 | 115.00 | 267.50 | 0.00 | 1,501.00 |
| BANK CHARGES | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 73.73 | 30.00 | 0.00 | 103.73 |
| BROKERAGE FEES | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| COURIER SERVICE | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 637.00 | 637.00 |
| EQUIPMENT RENTAL | 0.00 | 0.00 | 18.64 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 18.64 |
| COMMISSIONS | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| FICA EMPLOYER | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| GROSS SALARIES | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| INTEREST | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| INSURANCE | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| LEGAL FEES | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 228.44 | 0.00 | 0.00 | 228.44 |
| MAINTENANCE | 190.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 190.00 |
| NEWS SERVICE (NEXIS) | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| MISCELLANEOUS | 0.00 | 0.00 | 0.00 | 25.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 25.00 |
| OFFICE SUPPLIES | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| OTHER PAYROLL TAXES | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| PENALTIES | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| OUTSIDE CONSULTANTS | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| PETTY CASH SUSPENSE | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| PHOTOCOPYING | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| POSTAGE | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| PRINTING | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| PUBLIC RELATIONS | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 201.77 | 201.77 |
| PUBLICATIONS | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| RENT | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| TELEPHONE | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 450.00 | 450.00 |
| TEMPORARY HELP | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| TRANSPORTATION LIMO | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | [illegible] | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| TRANSPORTATION LOCAL | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | [illegible] | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| TRANSPORTATION CAR LEASE | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | [illegible] | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| UTILITIES | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | [illegible] | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| SUSPENSE | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| TOTAL ADMINISTRATIVE | 190.00 | 0.00 | 157.64 | 735.50 | 137.00 | 132.00 | 0.00 | 0.00 | 0.00 | 417.17 | 297.50 | 1,288.77 | 3,355.58 |
| TOTAL DISBURSEMENTS | 190.00 | 0.00 | 157.64 | 6,679.50 | 137.00 | 182.35 | 0.00 | 0.00 | 0.00 | 42,417.17 | 19,297.50 | 2,088.77 | 71,149.93 |
| NET CHANGE TO FUND BALANCE | (190.00) | 0.00 | (157.64) | (1,129.50) | (137.00) | (182.35) | 0.00 | 0.00 | 0.00 | 6,682.83 | 427.50 | (1,438.77) | 3,875.07 |

FEC EX 4

8, 4/18/87

REPORT OF RECEIPTS AND DISBURSEMENTS
For a Political Committee Other Than an Authorized Committee

(Summary Page)

RECEIVED BY FEC
MAIL ROOM
87 JAN 30 P 4:07

1 Name of Committee (In Full)

AMERICAN CONSERVATIVE TRUST

Address (Number and Street)

1331 PENNSYLVANIA AVENUE, N.W.
SUITE 575

City, State and ZIP Code

WASHINGTON, D.C. 20004

☐ Check here if address is different than previously reported

2 FEC Identification Number

C 00170837

3 ☐ This committee qualified as a multicandidate committee during this Reporting Period on _____ (Date)

4. TYPE OF REPORT (Check appropriate boxes)

(a)
☐ April 15 Quarterly Report
☐ October 15 Quarterly Report
☐ July 15 Quarterly Report
☒ January 31 Year End Report
☐ July 31 Mid Year Report (Non-Election Year Only)
☐ Monthly Report for _____
☐ Twelfth day report preceding _____ (Type of Election) election on _____ in the State of _____
☐ Thirtieth day report following the General Election on _____ in the State of _____
☐ Termination Report

(b) Is this Report an Amendment?
☐ YES ☒ NO

| SUMMARY | COLUMN A This Period | COLUMN B Calendar Year-to-Date |
|---|---|---|
| 5 Covering Period Nov. 25, 1986 through Dec. 31, 1986 | | |
| 6 (a) Cash on hand January 1, 19 86 | | $ 3,661.20 |
| (b) Cash on Hand at Beginning of Reporting Period | $ 7,150.04 | |
| (c) Total Receipts (from Line 18) | $ 1,000.00 | $ 76,450.00 |
| (d) Subtotal (add Lines 6(b) and 6(c) for Column A and Lines 6(a) and 6(c) for Column B) | $ 8,150.04 | $ 80,111.20 |
| 7 Total Disbursements (from Line 28) | $ 2,438.77 | $ 74,399.93 |
| 8 Cash on Hand at Close of Reporting Period (subtract Line 7 from Line 6(d)) | $ 5,711.27 | $ 5,711.27 |
| 9 Debts and Obligations Owed TO The Committee (Itemize all on Schedule C or Schedule D) | $ | |
| 10 Debts and Obligations Owed BY the Committee (Itemize all on Schedule C or Schedule D) | $ 18,747.48 | |

I certify that I have examined this Report and to the best of my knowledge and belief it is true, correct and complete

F. CLIFTON SMITH
Type or Print Name of Treasurer

F Clifton Smith 1/29/87
SIGNATURE OF TREASURER Date

For further information contact:
Federal Election Commission
999 E Street N.W.
Washington DC 20463
Toll Free 800-424-9530
Local 202 376-3120

Previous versions of FEC FORM 3 and FEC FORM 3a are obsolete and should no longer be used

FEC FORM 3 (Rev. 1/86)

37 00040705695 00152334

of Receipts and Disbursements
(Page 2, FEC FORM 3X)

AMERICAN CONSERVATIVE TRUST C 00170837

From 11/25/86 To 12/31/86

| | COLUMN A Total This Period | COLUMN B Calendar Year To-Date | |
|---|---|---|---|
| **I. RECEIPTS** | | | |
| 11 CONTRIBUTIONS (other than loans) FROM: | | | |
| a) Individuals/Persons Other Than Political Committees | 1,000.00 | 76,375.00 | 11(a) |
| (Memo Entry Unitemized $ -0-) | | | |
| (b) Political Party Committees | | | 11(b) |
| (c) Other Political Committees | | | 11(c) |
| (d) TOTAL CONTRIBUTIONS (other than loans) (add 11(a), 11(b) and 11(c)) | 1,000.00 | 76,375.00 | 11(d) |
| 12 TRANSFERS FROM AFFILIATED/OTHER PARTY COMMITTEES | | | 12 |
| 13 ALL LOANS RECEIVED | | | 13 |
| 14 LOAN REPAYMENTS RECEIVED | | | 14 |
| 15 OFFSETS TO OPERATING EXPENDITURES (Refunds, Rebates, etc.) | | 75.00 | 15 |
| 16 REFUNDS OF CONTRIBUTIONS MADE TO FEDERAL CANDIDATES AND OTHER POLITICAL COMMITTEES | | | 16 |
| 17 OTHER RECEIPTS (Dividends, Interest, etc.) | | | 17 |
| 18 TOTAL RECEIPTS (Add 11(d), 12, 13, 14, 15, 16 and 17) | 1,000.00 | 76,450.00 | 18 |
| **II. DISBURSEMENTS** | | | |
| 19 OPERATING EXPENDITURES | 2,088.77 | 10,149.93 | 19 |
| 20 TRANSFERS TO AFFILIATED/OTHER PARTY COMMITTEES | | | 20 |
| 21 CONTRIBUTIONS TO FEDERAL CANDIDATES AND OTHER POLITICAL COMMITTEES | | 4,000.00 | 21 |
| 22 INDEPENDENT EXPENDITURES (use Schedule E) | | 57,000.00 | 22 |
| 23 COORDINATED EXPENDITURES MADE BY PARTY COMMITTEES (2 U.S.C. 441a(d)) (Use Schedule F) | | | 23 |
| 24 LOAN REPAYMENTS MADE | | | 24 |
| 25 LOANS MADE | | | 25 |
| 26 REFUNDS OF CONTRIBUTIONS TO | | | |
| a) Individuals/Persons Other Than Political Committees | 350.00 | 1,250.00 | 26(a) |
| (b) Political Party Committees | | | 26(b) |
| (c) Other Political Committees | | | 26(c) |
| (d) TOTAL CONTRIBUTION REFUNDS (Add 26(a), 26(b) and 26(c)) | 350.00 | 1,250.00 | 26(d) |
| 27 OTHER DISBURSEMENTS | | | 27 |
| 28 TOTAL DISBURSEMENTS (Add 19, 20, 21, 22, 23, 24, 25, 26(d) and 27) | 2,438.77 | 74,399.93 | 28 |
| NET CONTRIBUTIONS AND NET OPERATING EXPENDITURES | | | |
| 29 NET CONTRIBUTIONS (other than loans) (Line 11(d) minus Line 26(d)) | 1,000.00 | 76,125.00 | 29 |
| 30 NET OPERATING EXPENDITURES (Line 19 minus Line 26(d)) | 1,738.77 | 8,899.93 | 30 |

C00170837

SCHEDULE A — ITEMIZED RECEIPTS

CONTRIBUTIONS

Use separate schedule(s) for each category of the Detailed Summary Page

PAGE 1 OF 1

FOR LINE NUMBER 11a

Any information copied from such Reports and Statements may not be sold or used by any person for the purpose of soliciting contributions or for commercial purposes, other than using the name and address of any political committee to solicit contributions from such committee.

NAME OF COMMITTEE (In Full)

AMERICAN CONSERVATIVE TRUST C 00170837

| A. Full Name, Mailing Address and ZIP Code | Name of Employer | Date (month, day, year) | Amount of Each Receipt this Period |
|---|---|---|---|
| TOM W. TAYLOR<br>2930 KENT DRIVE<br>OKLAHOMA CITY, OK 73120 | RETIRED | 12/09/86 | 1,000.00 |
| Receipt For: ☐ Primary ☐ General ☐ Other (specify) | Occupation: RETIRED | | |
| | Aggregate Year to Date: $ 2,000.00 | | |
| B. Full Name, Mailing Address and ZIP Code | Name of Employer | Date (month, day, year) | Amount of Each Receipt this Period |
| | Occupation | | |
| Receipt For: ☐ Primary ☐ General ☐ Other (specify) | Aggregate Year to Date: $ | | |
| C. Full Name, Mailing Address and ZIP Code | Name of Employer | Date (month, day, year) | Amount of Each Receipt this Period |
| | Occupation | | |
| Receipt For: ☐ Primary ☐ General ☐ Other (specify) | Aggregate Year to Date: $ | | |
| D. Full Name, Mailing Address and ZIP Code | Name of Employer | Date (month, day, year) | Amount of Each Receipt this Period |
| | Occupation | | |
| Receipt For: ☐ Primary ☐ General ☐ Other (specify) | Aggregate Year to Date: $ | | |
| E. Full Name, Mailing Address and ZIP Code | Name of Employer | Date (month, day, year) | Amount of Each Receipt this Period |
| | Occupation | | |
| Receipt For: ☐ Primary ☐ General ☐ Other (specify) | Aggregate Year to Date: $ | | |
| F. Full Name, Mailing Address and ZIP Code | Name of Employer | Date (month, day, year) | Amount of Each Receipt this Period |
| | Occupation | | |
| Receipt For: ☐ Primary ☐ General ☐ Other (specify) | Aggregate Year to Date: $ | | |
| G. Full Name, Mailing Address and ZIP Code | Name of Employer | Date (month, day, year) | Amount of Each Receipt this Period |
| | | | $ |

1,000.00

27 00140752330

SCHEDULE B

# ITEMIZED DISBURSEMENTS
## OPERATING EXPENDITURES

Use separate schedule(s) for each category of the Detailed Summary Page

PAGE 1 OF 1

FOR LINE NUMBER 19

Any information copied from such Reports and Statements may not be sold or used by any person for the purpose of soliciting contributions or for commercial purposes other than using the name and address of any political committee to solicit contributions from such committee

NAME OF COMMITTEE (In Full)

AMERICAN CONSERVATIVE TRUST C 00170837

| | Purpose of Disbursement | Date (month, day, year) | Amount of Each Disbursement This Period |
|---|---|---|---|
| A. Full Name, Mailing Address and ZIP Code<br>FEDERAL EXPRESS<br>P.O. Box 727<br>MEMPHIS, TN 38194 | DELIVERY SERVICE<br>Disbursement for ☐ Primary ☐ General ☐ Other (specify) | 12/02/86 | 99.75 |
| B. Full Name, Mailing Address and ZIP Code<br>ACTION COURIERS<br>1901 N. MOORE STREET<br>ROSSLYN, VA 22209 | DELIVERY SERVICE<br>Disbursement for ☐ Primary ☐ General ☐ Other (specify) | 12/08/86 | 252.25 |
| C. Full Name, Mailing Address and ZIP Code<br>REALCOM COMMUNICATIONS<br>P.O. Box 77102<br>DETROIT, MI 48277 | TELEPHONE<br>Disbursement for ☐ Primary ☐ General ☐ Other (specify) | 12/08/86 | 200.00 |
| D. Full Name, Mailing Address and ZIP Code<br>EXECUTIVE GRAPHICS SERVICES<br>1 SKYLINE PLAZA, SUITE 907<br>5205 LEESBURG PIKE, FALLS CHURCH, VA 22041 | GRAPHIC SERVICES<br>Disbursement for ☐ Primary ☐ General ☐ Other (specify) | 12/08/86 | 151.77 |
| E. Full Name, Mailing Address and ZIP Code<br>LAMB, SEAL & STERCIL<br>1515 14TH STREET N.W.<br>WASHINGTON, D.C. 20005 | OFFICE LOBBY LETTERING<br>Disbursement for ☐ Primary ☐ General ☐ Other (specify) | 12/08/86 | 50.00 |
| F. Full Name, Mailing Address and ZIP Code<br>COOPERS & LYBRAND<br>1500 M. STREET<br>WASHINGTON, D.C. | COURIER SERVICES<br>Disbursement for ☐ Primary ☐ General ☐ Other (specify) | 12/08/86 | 285.00 |
| G. Full Name, Mailing Address and ZIP Code<br>GEORGE VICTORSON<br>1809 MACADAMS PLACE<br>ALEXANDRIA, VA 22308 | AD DESIGN<br>Disbursement for ☐ Primary ☐ General ☐ Other (specify) | 12/08/86 | 800.00 |
| H. Full Name, Mailing Address and ZIP Code<br>C & P TELEPHONE<br>P.O. Box 657<br>BALTIMORE, MD 21265 | TELEPHONE<br>Disbursement for ☐ Primary ☐ General ☐ Other (specify) | 12/08/86 | 250.00 |
| I. Full Name, Mailing Address and ZIP Code | Purpose of Disbursement<br>Disbursement for ☐ Primary ☐ General ☐ Other (specify) | Date (month, day, year) | Amount of Each Disbursement This Period |

SUBTOTAL 2,088.

00114007837

SCHEDULE B

# ITEMIZED DISBURSEMENTS

## REFUNDS OF CONTRIBUTIONS TO INDIVIDUALS

Use separate schedule(s) for each category of the Detailed Summary Page

PAGE 1 OF 1

FOR LINE NUMBER 26a

Any information copied from such Reports and Statements may not be sold or used by any person for the purpose of soliciting contributions or for commercial purposes, other than using the name and address of any political committee to solicit contributions from such committee

NAME OF COMMITTEE (In Full)

AMERICAN CONSERVATIVE TRUST C 00170837

| | Purpose of Disbursement | Date (month, day, year) | Amount of Each Disbursement This Period |
|---|---|---|---|
| A. Full Name, Mailing Address and ZIP Code<br>C. R. CHAMBERLIN<br>2052 BELMONT ROAD<br>WASHINGTON, D.C. | CONTRIBUTION REFUND<br>Disbursement for ☐ Primary ☐ General ☐ Other (specify) | 12/02/86 | 350.00 |
| B. Full Name, Mailing Address and ZIP Code | Purpose of Disbursement<br>Disbursement for ☐ Primary ☐ General ☐ Other (specify) | Date (month, day, year) | Amount of Each Disbursement This Period |
| C. Full Name, Mailing Address and ZIP Code | Purpose of Disbursement<br>Disbursement for ☐ Primary ☐ General ☐ Other (specify) | Date (month, day, year) | Amount of Each Disbursement This Period |
| D. Full Name, Mailing Address and ZIP Code | Purpose of Disbursement<br>Disbursement for ☐ Primary ☐ General ☐ Other (specify) | Date (month, day, year) | Amount of Each Disbursement This Period |
| E. Full Name, Mailing Address and ZIP Code | Purpose of Disbursement<br>Disbursement for ☐ Primary ☐ General ☐ Other (specify) | Date (month, day, year) | Amount of Each Disbursement This Period |
| F. Full Name, Mailing Address and ZIP Code | Purpose of Disbursement<br>Disbursement for ☐ Primary ☐ General ☐ Other (specify) | Date (month, day, year) | Amount of Each Disbursement This Period |
| G. Full Name, Mailing Address and ZIP Code | Purpose of Disbursement<br>Disbursement for ☐ Primary ☐ General ☐ Other (specify) | Date (month, day, year) | Amount of Each Disbursement This Period |
| H. Full Name, Mailing Address and ZIP Code | Purpose of Disbursement<br>Disbursement for ☐ Primary ☐ General ☐ Other (specify) | Date (month, day, year) | Amount of Each Disbursement This Period |
| I. Full Name, Mailing Address and ZIP Code | Purpose of Disbursement<br>Disbursement for ☐ Primary ☐ General ☐ Other (specify) | Date (month, day, year) | Amount of Each Disbursement This Period |

SUBTOTAL of this page (optional)

TOTAL

SCHEDULE D
(Revised 3/80)

## DEBTS AND OBLIGATIONS
Excluding Loans

| Name of Committee (In Full) C 00176937<br>AMERICAN CONSERVATIVE TRUST | Outstanding Balance Beginning This Period | Amount Incurred This Period | Payment This Period | Outstanding Balance at Close of This Period |
|---|---|---|---|---|
| A. Full Name, Mailing Address and Zip Code of Debtor or Creditor<br>RAM FILMS<br>MERRY HILL<br>STEVENSON, MD 21153 | -0- | 8,750.00 | -0- | 8,750.00 |
| Nature of Debt (Purpose):<br>TV AD PRODUCTION COSTS | | | | |
| B. Full Name, Mailing Address and Zip Code of Debtor or Creditor<br>ROBERT GOODMAN AGENCY<br>2201 OLD COURT ROAD<br>BALTIMORE, MD 21208 | -0- | 9,997.48 | -0- | 9,997.48 |
| Nature of Debt (Purpose):<br>TV AD PRODUCTION COSTS | | | | |
| C. Full Name, Mailing Address and Zip Code of Debtor or Creditor | | | | |
| Nature of Debt (Purpose) | | | | |
| D. Full Name, Mailing Address and Zip Code of Debtor or Creditor | | | | |
| Nature of Debt (Purpose) | | | | |
| E. Full Name, Mailing Address and Zip Code of Debtor or Creditor | | | | |
| Nature of Debt (Purpose) | | | | |
| F. Full Name, Mailing Address and Zip Code of Debtor or Creditor | | | | |
| Nature of Debt (Purpose) | | | | |

C00176937 5239

[redacted]

Summary Page

[redacted]

1. Name of Committee (In Full)

AMERICAN CONSERVATIVE TRUST

Address (Number and Street)

300 FOURTH STREET, N.E.

City, State and ZIP Code

WASHINGTON, D.C. 20002

☐ Check here if address is different than previously reported.

2. FEC Identification Number

C00176537

3. ☐ This committee qualified as a multicandidate committee during this Reporting Period on _____ (Date)

4. TYPE OF REPORT (Check appropriate box)

(a) ☐ April 15 Quarterly Report ☐ October 15 Quarterly Report

☐ July 15 Quarterly Report ☐ January 31 Year-End Report

☐ July 31 Mid-Year Report (Non-Election Year Only)

☒ Monthly Report for APRIL 1986

☐ Twelfth day report preceding _____ (Primary/General) Election on _____ in the State of _____

☐ Thirtieth day report following the General Election on _____ in the State of _____

☐ Termination Report

(b) Is this Report an Amendment?

☐ YES ☒ NO

SUMMARY

| | COLUMN A This Period | COLUMN B Calendar Year-to-Date |
|---|---|---|
| 5. Covering Period APRIL 1, 1986 through APRIL 30, 1986 | | |
| 6. (a) Cash on hand January 1, 19 86 | [redacted] | $ 3,691.20 |
| (b) Cash on Hand at Beginning of Reporting Period | $ 488.56 | [redacted] |
| (c) Total Receipts (from Line 18) | $ 6,550.00 | $ 6,685.00 |
| (d) Subtotal (add Lines 6(b) and 6(c) for Column A and Lines 6(a) and 6(c) for Column B) | $ 7,038.56 | $ 10,286.20 |
| 7. Total Disbursements (from Line 28) | $ 6,679.50 | $ 9,987.14 |
| 8. Cash on Hand at Close of Reporting Period (subtract Line 7 from Line 6(d)) | $ 359.06 | $ 359.06 |
| 9. Debts and Obligations Owed TO The Committee (Itemize all on Schedule C or Schedule D) | $ | [redacted] |
| 10. Debts and Obligations Owed BY the Committee (Itemize all on Schedule C or Schedule D) | $ 7,624.08 | [redacted] |

I certify that I have examined this Report and to the best of my knowledge and belief it is true, correct and complete.

F. CLIFTON SMITH

Type or Print Name of Treasurer

F. Clifton Smith

Signature of Treasurer

Date 5/19/86

For further information contact:

Federal Election Commission

Toll Free (800) 424-9530

Local [redacted]

NOTE: Submission of false, erroneous, or incomplete information may subject the person signing this report to the penalties of 2 U.S.C. § 437g.

All previous versions of FEC FORM 3 and FEC FORM 3a are obsolete and should no longer be used.

FEC FORM 3X (3/80)

[redacted]

| | Column A | Column B | |
|---|---|---|---|
| | [redacted] | [redacted] | |
| 11. CONTRIBUTIONS (other than loans) PIVED: | [redacted] | [redacted] | 11(a) |
| (a) Individuals/Persons Other Than Political Committees | [redacted] | [redacted] | |
| Memo Entry Unitemized $ [redacted] | | | 11(a) |
| (b) Political Party Committees | | | 11(b) |
| (c) Other Political Committees | | | 11(c) |
| (d) TOTAL CONTRIBUTIONS (other than loans) (Add 11(a), 11(b) and 11(c)) | 6,550.00 | 6,550.00 | 11(d) |
| 12. TRANSFERS FROM AFFILIATED/OTHER PARTY COMMITTEES | | | 12 |
| 13. ALL LOANS RECEIVED | | | 13 |
| 14. LOAN REPAYMENTS RECEIVED | | | 14 |
| 15. OFFSETS TO OPERATING EXPENDITURES (Refunds, Rebates, etc.) | | 75.00 | 15 |
| 16. REFUNDS OF CONTRIBUTIONS MADE TO FEDERAL CANDIDATES AND OTHER POLITICAL COMMITTEES | | | 16 |
| 17. OTHER RECEIPTS (Dividends, Interest, etc.) | | | 17 |
| 18. TOTAL RECEIPTS (Add 11(d), 12, 13, 14, 15, 16 and 17) | 6,550.00 | 6,625.00 | 18 |
| **III. DISBURSEMENTS** | | | |
| 19. OPERATING EXPENDITURES | 6,679.50 | 7,027.14 | 19 |
| 20. TRANSFERS TO AFFILIATED/OTHER PARTY COMMITTEES | | | 20 |
| 21. CONTRIBUTIONS TO FEDERAL CANDIDATES AND OTHER POLITICAL COMMITTEES | | | 21 |
| 22. INDEPENDENT EXPENDITURES (use Schedule E) | | | 22 |
| 23. COORDINATED EXPENDITURES MADE BY PARTY COMMITTEES (2 U.S.C. §441 a(d)) (Use Schedule F) | | | 23 |
| 24. LOAN REPAYMENTS MADE | | | 24 |
| 25. LOANS MADE | | | 25 |
| 26. REFUNDS OF CONTRIBUTIONS TO | | | |
| (a) Individuals/Persons Other Than Political Committees | | 2,900.00 | 26(a) |
| (b) Political Party Committees | | | 26(b) |
| (c) Other Political Committees | | | 26(c) |
| (d) TOTAL CONTRIBUTION REFUNDS (Add 26(a), 26(b) and 26(c)) | | 2,900.00 | 26(d) |
| 27. OTHER DISBURSEMENTS | | | 27 |
| 28. TOTAL DISBURSEMENTS (Add lines 19, 20, 21, 22, 23, 24, 25, 26(d) and 27) | 6,679.50 | 9,927.14 | 28 |
| **III. NET CONTRIBUTIONS AND NET OPERATING EXPENDITURES** | | | |
| 29. TOTAL CONTRIBUTIONS (other than loans) from Line 11(d) | 6,550.00 | 6,550.00 | 29 |
| 30. TOTAL CONTRIBUTION REFUNDS from Line 26(d) | | | 30 |
| 31. NET CONTRIBUTIONS (other than loans) (Subtract Line 30 from Line 29) | 6,550.00 | 6,550.00 | 31 |
| 32. TOTAL OPERATING EXPENDITURES from Line 19 | 6,679.50 | 7,027.14 | 32 |
| 33. OFFSETS TO OPERATING EXPENDITURES from Line 15 | | 75.00 | 33 |
| 34. NET OPERATING EXPENDITURES (Subtract Line 33 from Line 32) | 6,679.50 | 6,952.14 | 34 |

OGC 1318
MUR 2406

COMMONWEALTH OF VIRGINIA

STATE BOARD OF ELECTIONS

RECEIVED
FEDERAL ELECTION COMMISSION

# COMMITTEE CAMPAIGN CONTRIBUTIONS AND EXPENDITURES

88 DEC -9 AM 9:07

American Conservative Trust-State Election Fund
Name of Committee

1331 Pennsylvania Ave. NW Suite 375S
Street or Box Number

Washington, DC 20004
City, State, ZIP

(202) 662-8700
Area Code - Daytime Telephone Number

**TYPE OF REPORT**
(Check appropriate box)

- X AMENDMENT
- ☐ January 15
- ☐ 8 days before 1st Tuesday in March
- ☐ 8 days before 1st Tuesday in May
- ☐ 8 days before 2nd Tuesday in June
- ☐ 8 days before November General Election
- ☐ 30 days after November General Election
- ☐ Final Report*

*Final Report to be filed no later than 30 days after the closing of the account and must include a termination statement signed by an officer of the committee.

88 DEC -9 AM 10:44

## SUMMARY

88 DEC -9 AM 10:47

Report Covering Period From *AMENDMENT FOR 10/16/86 through 12/01/86

| | | |
|---|---|---|
| 1. Balance on Hand (Line 6 of Last Report) | | $ 1,887.35 |
| 2. Contributions Received (Line 17—page 2) | | 102,507.00 |
| 3. Add: Balance Outstanding Loans (Line 28—page 2) | | 0 |
| 4. Total Expendable Funds | | $ 104,394.35 |
| 5. Expenses: | | |
| a. (Line 23—page 2) | $ 101,801.28 | |
| b. Add: Outstanding Loans (Prev. Report—Line 3) | 0 | (101,801.28) |
| 6. Balance on Hand (Line 4 less Line 5) | | $ 2,593.07 |

## TOTALS TO DATE

| | |
|---|---|
| 7. Contributions (Line 7 of Last Report plus Line 2 of this Report) | 691,222.22 |
| 8. Expenses (Line 8 of Last Report plus Line 5a of this Report) | $ 688,629.15 |
| 9. Obligations Remaining Unpaid—Schedule D | $ 0 |
| 10. Campaign Depository PALMER NATIONAL BANK | |
| Account Number 02001276 | |

## OATH OR AFFIRMATION

Under penalty of perjury, I declare that I have examined this report, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete.

J. Clifton Smith
(Signature of Treasurer or Appropriate Person)

Subscribed and sworn to (affirmed) before me this 15 day of January, 19 87.

My commission expires: 6-30, 1987.

Notary Public

FEPA - 02 11/84-3M

00040795242

# STATEMENT OF RECONCILIATION OF FUNDS

AMENDMENT

Report Covering Period From 10/16/86 through 12/01/86

Full Name of Candidate or Committee: AMERICAN CONSERVATIVE TRUST-STATE ELECTION FUND

## FUNDS RECEIVED

UTIONS

| | | | | |
|---|---|---|---|---|
| | ule A (Over $100) | # | $ 102,510.00 | |
| | mized ($100 or less) | # | $ | |
| | TAL (Add Lines 11 & 12) | # | | $ 102,510.00 |
| | Less: Rebates and Refunds | | $ | |
| 5. | Less: Other Bank wire fee | | $ 3.00 | |
| | TOTAL (Add Lines 14 & 15) | | | ( 3.00 ) |
| | To Line 2—Summary (Line 13 less Line 16) | | | $ 102,507.00 |

## FUNDS DISBURSED

ITURES

| | | | |
|---|---|---|---|
| | Schedule B | | $ 101,801.28 |
| | Less: Utility Deposits Refundable | $ | |
| | Less: Rent Deposits Refundable | $ | |
| | Less: Other | $ | |
| | TAL (Add Lines 19, 20, 21) | | ( 0 ) |
| | To Line 5A—Summary (Line 18 less Line 22) | | $ 101,801.28 |

## LOAN ACCOUNT

| | | |
|---|---|---|
| | Account Balance—Last Report | $ 0 |
| | ns Received this Period—Schedule C—Part I | $ |
| | BTOTAL (Add Lines 24 & 25) | $ |
| | Less: Loans Repaid This Period—Schedule C—Part II | ( ) |
| | Loan Balance to Date—to Line 3—Summary | $ |

P00407952435

SCHEDULE A

7506s

ITEMIZATION OF CONTRIBUTIONS OVER $100

AMERICAN CONSERVATIVE TRUST-STATE ELECTION FUND 10/16/86 THROUGH 12/01/86

| CONTRIBUTIONS: | | | INDIVIDUAL AGGREGATE YEAR TO DATE |
|---|---|---|---|
| W. ST. JOHN GARWOOD | 10/20/86 | 12,500.00 | |
| 1802 SAN GABRIEL | 10/20/86 | 2,500.00 | |
| AUSTIN, TX 78701 | 10/29/86 | 2,000.00 | |
| | | | 17,000.00 |
| MRS. W. ST. JOHN GARWOOD | 10/20/86 | 10,000.00 | |
| 1802 SAN GABRIEL | 10/29/86 | 15,000.00 | |
| AUSTIN, TX 78701 | 11/05/86 | 4,000.00 | |
| | | | 29,000.00 |
| MR./MRS. JULIUS PIERCE | 10/28/86 | 1,000.00 | |
| 6040 MOSS RANCH ROAD | | | |
| MIAMI, FL 33156 | | | 1,000.00 |
| MAY DOUGHERTY KING | 10/28/86 | 25,000.00 | |
| 4002 OCEAN DRIVE | 10/31/86 | 9,100.00 | |
| CORPUS CHRISTI, TX 78411 | | | 34,100.00 |
| MRS. BARBARA NEWINGTON | 10/31/86 | 3,000.00 | |
| P.O. BOX 1098 | 10/29/86 | 10,000.00 | |
| GREENWICH, CT 06836 | | | 13,000.00 |
| DR. MARY J. ADAMKIEWICZ | 10/31/86 | 910.00 | |
| RIVERSIDE STABLES | | | |
| MILFORD, DE 19963 | | | 910.00 |
| VIRGINIA LYON ANDERSON | 11/05/86 | 5,000.00 | |
| 4201 CATHEDRAL AVE, NW #714e | | | |
| WASHINGTON, DC 20016 | | | 5,000.00 |
| MR. INMAN BRANDON | 11/06/86 | 2,500.00 | |
| 3300 1ST ATLANTA BANK TWR. | | | |
| ATLANTA, GA 30303 | | | 2,500.00 |

TOTAL CONTRIBUTIONS FOR REPORT 102,510.00

2004079324

## SCHEDULE B
## ITEMIZATION OF EXPENDITURES

AMERICAN CONSERVATIVE TRUST - STATE ELECTION FUND
Full Name of Candidate or Committee

| Date (month, day, year) | PAYEE (Recipient of Payment) Full Name, Mailing Address, and ZIP Code | Person Contracting For Expenditure AND Brief Description of Purpose | Amount of Expendit This Period |
|---|---|---|---|
| 10/20/86 | D. C. Postmaster<br>Washington, DC 20004 | Purchase stamps | $ 500.00 |
| 10/20/86 | D. C. Postmaster<br>Washington, DC 20004 | Purchase stamps | $ 500.00 |
| 10/20/86 | Franks Duplicating<br>202 National Press Building<br>Washington, DC 20045 | Xeroxing letters | $ 44.00 |
| 10/20/86 | Herge, Sparks, Christopher & Biondi<br>8201 GreensbororDrive<br>McLean, VA | June through Sept. legal service | $1226.22 |
| 10/20/86 | A.E. Mitchell & Co. Inc.<br>6718 Princess Anne Lane<br>Falls Church, VA 22042 | Rent drapes for meeting room | $ 75.00 |
| 10/20/86 | Franks Duplicating<br>202 National Press Building<br>Washington, DC 20045 | Xeroxing letters | $ 22.64 |
| 10/21/86 | Angela Davis<br>1331 Pennsylvania Ave. #350S<br>Washington, DC 20004 | Reimbursement for postage purchased for mailing | $ 10.02 |
| 10/21/86 | F. Clifton Smith<br>1331 Pennsylvania Ave. #350S<br>Washington, DC 20004 | Travel expense | $ 125.00 |
| 10/23/86 | Membermail<br>12224 Ox Hill Road<br>Fairfax, VA 22033 | Postage, collating CA mailing | $ 355.25 |
| 10/23/86 | Cash<br>1331 Pennsylvania Ave.<br>Washington, DC 20004 | Travel advance Kris Littledale | $ 600.00 |
| 10/23/86 | Rafael Flores<br>1331 Pennsylvania Ave. Ste. 350<br>Washington, DC 20004 | Reimburse for expenses | $ 310.23 |

**TOTAL THIS PERIOD $_____**
(Complete only if this is last page of Schedule B)

## SCHEDULE B
## ITEMIZATION OF EXPENDITURES

[illegible]ICAN CONSERVATIVE TRUST-STATE ELECTION FUND
Full Name of Candidate or Committee

| [illegible] Date (month, day, year) | PAYEE (Recipient of Payment) Full Name, Mailing Address, and ZIP Code | Person Contracting For Expenditure AND Brief Description of Purpose | Amount of Expendit This Period |
|---|---|---|---|
| [illegible]0/24/86 | AT & T<br>1550 Wilson Blvd. Rm. 300<br>Arlington, VA 22209 | Phone removal charge at previous location. | $ 1148.41 |
| 10/24/86 | Dynasty Limousine<br>6405 Fleetside Court<br>Alexandria, VA 22310-2538 | Limousine rental | $ 1142.41 |
| 10/24/86 | Temporaries Inc.<br>P.O. Box 15891<br>Baltimore, MD 21263 | Part time receptionist | $ 49.00 |
| 10/24/86 | Petty cash<br>1331 Pennsylvania Ave. Ste. 350S<br>Washington, DC 20004 | Petty cash | $ 150.00 |
| 10/27/86 | Westland Printers<br>15421 Old Columbia Pike<br>Burtonsville, MD 20866 | Letterhead & envelopes | $1451.14 |
| 10/28/86 | Channell Corp.<br>1331 Pennsylvania Ave. Ste. 395S<br>Washington, DC 20004 | November rent | $181.17 |
| 10/29/86 | Federal Express<br>P. O. Box 727<br>Memphis, TN 38194 | Overnight deliveries | $410.68 |
| 10/29/86 | Mead Data Central<br>P.O. Box 100176<br>Atlanta, GA 30384 | Nexis research time | $1783.10 |
| 10/29/86 | Aventure Services<br>1725 K Street, NW #401<br>Washington, DC 20006 | Folding, Stuffing & typing envelopes for mailing | $ 203.07 |
| 10/29/86 | George Victorson<br>1809 Macadams Place<br>Alexandria, VA 22308 | Design, layout & production of stationary | $1000.00 |
| 10/29/86 | Westland Printers<br>15421 Old Columbia Pike<br>Burtonsville, MD 20866 | Letterhead, envelopes | $1190.38 |

**TOTAL THIS PERIOD $_____**
**(Complete only if this is last page of Schedule B)**

## SCHEDULE B
## ITEMIZATION OF EXPENDITURES

AMERICAN CONSERVATIVE TRUST-STATE ELECTION FUND
Full Name of Candidate or Committee

| Date (month, day, year) | PAYEE (Recipient of Payment) Full Name, Mailing Address, and ZIP Code | Person Contracting For Expenditure AND Brief Description of Purpose | Amount of Expendi This Period |
|---|---|---|---|
| 10/29/86 | RealCom Communications<br>P. O. Box 77102<br>Detroit, MI 48277 | August phone usage | $ 1036.65 |
| 10/31/86 | Kris Littledale<br>1331 Pennsylvania Ave. Ste. 350<br>Washington, DC 20004 | Oct. net payroll | $ 2273.35 |
| 10/31/86 | F. Clifton Smith<br>1331 Pennsylvania Ave. Ste. 350<br>Washington, DC 20004 | Oct. net payroll | $ 3694.00 |
| 10/31/86 | Angela Davis<br>1331 Pennsylvania Ave. Ste. 350<br>Washington, DC 20004 | Oct. fee & net payroll | $ 2924.12 |
| 10/31/86 | Rafael Flores<br>1331 Pennsylvania Ave. Ste. 350<br>Washington, DC 20004 | Oct. fee less advance | $1541.67 |
| 10/30/86 | Willard Intercontinental<br>1335 Pennsylvania Ave. NW<br>Washington, DC 20004 | Election night dinner | $2000.00 |
| 10/30/86 | Greensboro News & Record<br>P.O. Box 20848<br>Greensboro, NC 27420 | Advertising | $4179.54 |
| 10/30/86 | Winston Salem Journal<br>418 N. Marshall Street<br>Winston Salem, NC 27102 | Advertising | $2057.88 |
| 10/30/86 | Charlotte Observer<br>P.O. Box 32723<br>Charlotte, NC 28232 | Advertising | $ 3940.65 |
| 10/30/86 | Daily Times News<br>707 South Main<br>Burlington, NC 27215 | Advertising | $1203.38 |
| 10/30/86 | The News & Observer<br>215 S. McDowell St.<br>Raleigh, NC 27601 | Advertising | $ 6813.45 |

TOTAL THIS PERIOD $_____
(Complete only if this is last page of Schedule B)

## SCHEDULE B
## ITEMIZATION OF EXPENDITURES

ERICAN CONSERVATIVE TRUST-STATE ELECTION FUND
Full Name of Candidate or Committee

| (Date month, day, year) | PAYEE (Recipient of Payment) Full Name, Mailing Address, and ZIP Code | Person Contracting For Expenditure AND Brief Description of Purpose | Amount of Expendit This Period |
|---|---|---|---|
| 10/31/86 | CAMPBELL FOR GOVERNOR<br>2330 Devine St.<br>Columbia, SC 29205 | Campaign contribution | $ 2500.00 |
| 11/03/86 | Kuykendall Co.<br>517 3rd Street, SE<br>Washington, DC 20003 | November consulting fee | $ 3500.00 |
| 11/03/86 | Ram Films<br>Merry Hill<br>Stevenson, MD 21153 | Dubs-AL, FL, NC, election night | $ 1185.00 |
| 11/03/86 | CArl R. Channell<br>1331 Pennsylvania Ave. Ste. 350<br>Washington, DC 20004 | OCt. net payroll | $ 5000.00 |
| 11/03/86 | Palmer NAtional BAnk<br>1667 K Street<br>Washington, DC 20006 | Federal withholding tax | $ 2775.00 |
| 11/03/86 | DC Treasurer<br>P. O. Box 37360<br>Washington, DC 20013 | District of Columbia withholding | $ 875.00 |
| 11/05/86 | Kris Littledale<br>1331 Pennsylvania Ave. Ste. 350<br>Washington, DC 20004 | Reimbursement for cab fare | $ 17.00 |
| 11/05/86 | Angela Davis<br>1331 Pennsylvania Ave. Ste. 350<br>Washington, DC 20004 | Reimbursement for balloons for election night. | $ 62.50 |
| 11/06/86 | Cash<br>1331 Pennsylvania Ave.<br>Washington, DC 20004 | Petty cash | $ 150.00 |
| 11/10/86 | DC Treasurer<br>P. O. Box 37360<br>Washington, DC 20006 | District of Columbia withholding | $ 842.00 |
| 11/10/86 | Card Center c/o F. Clifton Smith<br>1331 Pennsylvania AVe.<br>Washington, DC 20004 | Reimburse for luncheon expenses | $ 189.05 |

TOTAL THIS PERIOD $_____
(Complete only if this is last page of Schedule B

Date 12/02/86 Page 4 of 6

## SCHEDULE B
## ITEMIZATION OF EXPENDITURES

AMERICAN CONSERVATIVE TRUST -STATE ELECTION FUND
Full Name of Candidate or Committee

| Date (month, day, year) | PAYEE (Recipient of Payment) Full Name, Mailing Address, and ZIP Code | Person Contracting For Expenditure AND Brief Description of Purpose | Amount of Expendi This Period |
|---|---|---|---|
| 11/10/86 | C & P Telephone<br>P. O. Box 657<br>Baltimore, MD 21265 | 1 month phone expenses | $ 14.61 |
| 11/10/86 | Mallory Office Supply<br>3055 V Street, NE<br>Washington, DC 20018 | Office supplies | $ 65.00 |
| 11/10/86 | Federal Express<br>P. O. Box 727<br>Memphis, TN 38194 | Overnight deliveries | $ 187.00 |
| 11/10/86 | King Florist<br>1817 Columbia Road, NW<br>Washington, DC 20009 | To deliver flowers | $ 66.00 |
| 11/10/86 | HErge, Sparks, Christopher & Biondi<br>8201 Greensboro Drive<br>McLean, VA 22102 | Legal services through 10/31 | $ 587.00 |
| 11/10/86 | Robert Goodman Agency<br>2201 Old Court Road<br>Baltimore, MD 21208 | Cassettes & dubbing | $ 805.00 |
| 11/11/86 | Metro Graphics<br>1211 Connecticut Ave. NW<br>Washington, DC 20036 | Letterhead & stationary | $ 699.60 |
| 11/11/86 | Dynasty Limousine Corp.<br>6405 Fleetside Ct.<br>Alexandria, VA 22310 | Limousine service | $ 44.45 |
| 11/11/86 | PMI c/o Daniel Conrad<br>1331 Pennsylvania Ave.<br>Washington, DC 20004 | Reimbursement for car rental | $ 346.62 |
| 11/11/86 | Federal Express<br>P. O. Box 727<br>Memphis, TN 38194 | Overnight deliveries | $ 119.00 |
| 11/11/86 | Palmer National Bank<br>1667 K Street<br>Washington, DC 20006 | Federal & Fica Tax | $4162.40 |

TOTAL THIS PERIOD $_____
(Complete only if this is last page of Schedule B)

Date 12/02/86 Page 5 of 6

*NOTE: EXPENDITURES PG. 6 OF 6 IS ONLY PAGE WITH AN AMENDMENT.

SCHEDULE B

## ITEMIZATION OF EXPENDITURES

AMERICAN CONSERVATIVE TRUST-STATE ELECTION FUND
Full Name of Candidate or Committee

| Date (month, day, year) | PAYEE (Recipient of Payment) Full Name, Mailing Address, and ZIP Code | Person Contracting For Expenditure AND Brief Description of Purpose | Amount of Expendi This Period |
|---|---|---|---|
| 11/17/86 | VISA<br>7818 Parham Road<br>Richmond, VA 23229 | Public affairs. | $ 2000.00 |
| 11/17/86 | Carl R. Channell<br>1331 Pennsylvania Ave. Ste. 350<br>Washington, DC 20004 | Net payroll | $ 5000.00 |
| 11/17/86 | F. Clifton Smith<br>1331 Pennsylvania Ave. Ste. 350<br>Washington, DC 20004 | Nov. Bonus | $ 5229.58 |
| 11/17/86 | Channell Corp.<br>1331 Pennsylvania Ave. Ste. 395<br>Washington, DC 20004 | December rent | $ 5181.17 |
| 11/26/86 | F. Clifton Smith<br>1331 Pennsylvania Ave.<br>Washington, DC 20004 | Nov. salary | $ 3694.00 |
| 11/26/86 | F. Clifton Smith<br>1331 Pennsylvania Ave.<br>Washington, DC 20004 | Nov. Bonus | $ 2105.00 |
| 11/26/86 | Rebecca Pritchett<br>1331 Pennsylvania Ave.<br>Washington, DC 20004 | Nov. salary | $ 483.54 |
| 11/26/86 | Steven McMahon<br>1331 Pennsylvania Ave.<br>Washington, DC 20004 | Nov. accounting fee | $ 1500.00 |
| 11/26/86 | Kris Littledale<br>1331 Pennsylvania Ave.<br>Washington, DC 20004 | Nov. salary | $ 2273.35 |
| 11/26/86 | Angela Davis<br>1331 Pennsylvania Ave.<br>Washington, DC 20004 | Nov. salary | $ 1000.00 |
| | | | $ |

Date 12/02/86 Page 6 of 6

TOTAL THIS PERIOD $ 101,801.28
(Complete only if this is last page of Schedule

9

COMMONWEALTH OF VIRGINIA — STATE BOARD OF ELECTIONS

# COMMITTEE CAMPAIGN CONTRIBUTIONS AND EXPENDITURES

American Conservative Trust - State Election Fund
Full Name of Committee

1331 Pennsylvania Ave. NW Suite 375S
Street or Box Number

Washington, DC 20004
City, State, ZIP

(202) 662-8700
Area Code - Daytime Telephone Number

**TYPE OF REPORT**
(Check appropriate box)

- ☐ January 15
- ☐ 8 days before 1st Tuesday in March
- ☐ 8 days before 1st Tuesday in May
- ☐ 8 days before 2nd Tuesday in June
- ☐ 8 days before November General Election
- ☒ 30 days after November General Election
- ☐ Final Report*

*Final Report to be filed no later than 30 days after the closing of the account and must include a termination statement signed by an officer of the committee.

## SUMMARY

Report Covering Period From 10/16/86 through 12/01/86

| | | |
|---|---|---|
| 1. Balance on Hand (Line 6 of Last Report) | | $ 1,887.35 |
| 2. Contributions Received (Line 17—page 2) | | 102,507.00 |
| 3. Add: Balance Outstanding Loans (Line 28—page 2) | | 0 |
| 4. Total Expendable Funds | | $ 104,394.35 |
| 5. Expenses: | | |
| a. (Line 23—page 2) | $ 100,801.28 | |
| b. Add: Outstanding Loans (Prev. Report—Line 3) | 0 | ( 100,801.28 ) |
| 6. Balance on Hand (Line 4 less Line 5) | | $ 3,593.07 * |

## TOTALS TO DATE

| | |
|---|---|
| 7. Contributions (Line 7 of Last Report plus Line 2 of this Report) | $ 691,222.22 |
| 8. Expenses (Line 8 of Last Report plus Line 5a of this Report) | $ 687,629.15 |
| 9. Obligations Remaining Unpaid—Schedule D | $ 0 * |
| 10. Campaign Depository Palmer National BAnk | |
| Account Number 02001276 | |

## OATH OR AFFIRMATION

Under penalty of perjury, I declare that I have examined this report, including accompanying schedules and statements, and to the best of my knowledge and belief it is true, correct, and complete.

(Signature of Treasurer or Appropriate Person)

Subscribed and sworn to (affirmed) before me this 5th day of December, 19 86.

Brenda A. Phillips, Notary Public
My commission expires: My Commission Expires November 14, 1989

Notary Public

FEPA - 02 11/84-5M

2004079525 1

# STATEMENT OF RECONCILIATION OF FUNDS

Report Covering Period From 10/16/86 through 12/01/86

Full Name of Candidate or Committee: AMERICAN CONSERVATIVE TRUST-STATE ELECTION FUND

## FUNDS RECEIVED

### CONTRIBUTIONS

| | | | |
|---|---|---|---|
| 11. Schedule A (Over $100) | # | $ 102,510.00 | |
| 12. Unitemized ($100 or less) | # | $ | |
| 13. TOTAL (Add Lines 11 & 12) | # | | $ 102,510.00 |
| 14. Less: Rebates and Refunds | | $ | |
| 15. Less: Other wire fee (Palmer Bank) | | $ 3.00 | |
| 16. TOTAL (Add Lines 14 & 15) | | | ( 3.00 ) |
| 17. Net To Line 2—Summary (Line 13 less Line 16) | | | $ 102,507.00 |

## FUNDS DISBURSED

### EXPENDITURES

| | | | |
|---|---|---|---|
| 18. Schedule B | | | $ 100,801.28 |
| 19. Less: Utility Deposits Refundable | | $ | |
| 20. Less: Rent Deposits Refundable | | $ | |
| 21. Less: Other | | $ | |
| 22. TOTAL (Add Lines 19, 20, 21) | | | ( 0 ) |
| 23. Net To Line 5A—Summary (Line 18 less Line 22) | | | $ 100,801.28 |

## LOAN ACCOUNT

| | |
|---|---|
| 24. Loan Account Balance—Last Report | $ 0 |
| 25. Loans Received this Period—Schedule C—Part I | $ |
| 26. SUBTOTAL (Add Lines 24 & 25) | $ |
| 27. Less: Loans Repaid This Period—Schedule C—Part II | ( ) |
| 28. Loan Balance to Date—to Line 3—Summary | $ |

SCHEDULE A

7506s

ITEMIZATION OF CONTRIBUTIONS OVER $100

AMERICAN CONSERVATIVE TRUST-STATE ELECTION FUND 10/16/86 THROUGH 12/01/86

| CONTRIBUTIONS: | | | INDIVIDUAL AGGREGATE YEAR TO DATE |
|---|---|---|---|
| W. ST. JOHN GARWOOD | 10/20/86 | 12,500.00 | |
| 1802 SAN GABRIEL | 10/20/86 | 2,500.00 | |
| AUSTIN, TX 78701 | 10/29/86 | 2,000.00 | |
| | | | 17,000.00 |
| MRS. W. ST. JOHN GARWOOD | 10/20/86 | 10,000.00 | |
| 1802 SAN GABRIEL | 10/29/86 | 15,000.00 | |
| AUSTIN, TX 78701 | 11/05/86 | 4,000.00 | |
| | | | 29,000.00 |
| MR./MRS. JULIUS PIERCE | 10/28/86 | 1,000.00 | |
| 6040 MOSS RANCH ROAD | | | |
| MIAMI, FL 33156 | | | 1,000.00 |
| MAY DOUGHERTY KING | 10/28/86 | 25,000.00 | |
| 4002 OCEAN DRIVE | 10/31/86 | 9,100.00 | |
| CORPUS CHRISTI, TX 78411 | | | 34,100.00 |
| MRS. BARBARA NEWINGTON | 10/31/86 | 3,000.00 | |
| P.O. BOX 1098 | 10/29/86 | 10,000.00 | |
| GREENWICH, CT 06836 | | | 13,000.00 |
| DR. MARY J. ADAMKIEWICZ | 10/31/86 | 910.00 | |
| RIVERSIDE STABLES | | | |
| MILFORD, DE 19963 | | | 910.00 |
| VIRGINIA LYON ANDERSON | 11/05/86 | 5,000.00 | |
| 4201 CATHEDRAL AVE, NW #714e | | | |
| WASHINGTON, DC 20016 | | | 5,000.00 |
| MR. INMAN BRANDON | 11/06/86 | 2,500.00 | |
| 3300 1ST ATLANTA BANK TWR. | | | |
| ATLANTA, GA 30303 | | | 2,500.00 |

TOTAL CONTRIBUTIONS FOR REPORT 102,510.00

00040795253

# SCHEDULE A
## ITEMIZATION OF CONTRIBUTIONS OVER $100

Full Name of Candidate or Committee

| Date month, day, year) | Contributor's Full Name, Mailing Address, and ZIP Code (List Alphabetically) | Occupation and Principal Place of Business Of Contributions of More Than $250 In the Aggregate | Amount of Receipt This Period |
|---|---|---|---|
| | | Aggregate to Date $ | This period $ |
| | | Aggregate to Date $ | This period $ |
| | | Aggregate to Date $ | This period $ |
| | | Aggregate to Date $ | This period $ |
| | | Aggregate to Date $ | This period $ |
| | | Aggregate to Date $ | This period $ |
| | | Aggregate to Date $ | This period $ |
| | | Aggregate to Date $ | This period $ |
| | | Aggregate to Date $ | This period $ |
| | | Aggregate to Date $ | This period $ |
| | | Aggregate to Date $ | This period $ |

TOTAL THIS PERIOD $_____
(Complete only if this is last page of Schedule A)

Date _____ Page ____ of ____

FEPA - 08 REV. 11/86-200

# SCHEDULE B
## ITEMIZATION OF EXPENDITURES

AMERICAN CONSERVATIVE TRUST - STATE ELECTION FUND
Full Name of Candidate or Committee

| Date (month, day, year) | PAYEE (Recipient of Payment) Full Name, Mailing Address, and ZIP Code | Person Contracting For Expenditure AND Brief Description of Purpose | Amount of Expendi This Period |
|---|---|---|---|
| 10/20/86 | D. C. Postmaster<br>Washington, DC 20004 | Purchase stamps | $ 500.00 |
| 10/20/86 | D. C. Postmaster<br>Washington, DC 20004 | Purchase stamps | $ 500.00 |
| 10/20/86 | Franks Duplicating<br>202 National Press Building<br>Washington, DC 20045 | Xeroxing letters | $ 44.00 |
| 10/20/86 | Herge, Sparks, Christopher & Biondi<br>8201 Greensboro Drive<br>McLean, VA | June through Sept. legal service | $1226.22 |
| 10/20/86 | A.E. Mitchell & Co. Inc.<br>6718 Princess Anne Lane<br>Falls Church, VA 22042 | Rent drapes for meeting room | $ 75.00 |
| 10/20/86 | Franks Duplicating<br>202 National Press Building<br>Washington, DC 20045 | Xeroxing letters | $ 22.64 |
| 10/21/86 | Angela Davis<br>1331 Pennsylvania Ave. #350S<br>Washington, DC 20004 | Reimbursement for postage purchased for mailing | $ 10.02 |
| 10/21/86 | F. Clifton Smith<br>1331 Pennsylvania Ave. #350S<br>Washington, DC 20004 | Travel expense | $ 125.00 |
| 10/23/86 | Membermail<br>12224 Ox Hill Road<br>Fairfax, VA 22033 | Postage, collating CA mailing | $ 355.25 |
| 10/23/86 | Cash<br>1331 Pennsylvania Ave.<br>Washington, DC 20004 | Travel advance Kris Littledale | $ 600.00 |
| 10/23/86 | Rafael Flores<br>1331 Pennsylvania Ave. Ste. 350<br>Washington, DC 20004 | Reimburse for expenses | $ 310.23 |

**TOTAL THIS PERIOD $_____**
(Complete only if this is last page of Schedule B)

Date 12/02/86 Page 1 of 6

FEPA-86 REV. 11/85/86

# SCHEDULE B
## ITEMIZATION OF EXPENDITURES

AMERICAN CONSERVATIVE TRUST-STATE ELECTION FUND
Full Name of Candidate or Committee

| Date (month, day, year) | PAYEE (Recipient of Payment) Full Name, Mailing Address, and ZIP Code | Person Contracting For Expenditure AND Brief Description of Purpose | Amount of Expenditure This Period |
|---|---|---|---|
| 10/24/86 | AT & T<br>1550 Wilson Blvd. Rm. 300<br>Arlington, VA 22209 | Phone removal charge at previous location. | $ 1148.41 |
| 10/24/86 | Dynasty Limousine<br>6405 Fleetside Court<br>Alexandria, VA 22310-2538 | Limousine rental | $ 1142.41 |
| 10/24/86 | Temporaries Inc.<br>P.O. Box 15891<br>Baltimore, MD 21263 | Part time receptionist | $ 49.00 |
| 10/24/86 | Petty cash<br>1331 Pennsylvania Ave. Ste. 350S<br>Washington, DC 20004 | Petty cash | $ 150.00 |
| 10/27/86 | Westland Printers<br>15421 Old Columbia Pike<br>Burtonsville, MD 20866 | Letterhead & envelopes | $ 1451.14 |
| 10/28/86 | Channell Corp.<br>1331 Pennsylvania Ave. Ste. 395S<br>Washington, DC 20004 | November rent | $ 181.17 |
| 10/29/86 | Federal Express<br>P. O. Box 727<br>Memphis, TN 38194 | Overnight deliveries | $ 410.68 |
| 10/29/86 | Mead Data Central<br>P.O. Box 100176<br>Atlanta, GA 30384 | Nexis research time | $ 1783.10 |
| 10/29/86 | Aventure Services<br>1725 K Street, NW #401<br>Washington, DC 20006 | Folding, Stuffing & typing envelopes for mailing | $ 203.07 |
| 10/29/86 | George Victorson<br>1809 Macadams Place<br>Alexandria, VA 22308 | Design, layout & production of stationary | $ 1000.00 |
| 10/29/86 | Westland Printers<br>15421 Old Columbia Pike<br>Burtonsville, MD 20866 | Letterhead, envelopes | $ 1190.38 |

**TOTAL THIS PERIOD $_____**
**(Complete only if this is last page of Schedule B)**

FEPA-86 REV. 11/86-200

# SCHEDULE B
## ITEMIZATION OF EXPENDITURES

AMERICAN CONSERVATIVE TRUST-STATE ELECTION FUND
Full Name of Candidate or Committee

| Date (month, day, year) | PAYEE (Recipient of Payment) Full Name, Mailing Address, and ZIP Code | Person Contracting For Expenditure AND Brief Description of Purpose | Amount of Expendi This Period |
|---|---|---|---|
| 10/29/86 | RealCom Communications<br>P. O. Box 77102<br>Detroit, MI 48277 | August phone usage | $ 1036.65 |
| 10/31/86 | Kris Littledale<br>1331 Pennsylvania Ave. Ste. 350<br>Washington, DC 20004 | Oct. net payroll | $ 2273.35 |
| 10/31/86 | F. Clifton Smith<br>1331 Pennsylvania Ave. Ste. 350<br>Washington, DC 20004 | Oct. net payroll | $ 3694.00 |
| 10/31/86 | Angela Davis<br>1331 Pennsylvania Ave. Ste. 350<br>Washington, DC 20004 | Oct. fee & net payroll | $ 2924.12 |
| 10/31/86 | Rafael Flores<br>1331 Pennsylvania Ave. Ste. 350<br>Washington, DC 20004 | Oct. fee less advance | $ 1541.67 |
| 10/30/86 | Willard Intercontinental<br>1335 Pennsylvania Ave. NW<br>Washington, DC 20004 | Election night dinner | $ 2000.00 |
| 10/30/86 | Greensboro News & Record<br>P.O. Box 20848<br>Greensboro, NC 27420 | Advertising | $ 4179.54 |
| 10/30/86 | Winston Salem Journal<br>418 N. Marshall Street<br>Winston Salem, NC 27102 | Advertising | $ 2057.88 |
| 10/30/86 | Charlotte Observer<br>P.O. Box 32723<br>Charlotte, NC 28232 | Advertising | $ 3940.65 |
| 10/30/86 | Daily Times News<br>707 South Main<br>Burlington, NC 27215 | Advertising | $ 1203.38 |
| 10/30/86 | The News & Observer<br>215 S. McDowell St.<br>Raleigh, NC 27601 | Advertising | $ 6813.45 |

**TOTAL THIS PERIOD $_____**
(Complete only if this is last page of Schedule B)

FEPA - 86 REV. 11/85-3M

# SCHEDULE B
## ITEMIZATION OF EXPENDITURES

AMERICAN CONSERVATIVE TRUST-STATE ELECTION FUND
Full Name of Candidate or Committee

| Date (month, day, year) | PAYEE (Recipient of Payment) Full Name, Mailing Address, and ZIP Code | Person Contracting For Expenditure AND Brief Description of Purpose | Amount of Expendi This Period |
|---|---|---|---|
| 10/31/86 | CAMPBELL FOR GOVERNOR<br>2330 Devine St.<br>Columbia, SC 29205 | Campaign contribution | $ 2500.00 |
| 11/03/86 | Kuykendall Co.<br>517 3rd Street, SE<br>Washington, DC 20003 | November consulting fee | $ 3500.00 |
| 11/03/86 | Ram Films<br>Merry Hill<br>Stevenson, MD 21153 | Dubs-AL, FL, NC, election night | $ 1185.00 |
| 11/03/86 | CArl R. Channell<br>1331 Pennsylvania Ave. Ste. 350<br>Washington, DC 20004 | OCt. net payroll | $ 5000.00 |
| 11/03/86 | Palmer NAtional BAnk<br>1667 K Street<br>Washington, DC 20006 | Federal withholding tax | $ 2775.00 |
| 11/03/86 | DC Treasurer<br>P. O. Box 37360<br>Washington, DC 20013 | District of Columbia withholding | $ 875.00 |
| 11/05/86 | Kris Littledale<br>1331 Pennsylvania Ave. Ste. 350<br>Washington, DC 20004 | Reimbursement for cab fare | $ 17.00 |
| 11/05/86 | Angela Davis<br>1331 Pennsylvania Ave. Ste. 350<br>Washington, DC 20004 | Reimbursement for balloons for election night. | $ 62.50 |
| 11/06/86 | Cash<br>1331 Pennsylvania Ave.<br>Washington, DC 20004 | Petty cash | $ 150.00 |
| 11/10/86 | DC Treasurer<br>P. O. Box 37360<br>Washington, DC 20006 | District of Columbia withholding | $ 842.00 |
| 11/10/86 | Card Center c/o F. Clifton Smith<br>1331 Pennsylvania AVe.<br>Washington, DC 20004 | Reimburse for luncheon expenses | $ 189.05 |

**TOTAL THIS PERIOD $_____**
(Complete only if this is last page of Schedule B)

FEPA - 08 REV. 11/86-3M

# SCHEDULE B
## ITEMIZATION OF EXPENDITURES

AMERICAN CONSERVATIVE TRUST -STATE ELECTION FUND
Full Name of Candidate or Committee

| Date (month, day, year) | PAYEE (Recipient of Payment) Full Name, Mailing Address, and ZIP Code | Person Contracting For Expenditure AND Brief Description of Purpose | Amount of Expendit This Period |
|---|---|---|---|
| 11/10/86 | C & P Telephone<br>P. O. Box 657<br>Baltimore, MD 21265 | 1 month phone expenses | $ 14.61 |
| 11/10/86 | Mallory Office Supply<br>3055 V Street, NE<br>Washington, DC 20018 | Office supplies | $ 65.00 |
| 11/10/86 | Federal Express<br>P. O. Box 727<br>Memphis, TN 38194 | Overnight deliveries | $ 187.00 |
| 11/10/86 | King Florist<br>1817 Columbia Road, NW<br>Washington, DC 20009 | To deliver flowers | $ 66.00 |
| 11/10/86 | HErge, Sparks, Christopher & Biondi<br>8201 Greensboro Drive<br>McLean, VA 22102 | Legal services through 10/31 | $ 587.00 |
| 11/10/86 | Robert Goodman Agency<br>2201 Old Court Road<br>Baltimore, MD 21208 | Cassettes & dubbing | $ 805.00 |
| 11/11/86 | Metro Graphics<br>1211 Connecticut Ave. NW<br>Washington, DC 20036 | Letterhead & stationary | $ 699.60 |
| 11/11/86 | Dynasty Limousine Corp.<br>6405 Fleetside Ct.<br>Alexandria, VA 22310 | Limousine service | $ 44.45 |
| 11/11/86 | PMI c/o Daniel Conrad<br>1331 Pennsylvania Ave.<br>Washington, DC 20004 | Reimbursement for car rental | $ 346.62 |
| 11/11/86 | Federal Express<br>P. O. Box 727<br>Memphis, TN 38194 | Overnight deliveries | $ 119.00 |
| 11/11/86 | Palmer National Bank<br>1667 K Street<br>Washington, DC 20006 | Federal & Fica Tax | $4162.40 |

**TOTAL THIS PERIOD $_____**
(Complete only if this is last page of Schedule B)

Date 12/02/86 Page 5 of 6

FEPA - 86 REV. 11/86 (86)

# SCHEDULE B
## ITEMIZATION OF EXPENDITURES

AMERICAN CONSERVATIVE TRUST-STATE ELECTION FUND
Full Name of Candidate or Committee

| Date (month, day, year) | PAYEE (Recipient of Payment) Full Name, Mailing Address, and ZIP Code | Person Contracting For Expenditure AND Brief Description of Purpose | Amount of Expendit This Period |
|---|---|---|---|
| 11/17/86 | VISA<br>7818 Parham Road<br>Richmond, VA 23229 | Public affairs | $ 2000.00 |
| 11/17/86 | Carl R. Channell<br>1331 Pennsylvania Ave. Ste. 350<br>Washington, DC 20004 | Net payroll | $ 5000.00 |
| 11/17/86 | F. Clifton Smith<br>1331 Pennsylvania Ave. Ste. 350<br>Washington, DC 20004 | Net Nov. commission | $ 5229.58 |
| 11/17/86 | Channell Corp.<br>1331 Pennsylvania Ave. Ste. 395<br>Washington, DC 20004 | December rent | $ 5181.17 |
| 11/26/86 | F. Clifton Smith<br>1331 Pennsylvania Ave.<br>Washington, DC 20004 | Nov. salary | $ 3694.00 |
| 11/26/86 | F. Clifton Smith<br>1331 Pennsylvania Ave.<br>Washington, DC 20004 | Nov. commission | $ 2105.00 |
| 11/26/86 | Rebecca Pritchett<br>1331 Pennsylvania Ave.<br>Washington, DC 20004 | Nov. salary | $ 483.54 |
| 11/26/86 | Steven McMahon<br>1331 Pennsylvania Ave.<br>Washington, DC 20004 | Nov. accounting fee | $ 500.00 |
| 11/26/86 | Kris Littledale<br>1331 Pennsylvania Ave.<br>Washington, DC 20004 | Nov. salary | $ 2273.35 |
| 11/26/86 | Angela Davis<br>1331 Pennsylvania Ave.<br>Washington, DC 20004 | Nov. salary | $ 1000.00 |
| | | | $ |

**TOTAL THIS PERIOD $** 100,801.28
**(Complete only if this is last page of Schedule B)**

**Date** 12/02/86 **Page** 6 **of** 6

FEPA - 80 11-80-3M

# SCHEDULE C
## PART I
## ITEMIZATION OF LOANS RECEIVED

AMERICAN CONSERVATIVE TRUST-STATE ELECTION FUND

Full Name of Candidate or Committee

| Date (month, day, year) | Full Name, Mailing Address, and ZIP Code Of Lender or Endorser of Loan (List Alphabetically) | Occupation and Principal Place of Business Of Lender or Endorser of Loans If More Than $250 in the Aggregate | Amount of Loan This Period |
|---|---|---|---|
| | N/A | Aggregate to Date $ | This period $ |
| | | Aggregate to Date $ | This period $ |
| | | Aggregate to Date $ | This period $ |
| | | Aggregate to Date $ | This period $ |
| | | TOTAL THIS PERIOD (Complete only if this is last page of Schedule C (I)) | |

## PART II
## ITEMIZATION OF LOANS REPAID

| Date (month, day, year) | Full Name, Mailing Address, and ZIP Code Of Lender or Endorser Repaid | Person Authorizing Repayment And Aggregate Repaid, If Applicable | Amount of Loan Repaid This Period |
|---|---|---|---|
| | | Aggregate to Date $ | This period $ |
| | | Aggregate to Date $ | This period $ |
| | | Aggregate to Date $ | This period $ |
| | | Aggregate to Date $ | This period $ |
| | | TOTAL THIS PERIOD (Complete only if this is last page of Schedule C (II)) | |

Date _____ Page _____ of _____

FEPA - SF 11/80-SM

# SCHEDULE D

## OBLIGATIONS REMAINING UNPAID AS OF THIS REPORT

(INCLUDE ALL OUTSTANDING LOANS)

AMERICAN CONSERVATIVE FUND-STATE ELECTION FUND

Full Name of Candidate or Committee

| Date Contracted (month, day, year) | Obligee's Full Name, Mailing Address, and ZIP Code | Purpose | Amount Of Obligation |
|---|---|---|---|
| | N/A | | |
| | | | |
| | | | |
| | | | |
| | | | |
| | | | |
| | | | |
| | | | |
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| | | | |
| | | | |

C10407953P54

TOTAL THIS PERIOD $_____

(Complete only if this is last page of Schedule D)

Date_____ Page____ of____

# COMMONWEALTH of VIRGINIA

## STATE BOARD OF ELECTIONS

101 NINTH STREET OFFICE BUILDING
RICHMOND, VIRGINIA 23219
(804) 786-6551
TOLL-FREE 800-552-9745

Board Members

Earl W. Davis, Chairman
A. George Cook III, Vice Chairman
Susan H. Fitz-Hugh, Secretary

December 9, 1986

9004079526 3

American Conservative Trust State Election Fund
1331 Pennsylvania Avenue, S.W.
Suite 375S
Washington, D.C. 20004

This will acknowledge receipt of your **December 4, 1986** Report of Campaign Contributions and Expenditures. Enclosed you will find forms for making the January 15, 1987 report and a schedule of report due dates for calendar year 1987.

Virginia law requires committees to file an annual Statement of Organization if the committee supports state or local candidates. A form for this purpose is also enclosed.

Sincerely,

Susan H. Fitz-Hugh

Susan H. Fitz-Hugh
Secretary

SHF:slw
Enclosures

95

COMMONWEALTH OF VIRGINIA

STATE BOARD OF ELECTIONS

# COMMITTEE CAMPAIGN CONTRIBUTIONS AND EXPENDITURES

American Conservative Trust
STate Election Fund
Name of Committee

1331 Pennsylvania AVE NW
Street or Box Number

Washington, DC 20004
City, State, ZIP

(202) 662-8700
Area Code - Daytime Telephone Number

**TYPE OF REPORT**
(Check appropriate box)

- ☐ January 15
- ☐ 8 days before 1st Tuesday in March
- ☐ 8 days before 1st Tuesday in May
- ☐ 8 days before 2nd Tuesday in June
- XX☒ 8 days before November General Election 1986
- ☐ 30 days after November General Election
- ☐ Final Report*

*Final Report to be filed no later than 30 days after the closing of the account and must include a termination statement signed by an officer of the committee.

## SUMMARY

Report Covering Period From 6/1/86 through 10/15/86

| | | |
|---|---|---|
| 1. Balance on Hand (Line 6 of Last Report) | | $ 3,030.82 |
| 2. Contributions Received (Line 17—page 2) | | -0- |
| 3. Add: Balance Outstanding Loans (Line 28—page 2) | | |
| 4. Total Expendable Funds | | $ 3,030.82 |
| 5. Expenses: | | |
| a. (Line 23—page 2) | $ 1,143.47 | |
| b. Add: Outstanding Loans (Prev. Report—Line 3) | | ( 1,143.47 ) |
| 6. Balance on Hand (Line 4 less Line 5) | | $ 1,887.35 • |

## TOTALS TO DATE

| | |
|---|---|
| 7. Contributions (Line 7 of Last Report plus Line 2 of this Report) | $ 588,715.22 |
| 8. Expenses (Line 8 of Last Report plus Line 5a of this Report) | $ 586,827.87 |
| 9. Obligations Remaining Unpaid—Schedule D | $ • |
| 10. Campaign Depository | |
| Account Number | |

## OATH OR AFFIRMATION

Under penalty of perjury, I declare that I have examined this report, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete.

(Signature of Treasurer or Appropriate Person)

Subscribed and sworn to (affirmed) before me this 22nd day of October, 19 86.

My commission expires: My Commission Expires October 14, 1990

Notary Public

FEPA - 02 - 11/84-3M

90040795264

## STATEMENT OF RECONCILIATION OF FUNDS

Report Covering Period From 6/1/86 through 10/15/86

Full Name of Candidate or Committee: American Conservative Trust State Election Fund

### FUNDS RECEIVED

CONTRIBUTIONS

| | | | |
|---|---|---|---|
| | Schedule A (Over $100) | # | $ |
| | Unitemized ($100 or less) | # | $ |
| 13. | TOTAL (Add Lines 11 & 12) | # | $ |
| 14. | Less: Rebates and Refunds | | $ |
| 15. | Less: Other | | $ |
| 16. | TOTAL (Add Lines 14 & 15) | | ( ) |
| 17. | Net To Line 2—Summary (Line 13 less Line 16) | | $ -0- |

### FUNDS DISBURSED

EXPENDITURES

| | | | |
|---|---|---|---|
| 18. | Schedule B | | $ 1,413.55 |
| 19. | Less: Utility Deposits Refundable | $ | |
| 20. | Less: Rent Deposits Refundable | $ | |
| 21. | Less: Other refund PC Research Service | $ 270.08 | |
| 22. | TOTAL (Add Lines 19, 20, 21) | | ( 270.08 ) |
| | Net To Line 5A—Summary (Line 18 less Line 22) | | $ 1,143.47 |

### LOAN ACCOUNT

| | | |
|---|---|---|
| | Loan Account Balance—Last Report | $ |
| | Loans Received this Period—Schedule C—Part I | $ |
| 26. | SUBTOTAL (Add Lines 24 & 25) | $ |
| | Less: Loans Repaid This Period—Schedule C—Part II | ( ) |
| | Loan Balance to Date—to Line 3—Summary | $ |

AMERICAN CONSERVATIVE TRUST STATE ELECTION FUND
CASH DISBURSEMENTS
PERIOD 6/1/86 THRU 10/24/86

SCHEDULE B

| DATE | PAYEE | AMOUNT | DESCRIPTION |
|---|---|---|---|
| 7/31/86 | J. PARKER BAILEY | 132.00 | ACCOUNTING |
| 8/31/86 | J. PARKER BAILEY | 132.00 | ACCOUNTING |
| 8/31/86 | PC RESEARCH SERVICES | 540.00 | PUBLICATIONS |
| 8/31/86 | HERGE, SPARKS, C. & B. | 260.36 | LEGAL |
| 8/31/86 | KING FLORIST INC. | 110.00 | PUBLIC RELATIONS |
| 09/04/86 | WESTLAND PRINTERS | 84.80 | STATIONARY |
| 09/04/86 | MCI MAIL | 4.00 | ELECTRONIC MAIL ACCESS |
| 09/04/86 | BAUMGARTEN | 10.00 | 3 RUBBER STAMPS |
| 09/04/86 | SCRIPPS HOWARD BUS. JRNL | 15.89 | 1 YR. SUBSCRIPTION |
| 09/04/86 | FT. WORTH STAR TELEGRAM | 37.50 | 3 MOS DAILY DELIVERY |
| 10/02/86 | KING FLORIST | 57.00 | PUBLIC RELATIONS/FLOWERS |
| 10/14/86 | HUMAN EVENTS | 30.00 | 1 YR SUBSCRIPTION |
| | TOTAL | 1,413.55 | |

0 0 0 4 0 7 9 5 2 6 0

# COMMONWEALTH of VIRGINIA

## STATE BOARD OF ELECTIONS

101 NINTH STREET OFFICE BUILDING
RICHMOND, VIRGINIA 23219
(804) 786-6551
TOLL-FREE 800-552-9745

Board Members

Earl W. Davis, Chairman
A. George Cook III, Vice Chairman
Susan H. Fitz-Hugh, Secretary

November 7, 1986

American Conservative Trust State Election Fund
1331 Pennsylvania Avenue
Washington, D.C. 20004

This will acknowledge receipt of your **October 27** Report of Campaign Contributions and Expenditures.

Your **next report is due December 4, 1986, must include transactions through December 1** and must reflect all activity since your last report.

For specific information required to be reported, refer to Page 8 of the enclosed Fair Elections Practices Act Summary.

Our records indicate that you have failed to file a 1986 Statement of Organization. **Such statement is to be filed in January of each calendar year in which you receive contributions or make expenditures.**

A Statement of Organization form and forms for making your next report are enclosed.

Sincerely,

Susan H. Fitz-Hugh

Susan H. Fitz-Hugh
Secretary

SHF:slw
Enclosures

0004079532567

COMMONWEALTH OF VIRGINIA

STATE BOARD OF ELECTIONS

# COMMITTEE CAMPAIGN CONTRIBUTIONS AND EXPENDITURES

American Conservative Trust
State Election Fund
Name of Committee

1331 Pennsylvania AVe., NW
Street or Box Number

Washington, DC 20004
City, State, ZIP

(202) 662-8700
Area Code - Daytime Telephone Number

**TYPE OF REPORT**
(Check appropriate box)

- ☐ January 15
- ☐ 8 days before 1st Tuesday in March
- ☐ 8 days before 1st Tuesday in May
- ☒ 8 days before 2nd Tuesday in June 1986
- ☐ 8 days before November General Election
- ☐ 30 days after November General Election
- ☐ Final Report*

*Final Report to be filed no later than 30 days after the closing of the account and must include a termination statement signed by an officer of the committee.

## SUMMARY

Report Covering Period From 4/26/86 through 5/31/86

| | | |
|---|---|---|
| 1. Balance on Hand (Line 6 of Last Report) | | $ 3,030.82 |
| 2. Contributions Received (Line 17—page 2) | | |
| 3. Add: Balance Outstanding Loans (Line 28—page 2) | | |
| 4. Total Expendable Funds | | $ 3,030.82 |
| 5. Expenses: | | |
| a. (Line 23—page 2) | $ | |
| b. Add: Outstanding Loans (Prev. Report—Line 3) | | ( ) 3,030.82 |
| 6. Balance on Hand (Line 4 less Line 5) | | $ |

## TOTALS TO DATE

| | |
|---|---|
| 7. Contributions (Line 7 of Last Report plus Line 2 of this Report) | $ 588,715.22 |
| 8. Expenses (Line 8 of Last Report plus Line 5a of this Report) | $ 585,684.40 |
| 9. Obligations Remaining Unpaid—Schedule D | $ |
| 10. Campaign Depository | |
| Account Number | |

## OATH OR AFFIRMATION

Under penalty of perjury, I declare that I have examined this report, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete.

J. C. Thomas Smith
(Signature of Treasurer or Appropriate Person)

Subscribed and sworn to (affirmed) before me this 23rd day of October, 19 86.

My commission expires: My Commission Expires October 14, 1990, 19____.

John B. Warner
Notary Public

FEPA - 02 11/84 3M

0 0 1 4 0 7 9 3 2 5 6 8

## STATEMENT OF RECONCILIATION OF FUNDS

Report Covering Period From 4/26/86 through 5/31/86

Full Name of Candidate or Committee: American Conservative Trust State Election Fund

### FUNDS RECEIVED

CONTRIBUTIONS

| | | | |
|---|---|---|---|
| 11. Schedule A (Over $100) | # | $ -0- | |
| 12. Itemized ($100 or less) | # | $ | |
| 13. TOTAL (Add Lines 11 & 12) | # | | $ -0- |
| 14. Less: Rebates and Refunds | | $ | |
| 15. Less: Other | | $ | |
| TOTAL (Add Lines 14 & 15) | | | ( ) |
| Net To Line 2—Summary (Line 13 less Line 16) | | | $ -0- |

### FUNDS DISBURSED

EXPENDITURES

| | | |
|---|---|---|
| 18. Schedule B | | $ -0- |
| 19. Less: Utility Deposits Refundable | $ | |
| 20. Less: Rent Deposits Refundable | $ | |
| 21. Less: Other | $ | |
| 22. TOTAL (Add Lines 19, 20, 21) | | ( ) |
| Net To Line 5A—Summary (Line 18 less Line 22) | | $ -0- |

### LOAN ACCOUNT

| | |
|---|---|
| 23. Loan Account Balance—Last Report | $ |
| 24. Loans Received this Period—Schedule C—Part I | $ |
| 25. SUBTOTAL (Add Lines 24 & 25) | $ |
| 26. Less: Loans Repaid This Period—Schedule C—Part II | ( ) |
| Loan Balance to Date—to Line 3—Summary | $ |

COMMONWEALTH OF VIRGINIA

STATE BOARD OF ELECTIONS

# COMMITTEE CAMPAIGN CONTRIBUTIONS AND EXPENDITURES

American Conservative Trust
State Election Fund
Name of Committee

1331 Pennsylvania AVe., NW
Street or Box Number

Washington, DC 20004
City, State, ZIP

(202) 662-8700
Area Code - Daytime Telephone Number

**TYPE OF REPORT**
(Check appropriate box)

- ☐ January 15
- ☐ 8 days before 1st Tuesday in March
- X 8 days before 1st Tuesday in May 1986
- ☐ 8 days before 2nd Tuesday in June
- ☐ 8 days before November General Election
- ☐ 30 days after November General Election
- ☐ Final Report*

*Final Report to be filed no later than 30 days after the closing of the account and must include a termination statement signed by an officer of the committee.

## SUMMARY

Report Covering Period From 2/22/86 through 4/25/86

| | | |
|---|---|---|
| 1. Balance on Hand (Line 6 of Last Report) | | $ 3,130.00 |
| 2. Contributions Received (Line 17—page 2) | | -0- |
| 3. Add: Balance Outstanding Loans (Line 28—page 2) | | 3,130.00 |
| 4. Total Expendable Funds | | $ |
| 5. Expenses: | | |
| a. (Line 23—page 2) | $ 99.18 | |
| b. Add: Outstanding Loans (Prev. Report—Line 3) | | 99.18 |
| 6. Balance on Hand (Line 4 less Line 5) | | $ 3,030.82 |

## TOTALS TO DATE

| | |
|---|---|
| 7. Contributions (Line 7 of Last Report plus Line 2 of this Report) | $ 588,715.22 |
| 8. Expenses (Line 8 of Last Report plus Line 5a of this Report) | $ 585,684.40 |
| 9. Obligations Remaining Unpaid—Schedule D | $ |
| 10. Campaign Depository | |
| Account Number | |

## OATH OR AFFIRMATION

Under penalty of perjury, I declare that I have examined this report, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete.

(Signature of Treasurer or Appropriate Person)

Subscribed and sworn to (affirmed) before me this 23rd day of April, 19 86.

My commission expires: My Commission Expires October 14, 1990, 19____.

Notary Public

FEPA - 02 11/86-5M

3004075270

## STATEMENT OF RECONCILIATION OF FUNDS

Report Covering Period From 2/22/86 through 4/25/86

Full Name of Candidate or Committee: American Conservative Trust STate Election Fund

### FUNDS RECEIVED

CONTRIBUTIONS

| | | | |
|---|---|---|---|
| | Schedule A (Over $100) | # | $ |
| | Itemized ($100 or less) | # | $ |
| 13. | TOTAL (Add Lines 11 & 12) | # | $ |
| 14. | Less: Rebates and Refunds | | $ |
| 15. | Less: Other | | $ |
| 16. | TOTAL (Add Lines 14 & 15) | | ( ) |
| 17. | Net To Line 2—Summary (Line 13 less Line 16) | | $ -0- |

### FUNDS DISBURSED

EXPENDITURES

| | | | |
|---|---|---|---|
| 18. | Schedule B | | $ 255.89 |
| 19. | Less: Utility Deposits Refundable | $ | |
| 20. | Less: Rent Deposits Refundable | $ | |
| 21. | Less: Other US Treasury W/H Tax Refund | $ 156.71 | |
| 22. | TOTAL (Add Lines 19, 20, 21) | | ( 156.71 ) |
| | Net To Line 5A—Summary (Line 18 less Line 22) | | $ 99.18 |

### LOAN ACCOUNT

| | | |
|---|---|---|
| | Loan Account Balance—Last Report | $ |
| | Loans Received this Period—Schedule C—Part I | $ |
| 26. | SUBTOTAL (Add Lines 24 & 25) | $ |
| | Less: Loans Repaid This Period—Schedule C—Part II | ( ) |
| | Loan Balance to Date—to Line 3—Summary | $ |

AMERICAN CONSERVATIVE TRUST STATE ELECTION FUND
CASH DISBURSEMENTS
PERIOD 2/22/86 THRU 4/25/86

SCHEDULE B

| DATE | PAYEE | AMOUNT | DESCRIPTION |
|---|---|---|---|
| 02/28/86 | WASHINGTON REPUBLICANS 86 | 45.00 | PUBLICATIONS |
| 02/28/86 | BRADDOCK PUBLICATIONS | 39.95 | PUBLICATIONS |
| 02/28/86 | WASH. BUSINESS JOURNAL | 14.97 | PUBLICATIONS |
| 03/31/86 | CLIFF SMITH | 16.00 | LOCAL TRANSPORT/CABS |
| 03/31/86 | WASH. BUSINESS JOURNAL | 14.97 | PUBLICATIONS |
| 03/31/86 | DELTA AIRLINES | 100.00 | TRAVEL/FUNDRAISING |
| 04/03/86 | DC TREASURER | 25.00 | ANNUAL REPORT FILING FEE |
| | TOTAL | 255.89 | |

0004075272

COMMONWEALTH OF VIRGINIA

STATE BOARD OF ELECTIONS

# COMMITTEE CAMPAIGN CONTRIBUTIONS AND EXPENDITURES

American Conservative Trust
State Election Fund
Name of Committee

1331 Pennsylvania Ave., NW
Street or Box Number

Washington, DC 20004
City, State, ZIP

(202) 662-8700
Area Code - Daytime Telephone Number

**TYPE OF REPORT**
(Check appropriate box)

- ☐ January 15
- ☒ 8 days before 1st Tuesday in March 1986
- ☐ 8 days before 1st Tuesday in May
- ☐ 8 days before 2nd Tuesday in June
- ☐ 8 days before November General Election
- ☐ 30 days after November General Election
- ☐ Final Report*

*Final Report to be filed no later than 30 days after the closing of the account and must include a termination statement signed by an officer of the committee.

## SUMMARY

Report Covering Period From 1/1/86 through 2/21/86

| | | |
|---|---|---|
| 1. Balance on Hand (Line 6 of Last Report) | | $ 1,186.35 |
| 2. Contributions Received (Line 17—page 2) | | 2,900.00 |
| 3. Add: Balance Outstanding Loans (Line 28—page 2) | | |
| 4. Total Expendable Funds | | $ 4,086.35 |
| 5. Expenses: | | |
| a. (Line 23—page 2) | $ 956.35 | |
| b. Add: Outstanding Loans (Prev. Report—Line 3) | | 956.35 |
| c. Balance on Hand (Line 4 less Line 5) | | $ 3,130.00 * |

## TOTALS TO DATE

| | |
|---|---|
| 7. Contributions (Line 7 of Last Report plus Line 2 of this Report) | $ 588,715.22 |
| 8. Expenses (Line 8 of Last Report plus Line 5a of this Report) | $ 585,585.22 |
| 9. Obligations Remaining Unpaid—Schedule D | $ * |
| 10. Campaign Depository | |
| Account Number | |

## OATH OR AFFIRMATION

Under penalty of perjury, I declare that I have examined this report, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete.

F. Clifton Smith
(Signature of Treasurer or Appropriate Person)

Subscribed and sworn to (affirmed) before me this 22nd day of February, 19 86.

My commission expires: My Commission Expires October 14, 1990, 19 ____.

Notary Public

PEPA - 02 11/84 3M

## STATEMENT OF RECONCILIATION OF FUNDS

Report Covering Period From 1/1/86 through 2/21/86

Full Name of Candidate or Committee: American Conservative Trust State Election Fund

### FUNDS RECEIVED

CONTRIBUTIONS

| | | | |
|---|---|---|---|
| 11. Schedule A (Over $100) | # 1 | $ 2,900.00 | |
| 12. Unitemized ($100 or less) | # | $ | |
| 13. TOTAL (Add Lines 11 & 12) | # | | $ 2,900.00 |
| 14. Less: Rebates and Refunds | | $ | |
| 15. Less: Other | | $ | |
| 16. TOTAL (Add Lines 14 & 15) | | | ( ) |
| 17. Net To Line 2—Summary (Line 13 less Line 16) | | | $ 2,900.00 |

### FUNDS DISBURSED

EXPENDITURES

| | | |
|---|---|---|
| 18. Schedule B | | $ 956.35 |
| 19. Less: Utility Deposits Refundable | $ | |
| 20. Less: Rent Deposits Refundable | $ | |
| 21. Less: Other | $ | |
| 22. TOTAL (Add Lines 19, 20, 21) | | ( ) |
| Net To Line 5A—Summary (Line 18 less Line 22) | | $ 956.35 |

### LOAN ACCOUNT

| | |
|---|---|
| Loan Account Balance—Last Report | $ |
| Loans Received this Period—Schedule C—Part I | $ |
| SUBTOTAL (Add Lines 24 & 25) | $ |
| Less: Loans Repaid This Period—Schedule C—Part II | ( ) |
| Loan Balance to Date—to Line 3—Summary | $ |

AMERICAN CONSERVATIVE TRUST STATE ELECTION FUND
CASH DISBURSEMENTS
PERIOD 1/1/86 THRU 2/21/86

SCHEDULE B

| DATE | PAYEE | AMOUNT | DESCRIPTION |
|---|---|---|---|
| 01/31/86 | INTERNAL REVENUE SERVICE | 383.85 | INT., LATE PAY., 1984 W/H |
| 01/31/86 | INTERNAL REVENUE SERVICE | 164.50 | FUTA TAX 1985 |
| 01/31/86 | DAVID WHITEHILL | 190.00 | UTILITIES |
| 02/05/86 | G.M.H ENTERPRISES | 28.00 | PUBLICATIONS |
| 02/06/86 | DAVID WHITEHILL | 190.00 | MAINTENANCE/CLEANING |
| | TOTAL | 956.35 | |

0004075275

COMMONWEALTH OF VIRGINIA

STATE BOARD OF ELECTIONS

# COMMITTEE CAMPAIGN CONTRIBUTIONS AND EXPENDITURES

American Conservative Trust
State Election Fund
Name of Committee

1331 Pennsylvania Ave., NW
Street or Box Number

Washington, DC 20004
City, State, ZIP

(202) 662-8700
Area Code - Daytime Telephone Number

**TYPE OF REPORT**
(Check appropriate box)

XX ☐ January 15 1986
☐ 8 days before 1st Tuesday in March
☐ 8 days before 1st Tuesday in May
☐ 8 days before 2nd Tuesday in June
☐ 8 days before November General Election
☐ 30 days after November General Election
☐ Final Report*

*Final Report to be filed no later than 30 days after the closing of the account and must include a termination statement signed by an officer of the committee.

## SUMMARY

Report Covering Period From 11/30/85 through 12/31/85

| | | |
|---|---|---|
| 1. Balance on Hand (Line 6 of Last Report) | | $ 3,471.70 |
| 2. Contributions Received (Line 17—page 2) | | -0- |
| 3. Add: Balance Outstanding Loans (Line 28—page 2) | | |
| 4. Total Expendable Funds | | $ 3,471.70 |
| 5. Expenses: | | |
| a. (Line 23—page 2) | $ 2,285.35 | |
| b. Add: Outstanding Loans (Prev. Report—Line 3) | | ( ) |
| 6. Balance on Hand (Line 4 less Line 5) | | $ 1,186.35 |

## TOTALS TO DATE

| | |
|---|---|
| 7. Contributions (Line 7 of Last Report plus Line 2 of this Report) | $ 585,815.22 |
| 8. Expenses (Line 8 of Last Report plus Line 5a of this Report) | $ 584,628.87 |
| 9. Expenses Remaining Unpaid—Schedule D | $ |
| 10. Campaign Depository | |
| Account Number | |

## OATH OR AFFIRMATION

Under penalty of perjury, I declare that I have examined this report, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete.

F. C. Thomas III
(Signature of Treasurer or Appropriate Person)

Subscribed and sworn to (affirmed) before me this 23rd day of January, 19 86.

My commission expires: ~~My Commission Expires October~~ 14, 1990

Notary Public

FEPA - CI 11/96 5M

## STATEMENT OF RECONCILIATION OF FUNDS

Report Covering Period From 11/30/85 through 12/31/85

Full Name of Candidate or Committee: American Conservative Trust State Election Fund

### FUNDS RECEIVED

CONTRIBUTIONS

| | | | |
|---|---|---|---|
| 11. | Schedule A (Over $100) | # | $ |
| 12. | Itemized ($100 or less) | # | $ |
| 13. | TOTAL (Add Lines 11 & 12) | # | $ -0- |
| 14. | Less: Rebates and Refunds | | $ |
| 15. | Less: Other | | $ |
| | TOTAL (Add Lines 14 & 15) | | ( ) |
| | Net To Line 2—Summary (Line 13 less Line 16) | | $ -0- |

### FUNDS DISBURSED

EXPENDITURES

| | | | |
|---|---|---|---|
| 18. | Schedule B | | $ 2,285.35 |
| 19. | Less: Utility Deposits Refundable | $ | |
| 20. | Less: Rent Deposits Refundable | $ | |
| 21. | Less: Other | $ | |
| 22. | TOTAL (Add Lines 19, 20, 21) | | ( -0- ) |
| | Net To Line 5A—Summary (Line 18 less Line 22) | | $ 2,285.35 |

### LOAN ACCOUNT

| | | |
|---|---|---|
| 23. | Loan Account Balance—Last Report | $ |
| 24. | Loans Received this Period—Schedule C—Part I | $ |
| 25. | SUBTOTAL (Add Lines 24 & 25) | $ |
| 26. | Less: Loans Repaid This Period—Schedule C—Part II | ( ) |
| 27. | Loan Balance to Date—to Line 3—Summary | $ |

C00407952 7

AMERICAN CONSERVATIVE TRUST STATE ELECTION FUND
CASH DISBURSEMENTS
PERIOD 11/30/85 THRU 12/31/85

SCHEDULE B

| DATE | PAYEE | AMOUNT | DESCRIPTION |
|---|---|---|---|
| 12/31/85 | IRS | 255.35 | 1ST QTR 85 ADDT'L P/R TAX |
| 12/31/85 | MID-ATLANTIC POL. REPORT | 30.00 | PUBLICATION |
| 12/31/85 | UNITED VIRGINIA | 500.00 | PUB. RELATION/FUNDRAISING |
| 12/31/85 | CPAC '86 | 1,500.00 | ADVERTISEMENT |
| | TOTAL | 2,285.35 | |

0004075278

COMMONWEALTH OF VIRGINIA

STATE BOARD OF ELECTIONS

# COMMITTEE CAMPAIGN CONTRIBUTIONS AND EXPENDITURES

American Conservative Trust
State Election Fund
Name of Committee

1331 Pennsylvania Ave., NW
Street or Box Number

Washington, DC 20004
City, State, ZIP

(202) 662-8700
Area Code - Daytime Telephone Number

**TYPE OF REPORT**
(Check appropriate box)

- ☐ January 15
- ☐ 8 days before 1st Tuesday in March
- ☐ 8 days before 1st Tuesday in May
- ☐ 8 days before 2nd Tuesday in June
- ☐ 8 days before November General Election
- ☒ 30 days after November General Election 1985
- ☐ Final Report*

*Final Report to be filed no later than 30 days after the closing of the account and must include a termination statement signed by an officer of the committee.

## SUMMARY

Report Covering Period From 10/25/85 through 11/30/85

| | | |
|---|---|---|
| 1. Balance on Hand (Line 6 of Last Report) | | $ 13,261.51 |
| 2. Contributions Received (Line 17—page 2) | | 25,000.00 |
| 3. Add: Balance Outstanding Loans (Line 28—page 2) | | |
| 4. Total Expendable Funds | | $ 38,261.51 |
| 5. Expenses: | | |
| a. (Line 23—page 2) | $ 34,789.81 | |
| b. Add: Outstanding Loans (Prev. Report—Line 3) | | ( ) |
| c. Balance on Hand (Line 4 less Line 5) | | $ 3,471.70 |

## TOTALS TO DATE

| | |
|---|---|
| 7. Contributions (Line 7 of Last Report plus Line 2 of this Report) | $ 585,815.22 |
| 8. Expenses (Line 8 of Last Report plus Line 5a of this Report) | $ 582,343.52 |
| 9. Obligations Remaining Unpaid—Schedule D | $ |
| 10. Campaign Depository | |
| Account Number | |

## OATH OR AFFIRMATION

Under penalty of perjury, I declare that I have examined this report, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete.

(Signature of Treasurer or Appropriate Person)

Subscribed and sworn to (affirmed) before me this 15th day of December, 19 85.

My commission expires: ~~My Commission Expires October 14,~~ 1990

Notary Public

FEPA - 82 11/84-3M

0 0 4 0 7 9 5 2 7 9

## STATEMENT OF RECONCILIATION OF FUNDS

Report Covering Period From 10/25/85 through 11/30/85

Full Name of Candidate or Committee: American Conservative Trust STate Election Fund

### FUNDS RECEIVED

CONTRIBUTIONS

| | | | |
|---|---|---|---|
| 11. Schedule A (Over $100) | # 1 | $ 25,000.00 | |
| 12. Itemized ($100 or less) | # | $ | |
| 13. TOTAL (Add Lines 11 & 12) | # | | $ 25,000.00 |
| 14. Less: Rebates and Refunds | | $ | |
| 15. Less: Other | | $ | |
| TOTAL (Add Lines 14 & 15) | | | ( ) |
| Net To Line 2—Summary (Line 13 less Line 16) | | | $ 25,000.00 |

### FUNDS DISBURSED

EXPENDITURES

| | | |
|---|---|---|
| 17. Schedule B | | $ 34,789.81 |
| 19. Less: Utility Deposits Refundable | $ | |
| 20. Less: Rent Deposits Refundable | $ | |
| 21. Less: Other | $ | |
| 22. TOTAL (Add Lines 19, 20, 21) | | ( ) |
| Net To Line 5A—Summary (Line 18 less Line 22) | | $ 34,789.81 |

### LOAN ACCOUNT

| | |
|---|---|
| 23. Loan Account Balance—Last Report | $ |
| 24. Loans Received this Period—Schedule C—Part I | $ |
| 25. SUBTOTAL (Add Lines 24 & 25) | $ |
| 26. Less: Loans Repaid This Period—Schedule C—Part II | ( ) |
| Loan Balance to Date—to Line 3—Summary | $ |

# SCHEDULE A
## ITEMIZATION OF CONTRIBUTIONS OVER $100

*American Conservative Trust State Election Fund*

Full Name of Candidate or Committee

| (Mo., Day, Year) | Contributor's Full Name, Mailing Address, and ZIP Code (List Alphabetically) | Occupation and Principal Place of Business Of Contributions of More Than $250 In the Aggregate | Amount of Receipt This Period |
|---|---|---|---|
| 10/25/85 | *Mrs. St. John Garwood*<br>*1802 San Gabriel*<br>*Austin, TX 78701* | Aggregate to Date<br>$68,658.69 | This period<br>$<br>25,000.00 |
| | | Aggregate to Date<br>$ | This period<br>$ |
| | | Aggregate to Date<br>$ | This period<br>$ |
| | | Aggregate to Date<br>$ | This period<br>$ |
| | | Aggregate to Date<br>$ | This period<br>$ |
| | | Aggregate to Date<br>$ | This period<br>$ |
| | | Aggregate to Date<br>$ | This period<br>$ |
| | | Aggregate to Date<br>$ | This period<br>$ |
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TOTAL THIS PERIOD $_____
(Complete only if this is last page of Schedule A)

_____ Page_____of_____

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AMERICAN CONSERVATIVE TRUST STATE ELECTION FUND
CASH DISBURSEMENTS
PERIOD OCTOBER 25, 1985 THRU NOVEMBER 30, 1985

SCHEDULE B

| DATE | PAYEE | AMOUNT | DESCRIPTION |
|---|---|---|---|
| 10/31/85 | DURETTE FOR GOV | 16,000.00 | POL. CONTRIBUTION |
| 10/31/85 | ROBERT GOODMAN AGENCY | 10,000.00 | ADVERTISEMENT |
| 10/31/85 | IRS | 276.00 | 3RD QTR P/R TAX |
| 10/31/85 | DC TREASURER | 67.63 | JULY W/H TAX |
| 10/31/85 | DC DOES | 1,440.63 | UNEMPLOYMENT TAX |
| 10/31/85 | VA DEPT OF TAX | 10.00 | FILING FEES |
| 11/30/85 | UNITED VIRGINIA | 1,000.00 | PUB. RELATIONS/FUNDRAISIN |
| 11/30/85 | PUBLIC MANAGEMENT INST | 2,500.00 | CONSULTANT FEE |
| 11/30/85 | CLIFF SMITH | 8.00 | CABS |
| 11/30/85 | LA BRASSERIE | 65.35 | PUB. RELATIONS |
| 11/30/85 | C. CHANNELL | 3,000.00 | CONSULTANT FEE |
| 11/30/85 | ENTRE COMPUTERS | 74.20 | COMPUTER SUPPLIES |
| 11/30/85 | CLIFF SMITH | 8.00 | CABS |
| 11/30/85 | CASH | 150.00 | PETTY CASH/CABS, MISC SUP |
| 11/30/85 | DAVID WHITEHILL | 190.00 | MAINTENANCE |
| | TOTAL | 34,789.81 | |

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

December 16, 1988

Mr. Krishna Littledale
420 Bay Avenue
Prince Frederick, MD 20678

RE: MUR 2406

Dear Mr. Littledale:

Enclosed herein is a check in the amount of $51.60. This check is in payment of the witness fee and mileage expense for your deposition taken on November 17, 1988, at the Federal Election Commission in Washington, D.C.

Sincerely,

Lawrence Noble
General Counsel

BY: Lois G. Lerner
Associate General Counsel

Enclosure
Check for $51.60

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**United States Treasury** 15-51/000 W 030,245,825

Check No.

12 05 88 91 WASHINGTON, D.C. 3007 64652371

141913 00 KRISHNA LITTLEDALE 95350001

Pay to the order of F E C WASH DC

KRISHNA LITTLEDALE

$******51*60

WITNESS FEE NOV 18 1988
FED ELEC COMM
PO NO 9AW026

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[redacted] [redacted]

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

January 13, 1989

F. Clifton Smith
4757 Chevy Chase Drive, #315
Chevy Chase, Maryland 20815

RE: MUR 2406

Dear Mr. Smith:

Enclosed is a check for thirty-four dollars and fifty cents ($34.50), which represents the witness fee and mileage reimbursement for your deposition that occurred on December 7, 1988, in the Office of the General Counsel, Federal Election Commission, Washington, D.C. At the deposition, you were informed that the check would be mailed to you once it had been prepared.

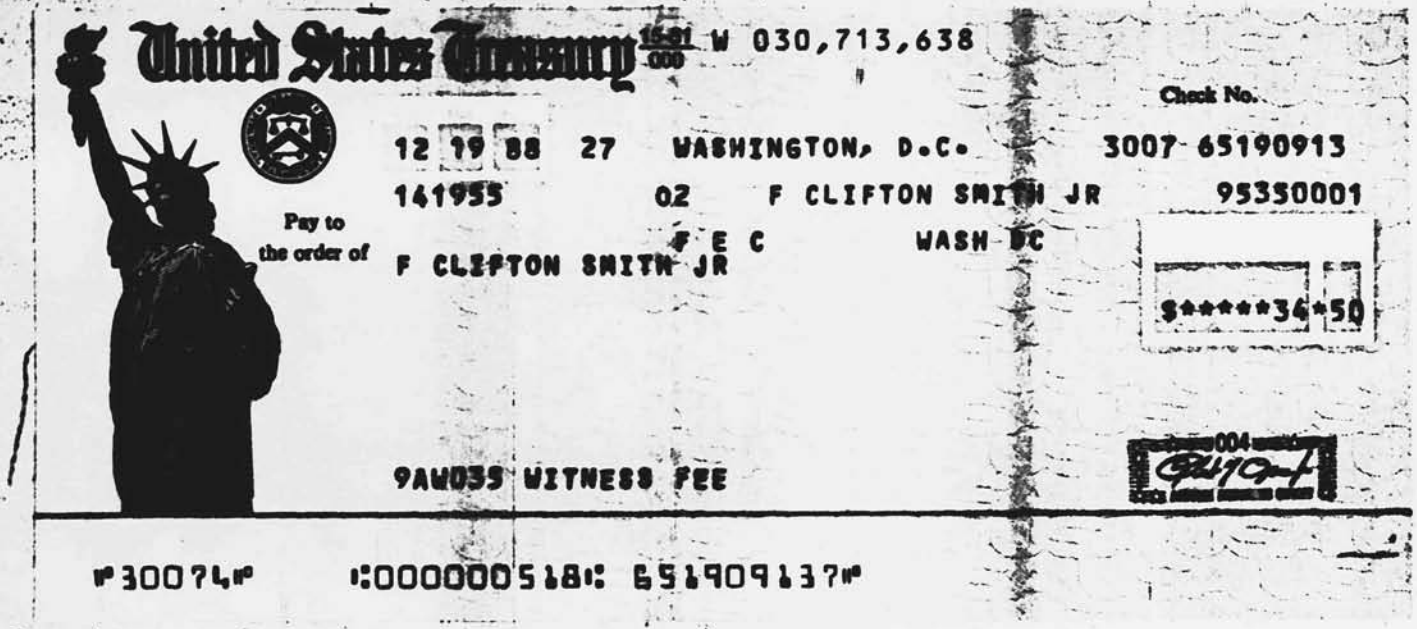
If you have any questions, please contact Sandra H. Robinson, the attorney assigned to this matter, at (202) 376-8200.

Sincerely,

Lawrence M. Noble
General Counsel

Enclosure

9004079328



United States Treasury 15-91 000 W 030,713,638

Check No.

12 19 88 27 WASHINGTON, D.C. 3007 65190913

141955 02 F CLIFTON SMITH JR 95350001

Pay to the order of F E C WASH DC

F CLIFTON SMITH JR

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FEDERAL ELECTION COMMISSION
MAIL ROOM

89 JAN 17 PM 1:10

**F. CLIFTON SMITH**
4757 Chevy Chase Drive-#315
Chevy Chase, Maryland 20815
(301) 652-3347

89 JAN 17 PM 3:35

January 8, 1989

Mr. Lawrence M. Noble, Esq.
General Counsel
Federal Election Commission
999 E Street, NW
Washington, DC 20463

Dear Mr. Noble:

On December 7, 1988, I met with Sandra Robinson to provide a deposition in response to MUR 2406.

I do hereby respectfully request, due to personal privacy concerns, that there be several deletions from the public record from my deposition. I would be most grateful if you would delete the following:

page 3: lines 12-17
page 4: lines 12-17

These are comments regarding my home address, home telephone number (which is unpublished), and employment.

I appreciate your attention to my request.

Sincerely,

F. Clifton Smith

cc: Sandra Robinson

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BEFORE THE FEDERAL ELECTION COMMISSION

SENSITIVE

| | | |
|---|---|---|
| In the matter of<br><br>National Endowment for the Preservation of Liberty; Carl Russell Channell; Sentinel; American Conservative Trust State Election Fund; American Conservative Trust and Carl R. Channell, as treasurer<br><br>Anti-Terrorism American Committee and Carl R. Channell, as treasurer | ) | MUR 2406 |

EXECUTIVE SESSION
MAR 07 1989

GENERAL COUNSEL'S REPORT

On October 24, 1988, the Commission approved a subpoena to Blakemore & Killough, a New York advertising agency, in order to determine if payments were made to it by the National Endowment for the Preservation of Liberty ("NEPL") with respect to independent expenditures reported by the Anti-Terrorism American Committee ("ATAC"). Previously, in June 1988, the Commission had approved subpoenas for the depositions of Krishna Littledale, Clifton Smith, and Jane McLaughlin, fundraisers for Carl Russell Channell and his organizations.

Blakemore & Killough responded to the Commission's subpoena on December 5, 1988. The deposition of Krishna Littledale took place on November 18, 1988, and that of Clifton Smith on December 9, 1988. At the time this Office contacted Jane McLaughlin, she was in the process of moving from Pennsylvania to Florida. After reviewing the testimony from Littledale and Smith as well as other information obtained in the course of the Commission's investigation in this matter, this Office will

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determine whether Ms. McLaughlin's testimony will be necessary to complete the investigation. The Commission had also previously approved subpoenas for written testimony and documents from Arthur J. Finkelstein & Associates and Legi-Tech, doing business as Washington On-Line. Responses to these subpoenas were received and circulated in Comprehensive Investigative Reports #6 and #7.

On the basis of the evidence adduced to date, this Office concludes that further findings are warranted.

**LEGAL AND FACTUAL ANALYSIS**

The Federal Election Campaign Act of 1971, as amended (the"Act"), defines "contribution" and "expenditure" to include any gift of money or anything of value (i.e. in-kind contributions) made for the purpose of influencing any federal election. 2 U.S.C. §§ 431(8)(A) and 431(9)(A); see also, 2 U.S.C. § 441b(b)(2). Any organization or group of persons that receives more than $1,000 in contributions or makes more than $1,000 in expenditures in any calendar year becomes a political committee under the Act and must register and report. 2 U.S.C. §§ 431(4)(A), 433, and 434. The Act further prohibits any corporation whatever from making any contribution or expenditure in connection with a federal election, prohibits any political committee from knowingly accepting such a contribution or expenditure, and prohibits any officer or director of a corporation from consenting to such a contribution or expenditure. 2 U.S.C. § 441b.

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I. Anti-Terrorism American Committee (ATAC)

1. Independent Expenditures By ATAC

In the General Counsel's Report, signed October 19, 1988, this Office pointed out that after responding to inquiries from the Reports Analysis Division, the federal account of the Anti-Terrorism American Committee disclosed making $22,000 in independent expenditures on behalf of Linda Chavez's candidacy for the U.S. Senate in Maryland in 1986. A copy of ATAC's amended report was attached to the General Counsel's Report. We also pointed out that the non-federal account (the Anti-Terrorism American Committee State Election Fund or "ATACSEF") had disclosed in its filings with the District of Columbia Office of Campaign Finance the making of $12,770 in expenditures for "ad campaign-Senate races." Both the federal and non-federal account payments were made to the same vendor, Blakemore & Killough. We also noted that documents released by the House and Senate Select Committees listed a total of $84,900 in payment to this firm by NEPL in 1986. On this basis, the Commission issued a subpoena to Blakemore & Killough for information relating to these payments.

The response by Blakemore & Killough, which includes their response to the House and Senate Select Committees, shows that it received payments of $12,750 and $22,000 from ATAC and $26,000 from NEPL with respect to its work on advertising connected to the Chavez-Milkulski senatorial election. This information also shows that the firm dealt primarily with Carl R. Channell and Dan Conrad regarding the creation and airing of these ads. See Attachment 1. The firm's response states the ads ran over the

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Labor Day weekend. Labor Day fell on September 1, 1986. The remainder of the payments by NEPL to the firm ($58,900) relate to IRA advertising. The scripts for these ads indicate that they had no apparent relationship to any federal election or candidate. Therefore, this Office concludes there is reason to believe the payment by NEPL of $26,000 was made in connection with ATAC's independent expenditures. NEPL's payment was consented to by Carl R. Channell, an officer of NEPL. There is also reason to believe ATAC knowingly accepted NEPL's contribution.

In CIR #6, signed August 8, 1988, and the General Counsel's Report, signed October 19, 1988, we noted that NEPL had paid Arthur J. Finkelstein & Associates $35,500 on August 11, 1986, for a survey related to the California and Maryland Senate elections and $19,900 on September 5, 1986, for exit polling of the Maryland Democratic primary. The proposal from the Finkelstein firm to Carl R. Channell dated August 6, 1986, indicates that $10,000 of the $35,500 for the California/Maryland survey was attributed to Maryland. See CIR #6 (Attachment 5, page 59).

These surveys, commissioned and paid for by NEPL and arranged by Carl R. Channell, occurred in the same time frame as the preparation and airing of the independent expenditure ads by ATAC with respect to the 1986 Maryland Senate election. In a memorandum of a meeting on August 15, 1986, Mr. Finkelstein told Channell that a direct attack on Rep. Michael Barnes, a candidate for the Democratic Senate nomination, would be risky, resulting

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in raising his name identification and perhaps propelling him into the general election and a Senate victory. Instead, Mr. Finkelstein recommended direct ideological attacks comparing Rep. Barbara Milkulski, the leading candidate for the Democratic Senate nomination, and Linda Chavez, the leading candidate for the Republican Senate nomination. He also proposed draft ads to that effect. See CIR #6 (Attachment 6 at pp. 72 and 75). The ads prepared by Blakemore & Killough and aired shortly thereafter did compare Milkulski and Chavez.

This relationship is further corroborated by Kris Littledale's testimony is his deposition conducted by this Office in November 1988. Littledale was asked how ATAC may have contributed to Michael Barnes's defeat in the Democratic primary. He responded:

> In the final couple of weeks before the Democratic primary, ATAC ran a series of ads which depicted the election as being between Linda Chavez and Barbara Milkulski. The purpose of these ads was to give you Democratic voters the impression that Barbara Milkulski's nomination for the Democratic nominee race for Senate as a foregone conclusion. Congressman Barnes at that point was trailing but not by too much and was in the midst of a last-minute effort to raise funds for a last-minute television blitz before the primary. The idea of the ads was by suggesting Barbara Milkulski already was the de facto nominee. And it would damage Congressman Barnes' fundraising and thereby ensure he would not get the Democratic nomination for Senate, that was successful that he got his clock cleaned.

The information produced to date in this investigation indicates that ATAC was the only Channell organization that engaged in any independent expenditure advertising with respect to this Senate election. As noted in the General Counsel's Report, signed October 19, 1988, Carl Channell and Kris

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Littledale sent Lt. Col. Oliver North a telegram on September 9, 1986, on behalf of ATAC in which they claimed ATAC had participated in the defeat of Congressman Michael Barnes in the Maryland Democratic primary. Therefore, this Office concludes there is reason to believe NEPL's combined payments of $29,900 for the Maryland surveys were also made in connection with ATAC's independent expenditures and constituted in-kind contributions to ATAC, which it knowingly accepted. They were also consented to by Carl R. Channell.

As noted, ATAC has chosen to operate with a federal account (ATAC) and a non-federal account (ATACSEF). Commission regulations permit a political committee to establish two such accounts but further require that all disbursements related to federal elections be made from only the federal account that is registered with the Commission as a political committee. 11 C.F.R. § 102.5(a). The reports filed by the non-federal account with the District of Columbia show that although it received contributions from only a few individuals, most of these individuals contributed more than $5,000 in 1986. As noted, ATACSEF also paid $12,770 to Blakemore & Killough with respect to the Chavez-Milkulski ads. Therefore, there is also reason to believe ATAC and ATACSEF have not made all disbursements with respect to a federal election from the federal account but made such disbursements from the nonfederal account.

In addition, to these payments, the reports filed by the non-federal account of ATAC suggest that other payments by it may be related to the Chavez-Milkulski campaign and advertising. See

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Attachment 2. The pre-general election report discloses an October 2, 1986, payment to ZGS Television Production of $217.83 for "Milkulski/Chavez Commercial editing & production." Other payments disclosed in the October report of the non-federal account for travel, consulting, and publicity occurring within the time frame when the ads were produced and aired may also be expenses related to the Chavez-Milkulski campaign activity. We note that these reports do not indicate any other significant activity or project by ATAC or ATACSEF during the relevant time frames other than the Chavez-Milkulski activity.

For instance, the report discloses a payment of $1,500 to United Virginia Bank for Visa charges related to meeting expenses on August 19, 1986, and a payment to cash of $350 on August 22, 1986, for "New York Travel/meeting." The report also discloses payments to Rafael Flores of $700 for consulting on August 28, $1,148.04 on September 3 for reimbursements for expenses for a press conference in Baltimore, and reimbursements of $29.31 on September 5 for maps, cab, and phone. There were also payments made to Radio-TV Monitoring Service of $79.00 on September 3 for "Dub tapes CH 7 News" and to PRAIDS of $66 on August 28 for "postage for press release" and $303.65 on September 4 for "computer address, mailing television messages." We also note that ATACSEF made payments of $3,192.50 on October 9, 1986, and $5,944 on September 9, 1986, to the Washington Times for advertising. Therefore, the proposed interrogatories and request for documents to ATAC and ATACSEF inquire about these and other payments.

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Moreover, ATAC has failed to report the receipt of any of NEPL's and ATACSEF's payments as in-kind contributions made in connection with ATAC's independent expenditures.

2. Change of Treasurer by ATAC

The Act provides that no contribution or expenditure shall be accepted or made by or on behalf of a political committee during any period in which the office of treasurer is vacant. 2 U.S.C. § 432(a). The Act further requires that any change in information previously submitted in a statement of organization shall be reported within 10 days of the change. 2 U.S.C. § 433(c).

When ATAC originally registered with the Commission, it identified Edward Dean Miles as its treasurer and custodian of records. The registration of ATACSEF with the District of Columbia Office of Campaign Finance further identified Carl R. Channell as chairman. In January 1987, ATAC filed an amendment to identify J. Parker Bailey as treasurer and custodian of records. In an October 1987 letter to Carl R. Channell as chairperson of ATAC, Mr. Bailey withdrew as treasurer of ATAC, both its federal and non-federal accounts, although he indicated he could still perform the accounting work for the organization. In a January 1988 letter to Channell, Bailey informed him that his firm could no longer do the accounting work, including the filing of FEC reports, for ATAC. Bailey, however, did not inform the Commission of his resignation as treasurer until he wrote the RAD analyst in March 1988. See Attachment 3, pages 41-44.

In August 1988, the Commission received a letter signed by

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Angela Davis changing the address of ATAC from a Prince Frederick, Maryland, address to 515 2nd Street, N.E., Washington, D.C. 20002. See Attachment 3, page 45. ATAC has continued to file reports with the Commission with Ms. Davis signing the reports. See Attachment 3, pages 46-56. On February 1, 1989, ATAC filed its 1988 Year End Report. Accompanying this report was a letter notifying the Commission that ATAC had a new address and that Channell is the new treasurer. See Attachment 3, pages 57-62.

Therefore, there is reason to believe ATAC has failed to report a change of treasurer within 10 days of such change.

II. California Polling Expenses

As pointed out in CIR #6, in addition to the $29,900 paid for polling in Maryland, NEPL also paid the Finkelstein firm $25,500 for the California portion of the California-Maryland survey. A review of the questions asked in the California survey along with the analysis of the poll shows that this survey was primarily a political poll to determine voter attitudes in the Senate election between Senator Alan Cranston and Representative Ed Zschau and the saliency of certain issues, principally the Strategic Defense Initiative, national security, and terrorism on voter choices in that election. See CIR #6 (Attachment 5 at 63 and Attachment 9 at 89-96).

The survey summary notes that it was "administered to 1,010 persons registered and intending to vote in this November's election." It further concluded:

> ...There emerges a two-level strategy. First public concern about S.D.I. must be raised. Second, Alan

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> Cranston must be labeled as an opponent of S.D.I.
>
> ...
>
> ...The S.D.I. issue has the ideological direction and intensity necessary to help Zschau regain that conservative base.

The Finkelstein firm also prepared in the summer of 1986 several draft ads incorporating SDI and other themes in attacks on Sen. Cranston. See CIR #6 (Attachment 6 at 70-71 and 74 and Attachment 7 at 78-79 and 84). Although there is no evidence at this time that any Channell organization aired any ads regarding the Cranston-Zschau Senate election or provided the results of this poll to any candidate or political committee, there is reason to believe NEPL's $25,500 payment for this poll constituted an expenditure in connection with, and for the purpose of influencing, a federal election.

**III. SDI Polling Expenses**

The remaining $95,000 in payments by NEPL to the Finkelstein firm were for surveys conducted in June and July 1986. These surveys were also conducted to gauge voter attitudes regarding SDI and other national security issues and to determine their saliency in the 1986 elections. See CIR #6 (Attachment 3 at 8-17). The surveys were "administered to 4,039 voters within 20 Congressional Districts whose Representatives [were] considered swing voters on the Strategic Defense Initiative...." The firm also conducted an incumbent vulnerability benchmark survey in these districts in conjunction with the SDI survey. See CIR #6 (Attachment 4 at 27-58).

The analysis of the surveys noted that "[i]n every one of the 20 districts surveyed, opposition to SDI has the potential to

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significantly erode a candidate's popularity." It compared the saliency of SDI to that of the Panama Canal treaty in the 1970s. The Finkelstein firm also prepared draft ads incorporating the SDI issue. See CIR #6 (Attachment 7 at 81-82). The separate summaries for each Congressional District also focused on an analysis of the SDI and national security issues as they may have related to the electoral prospects of the incumbent. For instance, the survey summary for the 10th Congressional District of Texas concludes that Carol Rylander, the Republican nominee, was unlikely to defeat Rep. J. J. Pickle unless she made SDI a major and emotional issue to motivate the district's conservative base. See CIR #6 (Attachment 10 at 97-98).

We further note that the transcript of the May 23, 1986, fundraisers meeting (Exhibit 8 of the complaint), in which Channell talked of the solicited money being in effect political contributions to challengers, related to proposed SDI ads rather than the Contra ads. For instance, the transcript states:

> If the incumbent is weak on SDI and the challenger is strong on SDI and the voting population strong on SDI, our saturation educational ads cannot but help the Republican challenger.

Although the transcript states the fundraisers should not explicitly describe the solicited money to prospective donors as a political contribution, the overall tenor of this transcript is that money was to be solicited for the SDI ads which were viewed as having an election-influencing purpose.

When questioned about this transcript in the deposition by the Select Committee, one of Channell's fundraisers, Kris Littledale, made interesting remarks about the SDI issue compared

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with the Contra issue, the subject of the earlier ads by ACT, NEPL, and Sentinel. Littledale testified that he did not recall Channell having ever made a comment with respect to the Contra ads being a contribution to any candidate. This testimony then followed:

> Q Why are you certain that he did not?
>
> A Well, because the logic that makes that statement that you read a moment ago possible precludes it from being possible with the Central American issue. The reason you can make that statement here is because the SDI issue is enormously popular. Polls consistently show over 60 percent of the population supports a defense against nuclear missiles, therefore, if you are using money to, during the time that an election is taking place, to harp on the SDI issue and the Republican candidate is harping on the SDI issue and the American public is in favor of the SDI issue, then it stands to reason that the more you advertise about SDI, the more you make people think about it, the more they are going to support the candidate who says yes, I favor SDI. You don't have that advantage with Nicaragua because polls have consistently shown that very few people support the idea of aid to the rebels in Nicaragua, or anyway that's the logic we were following.
>
> Q Well, was it not your understanding in connection with the Central American freedom program that the advertisements sponsored by NEPL in support of contra aid would have a carry-over effect on the following Congressional races where contra aid would be an issue in the race?
>
> A I personally never felt that was the case, and I don't recall that ever being a topic of conversation. That is not to say that it wasn't at some point or another.

See Appendix B, Volume 4 of the Select Committees Report at pages 416-417. In his deposition by the Select Committees, Channell also testified that there was not anything in their minds about the Contra ads having any involvement in elections. His counsel, however, did not permit him to answer any questions regarding the SDI ads.

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Although NEPL experienced a surge in general (non-SDI) fundraising in September and October 1986, the proposed SDI ads were apparently never produced or aired. The SDI theme, however, was incorporated into an independent expenditure ad reported by ACT with respect to the Colorado Senate race. This information supports the view that NEPL's $95,000 payment for the SDI surveys were made in connection with and for the purpose of influencing federal elections.

The above transcript and other information also indicates that NEPL solicited gifts of money for the purpose of influencing federal elections. Documents submitted by NEPL in response to the Commission's original findings show that NEPL raised $249,500 that was identified as for "SDI ADS" and deposited it into a separate account denoted as "PALM 4," apparently a reference to an account at The Palmer National Bank where NEPL maintained other accounts. See Attachment 4. Nearly all of these funds were received in June and July 1986. The two largest single donations were identified on a NEPL printout as from Driscoll ($60,000) and King ($150,000).

Exhibit 7 of the complaint includes a quotation in a newspaper article attributed to Mrs. Jane Driscoll that her late husband's $100,000 in contributions to NEPL would be used to influence campaigns and that a substantial portion was for a "Star Wars" project. In response to the Commission's interrogatories, Mrs. Driscoll declaimed any first hand knowledge of her late husband's contributions and said she did not possess any documents relating to them. See CIR #5 (Attachment 4).

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Other persons identified as having made contributions for SDI ads have not been questioned regarding whether they made contributions as defined by the Act when they gave money to NEPL for the SDI ads. Therefore, this Office recommends the Commission further investigate this issue by posing questions to those persons for whom we have addresses and who gave $5,000 or more: May Dougherty King, Mrs. S. Roberts, and Herbert Haley.

## IV. Summary

The Commission initially found reason to believe NEPL had violated 2 U.S.C. §§ 433 and 434 for failing to register and report as a political committee and 2 U.S.C. § 441b for making prohibited corporate contributions and expenditures. The Commission also found reason to believe Carl R. Channell, as an officer of NEPL, had violated 2 U.S.C. § 441b. These findings were based primarily on NEPL's activities with respect to its Central American Freedom Program, involving television ads and related projects. The complaint did not name ATAC as a respondent and made no allegations against ATAC. There have been no previous findings in this matter against ATAC to add it as a respondent. As this report outlines, the Commission's investigation has developed additional, specific information about NEPL's SDI project and its assistance for ATAC's independent expenditures. Therefore, this Office concludes that the Commission should make new findings with respect to NEPL on these new facts as well as adding ATAC as a respondent. Because the investigation is on-going, we also conclude it would be premature to choose between the alternative theories on which the

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investigation has been proceeding. In our view, that choice will require consideration of a multitude of factors and can best be addressed after the conclusion of the investigation. At that time, this Office will present its analysis and recommendations.

Based on the foregoing analysis, this Office recommends the Commission find reason to believe NEPL violated 2 U.S.C. §§ 433, 434, and 441b with respect to the $55,900 in in-kind contributions to ATAC and the $120,500 in expenditures related to the California and SDI surveys and that Carl R. Channell, an officer of NEPL, violated 2 U.S.C. § 441b for consenting to NEPL's contributions and expenditures. We further recommend the Commission find reason to believe ATAC and ATACSEF violated 11 C.F.R. § 102.5(a) with respect to ATACSEF's payments (at least $12,770) related to the Maryland Senate campaign. Finally, we recommend the Commission find reason to believe ATAC violated 2 U.S.C. § 433(c) for failure to report a change in treasurer; 2 U.S.C. § 434(b) for failure to report the receipt of in-kind contributions from NEPL and ATACSEF; and 2 U.S.C. § 441b for knowingly accepting corporate contributions from NEPL.

## V. Recommendations

1. Find reason to believe the National Endowment for the Preservation of Liberty violated 2 U.S.C. §§ 433, 434, and 441b.

2. Find reason to believe Carl R. Channell, an officer of the National Endowment for the Preservation of Liberty, violated 2 U.S.C. § 441b.

3. Find reason to believe the Anti-Terrorism American Committee and the Anti-Terrorism American Committee State Election Fund and Carl R. Channell, as treasurer, violated 11 C.F.R. § 102.5(a).

4. Find reason to believe the Anti-Terrorism American Committee and Carl R. Channell, as treasurer, violated 2 U.S.C.

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SS 433(c), 434(b), and 441b.

5. Approve the attached letters, factual and legal analysis, and interrogatories and request for documents to the Respondents.

6. Approve the attached letters and interrogatories and request for documents to Herbert Haley, May Dougherty King, and Mrs. S. Roberts as nonrespondent witnesses.

2/22/88
Date

Lawrence M. Noble
General Counsel

Attachments
1. Blakemore & Killough response
2. ATACSEF reports
3. ATAC filings
4. SDI ads contributions
5. Proposed letters (2), legal and factual analysis (2), and interrogatories and request for documents (1)
6. Proposed letters (3) and interrogatories and request for documents (3) to nonrespondent witnesses

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FEDERAL ELECTION COMMISSION
WASHINGTON D.C. 20463

MEMORANDUM

TO: LAWRENCE M. NOBLE
GENERAL COUNSEL

FROM: MARJORIE W. EMMONS/JOSHUA MCFADDEN
COMMISSION SECRETARY

DATE: FEBRUARY 27, 1989

SUBJECT: OBJECTIONS TO MUR 2406 - General Counsel's Report
Signed February 22, 1989

The above-captioned document was circulated to the Commission on Thursday, February 23, 1989 at 11:00 a.m.

Objection(s) have been received from the Commissioner(s) as indicated by the name(s) checked below:

| | |
|---|---|
| Commissioner Aikens | X |
| Commissioner Elliott | X |
| Commissioner Josefiak | X |
| Commissioner McDonald | |
| Commissioner McGarry | |
| Commissioner Thomas | |

This matter will be placed on the meeting agenda for March 7, 1989.

Please notify us who will represent your Division before the Commission on this matter.

0004073304

BEFORE THE FEDERAL ELECTION COMMISSION

| | | |
|---|---|---|
| In the Matter of | ) | |
| | ) | |
| National Endowment for the Preservation of Liberty: Carl Russell Channell; Sentinel; American Conservative Trust State Election Fund; American Conservative Trust and Carl R. Channell, as treasurer | ) | MUR 2406 |
| | ) | |
| Anti-Terrorism American Committee and Carl R. Channell, as treasurer | ) | |

CERTIFICATION

I, Hilda Arnold, recording secretary for the Federal Election Commission executive session of March 16, 1989, do hereby certify that the Commission took the following actions in MUR 2406:

1. Decided by a vote of 4-2 to find reason to believe the National Endowment for the Preservation of Liberty violated 2 U.S.C. §§ 433, 434, or in the alternative 441b.

   Commissioners Josefiak, McDonald, McGarry and Thomas voted affirmatively for the decision; Commissioners Aikens and Elliott dissented.

(continued)

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2. Decided by a vote of 6-0 to:

a. Find reason to believe Carl R. Channell, an officer of the National Endowment for the Preservation of Liberty, violated 2 U.S.C. § 441b.

b. Find reason to believe the Anti-Terrorism American Committee and the Anti-Terrorism American Committee State Election Fund and Carl R. Channell, as treasurer, violated 11 C.F.R. § 102.5(a).

c. Find reason to believe the Anti-Terrorism American Committee and Carl R. Channell, as treasurer, violated 2 U.S.C. §§ 433(c), 434(b), and 441b.

d. Approve the letters, factual and legal analysis, and interrogatories and request for documents to the Respondents, as recommended in the General Counsel's Report dated February 22, 1989, as amended at the meeting; and that the amended factual and legal analysis be circulated to the Commission on a no objection basis.

(continued)

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e. Approve the attached letters and interrogatories and request for documents to Herbert Haley, May Dougherty King, and Mrs. S. Roberts as nonrespondent witnesses.

Commissioners Aikens, Elliott, Josefiak, McDonald, McGarry and Thomas voted affirmatively for these decisions.

Attest:

March 17, 1989
Date

Hilda Arnold
Administrative Assistant

9004079307

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

March 24, 1989

**CERTIFIED MAIL**
**RETURN RECEIPT REQUESTED**

Mrs. S. Roberts
6700 Hunters Glen Road
Dallas, TX 75205

**RE: MUR 2406**

Dear Mrs. Roberts:

The Federal Election Commission has the statutory duty of enforcing the Federal Election Campaign Act of 1971, as amended, and Chapters 95 and 96 of Title 26, United States Code. The Commission has issued the attached questions which require you to provide certain information in connection with an investigation it is conducting. The Commission does not consider you a respondent in this matter, but rather a witness only.

Because this information is being sought as part of an investigation being conducted by the Commission, the confidentiality provision of 2 U.S.C. § 437g(a)(12)(A) applies. That section prohibits making public any investigation conducted by the Commission without the express written consent of the person with respect to whom the investigation is made. You are advised that no such consent has been given in this case.

You may consult with an attorney and have an attorney assist you in the preparation of your responses to these questions. However, you are required to submit the information with 15 days of your receipt of these questions. All answers to questions must be submitted under oath.

9004079308

If you have any questions, please contact Sandra Robinson, the attorney assigned to this matter, at (800) 424-9530.

Sincerely,

Lawrence M. Noble
General Counsel

Enclosure
Questions

9004079530 9

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of ) MUR 2406

INTERROGATORIES AND REQUEST FOR PRODUCTION OF DOCUMENTS

TO: Mrs. S. Roberts
6700 Hunters Glen Road
Dallas, TX 75205

In furtherance of its investigation in the above-captioned matter, the Federal Election Commission hereby requests that you submit answers in writing and under oath to the questions set forth below within 15 days of your receipt of this request. In addition, the Commission hereby requests that you produce the documents specified below, in their entirety, for inspection and copying at the Office of the General Counsel, Federal Election Commission, Room 659, 999 E Street, N.W., Washington, D.C. 20463, on or before the same deadline, and continue to produce those documents each day thereafter as may be necessary for counsel for the Commission to complete their examination and reproduction of those documents. Clear and legible copies or duplicates of the documents which, where applicable, show both sides of the documents may be submitted in lieu of the production of the originals.

2004079310

**INSTRUCTIONS**

In answering these interrogatories and request for production of documents, furnish all documents and other information, however obtained, including hearsay, that is in possession of, known by or otherwise available to you, including documents and information appearing in your records.

Each answer is to be given separately and independently, and unless specifically stated in the particular discovery request, no answer shall be given solely by reference either to another answer or to an exhibit attached to your response.

The response to each interrogatory propounded herein shall set forth separately the identification of each person capable of furnishing testimony concerning the response given, denoting separately those individuals who provided informational, documentary or other input, and those who assisted in drafting the interrogatory response.

If you cannot answer the following interrogatories in full after exercising due diligence to secure the full information to do so, answer to the extent possible and indicate your inability to answer the remainder, stating whatever information or knowledge you have concerning the unanswered portion and detailing what you did in attempting to secure the unknown information.

Should you claim a privilege with respect to any documents, communications, or other items about which information is requested by any of the following interrogatories and requests for production of documents, describe such items in sufficient detail to provide justification for the claim. Each claim of privilege must specify in detail all the grounds on which it rests.

Unless otherwise indicated, the discovery request shall refer to the time period from January 1, 1986 to December 31, 1986.

The following interrogatories and requests for production of documents are continuing in nature so as to require you to file supplementary responses or amendments during the course of this investigation if you obtain further or different information prior to or during the pendency of this matter. Include in any supplemental answers the date upon which and the manner in which such further or different information came to your attention.

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**DEFINITIONS**

For the purpose of these discovery requests, including the instructions thereto, the terms listed below are defined as follows:

"You" shall mean the named respondent in this action to whom these discovery requests are addressed, including all officers, employees, agents or attorneys thereof.

"Persons" shall be deemed to include both singular and plural, and shall mean any natural person, partnership, committee, association, corporation, or any other type of organization or entity.

"Document" shall mean the original and all non-identical copies, including drafts, of all papers and records of every type in your possession, custody, or control, or known by you to exist. The term document includes, but is not limited to books, letters, contracts, notes, diaries, log sheets, records of telephone communications, transcripts, vouchers, accounting statements, ledgers, checks, money orders or other commercial paper, telegrams, telexes, pamphlets, circulars, leaflets, reports, memoranda, correspondence, surveys, tabulations, audio and video recordings, drawings, photographs, graphs, charts, diagrams, lists, computer print-outs, and all other writings and other data compilations from which information can be obtained.

"Identify" with respect to a document shall mean state the nature or type of document (e.g., letter, memorandum), the date, if any, appearing thereon, the date on which the document was prepared, the title of the document, the general subject matter of the document, the location of the document, the number of pages comprising the document.

"Identify" with respect to a person shall mean state the full name, the most recent business and residence addresses and the telephone numbers, the present occupation or position of such person, the nature of the connection or association that person has to any party in this proceeding. If the person to be identified is not a natural person, provide the legal and trade names, the address and telephone number, and the full names of both the chief executive officer and the agent designated to receive service of process for such person.

"And" as well as "or" shall be construed disjunctively or conjunctively as necessary to bring within the scope of these interrogatories and requests for the production of documents any documents and materials which may otherwise be construed to be out of their scope.

9004075314

1. Records indicate that you made a contribution of $5,000 to the National Endowment for the Preservation of Liberty on June 23, 1986.

a. State whether you made such a contribution.

b. Provide a copy of the check, wire transfer, or other instrument used to make this contribution.

2. State whether you made this contribution to pay for advertising about the Strategic Defense Initiative or SDI.

3. State whether you were told or made aware in any manner that your contribution or the SDI advertising would have any influence on any election for any federal office and, if so, describe in detail what you were told and by whom.

4. State whether you made this contribution in order that it would be used in any manner to influence any election for any federal office.

5. Provide copies of all documents related to the solicitation and the making of this contribution.

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

March 24, 1989

**CERTIFIED MAIL**
**RETURN RECEIPT REQUESTED**

May Dougherty King
4002 Ocean Drive
Corpus Christi, TX 78411

RE: MUR 2406

Dear Ms. King:

The Federal Election Commission has the statutory duty of enforcing the Federal Election Campaign Act of 1971, as amended, and Chapters 95 and 96 of Title 26, United States Code. The Commission has issued the attached questions which require you to provide certain information in connection with an investigation it is conducting. The Commission does not consider you a respondent in this matter, but rather a witness only.

Because this information is being sought as part of an investigation being conducted by the Commission, the confidentiality provision of 2 U.S.C. § 437g(a)(12)(A) applies. That section prohibits making public any investigation conducted by the Commission without the express written consent of the person with respect to whom the investigation is made. You are advised that no such consent has been given in this case.

You may consult with an attorney and have an attorney assist you in the preparation of your responses to these questions. However, you are required to submit the information with 15 days of your receipt of these questions. All answers to questions must be submitted under oath.

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If you have any questions, please contact Sandra Robinson, the attorney assigned to this matter, at (800) 424-9530.

Sincerely,

Lawrence M. Noble
General Counsel

Enclosure
Questions

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BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of ) MUR 2406

INTERROGATORIES AND REQUEST FOR PRODUCTION OF DOCUMENTS

TO: May Dougherty King
4002 Ocean Drive
Corpus Christi, TX 78411

In furtherance of its investigation in the above-captioned matter, the Federal Election Commission hereby requests that you submit answers in writing and under oath to the questions set forth below within 15 days of your receipt of this request. In addition, the Commission hereby requests that you produce the documents specified below, in their entirety, for inspection and copying at the Office of the General Counsel, Federal Election Commission, Room 659, 999 E Street, N.W., Washington, D.C. 20463, on or before the same deadline, and continue to produce those documents each day thereafter as may be necessary for counsel for the Commission to complete their examination and reproduction of those documents. Clear and legible copies or duplicates of the documents which, where applicable, show both sides of the documents may be submitted in lieu of the production of the originals.

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## INSTRUCTIONS

In answering these interrogatories and request for production of documents, furnish all documents and other information, however obtained, including hearsay, that is in possession of, known by or otherwise available to you, including documents and information appearing in your records.

Each answer is to be given separately and independently, and unless specifically stated in the particular discovery request, no answer shall be given solely by reference either to another answer or to an exhibit attached to your response.

The response to each interrogatory propounded herein shall set forth separately the identification of each person capable of furnishing testimony concerning the response given, denoting separately those individuals who provided informational, documentary or other input, and those who assisted in drafting the interrogatory response.

If you cannot answer the following interrogatories in full after exercising due diligence to secure the full information to do so, answer to the extent possible and indicate your inability to answer the remainder, stating whatever information or knowledge you have concerning the unanswered portion and detailing what you did in attempting to secure the unknown information.

Should you claim a privilege with respect to any documents, communications, or other items about which information is requested by any of the following interrogatories and requests for production of documents, describe such items in sufficient detail to provide justification for the claim. Each claim of privilege must specify in detail all the grounds on which it rests.

Unless otherwise indicated, the discovery request shall refer to the time period from January 1, 1986 to December 31, 1986.

The following interrogatories and requests for production of documents are continuing in nature so as to require you to file supplementary responses or amendments during the course of this investigation if you obtain further or different information prior to or during the pendency of this matter. Include in any supplemental answers the date upon which and the manner in which such further or different information came to your attention.

0004075317

**DEFINITIONS**

For the purpose of these discovery requests, including the instructions thereto, the terms listed below are defined as follows:

"You" shall mean the named respondent in this action to whom these discovery requests are addressed, including all officers, employees, agents or attorneys thereof.

"Persons" shall be deemed to include both singular and plural, and shall mean any natural person, partnership, committee, association, corporation, or any other type of organization or entity.

"Document" shall mean the original and all non-identical copies, including drafts, of all papers and records of every type in your possession, custody, or control, or known by you to exist. The term document includes, but is not limited to books, letters, contracts, notes, diaries, log sheets, records of telephone communications, transcripts, vouchers, accounting statements, ledgers, checks, money orders or other commercial paper, telegrams, telexes, pamphlets, circulars, leaflets, reports, memoranda, correspondence, surveys, tabulations, audio and video recordings, drawings, photographs, graphs, charts, diagrams, lists, computer print-outs, and all other writings and other data compilations from which information can be obtained.

"Identify" with respect to a document shall mean state the nature or type of document (e.g., letter, memorandum), the date, if any, appearing thereon, the date on which the document was prepared, the title of the document, the general subject matter of the document, the location of the document, the number of pages comprising the document.

"Identify" with respect to a person shall mean state the full name, the most recent business and residence addresses and the telephone numbers, the present occupation or position of such person, the nature of the connection or association that person has to any party in this proceeding. If the person to be identified is not a natural person, provide the legal and trade names, the address and telephone number, and the full names of both the chief executive officer and the agent designated to receive service of process for such person.

"And" as well as "or" shall be construed disjunctively or conjunctively as necessary to bring within the scope of these interrogatories and requests for the production of documents any documents and materials which may otherwise be construed to be out of their scope.

2004079318

1. Records indicate that you made a contribution of $150,000 to the National Endowment for the Preservation of Liberty on June 16, 1986.

a. State whether you made such a contribution.

b. Provide a copy of the check, wire transfer, or other instrument used to make this contribution.

2. State whether you made this contribution to pay for advertising about the Strategic Defense Initiative or SDI.

3. State whether you were told or made aware in any manner that your contribution or the SDI advertising would have any influence on any election for any federal office and, if so, describe in detail what you were told and by whom.

4. State whether you made this contribution in order that it would be used in any manner to influence any election for any federal office.

5. Provide copies of all documents related to the solicitation and the making of this contribution.

2004079319

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

March 24, 1989

**CERTIFIED MAIL**
**RETURN RECEIPT REQUESTED**

Herbert P. Haley
P.O. Box 47
Albany, GA 31703

RE: MUR 2406

Dear Mr. Haley:

The Federal Election Commission has the statutory duty of enforcing the Federal Election Campaign Act of 1971, as amended, and Chapters 95 and 96 of Title 26, United States Code. The Commission has issued the attached questions which require you to provide certain information in connection with an investigation it is conducting. The Commission does not consider you a respondent in this matter, but rather a witness only.

Because this information is being sought as part of an investigation being conducted by the Commission, the confidentiality provision of 2 U.S.C. § 437g(a)(12)(A) applies. That section prohibits making public any investigation conducted by the Commission without the express written consent of the person with respect to whom the investigation is made. You are advised that no such consent has been given in this case.

You may consult with an attorney and have an attorney assist you in the preparation of your responses to these questions. However, you are required to submit the information with 15 days of your receipt of these questions. All answers to questions must be submitted under oath.

2004075320

If you have any questions, please contact Sandra Robinson, the attorney assigned to this matter, at (800) 424-9530.

Sincerely,

Lawrence M. Noble
General Counsel

Enclosure
Questions

2004079321

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of )
)
) MUR 2406
)

INTERROGATORIES AND REQUEST
FOR PRODUCTION OF DOCUMENTS

TO: Herbert P. Haley
P.O. Box 47
Albany, GA 31703

In furtherance of its investigation in the above-captioned matter, the Federal Election Commission hereby requests that you submit answers in writing and under oath to the questions set forth below within 15 days of your receipt of this request. In addition, the Commission hereby requests that you produce the documents specified below, in their entirety, for inspection and copying at the Office of the General Counsel, Federal Election Commission, Room 659, 999 E Street, N.W., Washington, D.C. 20463, on or before the same deadline, and continue to produce those documents each day thereafter as may be necessary for counsel for the Commission to complete their examination and reproduction of those documents. Clear and legible copies or duplicates of the documents which, where applicable, show both sides of the documents may be submitted in lieu of the production of the originals.

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**INSTRUCTIONS**

In answering these interrogatories and request for production of documents, furnish all documents and other information, however obtained, including hearsay, that is in possession of, known by or otherwise available to you, including documents and information appearing in your records.

Each answer is to be given separately and independently, and unless specifically stated in the particular discovery request, no answer shall be given solely by reference either to another answer or to an exhibit attached to your response.

The response to each interrogatory propounded herein shall set forth separately the identification of each person capable of furnishing testimony concerning the response given, denoting separately those individuals who provided informational, documentary or other input, and those who assisted in drafting the interrogatory response.

If you cannot answer the following interrogatories in full after exercising due diligence to secure the full information to do so, answer to the extent possible and indicate your inability to answer the remainder, stating whatever information or knowledge you have concerning the unanswered portion and detailing what you did in attempting to secure the unknown information.

Should you claim a privilege with respect to any documents, communications, or other items about which information is requested by any of the following interrogatories and requests for production of documents, describe such items in sufficient detail to provide justification for the claim. Each claim of privilege must specify in detail all the grounds on which it rests.

Unless otherwise indicated, the discovery request shall refer to the time period from January 1, 1986 to December 31, 1986.

The following interrogatories and requests for production of documents are continuing in nature so as to require you to file supplementary responses or amendments during the course of this investigation if you obtain further or different information prior to or during the pendency of this matter. Include in any supplemental answers the date upon which and the manner in which such further or different information came to your attention.

2004075323

**DEFINITIONS**

For the purpose of these discovery requests, including the instructions thereto, the terms listed below are defined as follows:

"You" shall mean the named respondent in this action to whom these discovery requests are addressed, including all officers, employees, agents or attorneys thereof.

"Persons" shall be deemed to include both singular and plural, and shall mean any natural person, partnership, committee, association, corporation, or any other type of organization or entity.

"Document" shall mean the original and all non-identical copies, including drafts, of all papers and records of every type in your possession, custody, or control, or known by you to exist. The term document includes, but is not limited to books, letters, contracts, notes, diaries, log sheets, records of telephone communications, transcripts, vouchers, accounting statements, ledgers, checks, money orders or other commercial paper, telegrams, telexes, pamphlets, circulars, leaflets, reports, memoranda, correspondence, surveys, tabulations, audio and video recordings, drawings, photographs, graphs, charts, diagrams, lists, computer print-outs, and all other writings and other data compilations from which information can be obtained.

"Identify" with respect to a document shall mean state the nature or type of document (e.g., letter, memorandum), the date, if any, appearing thereon, the date on which the document was prepared, the title of the document, the general subject matter of the document, the location of the document, the number of pages comprising the document.

"Identify" with respect to a person shall mean state the full name, the most recent business and residence addresses and the telephone numbers, the present occupation or position of such person, the nature of the connection or association that person has to any party in this proceeding. If the person to be identified is not a natural person, provide the legal and trade names, the address and telephone number, and the full names of both the chief executive officer and the agent designated to receive service of process for such person.

"And" as well as "or" shall be construed disjunctively or conjunctively as necessary to bring within the scope of these interrogatories and requests for the production of documents any documents and materials which may otherwise be construed to be out of their scope.

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1. Records indicate that you made a contribution of $5,000 to the National Endowment for the Preservation of Liberty on July 7, 1986.

a. State whether you made such a contribution.

b. Provide a copy of the check, wire transfer, or other instrument used to make this contribution.

2. State whether you made this contribution to pay for advertising about the Strategic Defense Initiative or SDI.

3. State whether you were told or made aware in any manner that your contribution or the SDI advertising would have any influence on any election for any federal office and, if so, describe in detail what you were told and by whom.

4. State whether you made this contribution in order that it would be used in any manner to influence any election for any federal office.

5. Provide copies of all documents related to the solicitation and the making of this contribution.

2004075325

RECEIVED
FEDERAL ELECTION COMMISSION
89 MAR 27 AM 11:05

**BEFORE THE FEDERAL ELECTION COMMISSION**

| | | |
|---|---|---|
| In the matter of | ) | SENSITIVE |
| National Endowment for the Preservation of Liberty; Carl Russell Channell; Sentinel; American Conservative Trust State Election Fund; American Conservative Trust and Carl R. Channell, as treasurer | ) | MUR 2406 |
| Anti-Terrorism American Committee and Carl R. Channell, as treasurer | ) | |

**GENERAL COUNSEL'S REPORT**

On March 16, 1989, the Commission made certain reason to believe findings with respect to the National Endowment for the Preservation of Liberty ("NEPL") and the Anti-Terrorism American Committee ("ATAC"). The Commission also directed this Office to make certain revisions and additions to the factual and legal analyses to NEPL and ATAC and to prepare questions to NEPL regarding its payments for several polls.

The Commission further directed that these revised documents be circulated on a no objection basis. The revised documents are attached for the Commission's consideration. The revised portions are marked. If no objections are received, these documents will be sent to the Respondents as revised.

3/24/89
Date

Lawrence M. Noble
General Counsel

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Attachments
1. Letter, Factual and Legal Analysis, and Interrogatories and Request for Documents to NEPL
2. Letter, Factual and Legal Analysis, and Interrogatories and Request for Documents to ATAC

Staff persons: George F. Rishel
Sandra Robinson

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

**MEMORANDUM**

TO: LAWRENCE M. NOBLE

FROM: MARJORIE W. EMMONS MWE

DATE: MARCH 29, 1989

SUBJECT: MUR 2406 - GENERAL COUNSEL'S REPORT DATED MARCH 27, 1989.

The above-captioned report was circulated to the Commission at 4:00 p.m. on Monday, March 27, 1989, on a 24-hour no-objection basis.

Commissioner Elliott objected for the record. There were no other objections at the time of the deadline.

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

April 3, 1989

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Carl R. Channell, Treasurer
Anti-Terrorism American Committee
Anti-Terrorism American Committee
State Election Fund
2032 Belmont Road, N.W.
Washington, D.C. 20009

RE: MUR 2406
Anti-Terrorism
American Committee and
Anti-Terrorism American
Committee State Election
Fund and Carl R. Channell,
as treasurer

Dear Mr. Channell:

On March 16, 1989, the Federal Election Commission found that there is reason to believe the Anti-Terrorism American Committee and you, as treasurer, violated 2 U.S.C. §§ 433(c), 434(b), and 441b, provisions of the Federal Election Campaign Act of 1971, as amended ("the Act"); and the Anti-Terrorism American Committee and Anti-Terrorism American Committee State Election Fund and you, as treasurer, violated 11 C.F.R. § 102.5(a) of Commission regulations. The Factual and Legal Analysis, which formed a basis for the Commission's findings, is attached for your information.

Under the Act, you have an opportunity to demonstrate that no action should be taken against the Committees and you, as treasurer. You may submit any factual or legal materials that you believe are relevant to the Commission's consideration of this matter. Please submit such materials to the General Counsel's Office along with answers to the enclosed questions within 15 days of your receipt of this letter. Where appropriate, statements should be submitted under oath.

In the absence of any additional information demonstrating that no further action should be taken against the Committees and you, as treasurer, the Commission may find probable cause to believe that a violation has occurred and proceed with conciliation.

9004075329

If you are interested in pursuing pre-probable cause conciliation, you should so request in writing. See 11 C.F.R. § 111.18(d). Upon receipt of the request, the Office of the General Counsel will make recommendations to the Commission either proposing an agreement in settlement of the matter or recommending declining that pre-probable cause conciliation be pursued. The Office of the General Counsel may recommend that pre-probable cause conciliation not be entered into at this time so that it may complete its investigation of the matter. Further, the Commission will not entertain requests for pre-probable cause conciliation after briefs on probable cause have been mailed to the respondent.

Requests for extensions of time will not be routinely granted. Requests must be made in writing at least five days prior to the due date of the response and specific good cause must be demonstrated. In addition, the Office of the General Counsel ordinarily will not give extensions beyond 20 days.

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 authorizing such counsel to receive any notifications and other communications from the Commission.

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 investigation to be made public.

For your information, we have attached a brief description of the Commission's procedures for handling possible violations of the Act. If you have any questions, please contact Sandra Robinson, the attorney assigned to this matter, at (202) 376-8200.

Sincerely,

Danny L. McDonald

Danny L. McDonald
Chairman

Enclosures
Factual and Legal Analysis
Procedures
Designation of Counsel Form
Questions

0004075330

**FEDERAL ELECTION COMMISSION**

**FACTUAL AND LEGAL ANALYSIS**

**RESPONDENTS:** Anti-Terrorism American Committee and Anti-Terrorism American Committee State Election Fund and Carl R. Channell, as treasurer

**MUR:** 2406

The Federal Election Campaign Act of 1971, as amended (the"Act"), defines "contribution" and "expenditure" to include any gift of money or anything of value (i.e. in-kind contributions) made for the purpose of influencing any federal election. 2 U.S.C. §§ 431(8)(A) and 431(9)(A); see also, 2 U.S.C. § 441b(b)(2). Any organization or group of persons that receives more than $1,000 in contributions or makes more than $1,000 in expenditures in any calendar year becomes a political committee under the Act and must register and report. 2 U.S.C. §§ 431(4)(A), 433, and 434. The required reporting includes in-kind contributions. 11 C.F.R. § 104.13. The Act further prohibits any corporation whatever from making any contribution or expenditure in connection with a federal election and prohibits any political committee from knowingly accepting such a contribution or expenditure. 2 U.S.C. § 441b.

1. **Independent Expenditures By ATAC**

The federal account of the Anti-Terrorism American Committee disclosed making $22,000 in independent expenditures on behalf of Linda Chavez's candidacy for the U.S. Senate in Maryland in 1986. The non-federal account (the Anti-Terrorism American Committee State Election Fund or "ATACSEF") had disclosed in its filings with the District of Columbia Office of Campaign Finance the

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making of $12,770 in expenditures for "ad campaign-Senate races." Both the federal and non-federal account payments were made to the same vendor, Blakemore & Killough. Documents released by the House and Senate Select Committees listed a total of $84,900 in payment to this firm by NEPL in 1986.

Blakemore & Killough received payments of $12,750 from ATACSEF and $22,000 from ATAC and $26,000 from NEPL with respect to its work on advertising connected to the Chavez-Milkulski senatorial election. The firm's response states the ads ran over the Labor Day weekend. Labor Day fell on September 1, 1986. Therefore, there is reason to believe the payment by NEPL of $26,000 was an in-kind contribution to ATAC in connection with ATAC's independent expenditures and reason to believe ATAC knowingly accepted NEPL's contributions.

NEPL had also paid Arthur J. Finkelstein & Associates $35,500 on August 11, 1986, for a survey related to the California and Maryland Senate elections and $19,900 on September 5, 1986, for exit polling of the Maryland Democratic primary. The proposal from the Finkelstein firm to Carl R. Channell dated August 6, 1986, indicates that $10,000 of the $35,500 for the California/Maryland survey was attributed to Maryland.

These surveys, commissioned and paid for by NEPL and arranged by Carl R. Channell, occurred in the same time frame as the preparation and airing of the independent expenditure ads by ATAC with respect to the 1986 Maryland Senate election. In a memorandum of a meeting on August 15, 1986, Mr. Finkelstein told Channell that a direct attack on Rep. Michael Barnes, a candidate

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for the Democratic Senate nomination, would be risky, resulting in raising his name identification and perhaps propelling him into the general election and a Senate victory. Instead, Mr. Finkelstein recommended direct ideological attacks comparing Rep. Barbara Milkulski, the leading candidate for the Democratic Senate nomination, and Linda Chavez, the leading candidate for the Republican Senate nomination. He also proposed draft ads to that effect. The ads prepared by Blakemore & Killough and aired shortly thereafter did compare Milkulski and Chavez.

Carl Channell and Kris Littledale sent Lt. Col. Oliver North a telegram on September 9, 1986, on behalf of ATAC in which they claimed ATAC had participated in the defeat of Congressman Michael Barnes in the Maryland Democratic primary. Therefore, there is reason to believe NEPL's combined payments of $29,900 for the Maryland surveys were also made in connection with ATAC's independent expenditures and constituted in-kind contributions to ATAC, which it knowingly accepted.

ATAC has chosen to operate with a federal account (ATAC) and a non-federal account (ATACSEF). Commission regulations permit a political committee to establish two such accounts but further require that all disbursements related to federal elections be made from only the federal account that is registered with the Commission as a political committee. 11 C.F.R. § 102.5(a). The reports filed by the non-federal account with the District of Columbia show that although it received contributions from only a few individuals, most of these individuals contributed more than $5,000 in 1986. As noted, ATACSEF also paid $12,770 to Blakemore

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& Killough with respect to the Chavez-Milkulski ads. Therefore, there is also reason to believe ATAC and ATACSEF have not made all disbursements with respect to a federal election from its federal account but made such disbursements from its nonfederal account.

In addition, to these payments, the reports filed by the non-federal account of ATAC suggest that other payments by it may be related to the Chavez-Milkulski campaign and advertising. The pre-general election report discloses an October 2, 1986, payment to ZGS Television Production of $217.83 for "Milkulski/Chavez Commercial editing & production." Other payments disclosed in the October report of the non-federal account for travel, consulting, and publicity occurring within the time frame when the ads were produced and aired may also be expenses related to the Chavez-Milkulski campaign activity. These reports do not indicate any other significant activity or project by ATAC or ATACSEF during the relevant time frames other than the Chavez-Milkulski activity.

For instance, the report discloses a payment of $1,500 to United Virginia Bank for Visa charges related to meeting expenses on August 19, 1986, and a payment to cash of $350 on August 22, 1986, for "New York Travel/meeting." The report also discloses payments to Rafael Flores of $700 for consulting on August 28, $1,148.04 on September 3 for reimbursements for expenses for a press conference in Baltimore, and reimbursements of $29.31 on September 5 for maps, cab, and phone. There were also payments made to Radio-TV Monitoring Service of $79.00 on September 3 for

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"Dub tapes CH 7 News" and to PRAIDS of $66 on August 28 for "postage for press release" and $303.65 on September 4 for "computer address, mailing television messages." ATACSEF made payments of $3,192.50 on October 9, 1986, and $5,944 on September 9, 1986, to the Washington Times for advertising.

Moreover, ATAC has failed to report the receipt of any of NEPL's and ATACSEF's payments as in-kind contributions made in connection with ATAC's independent expenditures.

2. Change of Treasurer by ATAC

The Act provides that no contribution or expenditure shall be accepted or made by or on behalf of a political committee during any period in which the office of treasurer is vacant. 2 U.S.C. § 432(a). The Act further requires that any change in information previously submitted in a statement of organization shall be reported within 10 days of the change. 2 U.S.C. § 433(c).

When ATAC originally registered with the Commission, it identified Edward Dean Miles as its treasurer and custodian of records. The registration of ATACSEF with the District of Columbia Office of Campaign Finance further identified Carl R. Channell as chairman. In January 1987, ATAC filed an amendment to identify J. Parker Bailey as treasurer and custodian of records. In an October 1987 letter to Carl R. Channell as chairperson of ATAC, Mr. Bailey withdrew as treasurer of ATAC, both its federal and non-federal accounts, although he indicated he could still perform the accounting work for the organization. In a January 1988 letter to Channell, Bailey informed him that

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his firm could no longer do the accounting work, including the filing of FEC reports, for ATAC. Bailey, however, did not inform the Commission of his resignation as treasurer until March 1988.

In August 1988, the Commission received a letter signed by Angela Davis changing the address of ATAC from a Prince Frederick, Maryland, address to 515 2nd Street, N.E., Washington, D.C. 20002. ATAC has continued to file reports with the Commission with Ms. Davis signing the reports. On February 1, 1989, ATAC filed its 1988 Year End Report. Accompanying this report was a letter notifying the Commission that ATAC had a new address and that Channell is the new treasurer.

Therefore, there is reason to believe ATAC has failed to report a change of treasurer within 10 days of such change.

Based on the foregoing analysis, there is reason to believe ATAC and ATACSEF violated 11 C.F.R. § 102.5(a) with respect to ATACSEF's payments (at least $12,770) related to the Maryland Senate campaign and that ATAC violated 2 U.S.C. § 433(c) for failure to report a change in treasurer; 2 U.S.C. § 434(b) for failure to report the receipt of in-kind contributions from NEPL and ATACSEF; and 2 U.S.C. § 441b for knowingly accepting corporate contributions.

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BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of )
)
) MUR 2406
)

INTERROGATORIES AND REQUEST
FOR PRODUCTION OF DOCUMENTS

TO: Carl R. Channell, Treasurer
Anti-Terrorism American Committee
Anti-Terrorism American Committee
State Election Fund
2032 Belmont Road, N.W.
Washington, D.C. 20009

In furtherance of its investigation in the above-captioned matter, the Federal Election Commission hereby requests that you submit answers in writing and under oath to the questions set forth below within 15 days of your receipt of this request. In addition, the Commission hereby requests that you produce the documents specified below, in their entirety, for inspection and copying at the Office of the General Counsel, Federal Election Commission, Room 659, 999 E Street, N.W., Washington, D.C. 20463, on or before the same deadline, and continue to produce those documents each day thereafter as may be necessary for counsel for the Commission to complete their examination and reproduction of those documents. Clear and legible copies or duplicates of the documents which, where applicable, show both sides of the documents may be submitted in lieu of the production of the originals.

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**INSTRUCTIONS**

In answering these interrogatories and request for production of documents, furnish all documents and other information, however obtained, including hearsay, that is in possession of, known by or otherwise available to you, including documents and information appearing in your records.

Each answer is to be given separately and independently, and unless specifically stated in the particular discovery request, no answer shall be given solely by reference either to another answer or to an exhibit attached to your response.

The response to each interrogatory propounded herein shall set forth separately the identification of each person capable of furnishing testimony concerning the response given, denoting separately those individuals who provided informational, documentary or other input, and those who assisted in drafting the interrogatory response.

If you cannot answer the following interrogatories in full after exercising due diligence to secure the full information to do so, answer to the extent possible and indicate your inability to answer the remainder, stating whatever information or knowledge you have concerning the unanswered portion and detailing what you did in attempting to secure the unknown information.

Should you claim a privilege with respect to any documents, communications, or other items about which information is requested by any of the following interrogatories and requests for production of documents, describe such items in sufficient detail to provide justification for the claim. Each claim of privilege must specify in detail all the grounds on which it rests.

Unless otherwise indicated, the discovery request shall refer to the time period from April 1, 1986 to the present.

The following interrogatories and requests for production of documents are continuing in nature so as to require you to file supplementary responses or amendments during the course of this investigation if you obtain further or different information prior to or during the pendency of this matter. Include in any supplemental answers the date upon which and the manner in which such further or different information came to your attention.

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## DEFINITIONS

For the purpose of these discovery requests, including the instructions thereto, the terms listed below are defined as follows:

"You" shall mean the named respondent in this action to whom these discovery requests are addressed, including all officers, employees, agents or attorneys thereof.

"Persons" shall be deemed to include both singular and plural, and shall mean any natural person, partnership, committee, association, corporation, or any other type of organization or entity.

"Document" shall mean the original and all non-identical copies, including drafts, of all papers and records of every type in your possession, custody, or control, or known by you to exist. The term document includes, but is not limited to books, letters, contracts, notes, diaries, log sheets, records of telephone communications, transcripts, vouchers, accounting statements, ledgers, checks, money orders or other commercial paper, telegrams, telexes, pamphlets, circulars, leaflets, reports, memoranda, correspondence, surveys, tabulations, audio and video recordings, drawings, photographs, graphs, charts, diagrams, lists, computer print-outs, and all other writings and other data compilations from which information can be obtained.

"Identify" with respect to a document shall mean state the nature or type of document (e.g., letter, memorandum), the date, if any, appearing thereon, the date on which the document was prepared, the title of the document, the general subject matter of the document, the location of the document, the number of pages comprising the document.

"Identify" with respect to a person shall mean state the full name, the most recent business and residence addresses and the telephone numbers, the present occupation or position of such person, the nature of the connection or association that person has to any party in this proceeding. If the person to be identified is not a natural person, provide the legal and trade names, the address and telephone number, and the full names of both the chief executive officer and the agent designated to receive service of process for such person.

"And" as well as "or" shall be construed disjunctively or conjunctively as necessary to bring within the scope of these interrogatories and requests for the production of documents any documents and materials which may otherwise be construed to be out of their scope.

1. The reports filed by the Anti-Terrorism American Committee State Election Fund disclose the following disbursements. For each of these disbursements, describe in detail any relationship the disbursement has with television advertisements aired in connection with the 1986 Maryland Senate election.

| Vendor/Payee | Date | Amount |
|---|---|---|
| Washington Times | 9-9-86 | $5,944.00 |
| | 10-9-86 | $3,192.50 |
| Rafael Flores | 8-28-86 | $700.00 |
| | 9-3-86 | $1,148.04 |
| | 9-5-86 | $29.31 |
| | 9-15-86 | $297.00 |
| PRAIDS | 8-28-86 | $66.00 |
| | 9-4-86 | $303.65 |
| RADIO-TV Monitoring Service | 9-3-86 | $79.00 |
| Travelworld | 9-4-86 | $600.00 |
| | 10-2-86 | $180.00 |
| | 10-8-86 | $150.00 |
| F. Clifton Smith | 9-5-86 | $1550.00 |
| United Virginia Bank VISA | 8-19-86 | $1500.00 |
| Cash | 8-22-86 | $300.00 |
| ZGS Television Production | 10-2-86 | $217.83 |

2. With respect to the disbursements to the Washington Times noted in Question 1, provide a copy of each advertisement.

3. With respect to the $66.00 disbursement to PRAIDS noted in Question 1, provide a copy of the press release mailed.

4. With respect to the disbursement to United Virginia Bank for VISA charges noted in Question 1, provide an itinerary and itemization of the charges.

5. With respect to the disbursements to Travelworld noted in Question 1, provide an itinerary and itemization of the charges.

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6. Describe in detail the consulting services performed by F. Clifton Smith for which the $1550.00 payment noted in Question 1 was made.

7. Describe in detail the services and expenses for which the payments to Rafael Flores noted in Question 1 were made.

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

April 3, 1989

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

J. Curtis Herge, Esquire
Herge, Sparks, Christopher & Biondi
Suite 200
8201 Greensboro Drive
McLean, VA 22102

RE: MUR 2406
National Endowment for the
Preservation of Liberty
and Carl R. Channell

Dear Mr. Herge:

On December 17, 1987, the Federal Election Commission notified you that the Commission had found reason to believe the National Endowment for the Preservation of Liberty had violated 2 U.S.C. §§ 433, 434, and 441b and that Carl R. Channell had violated 2 U.S.C. § 441b, provisions of the Federal Election Campaign Act of 1971, as amended ('the "Act").

After further investigation in this matter, the Commission, on March 16, 1989, made new findings that there is reason to believe the National Endowment for the Preservation of Liberty violated 2 U.S.C. §§ 433 and 434 or in the alternative 2 U.S.C. § 441b and Carl R. Channell violated 2 U.S.C. § 441b, provisions of the Act. The Factual and Legal Analysis, which formed a basis for the Commission's findings, is attached for your information.

Under the Act, you have an opportunity to demonstrate that no action should be taken against your clients. You may submit any factual or legal materials that you believe are relevant to the Commission's consideration of this matter. Please submit such materials to the General Counsel's Office along with answers to the enclosed questions within 15 days of receipt of this letter. Where appropriate, statements should be submitted under oath.

In the absence of any additional information demonstrating that no further action should be taken against your clients, the Commission may find probable cause to believe that a violation has occurred and proceed with conciliation.

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If you are interested in pursuing pre-probable cause conciliation, you should so request in writing. See 11 C.F.R. § 111.18(d). Upon receipt of the request, the Office of the General Counsel will make recommendations to the Commission either proposing an agreement in settlement of the matter or recommending declining that pre-probable cause conciliation be pursued. The Office of the General Counsel may recommend that pre-probable cause conciliation not be entered into at this time so that it may complete its investigation of the matter. Further, the Commission will not entertain requests for pre-probable cause conciliation after briefs on probable cause have been mailed to the respondent.

Requests for extensions of time will not be routinely granted. Requests must be made in writing at least five days prior to the due date of the response and specific good cause must be demonstrated. In addition, the Office of the General Counsel ordinarily will not give extensions beyond 20 days.

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 have any questions, please contact Sandra Robinson, the attorney assigned to this matter, at (202) 376-8200.

Sincerely,

Danny L. McDonald

Danny L. McDonald
Chairman

Enclosures
Factual & Legal Analysis

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**FEDERAL ELECTION COMMISSION**

**FACTUAL AND LEGAL ANALYSIS**

**RESPONDENTS:** National Endowment for the Preservation of Liberty and Carl R. Channell

**MUR: 2406**

The Federal Election Campaign Act of 1971, as amended (the"Act"), defines "contribution" and "expenditure" to include any gift of money or anything of value (i.e. in-kind contributions) made for the purpose of influencing any federal election. 2 U.S.C. §§ 431(8)(A) and 431(9)(A); see also, 2 U.S.C. § 441b(b)(2). The Act further prohibits any corporation whatever from making any contribution or expenditure in connection with a federal election and prohibits any officer or director of a corporation from consenting to such a contribution or expenditure. 2 U.S.C. § 441b.

I. Independent Expenditures By ATAC

The federal account of the Anti-Terrorism American Committee disclosed making $22,000 in independent expenditures on behalf of Linda Chavez's candidacy for the U.S. Senate in Maryland in 1986. The non-federal account (the Anti-Terrorism American Committee State Election Fund or "ATACSEF") had disclosed in its filings with the District of Columbia Office of Campaign Finance the making of $12,770 in expenditures for "ad campaign-Senate races." Both the federal and non-federal account payments were made to the same vendor, Blakemore & Killough. Documents released by the House and Senate Select Committees listed a total of $84,900 in payment to this firm by NEPL in 1986.

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Blakemore & Killough received payments of $12,750 from ATACSEF and $22,000 from ATAC and $26,000 from NEPL[1] with respect to its work on advertising connected to the Chavez-Milkulski senatorial election. The ads ran over the Labor Day weekend. Labor Day fell on September 1, 1986. Therefore, there is reason to believe the payment by NEPL of $26,000 was either an in-kind contribution to ATAC in connection with ATAC's independent expenditures or an independent expenditure by NEPL itself.[2] The firm dealt primarily with Carl R. Channell and Dan Conrad regarding the creation and airing of these ads. NEPL's payment was caused and consented to by Carl R. Channell, an officer of NEPL.

NEPL had also paid Arthur J. Finkelstein & Associates $35,500 on August 11, 1986, for a survey related to the California and Maryland Senate elections and $19,900 on September 5, 1986, for exit polling of the Maryland Democratic primary. The proposal from the Finkelstein firm to Carl R. Channell dated August 6, 1986, indicates that $10,000 of the $35,500 for the California/Maryland survey was attributed to Maryland. These surveys, commissioned and paid for by NEPL and arranged by Carl R. Channell, occurred in the same time frame as the preparation

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1. The remainder of the payments by NEPL to the firm ($58,900) relate to IRA advertising. The scripts for these ads indicate that they had no apparent relationship to any federal election or candidate.

2. The Supreme Court has ruled that Section 441b cannot be constitutionally applied to independent expenditures by incorporated entities that meet certain specified criteria. MCFL v. FEC, 479 U.S. 238 (1986). Because the evidence shows NEPL has accepted funds from incorporated entities, it does not appear to meet all of the required criteria to qualify for this limited exception to Section 441b.

and airing of the independent expenditure ads by ATAC with respect to the 1986 Maryland Senate election. In a memorandum of a meeting on August 15, 1986, Mr. Finkelstein told Channell that a direct attack on Rep. Michael Barnes, a candidate for the Democratic Senate nomination, would be risky, resulting in raising his name identification and perhaps propelling him into the general election and a Senate victory. Instead, Mr. Finkelstein recommended direct ideological attacks comparing Rep. Barbara Milkulski, the leading candidate for the Democratic Senate nomination, and Linda Chavez, the leading candidate for the Republican Senate nomination. He also proposed draft ads to that effect. The ads prepared by Blakemore & Killough and aired shortly thereafter did compare Milkulski and Chavez.

Carl Channell and Kris Littledale sent Lt. Col. Oliver North a telegram on September 9, 1986, on behalf of ATAC in which they claimed ATAC had participated in the defeat of Congressman Michael Barnes in the Maryland Democratic primary. Therefore, there is reason to believe NEPL's combined payments of $29,900 for the Maryland surveys were also either in-kind contributions to ATAC in connection with ATAC's independent expenditures or part of NEPL's own independent expenditures. They were also caused and consented to by Carl R. Channell.

II. California Polling Expenses

In addition to the $29,900 paid for polling in Maryland, NEPL also paid the Finkelstein firm $25,500 for the California portion of the California-Maryland survey. A review of the questions asked in the California survey along with the analysis of the

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poll shows that this survey was primarily a political poll to determine voter attitudes in the Senate election between Senator Alan Cranston and Representative Ed Zschau and the saliency of certain issues, principally the Strategic Defense Initiative, national security, and terrorism on voter choices in that election.

The survey summary notes that it was "administered to 1,010 persons registered and intending to vote in this November's election." It further concluded:

> ...There emerges a two-level strategy. First public concern about S.D.I. must be raised. Second, Alan Cranston must be labeled as an opponent of S.D.I.
> ....
> ...The S.D.I. issue has the ideological direction and intensity necessary to help Zschau regain that conservative base.

The Finkelstein firm also prepared in the summer of 1986 several draft ads incorporating SDI and other themes in attacks on Sen. Cranston. Thus, there is reason to believe NEPL's $25,500 payment for this poll constituted an expenditure in connection with, and for the purpose of influencing, a federal election.

**III. SDI Polling Expenses**

The remaining $95,000 in payments by NEPL to the Finkelstein firm were for surveys conducted in June and July 1986. These surveys were also conducted to gauge voter attitudes regarding SDI and other national security issues and to determine their saliency in the 1986 elections. The surveys were "administered to 4,039 voters within 20 Congressional Districts whose Representatives [were] considered swing voters on the Strategic Defense Initiative...." The firm also conducted an incumbent

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vulnerability benchmark survey in these districts in conjunction with the SDI survey.

The analysis of the surveys noted that "[i]n every one of the 20 districts surveyed, opposition to SDI has the potential to significantly erode a candidate's popularity." It compared the saliency of SDI to that of the Panama Canal treaty in the 1970s. The Finkelstein firm also prepared draft ads incorporating the SDI issue. The separate summaries for each Congressional District also focused on an analysis of the SDI and national security issues as they may have related to the electoral prospects of the incumbent. For instance, the survey summary for the 10th Congressional District of Texas concludes that Carol Rylander, the Republican nominee, was unlikely to defeat Rep. J. J. Pickle unless she made SDI a major and emotional issue to motivate the district's conservative base.

The transcript of the May 23, 1986, fundraisers meeting (Exhibit 8 of the complaint), in which Channell talked of the solicited money being in effect political contributions to challengers, related to proposed SDI ads rather than the Contra ads. For instance, the transcript states:

> If the incumbent is weak on SDI and the challenger is strong on SDI and the voting population strong on SDI, our saturation educational ads cannot but help the Republican challenger.

Although the transcript states the fundraisers should not explicitly describe the solicited money to prospective donors as a political contribution, the overall tenor of this transcript is that money was to be solicited for the SDI ads which were viewed as having an election-influencing purpose.

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When questioned about this transcript in the published deposition by the Select Committee, one of Channell's fundraisers, Kris Littledale, made interesting remarks about the SDI issue compared with the Contra issue, the subject of the earlier ads by ACT, NEPL, and Sentinel. Littledale testified that he did not recall Channell having ever made a comment with respect to the Contra ads being a contribution to any candidate. This testimony then followed:

> Q Why are you certain that he did not?
>
> A Well, because the logic that makes that statement that you read a moment ago possible precludes it from being possible with the Central American issue. The reason you can make that statement here is because the SDI issue is enormously popular. Polls consistently show over 60 percent of the population supports a defense against nuclear missiles, therefore, if you are using money to, during the time that an election is taking place, to harp on the SDI issue and the Republican candidate is harping on the SDI issue and the American public is in favor of the SDI issue, then it stands to reason that the more you advertise about SDI, the more you make people think about it, the more they are going to support the candidate who says yes, I favor SDI. You don't have that advantage with Nicaragua because polls have consistently shown that very few people support the idea of aid to the rebels in Nicaragua, or anyway that's the logic we were following.
>
> Q Well, was it not your understanding in connection with the Central American freedom program that the advertisements sponsored by NEPL in support of contra aid would have a carry-over effect on the following Congressional races where contra aid would be an issue in the race?
>
> A I personally never felt that was the case, and I don't recall that ever being a topic of conversation. That is not to say that it wasn't at some point or another.

See Appendix B, Volume 4 of the Select Committees Report at pages 416-417.

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Although NEPL experienced a surge in general (non-SDI) fundraising in September and October 1986, the proposed SDI ads were apparently never produced or aired. The SDI theme, however, was incorporated into an independent expenditure ad reported by ACT with respect to the Colorado Senate race. This information supports the view that NEPL's $95,000 payment for the SDI surveys were made in connection with and for the purpose of influencing federal elections.

The information also indicates that NEPL solicited gifts of money for the purpose of influencing federal elections. NEPL raised $249,500 for "SDI ADS" and deposited it into a separate account denoted as "PALM 4," apparently a reference to an account at The Palmer National Bank where NEPL maintained other accounts. Nearly all of these funds were received in June and July 1986. The two largest single donations were identified on a NEPL printout as from Driscoll ($60,000) and King ($150,000). Exhibit 7 of the complaint includes a quotation in a newspaper article attributed to Mrs. Jane Driscoll that her late husband's $100,000 in contributions to NEPL would be used to influence campaigns and that a substantial portion was for a "Star Wars" project.

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## IV. Summary

Based on the foregoing analysis, there is reason to believe NEPL violated 2 U.S.C. §§ 433, 434, and 441b with respect to the $55,900 in in-kind contributions to ATAC or in independent expenditures by NEPL and the $120,500 in expenditures related to the California and SDI surveys and that Carl R. Channell, an officer of NEPL, violated 2 U.S.C. § 441b for causing and

consenting to NEPL's contributions and expenditures. These findings with respect to NEPL are based on the alternative theories that either NEPL's payments caused it to become a political committee which should have registered and reported or it made prohibited corporate contributions and expenditures.

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BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of )
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) MUR 2406
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INTERROGATORIES AND REQUEST
FOR PRODUCTION OF DOCUMENTS

TO: National Endowment for the Preservation
of Liberty
c/o J. Curtis Herge, Esquire
Herge, Sparks, Christopher & Biondi
Suite 200
8201 Greensboro Drive
McLean, VA 22102

In furtherance of its investigation in the above-captioned matter, the Federal Election Commission hereby requests that you submit answers in writing and under oath to the questions set forth below within 15 days of your receipt of this request. In addition, the Commission hereby requests that you produce the documents specified below, in their entirety, for inspection and copying at the Office of the General Counsel, Federal Election Commission, Room 659, 999 E Street, N.W., Washington, D.C. 20463, on or before the same deadline, and continue to produce those documents each day thereafter as may be necessary for counsel for the Commission to complete their examination and reproduction of those documents. Clear and legible copies or duplicates of the documents which, where applicable, show both sides of the documents may be submitted in lieu of the production of the originals.

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## INSTRUCTIONS

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Unless otherwise indicated, the discovery request shall refer to the time period from January 1, 1986, to December 31, 1986.

The following interrogatories and requests for production of documents are continuing in nature so as to require you to file supplementary responses or amendments during the course of this investigation if you obtain further or different information prior to or during the pendency of this matter. Include in any supplemental answers the date upon which and the manner in which such further or different information came to your attention.

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**DEFINITIONS**

For the purpose of these discovery requests, including the instructions thereto, the terms listed below are defined as follows:

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"Persons" shall be deemed to include both singular and plural, and shall mean any natural person, partnership, committee, association, corporation, or any other type of organization or entity.

"Document" shall mean the original and all non-identical copies, including drafts, of all papers and records of every type in your possession, custody, or control, or known by you to exist. The term document includes, but is not limited to books, letters, contracts, notes, diaries, log sheets, records of telephone communications, transcripts, vouchers, accounting statements, ledgers, checks, money orders or other commercial paper, telegrams, telexes, pamphlets, circulars, leaflets, reports, memoranda, correspondence, surveys, tabulations, audio and video recordings, drawings, photographs, graphs, charts, diagrams, lists, computer print-outs, and all other writings and other data compilations from which information can be obtained.

"Identify" with respect to a document shall mean state the nature or type of document (e.g., letter, memorandum), the date, if any, appearing thereon, the date on which the document was prepared, the title of the document, the general subject matter of the document, the location of the document, the number of pages comprising the document.

"Identify" with respect to a person shall mean state the full name, the most recent business and residence addresses and the telephone numbers, the present occupation or position of such person, the nature of the connection or association that person has to any party in this proceeding. If the person to be identified is not a natural person, provide the legal and trade names, the address and telephone number, and the full names of both the chief executive officer and the agent designated to receive service of process for such person.

"And" as well as "or" shall be construed disjunctively or conjunctively as necessary to bring within the scope of these interrogatories and requests for the production of documents any documents and materials which may otherwise be construed to be out of their scope.

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**INTERROGATORIES AND
REQUEST FOR DOCUMENTS**

I. On August 28, 1986, the National Endowment for the Preservation of Liberty ("NEPL") made a payment of $26,000 to Blakemore & Killough of New York City.

1. State whether this payment was related in any manner to the independent expenditures reported by the Anti-Terrorism American Committee ("ATAC") with respect to the candidacy of Linda Chavez for the U.S. Senate in Maryland in 1986 and, if so, describe in detail the relationship between NEPL's payment and ATAC's independent expenditures.

2. State the reason(s) this payment was made by NEPL rather than by ATAC.

3. State whether this payment instead constituted an independent expenditure by NEPL itself and, if so, describe in detail the basis by which this payment was so treated.

II. On August 11,1986, NEPL paid $35,500 to Arthur J. Finkelstein & Associates for a survey of which $10,000 was attributed to Maryland and $25,500 to California; and on September 5, 1986, NEPL paid $19,900 to this same firm for an exit poll of the Maryland Democratic primary.

1. State the purpose(s) of these payments.

2. (a) State whether the $10,000 and $19,900 payments attributed to Maryland were related in any manner to the independent expenditures reported by ATAC with respect to the candidacy of Linda Chavez and, if so, describe in detail the relationship between NEPL's payments and ATAC's independent expenditures.

(b) State the reason(s) these payments were made by NEPL rather than by ATAC.

(c) State whether these payments instead were related in any manner to independent expenditures by NEPL and, if so, describe in detail the basis for which these payments were so treated.

3. (a) State whether the $25,500 payment attributed to a California survey was used, or intended to be used, in any manner with respect to the candidacies of Alan Cranston and Ed Zschau for the U.S. Senate in 1986 and, if so, describe in detail how this payment and the survey were used or intended to be used with

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respect to that election.

(b) State whether any results of the California survey were released to the public and, if so, describe when, how, and to whom each release was made and the portion(s) of the survey so released.

(c) State whether any results of the California survey were provided to any candidate for federal office and to any federal political committee and, if so, describe when, how, and to whom such results were provided and the portion(s) of the results so provided.

III. In 1986, NEPL made payments totaling $95,000 to Arthur J. Finkelstein & Associates for an SDI (Strategic Defense Initiative) survey and an incumbent vulnerability benchmark survey.

1. State the reason(s) these surveys were conducted.

2. State whether these surveys were used or intended to be used in any manner in connection with any federal election and, if so, describe in detail how these surveys were so used or intended to be so used.

3. State whether these surveys were undertaken as part of independent expenditures, as defined by 2 U.S.C. § 431(17), and, if so, describe in detail the relationship of these surveys to such independent expenditures.

4. State whether the results of these surveys were released to the public and, if so, describe when, how, and to whom each release was made and the portion(s) of the surveys so released.

5. State whether any results of these surveys were provided to any candidate for federal office or to any federal political committee and, if so, describe when, how, and to whom such results were provided and the portion(s) of the results so provided.

6. State whether any results of these surveys were used in any manner with respect to the independent expenditures reported by the American Conservative Trust in connection with the candidacy of Tim Wirth for the U.S. Senate in Colorado in 1986 and, if so, describe in detail how the results of these surveys were so used.

IV. Provide copies of all documents relating to your responses to all of the above questions.

2004079350

OGC 2658

MATTHEWS & BRANSCOMB
A PROFESSIONAL CORPORATION
ATTORNEYS AT LAW
1800 FIRST CITY BANK TOWER
CORPUS CHRISTI, TEXAS 78477
TELEPHONE 512-888-9261
TELECOPIER 512-888-8504
TELEX 6502325686

301 CONGRESS AVENUE, SUITE 2050
AUSTIN, TEXAS 78701
512-320-5055

ONE ALAMO CENTER
SAN ANTONIO, TEXAS 78205
512-226-4211

RECEIVED
FEDERAL ELECTION COMMISSION
ADMINISTRATIVE DIVISION
89 MAY -5 AM 10:36

Mon 2406

April 4, 1989

89 MAY -5 AM 11:56

Ms. Sandra Robinson
Federal Election Commission
Washington, D.C. 20463

Dear Ms. Robinson:

Enclosed is the designation of counsel which we discussed.

This will request an extension of time until April 20, 1989 in which to respond to these questions.

We received the questions from our client only today and it may take us a few days in order to supply the information requested.

If the information is obtained sooner the answers will be forwarded to you sooner.

Sincerely,

Harvie Branscomb, Jr.

/cs
00404-0101
Enclosure

## DESIGNATION OF COUNSEL

I, May Dougherty King, have received "Interrogatories and Request for Production of Documents" before the Federal Election Commission in the matter of MUR 2406.

I hereby designate the firm of Matthews & Branscomb, as my attorneys and counsel, to represent me before such Commission, its officers, employees and agents, with respect to any matter arising under or in connection with such proceedings.

Signed on April 4, 1989.

May Dougherty King
May Dougherty King

STATE OF TEXAS

COUNTY OF NUECES

SWORN TO AND SUBSCRIBED before me on the 4 day of April, 1989.

Anna Nieves
Notary Public, State of Texas

Anna Nieves
Printed/Typed Name of Notary

My Commission Expires: 5-13-92

ANNA NIEVES
Notary Public, State of Texas
My Commission Expires 5-13-92

0004079553568

06C2412

ANNIE LEE ROBERTS
ONE PRESTON CENTRE, SUITE 880
8222 DOUGLAS AVE.
DALLAS, TEXAS 75225
214-361-9033

RECEIVED
FEDERAL ELECTION COMMISSION
ADMINISTRATIVE DIVISION
89 APR 10 AM 8:54

April 4, 1989

Office of General Counsel
Attn: Sandra Robinson
Federal Election Commission
Room 659
999 E. Street, N.W.
Washington, D.C. 20463

Re: MUR 2406

Dear Ms. Robinson:

Pursuant to our telephone conference of today you will find enclosed a copy of an order of the Probate Court of Dallas County, appointing myself as the Limited Guardian for Annie Lee Roberts, also known as Mrs. Summerfield G. Roberts.

Mrs. Roberts is 93 years of age, is physically incapacitated and is immobile. Mrs. Roberts has no recollection of any contribution being made to the National Endowment for the Preservation of Liberty at any time as requested in your Interrogatories as propounded to her. Likewise, in my capacity as her guardian, I have searched her papers and find no record of any such gift at any time. Unless I am provided with more specific detail or copies of such an alleged contribution, I will be unable to assist you or to assist her in answering the interrogatories. Mrs. Annie Lee Roberts and myself wish to cooperate, but at this time have no knowledge of the events that are the subject of your inquiry.

89 APR 10 PM 12:11

Sincerely,

David D. Jackson
Limited Guardian for
Annie Lee Roberts

Enclosure

DDJ/pa

0004076352

In Probate Court o[redacted]las County, Texas

FOR THE COUNTY OF DALLAS

THE STATE OF TEXAS,
COUNTY OF DALLAS

Certified Copy PROBATE PROCEEDINGS

DALLAS COUNTY, TEXAS

0004079536O

No. 88-1402-P

| | | |
|---|---|---|
| IN THE MATTER OF THE | § | |
| | § | IN THE PROBATE COURT |
| LIMITED GUARDIANSHIP OF | § | |
| | § | |
| ANNIE LEE ROBERTS, | § | OF |
| | § | |
| AN ALLEGED INCAPACITATED | § | |
| | § | DALLAS COUNTY, TEXAS |
| PERSON | § | |

ORDER APPOINTING A LIMITED GUARDIAN

On the 10th day of June, 1988, came on to be heard an Application for Limited Guardianship brought by Robert H. Kroney as the Court appointed Attorney ad litem for Annie Lee Roberts in his First Amended Answer of Annie Lee Roberts. Present in Court were Matthew C. Roberts, III and Susan Roberts Battarbee with their attorneys of record, and David D. Jackson as the Successor Temporary Guardian of Annie Lee Roberts. Annie Lee Roberts was not present at the hearing, but appeared through her attorney ad litem, Robert H. Kroney, and his co-counsel, Barbara M. G. Lynn. The Court, having read the pleadings herein, received and read the report of the examination of Annie Lee Roberts' person conducted by Dr. Myron Weiner as appointed by the Court, and having heard the testimony of various witnesses, and having conducted an in camera personal interview with Annie Lee Roberts, HEREBY MAKES THE FOLLOWING FINDINGS OF FACT AND LAW:

1. That this Court has jurisdiction and venue to appoint a Limited Guardian for Annie Lee Roberts under Section 130B and 130N of the Texas Probate Code, TEX. PROB. CODE ANN. §§ 130B, 130N.

2. That Annie Lee Roberts is an incapacitated person as defined by Section 130A of the Texas Probate Code, TEX. PROB. CODE ANN. §130A, because of her physical condition, and because of such condition consents to the appointment of a limited guardian.

3. That notice has been properly served to those persons required by Section 130E of the Texas Probate Code.



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4. That Annie Lee Roberts lacks the physical capacity to do some, but not all, of the tasks necessary to care for herself and to manage her property.

5. That because of her physical disabilities, Annie Lee Roberts lacks the ability to fully manage and supervise her estate without the assistance of a Limited Guardian.

6. That the Limited Guardian is entitled to possession and management (including the voting of any securities and sale, purchase, or assignment)of all properties, real or personal, pursuant to specific order of the Court where required by the Texas Probate Code, in the name of Annie Lee Roberts (a/k/a Mrs. Summerfield G. Roberts) more specifically described as her interest in:

A. Strebor Oil Company and its subsidiaries;

B. Pyramid Petroleum Company;

C. All real property in the name of Annie Lee Roberts or Mrs. Summerfield G. Roberts;

D. All cash in checking accounts in the name of Annie Lee Roberts or Mrs. Summerfield G. Roberts, other than Account No. 450-66-85 in Capital Bank, Dallas, Texas;

E. All cash in Certificates of Deposit in the name of Annie Lee Roberts or Mrs. Summerfield G. Roberts;

F. All accounts receivable in the name of Annie Lee Roberts or Mrs. Summerfield G. Roberts;

G. All U. S. Treasury Bills or Notes;



00407536 2

H. All precious metals;

I. All stocks, bonds, and brokerage accounts holding same, in the name of Annie Lee Roberts or Mrs. Summerfield G. Roberts;

J. All investments in partnerships in the name of Annie Lee Roberts or Mrs. Summerfield G. Roberts;

K. All notes receivable in the name of Annie Lee Roberts or Mrs. Summerfield G. Roberts;

L. All office equipment and furniture;

M. All household goods, jewelry, art, paintings, collectibles, and automobiles;

N. All mineral interests, including royalty interests, working interests, and the properties relating thereto; and

O. All other properties, real, personal or mixed, to which Annie Lee Roberts (Mrs. Summerfield G. Roberts) has any right to or beneficial interest therein that is not described above or subsequently comes to the knowledge of the limited guardian.

7. That the Limited Guardian shall exercise all rights, duties, and powers that Annie Lee Roberts may have in her capacity as Director of the Summerfield G. and Annie Lee Roberts Foundation.

8. That the Limited Guardian is entitled to collect or file suit with respect to, if necessary, the debts, rentals, wages, or other claims due to Annie Lee Roberts or any of her related entities, assets, or properties and to possess and manage the properties as described above.



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9. That the Limited Guardian is entitled to receive any information concerning any trusts of which Annie Lee Roberts is a Settlor, a beneficiary, or a Trustee, and, upon review of that information, to consult with Annie Lee Roberts and any Trustee of any such trust concerning trust matters, and to keep Annie Lee Roberts informed of trust matters on a regular basis.

10. That the Limited Guardian may incur, on behalf of Annie Lee Roberts, all contractual obligations reasonably necessary in the management, supervision, and administration of this limited guardianship.

11. That the Limited Guardian is entitled to pay, compromise, or defend, if necessary, any claims against Annie Lee Roberts, or her related entities, assets, or properties in the administration of this limited guardianship.

12. The Limited Guardian shall be governed by all applicable provisions of the Texas Probate Code and any requirements of procedure in the Probate Court.

13. That the appointment of a Limited Guardian for Annie Lee Roberts would be in her best interests and is necessary to promote and protect her well-being because of her physical disabilities. This form of Limited Guardianship is designed to encourage the development of maximum self-reliance and independence of Annie Lee Roberts.

14. That Annie Lee Roberts has indicated her preference that David D. Jackson be appointed as the Limited Guardian of Annie Lee Roberts.

15. That David D. Jackson is a suitable person to serve as the Limited Guardian of Annie Lee Roberts and is not disqualified by law from appointment.

16. That Annie Lee Roberts is mentally competent and that she specifically understands the nature and extent of her property, her



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relatives, and their claims upon her, and has sufficient mental faculties and abilities to understand and agree to the terms of the Limited Guardianship and to the terms of an agreement entered into between Annie Lee Roberts, Matthew C. Roberts, III, and others, effective June 1, 1988.

17. That Annie Lee Roberts has the capacity to consult with the Limited Guardian in the powers granted above but retains the sole authority to perform the following:

A. To open, maintain, control and be sole signatory as to the checking account No. 450-66-85 in Capital Bank, Dallas, Texas in order to:

(1) Pay the necessary and reasonable expenses of the maintenance of the household and household expenses at 6700 Hunters Glen, University Park, Texas;

(2) To make contributions to friends or relatives of her choice, not to exceed $10,000 per person per year, or greater amounts with the consent of the Limited Guardian; and

(3) To make contributions to political, charitable, or religious organizations of her choice, not to exceed $25,000 per organization per year, or greater amounts with the consent of the Limited Guardian.

B. To determine her residence.

C. To execute wills, codicils, foundation documents, and other estate planning documents, the primary purpose of which is to govern the disposition of Annie Lee Roberts' property at the time of her death (and thereafter); provided however, Annie Lee Roberts has agreed to make no modifications to

00040795360

the Amended and Restated Trust Agreement establishing the Annie Lee Roberts Revocable Trust and Annie Lee Roberts Separate Property Trust without the consent of the Limited Guardian.

D. To determine her medical needs or treatment upon consultation with competent medical advisors.

E. To continue serving as Co-Trustee of any trust of which Annie Lee Roberts is currently a Co-Trustee, or to resign as Co-Trustee of any such trust.

18. That Annie Lee Roberts shall have in accordance with the trust terms, the power, with the approval of this Court, to exercise her right to remove and appoint trustees of the following trusts:

(1) Trust created under the Last Will and Testament of Summerfield G. Roberts;

(2) The Annie Lee Roberts Revocable Trust; and

(3) The Annie Lee Roberts Separate Property Trust.

19. That the Limited Guardian shall consult with Annie Lee Roberts regarding her health and nursing care in order to maintain her in her residence and employ and discharge nurses and others to care for her in the residence.

20. That the Limited Guardian shall consult with Annie Lee Roberts and keep her informed generally as to the management of her property, on a regular basis.

21. That an agreement effective June 1, 1988, was entered into between Annie Lee Roberts, Matthew C. Roberts, III, and others, and that



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Annie Lee Roberts had mental capacity to enter into such agreement and the mental capacity to do all acts necessary to effectuate the agreement and to fulfill her obligations thereunder, and that to the extent necessary, the Limited Guardian shall carry out the terms of such agreement.

22. That Annie Lee Roberts has requested this hearing be closed pursuant to Section 130G(b) of the Texas Probate Code.

THEREFORE, IT IS ORDERED, ADJUDGED, AND DECREED:

1. That DAVID D. JACKSON is hereby appointed Limited Guardian of Annie Lee Roberts and is hereby granted the following specific duties and powers to act in Annie Lee Roberts' behalf.

A. To take possession and management (including the voting of any securities and sale, purchase, or assignment of all properties, real or personal) pursuant to specific order of the Court when required by the Texas Probate Code, in the name of Annie Lee Roberts (a/k/a Mrs. Summerfield G. Roberts) more specifically described as her interest in:

(1) Strebor Oil Company and its subsidiaries;

(2) Pyramid Petroleum Company;

(3) All real property in the name of Annie Lee Roberts or Mrs. Summerfield G. Roberts;

(4) All cash in checking accounts in the name of Annie Lee Roberts or Mrs. Summerfield G. Roberts, other than Account No. 450-66-85 in Capital Bank, Dallas, Texas;

(5) All cash in Certificates of Deposit in the name of Annie Lee Roberts or Mrs. Summerfield G. Roberts;



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(6) All accounts receivable in the name of Annie Lee Roberts or Mrs. Summerfield G. Roberts;

(7) All U. S. Treasury Bills or Notes;

(8) All precious metals;

(9) All stocks, bonds, and brokerage accounts holding same, in the name of Annie Lee Roberts or Mrs. Summerfield G. Roberts;

(10) All investments in partnerships in the name of Annie Lee Roberts or Mrs. Summerfield G. Roberts;

(11) All notes receivable in the name of Annie Lee Roberts or Mrs. Summerfield G. Roberts;

(12) All office equipment and furniture;

(13) All household goods, jewelry, art, paintings, collectibles, and automobiles;

(14) All mineral interests, including royalty interests, working interests, and the properties relating thereto; and

(15) All other properties, real, personal or mixed, to which Annie Lee Roberts (Mrs. Summerfield G. Roberts) has any right to or beneficial interest therein that is not described above or subsequently comes to the knowledge of the Limited Guardian.

B. To exercise all rights, duties, and powers that Annie Lee Roberts may have in her capacity as Director of the Summerfield G. and Annie Lee Roberts Foundation.



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C. To collect or file suit with respect to, if necessary, the debts, rentals, wages, or other claims due to Annie Lee Roberts or any of her related entities, assets or properties and to possess and manage the properties as described above.

D. To receive information concerning any trusts of which Annie Lee Roberts is a Settlor, a beneficiary or a Trustee, and, upon review of such information, to consult with Annie Lee Roberts and any Trustee of any such trust concerning trust matters, and to keep Annie Lee Roberts informed of trust matters on a regular basis.

E. To incur on behalf of Annie Lee Roberts all contractual obligations reasonably necessary in the management, supervision, and administration of this limited guardianship.

F. To pay, compromise or defend, if necessary, any claims against Annie Lee Roberts, or her related entities, assets, or properties in the administration of this limited guardianship.

2. That upon the filing of the above-named Limited Guardian's oath and bond, this ORDER authorizes the Limited Guardian to operate within the scope of the powers and duties specified above, there being no necessity for the issuance of letters of guardianship under Section 130L of the Texas Probate Code.

3. That the Limited Guardian appointed herein is hereby ORDERED to swear and subscribe to an oath that he will faithfully discharge the duties of Limited Guardian of the above-named incapacitated person.

4. That taking into account the value of the assets, property, and income of Annie Lee Roberts, a corporate surety bond in the amount of



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$ 5,000.00 shall be required, pursuant to Sections 130K and 194 of the Texas Probate Code.

5. That the herein appointed Limited Guardian shall report to this Court the condition of the above-named incapacitated person every twelve months from the date of this Order.

6. That the herein appointed Limited Guardian shall file with this Court a written, verified account of his administration each year after the date of this Order and thereafter on each annual date thereafter.

7. That the herein appointed Limited Guardian shall control and manage, vote, sell, assign, purchase, and otherwise deal with the above-named assets and property of the said incapacitated person as a prudent person would manage his own property.

8. Annie Lee Roberts has the capacity to consult with the Limited Guardian in the powers granted above and shall have the sole authority to perform the following:

A. To open, maintain, control and be sole signatory as to the checking account No. 450-66-85 in Capital Bank in Dallas, Texas in order to:

(1) Pay the necessary and reasonable expenses of the maintenance of the household and household employees at 6700 Hunters Glen, University Park, Texas;

(2) To make contributions to friends or relatives of her choice, not to exceed $10,000 per year or greater amounts with the consent of the Limited Guardian;

(3) To make contributions to political, charitable or religious organizations of her choice, not to exceed



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$25,000 per organization per year, or greater amounts with the consent of the Limited Guardian.

B. To determine her residence.

C. To execute wills, codicils, trusts, trust amendments, charitable foundation documents, and other estate planning documents, the primary purpose of which is to govern the disposition of Annie Lee Roberts' property at the time of her death (and thereafter); provided however, Annie Lee Roberts has agreed to make no modifications to the Amended and Restated Trust Agreement establishing the Annie Lee Roberts Revocable Trust and Annie Lee Roberts Separate Property Trust without the consent of the Limited Guardian.

D. To continue serving as Co-Trustee of any trust of which Annie Lee Roberts is a Co-Trustee, or to resign as Co-Trustee of any such trust.

9. That Annie Lee Roberts shall have in accordance with the terms of the respective trusts, the power, with the approval of this Court to exercise her right to remove and appoint trustees of the following trusts:

(1) Trust created under the Last Will and Testament of Summerfield G. Roberts;

(2) The Annie Lee Roberts Revocable Trust; and

(3) The Annie Lee Roberts Separate Property Trust.

10. That the Limited Guardian shall consult with Annie Lee Roberts regarding her health and nursing care in order to maintain her in her residence and employ and discharge nurses and others to care for her in the residence.



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11. That the Limited Guardian shall consult with Annie Lee Roberts and keep her informed generally as to the management of her property, on a regular basis.

12. That Annie Lee Roberts had the mental capacity to enter into an agreement effective June 1, 1988, between Annie Lee Roberts, Matthew C. Roberts, III and others, and has the mental capacity to solely do all acts necessary to effectuate such agreement and to fulfill her obligations thereunder.

13. That the Letters of Temporary Guardianship issued to David D. Jackson are hereby cancelled and David D. Jackson shall file his Final Accounting as Temporary Guardian within 60 days of the date of this Order.

14. That Annie Lee Roberts shall retain all legal and civil rights and powers except those which have by this Order been granted to the Limited Guardian.

15. That the hearing on this Application has been closed pursuant to Section 130G(b) of the Texas Probate Code.

SIGNED this 10th day of June, 1988.

Judge Presiding

APPROVED AS TO FORM

Robert H. Kroney, Attorney
Ad Litem for Annie Lee Roberts

APPROVED AS TO FORM

James J. Hartnett, Jr., Esq.
Attorney for Matthew C. Roberts, III
and Susan Roberts Battarbee



9004079537 2

APPROVED AS TO FORM

Barbara M. G. Lynn, Attorney
Ad Litem Co-Counsel for
Annie Lee Roberts

APPROVED AS TO FORM

Barbara McComas Anderson, Esq.
Attorney for Matthew C. Roberts, III
and Susan Roberts Battarbee

David D. Jackson, Temporary Guardian

7088RHK

0004079337

[redacted] OF TEXAS [redacted]

CERTIFICATE

DALLAS COUNTY PROBATE COURTS, COUNTY OF DALLAS

I, EARL BULLOCK, COUNTY CLERK OF DALLAS COUNTY AND CLERK OF THE COUNTY COURTS AND PROBATE COURTS within and for the COUNTY OF DALLAS, STATE OF TEXAS, do hereby CERTIFY and that the following is a TRUE AND CORRECT copy of:

Limited Guardianship

ESTATE OF Annie Lee Roberts, Incapacitated CAUSE NO. 88-1402-P

INSTRUMENT/ S

1. Order Appointing A Limited Guardian

The Same Appear In the Original Now on File and of Record In The PROBATE COUR OF DALLAS COUNTY, TEXAS

Given Under My Hand and Seal of Office, THIS THE 14th DAY OF June 19

Deputy Charlene Walke

00040793374

MUR 2406
00040793373

86C 2539
RECEIVED
FEDERAL ELECTION COMMISSION
ADMINISTRATIVE DIVISION
89 APR 21 AM 10:43

MATTHEWS & BRANSCOMB
A PROFESSIONAL CORPORATION
ATTORNEYS AT LAW
1800 FIRST CITY BANK TOWER
CORPUS CHRISTI, TEXAS 78477
TELEPHONE 512-888-9261
TELECOPIER 512-888-8504
TELEX 6502325666

301 CONGRESS AVENUE, SUITE 2050
AUSTIN, TEXAS 78701
512-320-5055

ONE ALAMO CENTER
SAN ANTONIO, TEXAS 78205
512-226-4211

April 17, 1989

89 APR 21 PM 3:18

Office of the General Counsel
Federal Election Commission
Room 659
999 E Street N.W.
Washington, D.C. 20463

CERTIFIED
RETURN RECEIPT REQUESTED

Attn: Ms. Sandra Robinson

Re: MUR 2406

Dear Ms. Robinson:

As you and I have discussed on the telephone, this firm represents May Dougherty King, and I have attached a letter confirming the same, as you requested. Mrs. King's answers to the interrogatories propounded upon her are also enclosed.

Please let me know if you need anything further.

Sincerely,

Gerald E. Thornton, Jr.

GET/fb
Enclosures
00106-0184

c: Mrs. May D. King

Corpus Christi, Texas
April 13, 1989

Federal Election Commission
Washington, D.C. 20463

Re: MUR 2406

Dear Sirs:

This will confirm that Matthews & Branscomb, Attorneys at Law, of Corpus Christi, Texas, have been designated as my attorneys to represent me with respect to the above captioned investigation.

Sincerely,

May Dougherty King

May Dougherty King

cn/00106-0184

2004075370

## ANSWER TO INTERROGATORIES

1. Records indicate that you made a contribution of $150,000 to the National Endowment for the Preservation of Liberty on June 16, 1986.

   a. State whether you made such a contribution.

      ANSWER: I did make a contribution in the amount of $150,000 to the National Endowment for the Preservation of Liberty; however, my records indicate that such contribution was made on June 13, 1986.

   b. Provide a copy of the check, wire transfer, or other instrument used to make this contribution.

      ANSWER: A photocopy of check No. 3601 is attached to these answers.

2. State whether you made this contribution to pay for advertising about the Strategic Defense Initiative, or SDI.

   ANSWER: My recollection about such matters is very unclear. However, my records indicate that this contribution was to endow a taped Presidential message regarding the virtues of the Strategic Defense Initiative.

3. State whether you were told or made aware in any manner that your contribution or the SDI advertising would have any influence on any election for any federal office and, if so, describe in detail what you were told and by whom.

   ANSWER: I do not recall being told or made aware that my contribution or SDI advertising would have any influence on any election for any federal office, nor do my records indicate such.

4. State whether you made this contribution in order that it would be used in any manner to influence any election for any federal office.

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ANSWER: I did not make this contribution in order that it be used in any manner to influence any election for any federal office.

5. Provide copies of all documents related to the solicitation and the making of this contribution.

ANSWER: Copies of all such documents are attached to these answers.

May Dougherty King
May Dougherty King

SWORN TO BEFORE ME, the undersigned Notary Public, on this the 19th day of April, 1989.

SUE KALTEYER
Notary Public, State of Texas
My Commission Expires 11-30-92

Sue Kalteyer
Notary Public, State of Texas
My Commission Expires:

SUE KALTEYER
(Typed or Printed Name of Notary)
My Commission Expires November 30, 1992

00106-0184

00040795378

COPIES OF PERSONAL CHECKS
SUBMITTED WITH THIS RESPONSE
HAVE BEEN REMOVED FROM THE PUBLIC FILE

00040795379

Mrs. King met with
President Reagan
on May 21st – 1986
in the Oval Office.

Attended the Presidents'
Dinner that night
(with Billy)

0004007455390

① Endow the film

300,000.00 total cost

3 parts June
July
Aug.

Highest quality

come for the premier *

Tax deductible.

1/2 Adj. Gross Income

*

① May 21st

What happens

SDI | Cliff wants to Talk about this

Strategic Defense Initiative

Presidential message on Tape Re virtues of SDI

endow the film?

# NATIONAL ENDOWMENT FOR THE PRESERVATION OF LIBERTY

June 3, 1986

305 FOURTH ST., N.E.
SUITE 1000
WASHINGTON, D.C. 20002

Mrs. May Dougherty King
4002 Ocean Drive
Corpus Christi, TX 78411

Dear Mrs. King:

It was again a great pleasure to visit with you recently during our time together in Corpus, New York, and Washington.

The hospitality you showed to Spitz and me during our visit to your home was most appreciated. (And...the shrimp was so good!) The evening out with you and Mrs. Vaughn for dinner was equally enjoyable.

I am so glad we had the opportunity to visit for lunch while you were in New York. I enjoyed seeing your beautiful apartment very much. Sorry we had such a time getting a cab after lunch - but, we made it!

I understand from David, (the gentleman who took you to lunch at the White House) that the President enjoyed meeting you and Bill very much. As you know, the President especially appreciates your unique support of his goals in Nicaragua and of his dream of a fully deployed Strategic Defense Initiative (SDI).

Your very generous grant of $300,000 will make a major impact on mobilizing both Congress and public opinion in support of the President as he strives to fully deploy a space based defense for our country.

The first half of your commitment ($150,000) is already at work supporting our efforts. I look forward to receiving the balance of your grant ($150,000) within 2 weeks. I will be in touch with you regarding this in the near future.

It is my pleasure to invite you to be present with President Reagan as he launches this program at a meeting in the Roosevelt Room at the White House in late June. The date for this historic meeting will be June 20, 1986. I do hope you will make plans now to attend. I will have further details for you later this week.

Mrs. King, thank you so very much for your dedication and patriotism to the values and goals we both share for America.

Sincerely,

Cliff

Cliff Smith
Treasurer
(202) 543-6137

Mrs. King -

Hope you are able to be with us for the next meeting with the President. You are a "team-player" and its a wonderful way to be involved!

TAKE care

0014079538

OGC 2559

RECEIVED
FEDERAL ELECTION COMMISSION
ADMINISTRATIVE DIVISION
89 APR 25 AM 9:11


HERGE, SPARKS, CHRISTOPHER & BIONDI
ATTORNEYS AT LAW
SUITE 200
8201 GREENSBORO DRIVE
McLEAN, VIRGINIA 22102
(703) 848-4700

J. CURTIS HERGE
ROBERT R. SPARKS, JR.
A. MARK CHRISTOPHER
GEORGE V. BIONDI

DONNA LYNN MILLER
CARRIE LEE GLASER

TELECOPIER NUMBER
(703) 893-7371


April 17, 1989

89 APR 25 PM 1:27

Sandra Robinson, Esq.
Office of General Counsel
Federal Election Commission
999 E Street, N.W.
Washington, D. C. 20463

Re: MUR 2406; Carl R. Channell

Dear Ms. Robinson:

This responds to the letter from Chairman MacDonald to me, dated April 3, 1989, reporting that the Federal Election Commission had found reason to believe the National Endowment for the Preservation of Liberty violated 2 U.S.C. Sections 433 and 434 or in the alternative 2 U.S.C. Section 441b and Carl R. Channell violated 2 U.S.C. Section 441b. Mr. Channell is named as a respondent in the apparent belief that he was an officer or director of the National Endowment for the Preservation of Liberty and, in connection therewith, consented to the expenditures alleged to have been made by that corporation.

On behalf of Mr. Channell, protest is hereby registered over the fact that the Federal Election Commission continues to name Mr. Channell as a respondent in matters relating to his activities in connection with National Endowment for the Preservation of Liberty in 1986.

In a meeting with Commission attorneys, George F. Rishel and Susan Beard, held on January 20, 1988 in connection with MUR 2406, we provided the Commission with a copy of the Agreement between Mr. Channell and the Office of Independent Counsel Lawrence E. Walsh. That Agreement, dated April 28, 1987, provides that in return for a guilty plea from Mr. Channell to a single felony count charging him with conspiracy, in violation of Title 18, United States Code, Section 371, Mr. Channell would otherwise be exonerated from liability for his activities from April 1, 1985 to April 28, 1987 in connection with, inter alia, the National Endowment for the Preservation of Liberty. The sole civil exception to this exoneration was that Mr. Channell pay


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whatever civil tax liability, including interest and penalties, which may be determined to be due and owing for the April 1, 1985 to April 28, 1987 period pursuant to the provisions of the Internal Revenue Code. As the Agreement was reached with the referenced Independent Counsel acting on behalf of the United States both under the Independent Counsel provisions of the 1978 Ethics in Government Act and the parallel appointment of that Independent Counsel by the United States Department of Justice, it is binding upon all agencies of the Federal government. It has been interpreted in that fashion on prior occasions.

It is improper for the Federal Election Commission to ignore the provisions of the foregoing Agreement and to continue to name Mr. Channell as a respondent. The result is that Mr. Channell is being damaged and is being forced to incur additional legal fees in his defense. In the event the Commission fails to vote to take no further action against Mr. Channell in this matter, Mr. Channell shall seek to enjoin the Commission from taking further action against him as a respondent and shall seek recovery of his legal fees.

Very truly yours,

J. Curtis Herge
Counsel to Carl R. Channell

:sbl

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RECEIVED
FEDERAL ELECTION COMMISSION
ADMINISTRATIVE DIVISION

89 APR 24 AM 11:48


**PERRY, WALTERS & LIPPITT**
ATTORNEYS AT LAW
409 NORTH JACKSON STREET
POST OFFICE BOX 469
ALBANY, GEORGIA 31703-8401

H. HOLCOMBE PERRY, JR.
JESSE W. WALTERS
S. B. LIPPITT, JR.
JAMES E. REYNOLDS, JR.
MARVIN W. MIXON
C. RICHARD LANGLEY
DONALD W. LEE
L. CLAYTON SMITH, JR.
NANCY GREY R. GRIGG

TELEPHONE
(912) 432-7438
432-7481
TELECOPIER
(912) 432-7483


April 19, 1989

Ms. Sandra Robinson, Attorney
Federal Election Commission
Washington, DC 20463

Re: MUR 2406

Dear Ms. Robinson:

In response to your letter of March 24, 1989, addressed to Herbert P. Haley, enclosed herewith you will find Answers to Interrogatories and Request for Production of Documents on behalf of Herbert P. Haley.

Sincerely,

H. H. PERRY, JR.

HHP:s
Encls.

cc: Mr. Herbert P. Haley

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BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of

MUR 2406

ANSWERS TO
INTERROGATORIES AND REQUEST
FOR PRODUCTION OF DOCUMENTS

TO: FEDERAL ELECTION COMMISSION
Washington, D.C.

The following are the answers to your interrogatories, copies of which are attached hereto:

1. Yes.

   a. & b. Yes. Copy of front and reverse side of check attached.

2. Yes.

3. I made the contribution because I favored the SDI proposal and hoped that through informational media advertising other citizens would be persuaded to do likewise. My contribution was made as the result of a telephone call soliciting the contribution made to me by F. Clifton Smith. I do not recall whether in that conversation anything was said about elections. Subsequently I received a communication from F. Clifton Smith dated October 20, 1986, copy of which is attached. As a result of this communication I did not make any further contribution.

4. See answer to 3.

5. In addition to copy of front and back side of check and communication from F. Clifton Smith dated October 20, 1986, I attach notes I made at the time of the telephone conversation with Mr. Smith and a letter dated July 10, 1986, addressed to me from Mr. Smith thanking me for the contribution.

Herbert P. Haley

HERBERT P. HALEY

PERRY, WALTERS
& LIPPITT
ATTORNEYS AT LAW
409 NORTH JACKSON STREET
POST OFFICE BOX 469
ALBANY, GEORGIA 31703
TELEPHONE
(912) 432-7438

0004079533987

Georgia,

Dougherty County:

I do solemnly swear that the foregoing answers to the attached interrogatories are true and correct according to the best of my knowledge and belief.

Herbert P. Haley
HERBERT P. HALEY

Sworn to and subscribed before me,
this the 19th day of April, 1989

Mary W. Stewart
NOTARY PUBLIC (Seal)
My Commission Expires: 4/5/90

PERRY, WALTERS
& LIPPITT
ATTORNEYS AT LAW
409 NORTH JACKSON STREET
POST OFFICE BOX 469
ALBANY, GEORGIA 31703
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# HOTEL GORDON
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5,000.00 SDC
National Endowment
for the Preservation
of Liberty (NEPL)
Attn: Cliff Smith
305-4th St NE
Washington 20002
202-543-6637
Cliff
Friday 3:45

Georgia Printing Co., Albany, Georgia 31701 57952-2

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EXHIBIT TO ANSWERS TO INTERROGATORIES
BEFORE THE FEDERAL ELECTION COMMISSION

Herbert P. Haley
HERBERT P. HALEY

COPIES OF PERSONAL CHECKS
SUBMITTED WITH THIS RESPONSE
HAVE BEEN REMOVED FROM THE PUBLIC FILE

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# NATIONAL ENDOWMENT FOR THE PRESERVATION OF LIBERTY

305 FOURTH ST., N.E.
SUITE 1000
WASHINGTON, D.C. 20002

July 10, 1986

Mr. Herbert Haley
1207 Pine Crest Drive
Albany, GA 31707

Dear Mr. Haley:

This is to express my deep appreciation for your generous contribution of $5,000.00 to support President Reagan's goal of a fully deployed Strategic Defense Initiative (SDI).

I appreciate very much your participation as a member of the Presidential Leadership Committee which enabled us to place in your media market broadcasts of our powerful television messages supporting the Strategic Defense Initiative and a strong national defense for America. These messages were shown in your area on July 3rd, 4th, and 6th during the Statue of Liberty celebration.

It is my hope to be in the Albany area later this summer and I would be delighted to meet you.

Thank you again for this unique support of the President.

EXHIBIT TO ANSWERS
TO INTERROGATORIES BEFORE THE
FEDERAL ELECTION COMMISSION
Herbert P. Haley
HERBERT P. HALEY

Sincerely yours,

F. Clifton Smith
Treasurer
(202) 543-6137

FCS/rw

Hope you are well, Mr. Haley
Thanks so much for your help.
I'll be in touch to give you
an update — FCS

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Mr Haley - I have tried reaching you several times - We are about to lose the Senate - We need your help!

THE EMERGENCY COMMITTEE TO SAVE THE REAGAN REVOLUTION

1331 Pennsylvania Avenue, NW
Suite 375 South
Washington, DC 20004
(202) 662-8701

October 20, 1986

Mr. Herbert P. Haley
1207 Pinecrest Drive
Albany, GA 31707

URGENT

Dear Mr. Haley:

THE BAD NEWS

It is critical that I tell you that Republican senatorial candidates are now sinking in 6 crucial states. If these candidates lose, the Senate is gone.

Once we've lost the Senate, the Reagan revolution, its hopes, its agenda, and its goals to restore America's strength will be dead. Ronald Reagan will be compromised and defeated as a political leader. The liberals will waste no time in tearing apart the Reagan achievements.

Survey results of mid-October from 6 states now show Republican senatorial candidates consistantly declining. The trend is bad.

In Florida, Paula Hawkins just cannot mobilize the lead. She is trailing by 7%.

In North Carolina, Jim Broyhill is still trailing by 5%.

In Nevada, Santini cannot mobilize a majority. He is trailing by 7%.

In California, Ed Zschau is barely coming to life. He still trails by 8%.

In Alabama, Senator Denton's huge lead has evaporated. The race is even.

In Colorado, Ken Kramer is struggling and is behind by 4%.

EXHIBIT TO ANSWERS TO INTERROGATORIES
BEFORE THE FEDERAL ELECTION COMMISSION

Herbert P. Haley
HERBERT P. HALEY

*The Emergency Committee to Save the Reagan Revolution is a project of American Conservative Trust. Paid for by the American Conservative Trust and not by any candidate or candidate's committee.*

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If Republican turnout drops just 4.5% on election day, the Senate will be handed over to the liberals. Supported by a liberal House of Representatives, they will humiliate Ronald Reagan the remaining two years of his presidency.

THE GOOD NEWS

The President, however, has discovered an immensely popular rallying cry which several national polls indicate could turn the tide in these final days. Remember, we only need to turn 4.5%.

In each of these races listed above, the President's space defense program (SDI) is quickly becoming the big motivational issue, the rallying cry for Republicans.

We of the American Conservative Trust are answering the President's request and are focusing on SDI and Ronald Reagan to rally and motivate our voters in the next two weeks.

The President has urged that, because of ACT's ability to act quickly, we publicize in every way possible the support of his embattled senatorial candidates for SDI. He has also shown the urgent need to expose those liberal candidates who oppose SDI and whose vote against it, if elected, would severely damage America's national security.

Publication of support for SDI among Republican candidates in these critical states <u>where SDI is already very popular</u> will have a tremendous impact on election day. This issue will rally Republican supporters. It will mobilize and motivate that crucial 4.5% of complacent or undecided voters to come out on election day and vote for Ronald Reagan senatorial candidates.

WHAT TO DO

But none of this can or will happen without your personal commitment and financial help.

We have our Reagan/SDI television ads <u>ready</u>. We have our Reagan/SDI radio ads <u>ready</u>. We have get-out-the-vote newspaper ads <u>ready</u>. For Republicans, election day motivation will be crucial. If you wish to hear scripts, call (202) 662-8700.

All we need is the financial support you alone have the power to provide at this time.

We do not need to lose the Senate. But...

0 0 4 0 7 9 5 3 9 3

Tremendous sacrifice is now required for us to now hold the Senate. After all, we must motivate conservative democrats to cross the ballot--a difficult task any time--if Reagan republican senatorial candidates are to win. We must have democrat votes while also motivating our own.

And now our backs are against the wall.

Time--every day--is precious.

If you will send your maximum support now, you will enable us to rally and mobilize this crucial vote. We must move just under 5% in these important states. Your final election contribution of $1,000 to $5,000, made payable to the American Conservative Trust, will have a great and immediate impact and save the Reagan Revolution. Your money will be used to go on the air at once.

These are the last moments. If we lose, all of Ronald Reagan's effort is doomed. If a restored America is to be preserved, we must perservere now.

The battle to keep the Senate is tough. Being a majority is tough. Governing is tough. Guiding the greatest nation is tough. The liberals want all of this back. They are hungry for control again.

The liberals are motivated nationwide. They smell victory coming. With your help, we will stop this trend dead in its tracks. This is my only political request to you for this election.

We cannot lose this battle. We cannot lose this war. America's future is too important to surrender to the liberals now. Please send your largest contribution possible today.

Toward victory for the President a final time.

Many thanks for all that you are doing,

Cliff Smith
Treasurer

P. S. Please use the stamped enclosed return envelope for your response.

Note: We are also running this campaign in Texas against Bryant (TX5), Coleman (TX16), and Jim Wright (TX10).

Remember — We talked this summer when you were unable to attend our meeting w/ Pres. Reagan

FEDERAL ELECTION COMMISSION
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**BEFORE THE FEDERAL ELECTION COMMISSION**

**SENSITIVE**

| | | |
|---|---|---|
| In the matter of | ) | |
| | ) | |
| National Endowment for the Preservation of Liberty; Carl Russell Channell; Sentinel; American Conservative Trust State Election Fund; American Conservative Trust and Carl R. Channell, as treasurer | ) | MUR 2406 |
| | ) | |
| Anti-Terrorism American Committee and Anti-Terrorism American Committee State Election Fund and Carl R. Channell, as treasurer | ) | |

**GENERAL COUNSEL'S REPORT**

In the General Counsel's Report, signed February 29, 1988, this Office initially discussed the request by counsel for Carl Russell Channell in response to the Commission's reason to believe finding regarding 2 U.S.C. § 441b(a) that no further action be taken against Channell. As that report noted, the basis for counsel's request was the plea agreement between Channell and Lawrence E. Walsh, the Independent Counsel investigating the Iran-Contra affair.

Because of the significance and complexity of this issue, this Office recommended that the Commission seek the views of the Independent Counsel and complete its investigation before addressing counsel's request that no further action be taken against Channell. The Commission approved a letter to the Independent Counsel and approved a letter to counsel for Channell that among other things informed him that the Commission would consider his request after the investigation in this matter is

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complete. The Independent Counsel's response was received on April 20, 1988. A copy of the letter is attached as Attachment 1. Accompanying the letter was a copy of the plea agreement between Channell and the Independent Counsel. Because the Independent Counsel has requested that this agreement be kept confidential, it will not be included in the public file when this matter closes.

On March 16, 1989, the Commission made an additional finding that Carl R. Channell had violated 2 U.S.C. § 441b. In a letter dated April 17, 1989, counsel for Channell protested the continued retention of Channell as a respondent with respect to NEPL activities in 1986. See Attachment 5. Counsel referred to his earlier request and his contention that the plea agreement with the Independent Counsel otherwise exonerated Channell from liability for these activities and binds all agencies of the federal government. Counsel maintains that it is improper for the Commission to continue to treat Channell as a respondent and thus to force him to incur additional legal fees. Counsel ends his letter with the statement:

> In the event the Commission fails to vote to take no further action against Mr. Channell in this matter, Mr. Channell shall seek to enjoin the Commission from taking further action against him as a respondent and shall seek recovery of his legal fees.

This Office is currently preparing a draft of a comprehensive report covering the investigation undertaken to date to determine what, if any, further investigation may be warranted. Nevertheless, in our opinion, the investigation has proceeded to

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where this issue regarding Channell can and should be addressed.

As the discussion and analysis in this report set forth, we recommend that the Commission reject counsel's request to take no further action against Channell for three principal reasons. First, in our view the Independent Counsel lacks authority to enter into any plea agreement that would compromise or invade the Commission's exclusive jurisdiction for civil enforcement of the Federal Election Campaign Act of 1971, as amended (the "Act") and has made no claim to having such authority. Second, the plea agreement entered into between Channell and the Independent Counsel contains no language that in our opinion prevents the Commission from proceeding against Channell or immunizes him from civil enforcement of the Act and the Commission's investigation does not interfere with the Independent Counsel's mandate. Third, the investigation has sufficiently established that Channell controlled and dominated the subject organizations and was primarily responsible for their activities at issue in this matter. Therefore, this Office concludes that Channell should be retained as a respondent in this matter.

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## FACTUAL AND LEGAL ANALYSIS

### I. An Independent Counsel lacks jurisdiction and authority to compromise or invade the exclusive jurisdiction of the Federal Election Commission for civil enforcement of the Act.

Congress established a statutory scheme that assigns exclusive jurisdiction for civil enforcement of the Federal Election Campaign Act of 1971, as amended (the "Act"), to the Federal Election Commission while preserving the general powers of the Attorney General to initiate criminal prosecutions on

behalf of the United States.

Except as otherwise provided for by law, the Attorney General is vested with the authority and responsibility of enforcing all criminal statutes passed by Congress, to conduct any civil and criminal proceeding which United States Attorneys are authorized by law to conduct, and to conduct and supervise all litigation in which the United States or an agency thereof is interested. See 28 U.S.C. §§ 515-519 and 547. In the case of FECA, Congress has otherwise provided for. Section 437c(b)(1) states that the "Commission shall have exclusive jurisdiction with respect to the civil enforcement of" the Act and Chapters 95 and 96 of Title 26. See also, 2 U.S.C. §§ 437d(a)(6) and 437d(e). The United States Court of Appeals for the Ninth Circuit has taken note of this arrangement:

> The 1976 amendments extended and refined this arrangement under which civil enforcement powers were allocated to the FEC and criminal enforcement powers to the Department of Justice.
>
> Senator Cannon, Chairman of the Senate Committee on Rules and Administration, which reported the 1976 Amendments, summarized the effect of the amendments as follows:
>
> > "The bill would grant the exclusive civil enforcement of the Act to the FEC to avoid confusion and overlapping with the Department of Justice, but at the same time, retain the jurisdiction of the Department of Justice for the criminal prosecutions of any violations of this act."
>
> 122 Cong. Rec. S.7288-89 (1976), reprinted in Legislative History at 470-71(1977)(emphasis added).

U.S. v. International Union of Operating Engineers, Local 701, 638 F.2d 1161, 1165-66 (9th Cir. 1979).

To give further effect to this statutory scheme, the Commission and the Department of Justice entered into a

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Memorandum of Understanding Between the Department of Justice and the Federal Election Commission. The Ninth Circuit noted with respect to this agreement that "[s]ubstantial deference is due this interpretation of a statute by the agencies charged with its administration." Id. at 1166-67. The Department has also established a policy that "plea agreements reached with defendants who have possible exposure for FECA violations must contain a specific disclaimer to the effect that the United States Attorney is not waiving the enforcement jurisdiction of FEC." DOJ, Federal Prosecution of Election Offenses at 79 (5th ed. May 1988). It further notes that the "FEC's enforcement jurisdiction over noncriminal FECA violations is absolute, and it cannot be compromised or waived by the Department of Justice." Id.

Title VI of the Ethics in Government Act (see 28 U.S.C. §§ 591-599) allows for the appointment of an independent counsel to investigate and prosecute certain government officials. This statute applies to violations of "any Federal criminal law other than a violation classified as a Class B or C misdemeanor or an infraction." See 28 U.S.C. § 591(a) and 591(c). In conducting a preliminary investigation under this statute, the Attorney General shall examine such matters as appropriate to make a determination whether further investigation is warranted "with respect to each potential violation, or allegation of a violation, of criminal law." 28 U.S.C. § 592(a)(1). The Attorney General "shall comply with the written or other established policies of the Department of Justice with respect to

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the conduct of criminal investigations" in making his determination. 28 U.S.C. § 592(c)(1).

When the appropriate Special Division of the court appoints an independent counsel, it shall define his prosecutorial jurisdiction to assure he has "adequate authority to fully investigate and prosecute the subject matter with respect to which the Attorney General has requested the appointment...and all matters related to that subject matter." 28 U.S.C. § 593(b)(3). The statute further provides that such "jurisdiction shall include the authority to investigate and prosecute Federal crimes...that may arise out of the investigation or prosecution of the matter with respect to which the Attorney General's request was made." Id. The provision also limits the public availability of an independent counsel's prosecutorial jurisdiction. 28 U.S.C. § 593(b)(4). This jurisdiction may be expanded if the independent counsel discovers or receives information about possible violations of criminal law by persons covered by the Act but which are not covered by his original jurisdiction by submitting such information to the Attorney General. 28 U.S.C. § 593(c).

The Ethics in Government Act grants an independent counsel, with respect to all matters in his prosecutorial jurisdiction, full power and independent authority to exercise all investigative and prosecutorial functions and powers of the Department of Justice, the Attorney General, and any other officer or employee of the Department of Justice. 28 U.S.C. § 594(a). It further states that, except where not possible, an

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independent counsel shall "comply with the written or other established policies of the Department of Justice respecting enforcement of the criminal laws." 28 U.S.C. § 594(f).

This statute has recently been authoritatively construed by the United States Supreme Court in Morrison v. Olson, 487 U.S.___, 108 S.Ct. 2597 (1988). In determining that an independent counsel was an "inferior officer" for purposes of the Appointments Clause of Article II, the court stated:

> ...Second, appellant is empowered by the Act to perform only certain, limited duties. An independent counsel's role is restricted primarily to investigation and, if appropriate, prosecution for certain federal crimes. Admittedly, the Act delegates to appellant "full power and independent authority to exercise all investigative and prosecutorial functions and powers of the Department of Justice." § 594(a), but this grant of authority does not include any authority to formulate policy for the Government or the Executive Branch, nor does it give appellant any administrative duties outside of those necessary to operate her office. The Act specifically provides that in policy matters appellant is to comply to the extent possible with the policies of the Department. § 594(f).
>
> Third, appellant's office is limited in jurisdiction. Not only is the Act itself restricted in applicability to certain federal officials suspected of certain serious federal crimes, but an independent counsel can only act within the scope of the jurisdiction that has been granted to the Special Division pursuant to a request by the Attorney General.

Id. at 2608-9. With respect to the role of the Special Division of the Court in defining an independent counsel's jurisdiction, the Court further stated:

> ...[W]e do not think that Congress may give the Division unlimited discretion to determine the independent counsel's jurisdiction. In order for the Division's definition of the counsel's jurisdiction to be truly "incidental" to its power to appoint, the jurisdiction that the court decides upon must be demonstrably related to the factual circumstances that gave rise to the Attorney General's investigation and request for the appointment of the independent counsel in the particular

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case.

Id. at 2613. The court noted that this limitation on the power to define the counsel's jurisdiction also applies to any expansion of such jurisdiction upon the request of the Attorney General. Id. at 2613 n.17.

The common thread that runs through both the statute and the Supreme Court's interpretation of it is that its applicability is limited to certain federal crimes, the preliminary investigation by the Attorney General and his request to the court for appointment of an independent counsel is likewise limited to certain federal crimes, and the court's defining of the counsel's jurisdiction is constrained by the scope of the Attorney General's request. Thus, an independent counsel's authority is limited to the investigation and prosecution of certain federal crimes under the jurisdiction of the Attorney General and the Department of Justice and does not extend to the investigation and prosecution of civil matters that Congress has assigned to agencies other than the Attorney General or the Department of Justice. Accordingly, we conclude that the Ethics in Government Act does not give any independent counsel the statutory authority to make any agreement with any person that would compromise or waive the Commission's exclusive jurisdiction for civil enforcement of the Act.

This conclusion is further corroborated by the order of the Special Division of the U.S. Court of Appeals for the District of Columbia that appointed Lawrence E. Walsh as an independent counsel and defined his jurisdiction. See Attachment 2. The

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order first describes the application of the Attorney General as for the investigation and prosecution of "alleged violations of federal criminal laws" by certain persons "in connection with the sale or shipment of military arms to Iran and the transfer or diversion of funds realized in connection with such sale or shipment... ."

The order then appointed Mr. Walsh an "Independent Counsel with jurisdiction to investigate to the maximum extent authorized by Title 28 U.S.C. § 594, whether" certain persons have "committed a violation of any federal criminal law." This jurisdiction is further defined as "related in any way to" (1) the sale or shipment of arms to Iran by government or its agents or employees or by any intermediaries; (2) the financing of such sale or shipment; (3) the diversion of proceeds of such sale or shipment; and (4) the provision of support for the Contras. The order further provides that Mr. Walsh's jurisdiction shall include "authority to investigate other allegations or evidence of violations of any federal criminal law" by certain persons "developed during [his] investigation..and connected with arising out of that investigation...."

Thus, Mr. Walsh's jurisdiction is limited to the investigation and prosecution of federal criminal law violations and to the subject matter of the sale or shipment of arms to Iran and the diversion of funds as well as to the federal criminal law violations arising out of his investigation of this subject matter. The order makes no specific reference to federal

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election laws or activity related to federal elections. Under the terms of the Court's order, Mr. Walsh's jurisdiction would extend to criminal violations of federal election law or election-related activity only they were connected with or arose out of his investigation of the Iran arms sale or the diversion of funds. In the case Mr. Walsh's investigation did extend to election law questions, he would still be limited to the investigation and prosecution of federal criminal laws. Even if such actions were initiated by Mr. Walsh, it would not preclude the Commission's parallel civil proceedings. See Spannaus v. FEC, 641 F.Supp. 1520, 1532 (S.D. N.Y. 1986), aff'd 816 F.2d 670 (2d Cir. 1987).

Moreover, the actions of the Independent Counsel underscore this interpretation of his jurisdiction. This Office has twice written to Mr. Walsh, with the Commission's approval, first to apprise him of the Commission's investigation of alleged violations of the Act by Channell and his organizations and second to seek his views on the assertions with respect to Channell's pleas agreement with Mr. Walsh. After these letters were sent, staff of this Office have held several telephone conversations with staff of the Independent Counsel. At no time during these contacts has Mr. Walsh's staff raised any objection to the Commission's investigation or suggested the Commission's investigation should be delayed or abandoned. Instead, Mr. Walsh's staff has been cooperative and helpful. More importantly, when questions regarding the plea agreement were raised in the second letter, an associate counsel in Mr. Walsh's

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office responded by providing this Office with a copy of the agreement.

In conclusion, this Office's analysis shows that (1) the Ethics in Government Act does not give an Independent Counsel authority to affect the Commission's exclusive civil jurisdiction for enforcement of the Act; (2) the order defining Mr. Walsh's jurisdiction does not purport to give him such authority; and (3) Mr. Walsh has made no claim to having such authority.

**II. The plea agreement between the Independent Counsel and Carl R. Channell does not prevent the Commission's proceedings against Channell and does not immunize him from civil prosecution in this matter.**

As noted earlier, counsel for Channell supported his request that we take no further action against his client with a letter addressed to him from Alexia Morrison, who had represented Channell with respect to the Independent Counsel's investigation. See Attachment 3 for copies of the two letters.

In her letter, Ms. Morrison initially states that the plea agreement should be the reference point for any dealings with the Federal Election Commission concerning Channell's activities in connection with the National Endowment for the Preservation for Liberty, Sentinel, American Conservative Trust, and the American Conservative Trust-State Election Fund. She states that while a copy of the plea agreement cannot be delivered to third parties, she asserts that prosecutorial authorities should understand that Channell had been immunized from prosecution for his activities with respect to these groups from April 1, 1985, through April 28, 1987. She further asserts that because the agreement was reached with the Independent Counsel under both the Ethics in

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Government Act provisions and the parallel appointment by the Department of Justice, it "should bind all agencies of the federal government." She claims that it has been so interpreted "on a prior occasion." This Office understands that the prior occasion referred to is the House and Senate Select Committees, which chose not to call Channell as a witness, though they did take his deposition. Ms. Morrison further states that Channell's cooperation was viewed as important and that the "clear intent of the agreement was to insulate him from further prosecution in connection with the matters under the Independent Counsel's jurisdiction and to prevent corollary proceedings which might interfere with the execution of that prosecutor's mandates."

In our view the plea agreement simply does not support Ms. Morrison's broad claims and interpretation. She first claims that Channell has been immunized from prosecution for his activities during a specified period with respect to his organizations and that this immunity and agreement should bind all federal agencies. The immunity paragraph in the plea agreement, however, actually states that if Channell complies with the agreement, he "will not be further prosecuted by this office" (emphasis added). Thus, the agreement granted Channell immunity only from prosecution by the Independent Counsel and did not, by its terms, extend to other agencies.

The agreement also provided for the Independent Counsel's seeking statutory use immunity for Channell's testimony to the grand jury and at trial. That provision also would not shield Channell from proceedings in this matter (MUR 2406) because (1)

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statutory use immunity applies only to criminal proceedings and does not extend to civil proceedings, see 18 U.S.C. § 6002 (no immunized testimony "may be used against the witness in any criminal case..."), and (2) Channell's testimony before the grand jury or at trial has not been reviewed as part of MUR 2406 and there is no intention or plan to do so. To interpret the grant of use immunity to Channell in the manner urged by counsel would effectively give him transactional (not use) immunity, which Congress intended to prohibit when it enacted Section 6002. See Pillsbury Co. v. Conboy, 459 U.S. 248, 253-54, 260-61, 263 (1983).

Ms. Morrison also asserts that the intent of the plea agreement was also to prevent any corollary proceedings which might interfere with the execution of the Independent Counsel's mandates. Again, in our view, she overstates the actual terms of the agreement. The agreement states that it "binds the Office of Independent Counsel." It then provides that "[t]o the extent that it does not bind other federal, state or local prosecuting authorities, this Office will bring the cooperation of Carl R. Channell to the attention of other prosecuting offices if requested." We first note that the conditional language in the agreement recognizes that it may not bind other agencies. As noted above, in response to this Office's letter regarding the effect of the plea agreement on the Commission's proceedings with respect to Channell, the Independent Counsel's office provided a copy of the agreement. Thus, in our view, the Independent Counsel's office did precisely what it had agreed to do--it

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brought to our attention Channell's cooperation with the Independent Counsel. In addition, the Independent Counsel has made no claim that this agreement binds the Commission, and its action in providing us with a copy suggests otherwise. Moreover, the Independent Counsel has not asserted that the Commission's investigation interferes in any way with his investigation and prosecution.

Therefore, this Office concludes that the plea agreement does not prevent the Commission's investigation and proceedings in this matter with respect to Channell and does not immunize him from civil prosecution by the Commission in this matter.

**III. Carl R. Channell's extensive and personal involvement in the activities including his control of the organizations at issue in this matter mandate his retention as a Respondent.**

In December 1987, the Commission found reason to believe NEPL, Sentinel, and ACTSEF had either violated 2 U.S.C. §§ 433 and 434 for failing to register and report as a political committee or 2 U.S.C. § 441b for making prohibited corporate contributions and expenditures. The Commission also found reason to believe Carl R. Channell, as an officer or director of NEPL, Sentinel, and ACTSEF, had violated 2 U.S.C. § 441b for causing or consenting to the alleged corporate contributions and expenditures. The request of counsel for Channell that no further action be taken against him is related to the Section 441b finding.[1] See Attachment 3. In March 1989 the Commission

1. We note that in December 1987 the Commission also found reason to believe ACT and Carl R. Channell, as treasurer, violated 2 U.S.C. § 433(b)(2). Counsel did not refer to this finding in his request that no further action be taken against Channell.

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further found reason to believe NEPL and Carl R. Channell, as an officer of NEPL, violated Section 441b on a new factual basis. Counsel's April 17, 1989, letter is treated as requesting no further action be taken against Channell with respect to this finding as well as the December 1987 one. We note that the Section 441b provides a key prong for the Commission's investigation in this matter. Moreover, the record shows that Channell established NEPL, Sentinel, and ACTSEF, served as their chief executive officer, and exercised daily control over them and their activities.

Channell was one of the incorporators and a member of the board of directors for NEPL, Sentinel, and ACTSEF. In addition, he has served as the President of NEPL and Sentinel since their inception and as the chairman of ACTSEF since its inception. His central role as head of these organizations and his exercise of personal control over them has been attested to by Channell and his former employees.

In his own deposition to the Select Committees, Channell testified in response to a question about what his job was:

> I was the head of the organization. I guided the policy, created the policy. I raised eight of every ten dollars. I was in charge of frankly creating the programs, moving the programs as far as raising the funds for them. That is all that I did. I had Dan Conrad hired as the administrator to hire and fire everybody, to govern the administrative activities of all our organizations and support staff.

Cliff Smith, a long-time Channell employee, testified that Channell was head of ACT, NEPL, Sentinel, and ATAC. He stated Mr. Channell was "very much his own man which many people are and he worked very hard to build these organizations and was someone

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who liked to run them the way he saw fit." Kris Littledale, a fundraiser for Channell's organizations, testified:

> I did whatever Spitz Channell told me to do. I viewed myself not as working for any specific organization. I viewed myself as more of an employee of Spitz Channell.

He described Channell as "a bit of an autocrat." Smith's and Littledale's testimony was given in depositions conducted by OGC staff as part of the Commission's investigation in this matter.

As Channell's own testimony indicates, he was intimately involved in the solicitation of funds, one of the principal subjects of the Commission's investigation. Jane McLaughlin, another fundraiser for Channell's organizations, testified in her deposition to the Select Committees:

> I was told by Dan and Cliff and Kris that this is how Spitz operated. I was told this from day one, that we would basically find the fish and bring them to him and then he would take over, because he had the ability to extract much larger sums of money than we would...

Kris Littledale testified that he "never solicited anybody without Mr. Channell first having told me to solicit that person." He said Channell gave him the names to solicit from a list Channell kept and maintained. Smith also testified that ever since he had known Channell, Channell "had his own in-house fundraising list and he never discussed where or how he got them or anything to that effect."

Channell also dealt personally and directly with the vendors who provided services to his organizations. For instance, he directed the Robert Goodman agency regarding the preparation and placement of the Contra ads and personally involved himself in correcting disclaimer and billing errors by the Goodman agency

0004079541O

regarding these ads. Channell himself said he made the final decision on where to run the ads. Littledale also testified that Channell decided where to place these ads. Smith testified that "[a] lot of times Mr. Channell would meet with the vendors or the principal with whom he was doing business and he would present a check at that time." Smith said Channell particularly liked to handwrite the checks and sign them himself.

Regarding the polling work, Smith testified that Channell "was the one who dealt with Mr. Finkelstein almost exclusively." Also, Smith testified with regard to the independent expenditures by ACT and ATAC in 1986:

> I would have casual conversations from time to time with Mr. Channell about what he was planning to do relative to independent expenditures, but in almost all case, if not all cases, he decided where he wanted to place ads and how much money we would spend, and such, and it became our responsibility to raise the funds...

Thus, the record shows that Channell controlled these organizations and was extensively and personally involved in their activities, particularly the ones that are the subject of the Commission's investigation.

Furthermore, the apparent financial status of these organizations creates some doubt regarding their ability to enter into an acceptable conciliation agreement with the Commission, if the Commission should decide to pursue conciliation with them. NEPL and Sentinel are reportedly dormant and defunct. NEPL lost its tax exempt status in 1987 after revelation of some of its activities. Another Channell organization, the Channell Corporation, was reported as having filed for bankruptcy in 1987. See Attachment 4. The reports filed by ACT's federal account

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show that it had no receipts and disbursements in 1988 and ended the year with $19.08 cash on hand and $50,670.66 in debts owed by it. The reports filed by ATAC's federal account show $3,000 in receipts and $3,414.64 in disbursements in 1988 and ended the year with $1,283.12 cash on hand and $4,818.14 in debts owed by it. In January 1989 Channell relocated ACT and ATAC from office space rented from the Family Research Council on Second Street, N.E., to Channell's personal residence on Belmont Road, N.W. Thus, it appears that only Channell, not these organizations, could pay a civil penalty if the Commission should decide to seek one.

0004079412

IV. Conclusion

Accordingly, based on the discussion and analysis of this entire report, the Office of the General Counsel recommends that the Commission reject the request of counsel for Carl R. Channell that no further action be taken against Channell with respect to the Section 441b finding and to send the proposed letter so advising counsel. The proposed letter sets forth the essential basis for the rejection of this request: (1) the Independent Counsel does not have authority to waive or affect the Commission's exclusive civil jurisdiction for enforcement of the Act and the Independent Counsel has made no claim to having such authority; (2) the plea agreement does not bind the Commission or preclude or purport to preclude the Commission from pursuing its investigation with respect to Channell and the Independent Counsel has not asserted that the Commission's investigation interferes with his mandate; and (3) Carl R. Channell was

personally and extensively involved in the activities and controlled the organizations in question. We also recommend sending a letter to the Independent Counsel informing him of the latest developments regarding this issue.

**RECOMMENDATIONS**

1. Reject the request of counsel for Carl R. Channell that the Commission take no further action against Carl R. Channell with respect to 2 U.S.C. § 441b.

2. Approve the attached letters.

5/1/89
Date

Lawrence M. Noble
General Counsel

Attachments
1. Letter from the Office of the Independent Counsel
2. Order by the Special Division of the Court
3. Letter from counsel for Carl R. Channell(1-29-88)
4. News article
5. Letter from counsel for Carl R. Channell (4-17-89)
6. Proposed letters

Staff person: George F. Rishel

0004079541 3

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of

| | | |
|---|---|---|
| National Endowment for the Preservation of Liberty; Carl Russell Channell; Sentinel; American Conservative Trust State Election Fund; American Conservative Trust and Carl R. Channell, as treasurer | ) | MUR 2406 |
| Anti-Terrorism American Committee and Anti-Terrorism American Committee State Election Fund and Carl R. Channell, as treasurer | ) | |

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CERTIFICATION

I, Marjorie W. Emmons, Secretary of the Federal Election Commission, do hereby certify that on May 4, 1989, the Commission decided by a vote of 4-0 to take the following actions in MUR 2406:

1. Reject the request of counsel for Carl R. Channell that the Commission take no further action against Carl R. Channell with respect to 2 U.S.C. § 441b.

2. Approve the letters, as recommended in the General Counsel's Report signed May 1, 1989.

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

Attest:

May 5, 1989
Date

Helda Arnold
for Marjorie W. Emmons
Secretary of the Commission

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

May 9, 1989

Lawrence E. Walsh, Esquire
Office of Independent Counsel
Suite 701 West
555 Thirteenth Street, N.W.
Washington, D.C. 20004

RE: MUR 2406

Dear Mr. Walsh:

In a letter dated March 8, 1988, the Federal Election Commission informed you that counsel for Carl R. Channell had requested that no action be taken against Mr. Channell in connection with the Commission's investigation on the basis of the plea agreement between your office and Mr. Channell. The letter requested your views on the asserted effect of plea agreement, and your office responded by providing a confidential copy of the agreement.

Counsel for Mr. Channell has recently renewed his request and repeated his assertion that the plea agreement immunized Mr. Channell from all liability, including all civil liability, related to his activities regarding the National Endowment for the Preservation of Liberty, Sentinel, American Conservative Trust, and the Anti-Terrorism American Committee during the specified period and that it binds all agencies of the federal government. Counsel further stated that if the Commission did not vote to take no further action against Mr. Channell, Mr. Channell would file suit to enjoin the Commission from proceeding against him.

On May 4 , 1989, the Commission considered these requests to take no further action against Mr. Channell and rejected them. We will promptly inform your office if Mr. Channell does file suit to enjoin the Commission from proceeding against him on the basis of the plea agreement.

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If you have any questions, please direct them to me, at (202) 376-5690.

Sincerely,

Lawrence M. Noble
General Counsel

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FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

May 9, 1989

J. Curtis Herge, Esquire
Herge, Sparks, Christopher & Biondi
Suite 200
8201 Greensboro Drive
McLean, VA 22102

RE: MUR 2406
Carl R. Channell

Dear Mr. Herge:

On January 29, 1988, you requested that the Commission take no further action against your client, Carl R. Channell, with respect to the 2 U.S.C. §441b finding. In a letter dated March 8, 1988, you were informed that the Commission would consider this request after further investigation in this matter. In a letter dated April 17, 1989, you renewed your request that no further action be taken in this matter against Mr. Channell.

On May 4, 1989, the Commission considered your requests and decided to reject them. The reasons for this rejection of your requests are (1) the Independent Counsel does not have authority to waive or affect the Commission's exclusive civil jurisdiction for enforcement of the Federal Election Campaign Act of 1971, as amended ("the Act") and the Independent Counsel has made no claim to having such authority; (2) the plea agreement does not bind the Commission or preclude or purport to preclude the Commission from pursuing its investigation with respect to your client and the Independent Counsel has not asserted that the Commission's investigation interferes with his mandate; and (3) Carl R. Channell was personally and extensively involved in the activities and controlled the organizations in question.

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.

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If you have any questions, please contact Sandra Robinson or George Rishel, the attorneys assigned to this matter, at (202) 376-8200.

Sincerely,

Lawrence M. Noble
General Counsel

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06C 2813

RECEIVED
FEDERAL ELECTION COMMISSION
ADMINISTRATIVE DIVISION
89 MAY 22 PM 2:08

HERGE, SPARKS, CHRISTOPHER & BIONDI
ATTORNEYS AT LAW
SUITE 200
8201 GREENSBORO DRIVE
McLEAN, VIRGINIA 22102
(703) 848-4700

J. CURTIS HERGE
ROBERT R. SPARKS, JR.
A. MARK CHRISTOPHER
GEORGE V. BIONDI
DONNA LYNN MILLER
DIANE H. MAHSHIE

TELECOPIER NUMBER
(703) 893-7371

May 19, 1989

Sandra Robinson, Esq.
Office of General Counsel
Federal Election Commission
999 E Street, N.W.
Washington, D. C. 20463

Re: MUR 2406

Dear Ms. Robinson:

This is to advise you that Mr. Channell has been and is currently indisposed for medical reasons. We anticipate that we will have an opportunity to meet with Mr. Channell sometime following Memorial Day. If his recovery proceeds as anticipated and we can meet with him during that week, we will then be able to relate to you Mr. Channell's position on the outstanding issues.

Very truly yours,

J. Curtis Herge

:sbl

0004047619

OGC 3126

HERGE, SPARKS, CHRISTOPHER & BIONDI
ATTORNEYS AT LAW
SUITE 200
8201 GREENSBORO DRIVE
MCLEAN, VIRGINIA 22102
(703) 848-4700

J. CURTIS HERGE
ROBERT R. SPARKS, JR.
A. MARK CHRISTOPHER
GEORGE V. BIONDI
DONNA LYNN MILLER
DIANE H. MAHSHIE

TELECOPIER NUMBER
(703) 893-7371

89 JUN 20 AM 10: 29

June 19, 1989

RECEIVED
FEDERAL ELECTION COMMISSION
OFFICE OF GENERAL COUNSEL
89 JUN 19 PM 7:30

Sandra Robinson, Esq.
Office of General Counsel
Federal Election Commission
999 E Street, N.W.
Washington, D. C. 20463

Re: MUR 2406; Carl R. Channell

Dear Ms. Robinson:

In furtherance of our recent correspondence about this matter, we have now had an opportunity to meet with our client, Carl R. Channell. As a consequence of that meeting, we can advise you that it is our intention to submit Mr. Channell's responses to the Interrogatories which were enclosed with the Commission's letter dated April 3, 1989. In so doing, we shall reserve Mr. Channell's right to challenge the Commission's activities in light of the agreement between Mr. Channell and the Office of Independent Counsel Lawrence E. Walsh.

For your information, Mr. Channell remains under medical care and supervision. The result has been a severely impaired ability to communicate with our client. Nevertheless, it is our objective to submit Mr. Channell's responses on or before July 15, 1989.

Very truly yours,

J. Curtis Herge

:sbl

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OGC 3127


HERGE, SPARKS, CHRISTOPHER & BIONDI
ATTORNEYS AT LAW
SUITE 200
8201 GREENSBORO DRIVE
McLEAN, VIRGINIA 22102
(703) 848-4700

J. CURTIS HERGE
ROBERT R. SPARKS, JR.
A. MARK CHRISTOPHER
GEORGE V. BIONDI
DONNA LYNN MILLER
DIANE H. MAHSHIE

TELECOPIER NUMBER
(703) 893-7371


FEDERAL ELECTION COMMISSION
89 JUN 20 AM 10:22

June 19, 1989

RECEIVED
FEDERAL ELECTION COMMISSION
OFFICE OF GENERAL COUNSEL
89 JUN 19 PM 7:30

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

Attention: Sandra Robinson, Esq.
Office of General Counsel

Re: MUR 2406; American Conservative Trust

Dear Members of the Commission:

This letter is to notify you that we have resigned as counsel to American Conservative Trust in connection with the above-captioned matter.

Very truly yours,

J. Curtis Herge

J. Curtis Herge

:sbl

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OGC 3128


HERGE, SPARKS, CHRISTOPHER & BIONDI
ATTORNEYS AT LAW
SUITE 200
8201 GREENSBORO DRIVE
McLEAN, VIRGINIA 22102
(703) 848-4700

J. CURTIS HERGE
ROBERT R. SPARKS, JR.
A. MARK CHRISTOPHER
GEORGE V. BIONDI
DONNA LYNN MILLER
DIANE H. MAHSHIE

TELECOPIER NUMBER
(703) 893-7371


FEDERAL ELECTION COMMISSION
OFFICE OF GENERAL COUNSEL
89 JUN 20 AM 10:25

June 19, 1989

RECEIVED
FEDERAL ELECTION COMMISSION
OFFICE OF GENERAL COUNSEL
89 JUN 19 PM 7:30

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

Attention: Sandra Robinson, Esq.
Office of General Counsel

Re: MUR 2406; National Endowment for the Preservation of Liberty

Dear Members of the Commission:

This letter is to notify you that we have resigned as counsel to National Endowment for the Preservation of Liberty in connection with the above-captioned matter.

Very truly yours,

J. Curtis Herge

:sbl

0004075424

06C 3129

FEDER
AD

89 JUN 20 AM 10:28


HERGE, SPARKS, CHRISTOPHER & BIONDI
ATTORNEYS AT LAW
SUITE 200
8201 GREENSBORO DRIVE
McLEAN, VIRGINIA 22102
(703) 848-4700

J. CURTIS HERGE
ROBERT R. SPARKS, JR.
A. MARK CHRISTOPHER
GEORGE V. BIONDI
DONNA LYNN MILLER
DIANE H. MAHSHIE

TELECOPIER NUMBER
(703) 893-7371


June 19, 1989

RECEIVED
FEDERAL ELECTION COMMISSION
OFFICE OF GENERAL COUNSEL
89 JUN 19 PM 7:30

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

Attention: Sandra Robinson, Esq.
Office of General Counsel

Re: MUR 2406; Sentinel

Dear Members of the Commission:

This letter is to notify you that we have resigned as counsel to Sentinel in connection with the above-captioned matter.

Very truly yours,

J. Curtis Herge

:sbl

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OGC 3124

FEDERAL ELECTION COMMISSION
ADMINISTRATIVE

89 JUN 20 AM 10:28


**HERGE, SPARKS, CHRISTOPHER & BIONDI**
ATTORNEYS AT LAW
SUITE 200
8201 GREENSBORO DRIVE
McLEAN, VIRGINIA 22102
(703) 848-4700

J. CURTIS HERGE
ROBERT R. SPARKS, JR.
A. MARK CHRISTOPHER
GEORGE V. BIONDI
DONNA LYNN MILLER
DIANE H. MANSHIE

TELECOPIER NUMBER
(703) 893-7371


June 19, 1989

RECEIVED
FEDERAL ELECTION COMMISSION
OFFICE OF GENERAL COUNSEL
89 JUN 19 PM 7:30

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

Attention: Sandra Robinson, Esq.
Office of General Counsel

Re: MUR 2406; American Conservative Trust-State Election Fund

Dear Members of the Commission:

This letter is to notify you that we have resigned as counsel to American Conservative Trust-State Election Fund in connection with the above-captioned matter.

Very truly yours,

J. Curtis Herge

:sbl

9004079542 4

RECEIVED
FEDERAL ELECTION COMMISSION
SECRETARIAT
89 JUN 26 AM 11:45

**BEFORE THE FEDERAL ELECTION COMMISSION**

**SENSITIVE**

| | | |
|---|---|---|
| In the matter of | ) | |
| | ) | |
| National Endowment for the Preservation of Liberty; Carl Russell Channell; Sentinel; American Conservative Trust State Election Fund; American Conservative Trust and Carl R. Channell, as treasurer | ) | MUR 2406 |
| | ) | |
| Anti-Terrorism American Committee and Anti-Terrorism American Committee State Election Fund and Carl R. Channell, as treasurer | ) | |

**GENERAL COUNSEL'S REPORT**

**I. NEPL and ATAC/ATACSEF**

On March 16, 1989, the Commission made additional reason to believe findings with respect to the National Endowment for the Preservation of Liberty ("NEPL") regarding its payments relating to an independent expenditure in the Maryland Senate race and its payments for polling regarding the Strategic Defense Initiative ("SDI"). The Commission also made initial reason to believe findings against the Anti-Terrorism American Committee and its state election fund ("ATAC" and "ATACSEF") and Carl R. Channell, as treasurer. The Commission approved revised questions and factual and legal analyses on March 27.

Counsel for NEPL and Channell responded on April 17 with a letter renewing his request that no further action be taken against Channell. On May 4, 1989, the Commission rejected that request and so informed counsel. On May 22, 1989, this Office

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received a letter from counsel indicating a response would be forthcoming after counsel had met with Channell the week of Memorial Day. On June 19, 1989, this Office received a letter from counsel indicating that Channell's response to the Commission's interrogatories would be made on or before July 15, 1989. Counsel also submitted four letters informing the Commission that he had resigned as counsel for NEPL, Sentinel, the American Conservative Trust and the American Conservative Trust State Election Fund. No counsel has been designated for ATAC/ATACSEF. Therefore, all further communications in this matter regarding these organizations will be directed to Channell. We note that counsel states in his letter that Channell is under medical care and supervision, a situation which has impaired counsel's ability to communicate with Channell.

Once the requested information is received, this Office will be able to complete a comprehensive report on all of the substantive issues raised in this matter. If a response from Channell regarding both NEPL and ATAC/ATACSEF is not received by July 15th, this Office will recommend that the Commission approve subpoenas to NEPL and ATAC/ATACSEF incorporating the previously approved interrogatories and request for documents.

**II. RAM Films**

The factual and legal analysis sent to NEPL on the new reason to believe findings noted that although the proposed SDI ads by NEPL had not aired, the SDI theme was incorporated into an independent expenditure by the American Conservative Trust ("ACT") with respect to the Colorado Senate race. The proposed

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questions inquired into this ad. The vendor for this ad was the Robert Goodman Agency, who has previously responded to a Commission subpoena for its records in this matter and provided the script and payment information regarding this ad.

ACT's reports disclose that it also aired independent expenditure ads with respect to the Florida and Alabama Senate races in 1986 and may have prepared, but did not air, ads with respect to one or two other Senate races. The vendor for these ads, however, was RAM Films of Stevenson, Maryland. The Commission has not previously requested any information from RAM Films. Therefore, in order to ascertain if the independent expenditures aired in Florida and Alabama also incorporated the SDI theme, this Office recommends that the Commission approve the attached subpoena and order to obtain certain information and the appropriate records from RAM Films as a nonrespondent witness. The Commission has previously used subpoenas when requesting information in this matter from commercial entities.

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III. RECOMMENDATIONS

1. Approve the attached letter and subpoena to RAM Films as a nonrespondent witness.

6/23/89
Date

Lawrence M. Noble
General Counsel

Attachments
1. Letters from counsel
2. Letter and subpoena to RAM Films

Staff persons: George F. Rishel
Sandra H. Robinson

BEFORE THE FEDERAL ELECTION COMMISSION

| | | |
|---|---|---|
| In the Matter of | ) | |
| | ) | |
| National Endowment for the Preservation of Liberty; Carl Russell Channell; Sentinel; American Conservative Trust State Election Fund; American Conservative Trust and Carl R. Channell, as treasurer | ) | MUR 2406 |
| | ) | |
| Anti-Terrorism American Committee and Anti-Terrorism American Committee State Election Fund and Carl R. Channell, as treasurer | ) | |

0 0 4 0 7 9 5 4 2 8

## CERTIFICATION

I, Marjorie W. Emmons, Secretary of the Federal Election Commission, do hereby certify that on June 28, 1989, the Commission decided by a vote of 6-0 to approve the letter and subpoena to RAM Films as a nonrespondent witness, as recommended in the General Counsel's report signed June 23, 1989.

Commissioners Aikens, Elliott, Josefiak, McDonald, McGarry, and Thomas voted affirmatively for the decision.

Attest:

June 28, 1989
Date

Hilda Arnold
for Marjorie W. Emmons
Secretary of the Commission

Received in the Office of Commission Secretary: Mon., 6-26-89, 11:45
Circulated on 48 hour tally basis: Mon., 6-26-89, 4:00
Deadline for vote: Wed., 6-28-89, 4:00

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

June 30, 1989

**CERTIFIED MAIL**
**RETURN RECEIPT REQUESTED**

Richard A. Manichello, President
RAM Films, Inc.
Merry Hill
Stevenson, MD 21153

RE: MUR 2406

Dear Mr. Manichello:

The Federal Election Commission has the statutory duty of enforcing the Federal Election Campaign Act of 1971, as amended. The Commission has issued the attached order and subpoena which require you to provide certain information in connection with an investigation it is conducting. The Commission does not consider you a respondent in this matter, but rather a witness only.

Because this information is being sought as part of an investigation being conducted by the Commission, the confidentiality provision of 2 U.S.C. § 437g(a)(12)(A) applies. That section prohibits making public any investigation conducted by the Commission without the express written consent of the person with respect to whom the investigation is made. You are advised that no such consent has been given in this case.

You may consult with an attorney and have an attorney assist you in the preparation of your responses to this subpoena and order. However, you are required to submit the information with 15 days of your receipt of this subpoena and order. All answers to questions must be submitted under oath.

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

Sincerely,

Lawrence M. Noble
General Counsel

Enclosure
Subpoena and Order

9004079543430

BEFORE THE FEDERAL ELECTION COMMISSION

In the Matter of )
)
) MUR 2406
)

SUBPOENA TO PRODUCE DOCUMENTS
ORDER TO SUBMIT WRITTEN ANSWERS

TO: Richard A. Manichello, President
RAM Films, Inc.
Merry Hill
Stevenson, MD 21153

Pursuant to 2 U.S.C. § 437d(a)(1) and (3), and in furtherance of its investigation in the above-captioned matter, the Federal Election Commission hereby orders you to submit written answers to the questions attached to this Order and subpoenas you to produce the documents requested on the attachment to this Subpoena. Legible copies which, where applicable, show both sides of the documents may be substituted for originals.

Such answers must be submitted under oath and must be forwarded to the Office of the General Counsel, Federal Election Commission, 999 E Street, N.W., Washington, D.C. 20463, along with the requested documents within 15 days of receipt of this Order and Subpoena.

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WHEREFORE, the Chairman of the Federal Election Commission has hereunto set his hand in Washington, D.C. on this 6th day of July, 1989.

Danny L. McDonald, Chairman
Federal Election Commission

ATTEST:

Hilda Arnold
for Marjorie W. Emmons
Secretary to the Commission

Attachments
Three pages

0004079543 2

**INSTRUCTIONS**

In answering these interrogatories and request for production of documents, furnish all documents and other information, however obtained, including hearsay, that is in possession of, known by or otherwise available to you, including documents and information appearing in your records.

Each answer is to be given separately and independently, and unless specifically stated in the particular discovery request, no answer shall be given solely by reference either to another answer or to an exhibit attached to your response.

The response to each interrogatory propounded herein shall set forth separately the identification of each person capable of furnishing testimony concerning the response given, denoting separately those individuals who provided informational, documentary or other input, and those who assisted in drafting the interrogatory response.

If you cannot answer the following interrogatories in full after exercising due diligence to secure the full information to do so, answer to the extent possible and indicate your inability to answer the remainder, stating whatever information or knowledge you have concerning the unanswered portion and detailing what you did in attempting to secure the unknown information.

Should you claim a privilege with respect to any documents, communications, or other items about which information is requested by any of the following interrogatories and requests for production of documents, describe such items in sufficient detail to provide justification for the claim. Each claim of privilege must specify in detail all the grounds on which it rests.

Unless otherwise indicated, the discovery request shall refer to the time period from January 1, 1986, to December 31, 1986.

The following interrogatories and requests for production of documents are continuing in nature so as to require you to file supplementary responses or amendments during the course of this investigation if you obtain further or different information prior to or during the pendency of this matter. Include in any supplemental answers the date upon which and the manner in which such further or different information came to your attention.

0004079543

**DEFINITIONS**

For the purpose of these discovery requests, including the instructions thereto, the terms listed below are defined as follows:

"You" shall mean the named respondent in this action to whom these discovery requests are addressed, including all officers, employees, agents or attorneys thereof.

"Persons" shall be deemed to include both singular and plural, and shall mean any natural person, partnership, committee, association, corporation, or any other type of organization or entity.

"Document" shall mean the original and all non-identical copies, including drafts, of all papers and records of every type in your possession, custody, or control, or known by you to exist. The term document includes, but is not limited to books, letters, contracts, notes, diaries, log sheets, records of telephone communications, transcripts, vouchers, accounting statements, ledgers, checks, money orders or other commercial paper, telegrams, telexes, pamphlets, circulars, leaflets, reports, memoranda, correspondence, surveys, tabulations, audio and video recordings, drawings, photographs, graphs, charts, diagrams, lists, computer print-outs, and all other writings and other data compilations from which information can be obtained.

"Identify" with respect to a document shall mean state the nature or type of document (e.g., letter, memorandum), the date, if any, appearing thereon, the date on which the document was prepared, the title of the document, the general subject matter of the document, the location of the document, the number of pages comprising the document.

"Identify" with respect to a person shall mean state the full name, the most recent business and residence addresses and the telephone numbers, the present occupation or position of such person, the nature of the connection or association that person has to any party in this proceeding. If the person to be identified is not a natural person, provide the legal and trade names, the address and telephone number, and the full names of both the chief executive officer and the agent designated to receive service of process for such person.

"And" as well as "or" shall be construed disjunctively or conjunctively as necessary to bring within the scope of these interrogatories and requests for the production of documents any documents and materials which may otherwise be construed to be out of their scope.

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**INTERROGATORIES AND
REQUEST FOR DOCUMENTS**

1. State whether in 1986 RAM Films, Inc., performed any work for the American Conservative Trust, then located at 1331 Pennsylvania Ave., N.W., Suite 375, Washington, D.C. 20004. If so, describe all work performed.

2. State the amounts RAM Films, Inc., billed, and the amounts paid and by whom, for all work performed by RAM Films for the American Conservative Trust in 1986. Provide copies of all invoices, bills, correspondence, and payment records relating to this work.

3. If the work RAM Films performed for the American Conservative Trust in 1986 included any advertising, provide copies of all scripts and storyboards prepared and a listing of all media markets in which each advertisement ran.

4. Identify the person or persons associated with RAM Films with primary responsibility for the work performed in 1986 for the American Conservative Trust.

2004079435

OGC 3517

RECEIVED
FEDERAL ELECTION COMMISSION
OFFICE SERVICES BRANCH
89 JUL 24 AM 9:42

HERGE, SPARKS, CHRISTOPHER & BIONDI
ATTORNEYS AT LAW
SUITE 200
8201 GREENSBORO DRIVE
MCLEAN, VIRGINIA 22102
(703) 848-4700

J. CURTIS HERGE
ROBERT R. SPARKS, JR.
A. MARK CHRISTOPHER
GEORGE V. BIONDI

DONNA LYNN MILLER
DIANE H. MAHSHIE

TELECOPIER NUMBER
(703) 893-7371

July 20, 1989

RECEIVED
FEDERAL ELECTION COMMISSION
OFFICE OF GENERAL COUNSEL
89 JUL 24 AM 9:41

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

Attention: Sandra Robinson, Esq.
Office of General Counsel

Re: MUR 2406

Dear Sirs:

On behalf of Carl R. Channell, we are submitting to you herewith Mr. Channell's responses to the Interrogatories which were enclosed with the letter from Chairman McDonald to me, dated April 3, 1989, in connection with the above-captioned matter.

Mr. Channell submits these responses under protest and with all rights reserved. In the event the Commission should ultimately decide to assess a civil penalty against Mr. Channell in this matter, it would be Mr. Channell's intention to challenge the Commission's authority in light of the plea agreement between Mr. Channell and the Office of Independent Counsel, Lawrence E. Walsh. Of course, considering the decision by the United States District Court for the District of Columbia in Federal Election Commission v. National Organization for Women, it now appears extremely remote that the Commission could justify any finding that Mr. Channell violated 2 U.S.C. §441b.

Sincerely yours,

J. Curtis Herge

:sbl

Enclosure

cc: Mr. Carl R. Channell

0004079543 6

**BEFORE THE FEDERAL ELECTION COMMISSION**

**Responses of Carl R. Channell**
**to**
**Interrogatories and**
**Request for Documents**

**MUR 2406**

I. On August 28, 1986, The National Endowment for the Preservation of Liberty ("NEPL") made a payment of $26,000 to Blakemore and Killough of New York City.

1. State whether this payment was related in any manner to the independent expenditures reported by the Anti-Terrorism American Committee ("ATAC") with respect to the candidacy of Linda Chavez for the U.S. Senate in Maryland in 1986 and, if so, describe in detail the relationship between NEPL's payment and ATAC's independent expenditures.

Response: I have no recollection of a payment of $26,000 to Blakemore & Killough by NEPL and therefore, if such a payment were made, have no recollection of the purpose for such payment. Upon information and belief, ATAC paid all the expenses associated with its independent expenditures in connection with the U.S. Senate campaign in Maryland in 1986.

2. State the reason(s) this payment was made by NEPL rather than by ATAC.

Response: I have no recollection of a payment of $26,000 to Blakemore & Killough by NEPL and therefore, if such a payment were made, have no recollection of the purpose for such payment. Further, I do not have access to, and do not know the present location of, the financial records of NEPL. To the best of my recollection, Daniel L. Conrad, Michael D. Barnes and Stephen McMahon, who were officers, employees and/or consultants to NEPL, would have been responsible for making payments made by NEPL in August, 1986.

3. State whether this payment instead constituted an



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independent expenditure by NEPL itself and, if so, describe in detail the basis by which this payment was so treated.

Response: I have no recollection of a payment of $26,000 to Blakemore & Killough by NEPL and therefore, if such a payment were made, have no recollection of the purpose for such payment. Daniel L. Conrad, Michael D. Barnes and Stephen McMahon, officers, employees and/or consultants to NEPL, were the persons responsible for payments, allocations and decisions on the treatment of payments in August, 1986.

II. On August 11, 1986, NEPL paid $35,500 to Arthur J. Finkelstein & Associates for a survey of which $10,000 was attributed to Maryland and $25,500 to California; and on September 5, 1986, NEPL paid $19,900 to this same firm for an exit poll of the Maryland Democratic primary.

1. State the purpose(s) of these payments.

Response: To the best of my recollection, these payments to Arthur J. Finkelstein & Associates were for public opinion surveys on the ideological components of the populace, particularly as they related to national security issues. NEPL had been active in supporting freedom movements throughout the world, particularly in Central America; in addressing the issue of terrorism; and, in promoting the Strategic Defense Initiative. The California survey was of particular interest because of the concentration in California of government contractors associated with the Strategic Defense Initiative. The Maryland surveys were pilot projects, the objective being to gather information on changing attitudes about issues of national importance at periodic intervals, particularly before and after the occurrence of political events which might influence public attitudes. Maryland was selected because of its small size and the relative sophistication of its populace. If the pilot project in Maryland proved to be of value, similar intensive studies were to be commissioned in other states. With regard to the Strategic Defense Initiative, I was puzzled by the results of public opinion surveys conducted by others which seemed to



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indicate the general public was ambivalent about supporting the concept. My initial objective was to use the public opinion survey technique to determine why the concept received such poor support from the public. To that end, I had surveys conducted in states in which economic self-interest should produce stronger support for a space defense system. I was particularly enthusiastic about the potential results in California, where one-half of all the SDI money was being spent. It was my plan to use the survey findings to develop an educational campaign, directed at the public through the use of television, designed to overcome the ambivalence and build positive support for SDI. These ambitious plans were cut short in the fall of that year when the Iran/Contra issue came to the forefront.

2. (a) State whether the $10,000 and $19,900 payments attributed to Maryland were related in any manner to the independent expenditures reported by ATAC with respect to the candidacy of Linda Chavez and, if so, describe in detail the relationship between NEPL's payments and ATAC's independent expenditures.

Response: I have no recollection of there being a relationship between the independent expenditures reported by ATAC and the payments made by NEPL to Arthur J. Finkelstein & Associates.

(b) State the reasons(s) these payments were made by NEPL rather than by ATAC.

Response: The payments were made by NEPL because the public opinion surveys were needed and used in furtherance of the programs of NEPL.

(c) State whether these payments instead were related in any manner to independent expenditures by NEPL and, if so, describe in detail the basis for which these payments were so treated.

Response: There is no evidence of, and I have no recollection of, independent expenditures having been made by NEPL. Daniel L. Conrad, Michael D. Barnes and Stephen McMahon, officers, employees and/or



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consultants to NEPL, were the persons responsible for payments, allocations and decisions on the treatment of payments.

3. (a) State whether the $25,500 payment attributed to a California survey was used, or intended to be used, in any manner with respect to the candidacies of Alan Cranston and Ed Zschau for the U.S. Senate in 1986 and, if so, describe in detail how this payment and the survey were used or intended to be used with respect to that election.

Response: To the best of my recollection, information and belief, the California survey was intended for use in connection with an economic analysis NEPL had prepared on the Strategic Defense Initiative. It was to be used by NEPL in educating Californians on the importance of the Strategic Defense Initiative on the economy of California and was to be used by Sentinel in lobbying activities in support of the Initiative. Accordingly, the survey was not intended to be used, and I have no information that it was used, in any manner with respect to the U.S. Senate campaign in California in 1986.

(b) State whether any results of the California survey were released to the public and, if so, describe when, how, and to whom each release was made and the portion(s) of the survey so released.

Response: I have no recollection of the California survey being released to the public.

(c) State whether any results of the California survey were provided to any candidate for federal office and to any federal political committee and, if so, describe when, how, and to whom such results were provided and the portion(s) of the results so provided.

Response: I have no recollection of the California survey being provided to any candidate for federal office or to any federal political committee.

III. In 1986, NEPL made payments totaling $95,000 to Arthur J. Finkelstein & Associates for an SDI (Strategic Defense Initiative) survey and an incumbent vulnerability benchmark survey.



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1. State the reason(s) these surveys were conducted.

Response: The surveys were conducted by NEPL to identify and determine public attitudes towards the Strategic Defense Initiative. The interest of NEPL in this Initiative was formulated in mid-1986, the intention being to make it a major programmatic activity in 1986 and 1987. An economic analysis had been commissioned and that analysis, together with information about public attitudes and sentiments, were to be used in educating the public about the Initiative and, by Sentinel, in lobbying in its support.

2. State whether these surveys were used or intended to be used in any manner in connection with any federal election and, if so, describe in detail how these surveys were so used or intended to be so used.

Response: The surveys were intended to be used to further public discussion about the Strategic Defense Initiative and, by NEPL and Sentinel, to propagate support for the issue. I have no knowledge of the use of the surveys in any manner in connection with any federal election.

3. State whether these surveys were undertaken as part of independent expenditures, as defined by 2 U.S.C. §431(17), and, if so, describe in detail the relationship of these surveys to such independent expenditures.

Response: The surveys did not expressly advocate the election or defeat of any clearly identified candidate. Therefore, the surveys, including the interviews and the survey reports, did not constitute independent expenditures. To the best of my knowledge, the surveys were not undertaken as part of an independent expenditure.

4. State whether the results of these surveys were released to the public and, if so, describe when, how, and to whom each release was made and the portion(s) of the surveys so released.

Response: To the best of my recollection, the survey results were released by NEPL to the general public on July 31, 1986 in a



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press conference in New Mexico and on August 7, 1986 at a press conference in Washington, D.C. Subsequently, in September, 1986, Sentinel compiled a "1986 SDI Congressional Handbook," which included the survey results, and distributed copies to the public.

5. State whether any results of these surveys were provided to any candidate for federal office or to any federal political committee and, if so, describe when, how, and to whom such results were provided and the portion(s) of the results so provided.

Response: I have no recollection of providing results of these surveys to any candidate for federal office or to any federal political committee.

6. State whether any results of these surveys were used in any manner with respect to the independent expenditures reported by the American Conservative Trust in connection with the candidacy of Tim Wirth for the U.S. Senate in Colorado in 1986 and, if so, describe in detail how the results of these surveys were so used.

Response: To the best of my recollection and upon information and belief, these surveys were not conducted in Colorado; thus, the results would have been irrelevant as to the U.S. Senate campaign in Colorado in 1986. As they were irrelevant, I have no recollection that the surveys were used in any manner with respect to the independent expenditures made by American Conservative Trust.

II. Provide copies of all documents relating to your responses to all of the above questions.

Response: Attached is a copy of a July 31, 1986 NEPL press statement; a copy of an August 7, 1986 NEPL news release; and, a copy of the Sentinel 1986 SDI Congressional Handbook.

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DISTRICT OF COLUMBIA )
) ss:
CITY OF WASHINGTON )

CARL R. CHANNELL, being duly sworn, deposes and says that the foregoing responses are true and correct to the best of his knowledge, information and belief.

CARL R. CHANNELL

SUBSCRIBED and SWORN TO before me this 20th day of July, 1989.

NOTARY PUBLIC

My Commission Expires: My Commission Expires May 31, 1994.

00040795443

Blakemore & Killough
Advertising
Where the partners do the work

0004075444

**ANTI-TERRORIST AMERICAN COMMITTEE**

**MARYLAND PROJECT MEDIA PLACEMENT**
**AUGUST 29th - SEPTEMBER 8th**
**:30 SECOND SPOT**
**"MEET THE CANDIDATE"**

N.B. - Schedule subject to change pending approval of commercials by stations WTTG (Washington) and WMAR (Baltimore).

10th Floor, 1180 Avenue of the Americas, New York, N.Y. 10036 (212) 790-4816
New York Washington, D.C. Dallas Ft. Worth

BLAKEMORE & KILLOUGH

8/22/86

ATAC
:30 TV
"CHOICE"

| VIDEO | AUDIO |
| --- | --- |
| OPEN ON SETTING OF THREE CHAIRS. IN MIDDLE IS OUR ANNOUNCER. ON OTHER TWO CHAIRS ARE PICTURES OF CANDIDATES. TO LEFT ON SCREEN IS MIKULSKI. TO RIGHT ON SCREEN IS CHAVEZ. SUPER THEIR NAMES | ANNCR: This fall, Maryland voters will elect one of these candidates to the Senate. |
| MOVE IN CU ON MIKULSKI | On your left, Barbara Mikulski, the liberal. |
| SUPER: "TEDDY KENNEDY BACKS HER" | Ms. Mikulski's so liberal, she earned Ted Kennedy's early endorsement. In Congress, she votes against almost everything the President wants: |
| SUPER: "AGAINST STAR WARS PROGRAM" | - against his Star Wars program. |
| SUPER: "AGAINST REAGAN BUDGET CUTS" | - against the Reagan budget cuts. |
| SUPER: "AGAINST AID TO CONTRAS" | - against his aid to Nicarauguan Contras. |
| CUT BACK THEN MOVE IN ON CHAVEZ: SUPER: "SUPPORTS PRESIDENT REAGAN" | On your right, Linda Chavez, who supports the President's vision for America. |
| PULL BACK TO ORIGINAL SHOT. ANNOUNCER INDICATES EACH CANDIDATE AS HE MENTIONS THEM | The choice is clear: Mikulski, Kennedy's Candidate; Chavez, President Reagan's candidate. |
| PAID FOR BY THE ANTI-TERRORISM AMERICAN COMMITTEE AND NOT BY ANY CANDIDATE OR CANDIDATE'S COMMITTEE | |

0004075445

BLAKEMORE & KILLOUGH

## BALTIMORE:

### WBAL

| TIME | 9/2 | 9/3 | 9/4 | 9/5 | 9/6 | 9/7 | 9/8 |
|---|---|---|---|---|---|---|---|
| 6:28 - 6:30 PM | X | X | | + | | | |
| 11:28 - 11:30 PM | | | + | | + | | |
| 12:05 - 1:05 AM | | | + | + | | | |
| 9 - 10:30 AM | | | | | | + | |

### WMAR

| TIME | 9/2 | 9/3 | 9/4 | 9/5 | 9/6 | 9/7 | 9/8 |
|---|---|---|---|---|---|---|---|
| 7 - 9 AM | X | X | + | + | | | |
| 5 - 7 AM | X | X | + | + | | | |
| 6 - 6:30 PM | | | | | + | | |
| 6 - 7 PM | | | | | | + | |
| 11 - 11:30 PM | | X | + | + | + | + | |
| 11 - 1 AM | X | X | + | + | | | |

### WJZ

| TIME | 9/1 | 9/2 | 9/3 | 9/4 | 9/5 | 9/6 | 9/7 | 9/8 |
|---|---|---|---|---|---|---|---|---|
| 7 - 9 AM | X | X | X | + | + | | | |
| 6 - 7 PM | | X | X | + | + | | | |
| 11:30 - 12 M | | | | | | | | + |

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BLAKEMORE & KILLOUGH

**SALISBURY:**

**WBOC**

| TIME | 8/29 | 8/30 | 8/31 | 9/6 | 9/7 |
|---|---|---|---|---|---|
| 7 - 9 AM | X | | X | | |
| 11 - 11:30 PM | | X | | X | X |
| 9 - 10:30 AM | | | X | | X |
| 10:30 - 11 AM | | | X | | X |

**WMDT**

| TIME | 8/29 | 8/30 | 8/31 | 9/6 | 9/7 |
|---|---|---|---|---|---|
| 7 - 9 AM | X | | | | |
| 11:30 - 12:30 PM | | | X | | X |
| 11 - 11:30 PM | | X | | X | X |

9004075447

BLAKEMORE & KILLOUGH

WASHINGTON:

WJLA

| TIME | 8/29 | 8/30 | 8/31 | 9/1 | 9/2 | 9/3 | 9/4 | 9/5 | 9/6 | 9/7 |
|---|---|---|---|---|---|---|---|---|---|---|
| 7 - 9 AM | X | | | X | X | X | + | + | | |
| 11 - 11:30 PM | | | | X | | | + | | + | + |

WTTG

| TIME | 9/2 | 9/3 | 9/4 | 9/5 | 9/6 | 9/7 |
|---|---|---|---|---|---|---|
| 10 - 11 PM | X | X | + | + | + | + |
| 11 - 11:30 PM | | | | | + | |

WDCA

| TIME | 9/2 | 9/3 | 9/4 | 9/5 |
|---|---|---|---|---|
| 8 - 10 PM | X | X | + | + |

X = Bought

+ = Reserved

0004017-95448

News

NATIONAL ENDOWMENT
FOR THE
PRESERVATION OF LIBERTY

1331 Pennsylvania Ave., NW - Suite 350
Washington, D.C. 20004

NEWS RELEASE

CONTACT: Chris Littledale
202/547-1985

NATIONAL FOREIGN POLICY FOUNDATION RELEASES SDI POLL

0004079349

Washington, D.C., August 7 -- A Washington-based public policy foundation released a major $250,000 poll of 20 Congressional Districts that portrays strong support for President Reagan's Strategic Defense Initiative. Spitz Channell of the National Endowment for the Preservation of Liberty released the poll, conducted by Arthur J. Finkelstein & Associates, of 4,039 American voters as part of a national survey to determine the popularity of the Strategic Defense Initiative (SDI) among voters.

The poll was conducted in a total of 20 Congressional Districts from Baltimore, Maryland to Los Angeles from which national averages were extrapolated.

The National Endowment for the Preservation of Liberty (NEPL) is a 501(c)3 nonprofit foundation headquartered in the nation's capital. It focuses on national security and foreign policy issues and is conducting a $4.1 million public education program on President Reagan's policies in Nicaragua.

The data shows that Americans, especially those registered as democrats, overwhelmingly support SDI at a ratio of almost nine out of every ten registered voters (87.1%). More than two-thirds of all voters (67.3%) approve "an increase in defense

--more--

On the specific question, when asked, "In your opinion who is most likely to launch a nuclear missile attack?", 4.4 percent said the United States, 28.1 percent said the Soviet Union, but 24.2 percent said "another nation" and 30.9 percent said "Terrorists" - 12.5 percent did not know.

About six out of ten voters (61.5%) disagreed with the argument that the Soviet Union would be more likely to attack the U.S. before the SDI system was put in place. Only one in four voters (25.2%) said the development of an SDI system would increase the chances for conflict between the two. An almost equal number (26.1%) said it would decrease the chance of an American-Soviet conflict, while the largest segment 42.9 percent said the chance remains the same. However, about seven out of ten (69.5%) said they would feel safer under a system where both the U.S. and the U.S.S.R. had a defense shield capable of shooting down 90 percent of all nuclear missiles, and only one in eight (11.6%) favored the present system of doing without a defense shield where each can destroy the others nuclear bombs.

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STATEMENT OF CARL RUSSELL CHANNELL

NATIONAL ENDOWMENT FOR THE PRESERVATION OF LIBERTY

AUGUST 7, 1986

Recently there has arisen a lot of confusing information regarding public support for President Reagan's Strategic Defense Initiative so, the National Endowment for the Preservation of Liberty has just completed a $250,000 polling project to find out what Americans are thinking about President Reagan's Strategic Defense Initiative. In July, we engaged Arthur J. Finkelstein and Associates to poll 4,039 registered voters in 20 Congressional Districts (56% registered democrat) across the United States. This is three times the number of people the Gallup organization uses for its polls. We acquired some surprising information which I would like to share with you this morning.

Ronald Reagan has convinced an absolute majority of the American people that we are living in an increasingly hostile and dangerous world. The worldwide outbreak of terrorism reported constantly and in detail by the media reinforces this basic premise daily.

Ronald Reagan continues to be an historically popular President. In our survey, not unlike other recent surveys; President Reagan receives a whopping 72.2% favorable rating. However, his issue; the Strategic Defense Initiative, is in every district we polled across America much more popular than the President. The national average in all 20 Districts for approval of a space based defense system is an incredible 87%.

Such extraordinarily high support figures for SDI indicates that Americans regardless of party, trust SDI as a mechanism to provide security for America from any number of enemies known and unknown. In this respect the Strategic Defense Initiative has become for Americans security against all enemies who might someday have the capability of employing nuclear weapons against the territory of the United States..

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It is insightful to know that in our poll only 1 American in 4 (28.1 %) thought the Soviet Union would start a nuclear war, but over 55% of those polled nationwide thought that another nation or a terrorist nation might be the cause of a nuclear war.

In our poll 61.3% of the respondents stated that America should build the Strategic Defense Initiative regardless of what the Russians did. Furthermore when asked if they agreed or disagreed with the statement: The only lasting peace we can trust is if the United States can defend itself against any agression, a tremendous majority of the American people 78.2% agreed. Americans truly have great faith in S.D.I. to protect America, even if defense spending must be increased (67.3% approve).

The National Endowment for the Preservation of Liberty, agreeing with, and responding to this tidal wave of popular support for Ronald Reagan and the building of SDI will tomorrow begin a series of television messages to remind both Congress and policy makers that to decrease SDI funding or to attempt to derail it through diplomatic imprisonment is absolutly against the will and desire of the electorate.

Congressional actions - thwarting the policy of the President and/or against SDI could certainly have a temendous impact - backlash- at the polls in November. The results of this poll quite clearly call upon the Congress now to change its position and to obey the will of the American people articulated by their President and restore full funding for the President's Strategic Defense Initiative.

# NATIONAL ENDOWMENT FOR THE PRESERVATION OF LIBERTY

305 FOURTH ST., N.E.
SUITE 1000
WASHINGTON, D.C. 20002

PRESS STATEMENT BY

CARL RUSSELL CHANNEL, PRESIDENT

NATIONAL ENDOWMENT FOR THE PRESERVATION OF LIBERTY

July 31, 1986

Good morning, I am Spitz Channel, President of the National Endowment for the Preservation of Liberty. I am glad you could come.

The National Endowment for the Preservation of Liberty has just completed a $200,000 polling project in 19 Congressional Districts through out the United States seeking information on the public support for President Reagan's Strategic Defense Initiative. In New Mexico we polled the third Congressional District. In the district alone over $10 million dollars has been spent on SDI research.

Our polling data describes in clear detail the tremendous support President Reagan enjoys on this issue. In the 3rd district Ronald Reagan's favorable rating is 70%. This tremendously high support percentages are only equal by even higher percentages in support of the creation of SDI. In the 3rd district, SDI gets 82%. The public overwhelmingly supports the development and deployment of a defense shield against Nuclear attack. 59% of the public supports such a system even if it means increasing defense cost and at the expense of arms limitation treaties with the Soviets. However, in the 3rd district the Congressman voted against the President's specific request. In this respect the Congressman does not appear to represent the will of the constituency.

It is not surprising that the arguments used by the Soviets and liberals in Congress to defeat the President's program have fallen on deaf ears. Peace groups have tried to portray SDI as a nuclear weapons system in space, even before the Pentagon has defined the program. The public does not care whether the SDI program is nuclear or not. Groups working against SDI, such as the existing arms limitation treaties with the Soviets before we can develop SDI, this even before the program is properly researched. In truth the public supports SDI regardless of any Soviet actions.

Clearly, the public is in tune with the President and supports the research for, development of and deployment of a Strategic shield against nuclear attack. Candidates for the Senate and the House of Representives who strongly support the President on this issue as do the people, clearly appear to have a winning issue on their side. It is the liberals in Congress and the academic community, that are out of step with America. Furthermore, it is quite clear that a vast majority of voters in the 3rd district supports space defense now.

26C3649

FEDERAL ELECTION COMMISSION
MAIL ROOM

Ram Films, Inc.

89 AUG -2 PM 12: 28

New York • Baltimore

MUR 2406

INTERROGATORIES AND REQUEST FOR DOCUMENTS

1. RAM FILMS, INC. produced 8 political commercials entitled "SDI SPOT SERIES" for the American Conservative Trust, then located at 1331 Pennsylvannia Avenue., N.W., Suite 375, Washington, D.C. 20004. Ram Films,Inc. was approached by ACT and produced these "SPOTS" October 19 - 22 1986. There was a :30 & :10 (sec) political commercial for each of the following candidates: Paula Hawkins (Florida), Jim Broyhill (North Carolina), Jim Santini (Nevada), and Jeremiah Denton (Alabama). The commercial copy is enclosed and was provided to RAM FILMS, INC. by the American Conservative Trust ("ACT").

RECEIVED
FEDERAL ELECTION COMMISSION
OFFICE OF GENERAL COUNSEL
89 AUG -2 PM 3:41

2. RAM FILMS, INC. billed the American Conservative Trust for $8750.00 for the production of these 8 television commercials. The person billed at ACT was Raphael Flores from October 22, 1986 - Oct. 28. On October 28th, 1986, Mr. Flores and ACT was billed for the video cassettes made for these commercials, total cost: $1185.00. This billed was paid and deposited 11/12/86. There was still an outstanding balance for the production costs, $8750.00. On 15 November 1986, RAM FILMS, INC. billed Mr. Flores and ACT for the full production amount, less the credit for the money not spent buying the television commercial time. The credit was $1325.00 The Total on the invoice was $7425.00 amount due. On December 31, 1986 RAM FILMS, INC. billed Mr. Spitz Channel at the American Conservative Trust for the full amount of $8750.00. The credit was retracted because of interest incurred by RAM FILMS, INC. for ACT's delinquent payment. Again in January 1987 Mr. Channel was billed. RAM FILMS, INC. again got no response. After several telephone calls, we were referred to Mr. Cliff Smith and on January 20th, 1987 RAM FILMS, INC. received a check for $3000.00. On February 6, 1987, we received $300.00. February 23, 1987 Mr. Smith(& ACT) was billed for $5450.00 production costs. March 20, 1987 RAM FILMS, INC. received a check for $400.00. On March 20, RAM FILMS, INC. billed ACT for the remaining $5050.00 plus interest at 5% ($252.50).

0004073454

Merry Hill Stevenson, Maryland 21153 (301) 486-2011

2. (continued)
On April 15, 1987, Mr. Smith & ACT were billed for an additional interest payment as previously stated in the invoice in March. This brought the total due to $5565.00. April 23, 1987 a check for $1000.00 was received. April 29th 1987 an invoice was sent stating receipt of the previous payment, and billing of $4793 was due. The interest at 5% was still in effect. May 20, 1987 an additional interest was charged and the total billed was $5021.50. On June 12th, 1987 a check for $2000.00 was received. The new balance stood at $3021.50. The invoice stated that the total was due immediately or an additional interest would be charged after 6/30/87. As of July 1, 1987 the total was $3172.58. Again no response. Bills were sent August 3, 1987 $3331.21; September 2, 1987 $3497.77; 19 October 2 1987 $3672.56; November 2, 1987 $3856.19; December 22, 1987 $4049.00. All of these were sent to Cliff Smith at ACT. On 1/3/88 the December invoice was marked "RETURN TO SENDER NO FORWARDING ORDER ON FILE UNABLE TO FORWARD". Several calls were made to try to reach someone at ACT during the course of 1987, and when messages were left, there was no response. On February 12, 1988 another attempt was made to bill Mr. Smith at ACT with a note that Mr. Channel was seen on television network news raising money for the Contras. RAM FILMS' feeling was that Mr. Channel should pay his delinquent bills first. On March 9, 1988 we billed ACT & Mr. Raphael Flores for $4687.22 balance due. Mr. Flores telephoned Margo Halle, the contact for RAM FILMS, INC., and explained that he no longer worked for ACT but that the invoice had been forwarded to his home. He recommended to Ms. Halle that she contact the attorney, Ms. Alexia Morrison at the firm of Swindler & Berlin. After several attempts to speak with Ms. Morrison, Ms. Halle was told by Ms. Morrison that RAM FILMS, INC. would be contacted in the future by her firm, but that she was not aware of the debt. She would get back to Ms. Halle. That telephone conversation took place in June 1988. Since that time there has been no further attempt to bill the American Conservative Trust.

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3. See attached

4. Ms. Margo L. Halle Associate Producer/Treasurer for RAM FILMS, INC. was the primary contact during the pre-production, time-buying, and billing phases of this project. She dealt directly with Mr. Cliff Smith & Mr. Raphael Flores of the American Conservative Trust. Mr. Richard Manichello, Director/President of RAM FILMS, INC. was the director during the production of the 8 television commercials. They both can be reached at
RAM FILMS, INC.
Merry Hill
Stevenson, Maryland 21153
(301) 486-2011

Written under oath

Margo L. Halle 3/24/89

Margo L. Halle

Richard Manichello

0004079345 6

**BUSINESS RECORDS SUBMITTED**
**WITH JULY 26, 1988, RAM FILMS, INC.**
**RESPONSE TO SUBPOENA HAVE BEEN DELETED**
**FROM THE PUBLIC RECORD**

9004079457

FEDERAL ELECTION COMMISSION
SECRETARIAT
89 AUG 16 AM 11:39

BEFORE THE FEDERAL ELECTION COMMISSION

**SENSITIVE**

| | | |
|---|---|---|
| In the matter of | ) | |
| | ) | |
| National Endowment for the Preservation of Liberty; Carl Russell Channell; Sentinel; American Conservative Trust State Election Fund; American Conservative Trust and Carl R. Channell, as treasurer | ) | MUR 2406 |
| | ) | |
| Anti-Terrorism American Committee and Anti-Terrorism American Committee State Election Fund and Carl R. Channell, as treasurer | ) | |

0004079548

GENERAL COUNSEL'S REPORT

I. DISCUSSION OF RESPONSES

On March 16, 1989, the Commission made additional findings with respect to the National Endowment for the Preservation of Liberty ("NEPL") and Carl R. Channell and made new findings with respect to the Anti-Terrorism American Committee ("ATAC") (state and federal accounts) and Carl R. Channell, as treasurer, and subsequently approved letters, factual and legal analyses, and questions to NEPL and ATAC. In a report signed June 23, 1989, this Office informed the Commission that counsel for NEPL and Channell had resigned but that Channell would respond to the Commission's questions. That report also recommended a subpoena to Ram Films for information relating to advertisement it had done for the American Conservative Trust ("ACT") in 1986.

On July 24, 1989, this Office received Channell's response to the Commission's questions directed to him and NEPL. See

Attachment 1. We note that in his responses to the questions, Channell seems to clearly recall a lobbying purpose to the polling activities, but claims to have "no recollection" or "no information" regarding the specific questions relating to possible election related purposes or uses of the polling. Furthermore, Channell has only responded to the questions directed to NEPL and him and sent to his counsel. He has not responded to the reason to believe notification or to the questions directed to ATAC and him as treasurer and sent directly to his residence.

Therefore, we recommend that the Commission approve the attached Subpoena to Produce Documents and Order to Submit Written Answers to Channell and ATAC. The questions and request for documents in the subpoena and order are identical to those previously approved by the Commission in nonsubpoena form. See Attachment 2. Because this Office has not received verification that Channell has received material previously sent to him by certified mail, this Office will also employ the services of a private process server in order to insure compliance with 11 C.F.R. § 111.13(c).

On August 2, 1989, this Office received the Ram Films' response to the Commission's subpoena. See Attachment 3. The response included the scripts of the ads prepared for four Senate races: Florida, Alabama, North Carolina, and Nevada. According to the reports filed by ACT, only the ads in Florida and Alabama were aired. The scripts focused exclusively on the SDI theme. The response also details the efforts of Ram Films to collect the

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balance owed to it by ACT.

**II. RECOMMENDATIONS**

Approve the attached letter and subpoena and order to the Anti-Terrorism American Committee and Anti-Terrorism American Committee State Election Fund and Carl R. Channell, as treasurer.

3/15/89
Date

Lawrence M. Noble
General Counsel

Attachments
1. NEPL Response
2. Letter and Subpoena and Order to ATAC
3. Ram Films Response

Staff person: George F. Rishel
Sandra H. Robinson

0004079545 0

BEFORE THE FEDERAL ELECTION COMMISSION

| | | |
|---|---|---|
| In the Matter of | ) | |
| | ) | |
| National Endowment for the Preservation of Liberty; Carl Russell Channell; Sentinel; American Conservative Trust State Election Fund; American Conservative Trust and Carl R. Channell, as treasurer | ) | MUR 2406 |
| | ) | |
| Anti-Terrorism American Committee and Anti-Terrorism American Committee State Election Fund and Carl R. Channell, as treasurer | ) | |

2004073461

CERTIFICATION

I, Marjorie W. Emmons, Secretary of the Federal Election Commission, do hereby certify that on August 18, 1989, the Commission decided by a vote of 5-0 to approve the letter and subpoena and order to the Anti-Terrorism American Committee and Anti-Terrorism American Committee State Election Fund and Carl R. Channell, as treasurer, as recommended in the General Counsel's report dated August 15, 1989.

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

Attest:

8-18-89
Date

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

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

August 24, 1989

Carl R. Channell, Treasurer
Anti-Terrorism American Committee
Anti-Terrorism American Committee
State Election Fund
2032 Belmont Road, N.W.
Washington, D.C. 20009

RE: MUR 2406
Anti-Terrorism American Committee and Anti-Terrorism American Committee State Election Fund and Carl R. Channell, as treasurer

Dear Mr. Channell:

On March 27, 1989, you were notified that the Federal Election Commission had found reason to believe the Anti-Terrorism American Committee and Anti-Terrorism American Committee State Election Fund and you, as treasurer, had violated certain provisions of the Federal Election Campaign Act of 1971, as amended, and were sent interrogatories and request for documents.

Because no response has been received to these interrogatories and request for documents, the Commission has issued the attached subpoena and order requiring you to provide the requested information which will assist the Commission in carrying out its statutory duty of supervising compliance with the Federal Election Campaign Act of 1971, as amended.

You may consult with an attorney and have an attorney assist you in the preparation of your response to this subpoena and order. It is required that you submit all answers to questions under oath within 15 days of your receipt of this subpoena and order.

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

Sincerely,

Lawrence M. Noble
General Counsel

Enclosure
Subpoena and Order

9004079354653

**BEFORE THE FEDERAL ELECTION COMMISSION**

In the Matter of )
)
) MUR 2406
)

**SUBPOENA TO PRODUCE DOCUMENTS**
**ORDER TO SUBMIT WRITTEN ANSWERS**

TO: Carl R. Channell, Treasurer
Anti-Terrorism American Committee
Anti-Terrorism American Committee
State Election Fund
2032 Belmont Road, N.W.
Washington, D.C. 20009

Pursuant to 2 U.S.C. § 437d(a)(1) and (3), and in furtherance of its investigation in the above-captioned matter, the Federal Election Commission hereby orders you to submit written answers to the questions attached to this Order and subpoenas you to produce the documents requested on the attachment to this Subpoena. Legible copies which, where applicable, show both sides of the documents may be substituted for originals.

Such answers must be submitted under oath and must be forwarded to the Office of the General Counsel, Federal Election Commission, 999 E Street, N.W., Washington, D.C. 20463, along with the requested documents within 15 days of receipt of this Order and Subpoena.

9004079364

WHEREFORE, the Chairman of the Federal Election Commission has hereunto set his hand in Washington, D.C. on this 22nd, day of August, 1989.

Danny L. McDonald, Chairman
Federal Election Commission

ATTEST:

Marjorie W. Emmons
Secretary to the Commission

Attachments
4 pages

0004079546 3

## INSTRUCTIONS

In answering these interrogatories and request for production of documents, furnish all documents and other information, however obtained, including hearsay, that is in possession of, known by or otherwise available to you, including documents and information appearing in your records.

Each answer is to be given separately and independently, and unless specifically stated in the particular discovery request, no answer shall be given solely by reference either to another answer or to an exhibit attached to your response.

The response to each interrogatory propounded herein shall set forth separately the identification of each person capable of furnishing testimony concerning the response given, denoting separately those individuals who provided informational, documentary or other input, and those who assisted in drafting the interrogatory response.

If you cannot answer the following interrogatories in full after exercising due diligence to secure the full information to do so, answer to the extent possible and indicate your inability to answer the remainder, stating whatever information or knowledge you have concerning the unanswered portion and detailing what you did in attempting to secure the unknown information.

Should you claim a privilege with respect to any documents, communications, or other items about which information is requested by any of the following interrogatories and requests for production of documents, describe such items in sufficient detail to provide justification for the claim. Each claim of privilege must specify in detail all the grounds on which it rests.

Unless otherwise indicated, the discovery request shall refer to the time period from April 1, 1986 to the present.

The following interrogatories and requests for production of documents are continuing in nature so as to require you to file supplementary responses or amendments during the course of this investigation if you obtain further or different information prior to or during the pendency of this matter. Include in any supplemental answers the date upon which and the manner in which such further or different information came to your attention.

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**DEFINITIONS**

For the purpose of these discovery requests, including the instructions thereto, the terms listed below are defined as follows:

"You" shall mean the named respondent in this action to whom these discovery requests are addressed, including all officers, employees, agents or attorneys thereof.

"Persons" shall be deemed to include both singular and plural, and shall mean any natural person, partnership, committee, association, corporation, or any other type of organization or entity.

"Document" shall mean the original and all non-identical copies, including drafts, of all papers and records of every type in your possession, custody, or control, or known by you to exist. The term document includes, but is not limited to books, letters, contracts, notes, diaries, log sheets, records of telephone communications, transcripts, vouchers, accounting statements, ledgers, checks, money orders or other commercial paper, telegrams, telexes, pamphlets, circulars, leaflets, reports, memoranda, correspondence, surveys, tabulations, audio and video recordings, drawings, photographs, graphs, charts, diagrams, lists, computer print-outs, and all other writings and other data compilations from which information can be obtained.

"Identify" with respect to a document shall mean state the nature or type of document (e.g., letter, memorandum), the date, if any, appearing thereon, the date on which the document was prepared, the title of the document, the general subject matter of the document, the location of the document, the number of pages comprising the document.

"Identify" with respect to a person shall mean state the full name, the most recent business and residence addresses and the telephone numbers, the present occupation or position of such person, the nature of the connection or association that person has to any party in this proceeding. If the person to be identified is not a natural person, provide the legal and trade names, the address and telephone number, and the full names of both the chief executive officer and the agent designated to receive service of process for such person.

"And" as well as "or" shall be construed disjunctively or conjunctively as necessary to bring within the scope of these interrogatories and requests for the production of documents any documents and materials which may otherwise be construed to be out of their scope.

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1. The reports filed by the Anti-Terrorism American Committee State Election Fund disclose the following disbursements. For each of these disbursements, describe in detail any relationship the disbursement has with television advertisements aired in connection with the 1986 Maryland Senate election.

| Vendor/Payee | Date | Amount |
|---|---|---|
| Washington Times | 9-9-86 | $5,944.00 |
| | 10-9-86 | $3,192.50 |
| Rafael Flores | 8-28-86 | $700.00 |
| | 9-3-86 | $1,148.04 |
| | 9-5-86 | $29.31 |
| | 9-15-86 | $297.00 |
| PRAIDS | 8-28-86 | $66.00 |
| | 9-4-86 | $303.65 |
| RADIO-TV Monitoring Service | 9-3-86 | $79.00 |
| Travelworld | 9-4-86 | $600.00 |
| | 10-2-86 | $180.00 |
| | 10-8-86 | $150.00 |
| F. Clifton Smith | 9-5-86 | $1550.00 |
| United Virginia Bank VISA | 8-19-86 | $1500.00 |
| Cash | 8-22-86 | $300.00 |
| ZGS Television Production | 10-2-86 | $217.83 |

2. With respect to the disbursements to the Washington Times noted in Question 1, provide a copy of each advertisement.

3. With respect to the $66.00 disbursement to PRAIDS noted in Question 1, provide a copy of the press release mailed.

4. With respect to the disbursement to United Virginia Bank for VISA charges noted in Question 1, provide an itinerary and itemization of the charges.

5. With respect to the disbursements to Travelworld noted in Question 1, provide an itinerary and itemization of the charges.

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6.= Describe in detail the consulting services performed by F. Clifton Smith for which the $1550.00 payment noted in Question 1 was made.

7. Describe in detail the services and expenses for which the payments to Rafael Flores noted in Question 1 were made.

0004079354569

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

November 9, 1989

**HAND DELIVERED**

Carl R. Channell
2032 Belmont Road, N.W., #608
Washington, D.C. 20009

RE:
MUR 2406

Dear Mr. Channell:

The Federal Election Commission's Office of the General Counsel has made several attempts to notify you of official action taken by the Commission with regard to the above referenced matters. To date, these efforts have been unsuccessful. We are now informed that your address has changed, in that you have moved to another apartment within the same building. Although it is expected that mail addressed to you at the same building, but a different apartment, would be forwarded to you at the new apartment, it is conceivable that this did not occur. Therefore, enclosed, please find copies of letters of notification and other documents relevant to the Commission's investigation of the above referenced matters.

This Office notes your objection to being named as a respondent in these matters, however, before either can be resolved, answers to certain outstanding questions must be received. We are hopeful that each matter can be resolved expeditiously.

You should notify this Office immediately upon receipt of this letter. If you have any questions, contact Sandra H. Robinson, the attorney assigned to these matters, at (202) 376-8200.

Sincerely,

Lawrence M. Noble
General Counsel

Enclosures

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0006222

RECEIVED
FEDERAL ELECTION COMMISSION

HERGE, SPARKS, CHRISTOPHER & BIONDI
ATTORNEYS AT LAW
SUITE 200
8201 GREENSBORO DRIVE
MCLEAN, VIRGINIA 22102
(703) 848-4700

90 MAY 14 AM 10:11

J. CURTIS HERGE
ROBERT R. SPARKS, JR
A. MARK CHRISTOPHER
GEORGE V. BIONDI
DONNA LYNN MILLER
DIANE H. MAHSHIE

TELECOPIER NUMBER
(703) 893-7371

May 11, 1990

RECEIVED
FEDERAL ELECTION COMMISSION
OFFICE OF GENERAL COUNSEL
90 MAY 14 PM 3:12

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

Attention: Sandra Robinson, Esq.
Office of General Counsel

Re: MUR 2406

Dear Sirs:

This is to advise you that Carl R. Channell, a respondent in MUR 2406, passed away on May 7, 1990.

Very truly yours,

J. Curtis Herge

:sbl

0004079471

RECEIVED
FEDERAL ELECTION COMMISSION
SECRETARIAT

90 MAY 14 PM 4:15

BEFORE THE FEDERAL ELECTION COMMISSION

**SENSITIVE**

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| In the Matter of | ) | |
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| Anti-Terrorism American Committee and Anti-Terrorism American Committee State Election Fund and Carl R. Channell, as treasurer; National Endowment for the Preservation of Liberty; Sentinel; Carl R. Channell; American Conservative Trust and Carl R. Channell, as treasurer; American Conservative Trust State Election Fund | ) | MUR 2406 |

GENERAL COUNSEL'S REPORT

I. BACKGROUND

The Commission on August 18, 1989, issued a subpoena to Carl R. Channell for the answers and documents to complete its investigation in this matter. No response has been made to this subpoena.

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II. DISCUSSION

On January 29, 1990, Channell filed the 1989 Year End Reports for his two federal political committees, the American Conservative Trust ("ACT") and the Anti-Terrorism American Committee ("ATAC"). Both committees continue to list Channell's personal residence as their address. ACT disclosed no financial activity for 1989 and apparently is continuing to file reports only because it has outstanding debts. ATAC, however, disclosed $3,000 in receipts with $1,697.76 cash on hand at the beginning of the year, disbursements of $3,414.64 with lending cash on hand of $1,283.12 and debts of $4,818.14.

This Office had prepared a report recommending the Commission issue new subpoenas to Channell for the information and to authorize the filing of a civil suit if the subpoenas were not complied with within 15 days.

On May 7, 1990, Carl R. Channell died at George Washington University Hospital from injuries he sustained when hit by a car near his office in Southeast Washington.

Channell's death makes further investigation in these matters impossible. Furthermore, without Channell, there is no one left to respond on behalf of or to be held responsible for the alleged violations by his organizations.

The information gathered in this matter, as discussed in previous reports, clearly demonstrated that the National Endowment for the Preservation of Liberty ("NEPL"), Sentinel, the American Conservative Trust, the Anti-Terrorism American

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Committee, and the Channell Corporation functioned as alter egos of Carl R. Channell. See, e.g., General Counsel's Report, signed May 1, 1989. Moreover, since sometime in 1987, these organizations have either ceased to exist or functioned with Channell as the only staff or officer. NEPL and Sentinel have been defunct since 1987. The Channell Corporation reportedly file for bankruptcy in 1987. As noted above, ACT and ATAC continued to file reports with the Commission. ACT, however, was inactive and in debt. ATAC had little activity in 1989 and was also in debt. Channell was the treasurer of both ACT and ATAC. They both were listed at his home address.

Only Channell could have answered the Commission's outstanding questions in MUR 2406 or provided any additional information the Commission may have sought. With his death, the investigation cannot proceed beyond the material already obtained, which in itself has been voluminous. Furthermore, as explained in the General Counsel's Report signed May 1, 1989, Channell was the only person who could be held accountable for the alleged violations of these organizations. Without him, there are no staff, no officers, and in fact no organizations.

The investigation and reports to date in MUR 2406 have outlined in considerable detail the scope of the alleged violations, particularly those relating to the advertisements in connection with the 1986 Maryland Senate election. A voluminous record has been produced in MUR 2406. Although some legal issues could be the subject of further Commission deliberation,

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Channell's death has made further deliberation primarily moot or academic.

Therefore, this Office recommends that the Commission close the file in MUR 2406

We note that the Commission has closed the file with respect to deceased respondents in MURs 2073 and 2583.

III. RECOMMENDATIONS

1. Close the file in MUR 2406.

3. Send the attached letters.

5/14/90
Date

Lawrence M. Noble
General Counsel

Attachments
1. Obituary
2. Proposed letters

Staff Assigned: Elizabeth Campbell
George F. Rishel

0004075475

BEFORE THE FEDERAL ELECTION COMMISSION

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| In the Matter of | ) | |
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| | ) | |
| Anti-Terrorism American Committee and Anti-Terrorism American Committee State Election Fund and Carl R. Channell, as treasurer; National Endowment for the Preservation of Liberty; Sentinel; Carl R. Channell; American Conservative Trust and Carl R. Channell, as treasurer American Conservative Trust State Election Fund | ) | MUR 2406 |

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CERTIFICATION

I, Marjorie W. Emmons, recording secretary for the Federal Election Commission executive session on May 22, 1990, do hereby certify that the Commission decided by a vote of 4-2 to take the following actions with respect to the above-captioned matter:

1. Close the file in MUR 2406.

2.

(continued)

3. Send the letters attached to the General Counsel's report dated May 14, 1990.

Commissioners Aikens, Elliott, Josefiak, and McGarry voted affirmatively for the decision; Commissioners McDonald and Thomas dissented.

Attest:

May 23 1990
Date

Marjorie W. Emmons
Secretary of the Commission

0004079547

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

CLOSED

June 6, 1990

**CERTIFIED MAIL**
**RETURN RECEIPT REQUESTED**

The Honorable Beryl Anthony, Chairman
Democratic Congressional Campaign Committee
430 South Capitol, S.E.
Washington, D.C. 20003

RE: MUR 2406

Dear Representative Anthony:

This is in reference to the complaint you filed with the Federal Election Commission on April 28, 1987, concerning Carl R. Channell, the National Endowment for the Preservation of Liberty, Sentinel, the American Conservative Trust, and others.

Based on that complaint, on December 8, 1987, the Commission found that there was reason to believe the National Endowment for the Preservation of Liberty violated 2 U.S.C. §§ 433, 434, 441b(a) and 441a(f); Carl R. Channell violated 2 U.S.C. § 441b(a); Sentinel and the American Conservative Trust State Election Fund violated 2 U.S.C. §§ 433, 434, and 441b(a); and the American Conservative Trust and Carl R. Channell, as treasurer, violated 2 U.S.C. § 433(b)(2), all provisions of the Federal Election Campaign Act of 1971, as amended, and instituted an investigation of this matter. On March 16, 1989, the Commission further found that Carl R. Channell violated 2 U.S.C. § 441b; the National Endowment for the Preservation of Liberty violated 2 U.S.C. §§ 433, 434 and 441b(a); the Anti-Terrorism American Committee and Carl R. Channell, as treasurer, violated 2 U.S.C. §§ 433(c), 434(b), and 441b; and the Anti-Terrorism American Committee and Anti-Terrorism American Committee State Election Fund and Carl R. Channell, as treasurer, violated 11 C.F.R. § 102.5(a).

After considering the impact of the death of Carl R. Channell on this matter, the Commission determined to close the file in this matter on May 22, 1990. 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 Commission's dismissal of this action. See 2 U.S.C. § 437g(a)(8).

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

Sincerely,

Lawrence M. Noble
General Counsel

Enclosure
General Counsel's Reports

0004073947

CLOSED

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

June 6, 1990

Executor
Estate of Carl R. Channell
c/o 2032 Belmont Road, N.W., #606/608
Washington, D.C. 20009

RE: MUR 2406
Carl R. Channell, National Endowment for the Preservation of Liberty; Sentinel; American Conservative Trust and Carl R. Channell, as treasurer; American Conservative Trust State Election Fund; Anti-Terrorism American Committee and Carl R. Channell, as treasurer; Anti-Terrorism American Committee State Election Fund

Dear Sir:

This is to advise you that the entire file in this matter has been closed in this matter and will become part of the public record within 30 days. Should you wish to submit any legal or factual materials to be placed on the public record in connection with this matter, please do so within ten days. Such materials should be sent to the Office of the General Counsel.

Should you have any questions, contact George F. Rishel, the attorney assigned to this matter, at (202) 376-8200.

Sincerely,

Lawrence M. Noble
General Counsel

0004075180

FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

THIS IS THE END OF MUR # 2406

DATE FILMED 8/24/90 CAMERA NO. 3

CAMERAMAN AS

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